JSW STEEL LIMITED

(Incorporated as a public limited company under the Companies Act, 1956 and validly existing under the Companies Act, 2013 (as amended) having **Corporate Identification Number** L27102MH1994PLC152925), **Permanent Account Number** AAACJ4323N
Registered Office and Corporate Headquarters: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra
Tel No: +91-22-4286 1000 **Fax**: +91-22-4286 3000 **Email ID**: jswsl.investor@jsw.in **Website**: www.jsw.in

PRIVATE & CONFIDENTIAL

THIS PLACEMENT MEMORANDUM DATED 20 DECEMBER 2022 IS PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 ISSUED VIDE NOTIFICATION No. LAD-NRO/GN/2021/39 DATED AUGUST 9, 2021 AS AMENDED FROM TIME TO TIME.

PLACEMENT MEMORANDUM

INFORMATION MEMORANDUM FOR ISSUE BY WAY OF PRIVATE PLACEMENT ("**ISSUE**") OF 8,750 (EIGHT THOUSAND SEVEN HUNDRED AND FIFTY) DEBENTURES OF FACE VALUE OF INR 10,00,000 EACH (RUPEES TEN LAKH ONLY) AGGREGATING UPTO INR 875,00,00,000 (INDIAN RUPEES EIGHT HUNDRED AND SEVENTY FIVE CRORE]) ("**ISSUE SIZE**") (REFERRED TO AS "**DEBENTURES**") TO BE ISSUED BY JSW STEEL LIMITED (THE "**ISSUER**"). THIS ISSUANCE WOULD BE UNDER THE ELECTRONIC BOOK MECHANISM FOR ISSUANCE OF DEBT SECURITIES ON A PRIVATE PLACEMENT BASIS AS PER THE SECURITIES AND EXCHANGE BOARD OF INDIA ("**SEBI**") CIRCULAR SEBI/HO/DDHS/CIR/P/2018/05 DATED JANUARY 5, 2018, CIRCULAR SEBI/HO/DDHS/CIR/P/2018/122 DATED AUGUST 16, 2018 AND ANY AMENDMENTS THERETO ("**SEBI EBP CIRCULAR**") READ WITH "UPDATED OPERATIONAL GUIDELINES FOR ISSUANCE OF SECURITIES ON PRIVATE PLACEMENT BASIS THROUGH THE ELECTRONIC BOOK MECHANISM" ISSUED BY BSE VIDE THEIR NOTICE NO.20180928-24 DATED SEPTEMBER 28, 2018, AND ANY AMENDMENTS THERETO ("**BSE EBP GUIDELINES**") TOGETHER WITH THE SEBI EBP CIRCULAR. (THE SEBI EBP CIRCULAR AND THE BSE EBP GUIDELINES ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE "**OPERATIONAL GUIDELINES**"). THE ISSUER INTENDS TO USE WDM SEGMENT OF THE BSE EBP PLATFORM.

THIS PLACEMENT MEMORANDUM IS BEING UPLOADED ON THE BSE EBP PLATFORM TO COMPLY WITH THE OPERATIONAL GUIDELINES AND AN OFFER WILL BE MADE BY ISSUE OF THE SIGNED PLACEMENT MEMORANDUM LETTER AFTER COMPLETION OF THE BIDDING PROCESS ON ISSUE/BID CLOSING DATE, TO SUCCESFUL BIDDER IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RELATED RULES. THE PRESENT ISSUE OF DEBENTURES IS NOT UNDERWRITTEN.

PROMOTER(s)

Name: Mr. Sajjan Jindal Telephone: +91-22-4286 1000 Email id: **ajaykumar.hate@jsw.in**	Name: Ms. Savitri Jindal Telephone: +91-22-4286 1000 Email id: **mggupta@jshl.in**

GENERAL RISK

INVESTMENTS IN NON-CONVERTIBLE SECURITIES INVOLVES A DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN SUCH SECURITIES, UNLESS THEY CAN AFFORD TO TAKE RISKS ATTACHED TO SUCH INVESTMENTS. INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THIS OFFERING. FOR TAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING RISKS INVOLVED IN IT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO STATEMENT OF RISK FACTORS CONTAINED UNDER SECTION 9 OF THIS PLACEMENT MEMORANDUM. THESE RISKS ARE NOT AND ARE NOT INTEDTENDED TO BE A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE NON-CONVERTIBLE SECURITIES OR INVESTOR'S DECISION TO PURCHASE SUCH SECURITIES.

CREDIT RATING

The Debentures have been rated ICRA 'AA' with Stable outlook by ICRA Limited for an amount of INR 875,00,00,000 (Indian Rupees Eight Hundred and Seventy Five Crore) vide its letter 14 December 2022. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and the rating should be evaluated independently of any other rating. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information etc. Please refer to **Annexure C** of this Placement Memorandum for details in respect of the rating, including the press release issued by ICRA Limited.

LISTING

The Debentures are proposed to be listed on the wholesale debt market ("**WDM**") segment of the BSE Limited ("**Stock Exchange**"). The Issuer shall comply with the requirements of the SEBI LODR Regulations to the extent applicable to it on a continuous basis. The Stock Exchange has given its in-principal listing approval for the Debentures proposed to be offered through this Placement Memorandum vide their letter dated 19 December 2022. Please refer to **Annexure F** to this Placement Memorandum for the 'in-principle' listing approval from the Stock Exchange.

COMPLIANCE OFFICER	COMPANY SECRETARY	CHIEF FINANCIAL OFFICER
Name: Lancy Varghese Telephone: +91 22 4286 1000 Email id: csdept.steel@jsw.in	Name: Lancy Varghese Telephone: +91 22 4286 1000 Email id: csdept.steel@jsw.in	Name: Rajeev Pai Telephone: +91 22 4286 1000 Email id: pfg@jsw.in

DEBENTURE TRUSTEE	REGISTRAR TO THE ISSUE	ARRANGER TO THE ISSUE	CREDIT RATING AGENCY
SBICAP Trustee Company Limited Address: : Mistry Bhavan, 4th floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai 400 020. Tel: (91) 22 4302 5500 Contact Person: Prashant Joshi E-mail: dt@sbicaptrustee.com	**KFIN TECHNOLOGIES LIMITED** Registered Office:Selenium Tower-B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Telangana Contact Person: Mr.S.V. Raju Tel: (91) 40 6716 1500/ 2222; Fax: (91) 40 2300 1153 Email: einward.ris@kfintech.com	**ICICI Bank Limited** Address: ICICI Bank Towers, Bandra-Kurla Complex, Mumbai-400051 Tel: + 91 22 4008889 Contact Person: Ms. Naina Agrawal Email: merchantbanking@icicibank.com Website: www.icicibank.com	**ICRA Limited** Address: Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurugram – 122002, Haryana Tel: + 91.11.23357940-41 Contact Person: Mr. Priyesh Ruparelia Email: icra_trustee_info@icraindia.com Website: https://www.icra.in/

ISSUE SCHEDULE

ISSUE / BID OPENING DATE	ISSUE / BID CLOSING DATE	PAY-IN DATE	DEEMED DATE OF ALLOTMENT
December 22, 2022	December 22, 2022	December 23, 2022	December 23, 2022

The Issuer reserves the right to change the issue programme including the Deemed Date of Allotment (as defined hereinafter) at its sole discretion in accordance with the timelines specified in the Operational Guidelines, without giving any reasons or prior notice. The Issue will be open for bidding as per bidding window that would be communicated through BSE EBP Platform.

Coupon	Coupon Payment Frequency	Redemption Date	Redemption Amount
8.25% per annum	Annually	Bullet repayment at the end of 5 years from the Deemed Date of Allotment.	At Par

DETAILS ABOUT ELIGIBLE INVESTORS

All QIBs, and any non-QIB Investors specifically mapped by the Issuer on the BSE EBP Platform, are eligible to bid / invest / apply for this Issue.

The issue of Debentures shall be subject to the provisions of the Companies Act, 2013, as amended (the "2013 Act" or "Companies Act"), the rules notified thereunder, the Memorandum and Articles of Association of the Issuer, SEBI ILNCS Regulations, SEBI LODR Regulations, the terms and conditions of this Placement Memorandum filed with the Exchange(s), the Application Form, the Debenture Trust Deed and other documents in relation to such Issue. Capitalized terms used here have the meaning ascribed to them in this Placement Memorandum.

TABLE OF CONTENTS

1. DEFINITIONS AND ABBREVIATIONS

In this Placement Memorandum, unless the context otherwise requires, the terms defined, and abbreviations expanded below, have the same meaning as stated in this section. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

1.1 Issuer Related Terms

Term	Description
Affiliates	Subsidiaries, associate companies, affiliates and joint ventures of the Issuer
Articles / Articles of Association	Articles of Association of the Issuer, as amended from time to time
Auditors	Ms. SRBC & Co, LLP, Chartered Accountants
Board of Directors / Board	The board of directors of the Issuer and, to the extent applicable, the Committee (as defined hereunder)
Business Day	Shall be a day on which the money market is functioning in Mumbai. If the date of payment of interest / redemption of principal does not fall on a Business Day, the payment of interest / principal shall be made in accordance with SEBI Operational Circular.
Committee	The committee duly constituted by the Board of the Issuer for approving *inter alia*, the Issue
Directors	The directors constituting the Board of the Issuer
Group	The Issuer, its consolidated subsidiaries and jointly controlled entities
The Issuer / JSL / Company	JSW Steel Limited, CIN: L27102MH1994PLC152925, Permanent Account Number AAACJ4323N, incorporated under the Companies Act, 1956 with registered office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
Memorandum or Memorandum of Association	Memorandum of association of the Issuer, as amended from time to time
Registered Office	JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

1.2 Issue Related Terms

Term	Description
Allot/ Allotment/ Allotted	Means the allotment of the Debentures pursuant to this Issue
Applicable Law	Means any statute, national, state, provincial, local, municipal, foreign, international, multinational or other law, treaty, code, regulation, ordinance, rule, judgment, order, decree, bye-law, approval of any Governmental

Term	Description
	Authority, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law of any of the foregoing by any Governmental Authority having jurisdiction over the matter in question, whether in effect as of the date of this Placement Memorandum or at any time thereafter in India
Application Form	Application form forming part of this Placement Memorandum to be issued by the Issuer, after completion of the bidding process, as provided in Annexure Q of this placement memorandum.
Beneficial Owner(s)	Means holder(s) of the Debentures in dematerialized form as defined under section 2 of the Depositories Act
BSE EBP Platform	Electronic Book Provider Platform of BSE Limited for issuance of debt securities on private placement basis
Coupon Rate/ Coupon	8.25% per annum payable annually
Credit Rating Agency	ICRA Limited
Date of Subscription	The date of realisation of proceeds of subscription money in the bank account of ICCL.
Debenture Holder/ Debentureholders / Holders	Means the Eligible Investors who are, for the time being and from time to time, the holders of the Debentures and whose names appear in the register of Beneficial Owners, where the Debentures are held in dematerialized form and in the Register of Debenture Holders where the Debentures are held in physical form upon re-materialisation, if any
Debenture Trustee / Trustee	Means trustee registered under the Debenture Trustee Regulations and acting for and on behalf of and for the benefit of the Debenture Holders, in this case being SBICAP Trustee Company Limited.
Debenture Trustee Agreement / Debenture Trustee Appointment Agreement	The debenture trustee agreement entered between the Issuer and the Debenture Trustee for the appointment of the Debenture Trustee dated 14 December 2022
Debenture Trust Deed	Means the trust deed to be entered between the Issuer and the Debenture Trustee
Debenture Trustee Regulations	Means the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, as amended from time to time
Deemed Date of Allotment	23 December 2022

Term	Description
Depository	Means a depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended from time to time, in this case being NSDL or CDSL
Designated Stock Exchange	BSE Limited (BSE)
Eligible Investors	Has the meaning set forth in the "*Issue Details*" section of this Placement Memorandum
Event of Default	Has the meaning set forth in the "*Issue Details*" section of this Placement Memorandum.
Exchange(s)	BSE
Governmental Authority	Means any: a) government (central, state or otherwise) or sovereign state; b) any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, or any political subdivision thereof; c) international organisation, agency or authority, or d) including, without limitation, any stock exchange or any self-regulatory organization, established under any Applicable Law
Group	JSW Steel Limited, its consolidated subsidiaries and jointly controlled entities
Placement Memorandum	Means this placement memorandum dated 20 December 2022 and includes private placement offer cum application letter (which forms part of the signed and dated Placement Memorandum) prepared and circulated by the Issuer to such Eligible Investors who are successful bidders, in compliance with Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014
Issue	Means issue by way of private placement of the Debentures by the Issuer pursuant to the terms of this Placement Memorandum
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
Record Date	Has the meaning set forth in "*Issue Details*" section of this Placement Memorandum
Register of Debentureholders	Means the register maintained by the Issuer at its registered office as per Section 88 of the Companies Act, 2013 containing the names of the Debentureholders entitled to receive interest in respect of the Debentures on the Record Date, and shall include the register of Beneficial Owners maintained by the Depository under section 11 of the Depositories Act
Registrar/Registrar to the Issue	Means the registrar to this Issue, in this case being KFin Technologies Limited. Please refer to **Annexure B** for consent letter of the Registrar

Term	Description
SEBI Act	Means the Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI NCS Regulations	Means SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021 issued by SEBI, as amended from time to time
SEBI Operational Circular	Means the circular dated 10 August 2021, bearing reference number SEBI/HO/DDHS/P/CIR/2021/613 issued by SEBI.
SEBI LODR Regulations	Means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI, as amended from time to time
SEBI Regulations	Means collectively, SEBI Act, SEBI NCS Regulations, SEBI LODR Regulations and Debenture Trustee Regulations
QIB	Qualified Institutional Buyer

1.3 Conventional General Terms and Abbreviations

Abbreviation	Full form
ASEAN	Association of Southeast Asian Nations
BSE	BSE Limited
Cr	Crore
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant/ DP	A depository participant as defined under the Depositories Act
DP ID	Depository Participant Identification Number
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EBP	Electronic Book Provider
ECS	Electronic Clearing System
Financial Year/Fiscal Year/ FY	Period of 12 (twelve) months commencing from 1 April of each year and ending on 31 March of the immediately next year
GAAP	Generally Accepted Accounting Principles
GAAR	General Anti Avoidance Rule

Abbreviation	Full form
IBC	Insolvency and Bankruptcy Code, 2016, along with applicable rules and regulation(s), as amended from time to time
ICCL	Indian Clearing Corporation Limited
Ind AS	Indian Accounting Standards
INR	Indian Rupees
KSIIDC	Karnataka State Industrial & Infrastructure Development Corporation Limited
KYC	Know Your Customer
MTPA	Million Tonnes Per Annum
N.A.	Not Applicable
NEFT	National Electronic Fund Transfer
NSDL	National Securities Depository Limited
p.a.	Per annum
PAN	Permanent Account Number
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time
PAT	Profit After Tax
RBI	The Reserve Bank of India constituted under the RBI Act
ROC	Registrar of Companies
RTGS	Real Time Gross Settlement
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
TDS	Tax Deducted at Source
UPSI	Unpublished Price Sensitive Information
U.S.	United States of America

2. PARTICULARS OF THE OFFER

A	Financial position of the Company for the last 3 (three) financial years;	Please refer to Section 12.2.1.3 and Annexure K of this Placement Memorandum
B	Date of passing of Board resolution;	Board resolution dated 24 July 2020 and finance committee resolution dated 20 December 2022 (Certified true copies of the Board resolution and finance committee resolution have been annexed in Annexure D)
C	Date of passing of resolution in the general meeting, authorizing the offer of securities;	Shareholder resolution dated 26 July 2016 (Certified true copy of the shareholders resolution have been annexed in Annexure E)
D	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued;	Up to 8,750 (Eight Thousand Seven Hundred and Fifty) listed, rated, unsecured, redeemable, non-convertible debentures of the face value of ₹ 10,00,000 (Indian Rupees Ten lakhs) each, aggregating up to INR 875,00,00,000 (Indian Rupees Eight Hundred and Seventy Five Crore).
E	Price at which the security is being offered including the premium, if any, along with justification of the price;	<u>Non-Convertible Debentures</u> Face Value: ₹ 10,00,000 (Indian Rupees Ten lakhs) each Debenture Issue Price: ₹ 10,00,000 (Indian Rupees Ten lakhs) each Debenture Justification: At par
F	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer, if applicable;	Not Applicable

G	Relevant Date with reference to which the price has been arrived at;	Not Applicable
H	The class or classes of persons to whom the allotment is proposed to be made;	The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures • Banks • Financial Institutions • Insurance Companies • Mutual Funds • Any other investor eligible to invest in these Debentures
I	Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer);	Not Applicable
J	The change in control, if any, in the Company that would occur consequent to the private placement;	Not Applicable
K	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer;	Not Applicable
L	The proposed time within which the allotment shall be completed;	On the Deemed Date of Allotment
N	The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of number	NIL

<table>
<tr><td></td><td>of securities as well as price;</td><td></td></tr>
<tr><td>P</td><td>Amount which the company intends to raise by way of the securities;</td><td>Up to INR 875,00,00,000 (Indian Rupees Eight Hundred and Seventy Five Crore)</td></tr>
<tr><td>Q</td><td>Terms of raising of securities: duration, if applicable, rate of dividend or rate of interest, mode of payment and repayment;</td><td>
<table>
<tr><th colspan="2">Non-Convertible Debentures</th></tr>
<tr><td>Duration, if applicable (Tenor)</td><td>Please refer to page number 116, under Section 20 (Issue Details) of this Placement Memorandum.</td></tr>
<tr><td>Deemed Date of Allotment</td><td>Please refer to page number 118, under Section 20 (Issue Details) of this Placement Memorandum.</td></tr>
<tr><td>Final Redemption Date</td><td>Please refer to page number 118, under Section 20 (Issue Details) of this Placement Memorandum.</td></tr>
<tr><td>Coupon Rate</td><td>Please refer to page number 116, under Section 20 (Issue Details) of this Placement Memorandum.</td></tr>
</table>
</td></tr>
</table>

<table>
<tr><td></td><td></td><td>
<table>
<tr><td>Coupon Payment Date(s)</td><td>Coupon shall be payable on an Annual basis from the Deemed Date of Allotment till redemption of Debentures.</td></tr>
<tr><td>Redemption Premium</td><td>Not applicable</td></tr>
<tr><td>Default Interest</td><td>Refer to Page 120 under Section 20 (Issue Details)</td></tr>
<tr><td>Mode of Payment</td><td>NEFT / RTGS / any other electronic mode / any other permissible mode of payment under Applicable Law.</td></tr>
<tr><td>Mode of Repayment</td><td>NEFT / RTGS / any other electronic mode / any other permissible mode</td></tr>
<tr><td>Rating of Debentures</td><td>‘ICRA ‘AA’ with Stable Outlook annexed as Annexure C.</td></tr>
<tr><td>Redemption Price</td><td>₹ 10,00,000 (Rupees Ten Lakh only) per Debenture plus Coupon, Default Interest and all other amounts payable under the Debentures.</td></tr>
<tr><td>Day Count Basis</td><td>Actual/Actual Basis</td></tr>
</table>
</td></tr>
<tr><td>R</td><td>Proposed time schedule for which the Placement Memorandum is valid;</td><td>Issue / Bid Open Date: 22 December 2022

Issue / Bid Closing Date: 22 December 2022

Pay-In Date: 23 December 2022

Deemed Date of Allotment: 23 December 2022</td></tr>
<tr><td>S</td><td>Purposes and objects of the offer;</td><td>The Issuer shall utilise the proceeds of the Issue for long term working capital purposes, refinancing/ prepayment of debt and capital expenditure purpose.
It shall be ensured that the Issue Proceeds: -
(a) are used in compliance with the Applicable Law, including applicable guidelines on bank finance issued by Reserve Bank of India,</td></tr>
</table>

		(b) are not permitted to be utilized towards activities like investment in capital markets, real estate, acquisition or purchase of land, acquiring equity shares of Indian company/ies, buyback of shares of Indian company, funding of promoter's contribution in the project or any other purpose, which is prohibited under RBI guidelines for bank finance or for refinancing of debt which was used for the said purpose.
T	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	NIL
U	Principle terms of assets charged as security, if applicable;	Not Applicable
V	The details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Company and its future operations;	Please refer to Annexure H of this Placement Memorandum
W	The pre-issue and post-issue shareholding pattern of the Issuer;	Please refer to Annexure O
X	Details of default in annual filing of the Company, if any, under the Companies Act, 2013 and the rules made thereunder.	NIL
Y	Mode of payment for subscription	Identified subscribers may use of the below payment modes for subscription: ▪ Banking channels.

3. FINANCIAL POSITION OF THE COMPANY

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Information</th></tr>
<tr><td>(a)(i)</td><td>The capital structure of the Company in the following manner in a tabular form:
1. The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value) as on September 30, 2022</td><td><table>
<tr><th>Authorised Share Capital</th><th>Amount in ₹ Crores</th></tr>
<tr><td>Equity shares of the par value of ₹ 1 each</td><td>6,015</td></tr>
<tr><td>TOTAL</td><td>6,015</td></tr>
<tr><th>Issued, Subscribed and Paid Share Capital</th><th>Amount in ₹ Crores</th></tr>
<tr><td>Issued and subscribed</td><td>240</td></tr>
<tr><td>Equity shares forfeited</td><td>61</td></tr>
<tr><td>Total</td><td>301</td></tr>
</table></td></tr>
<tr><td></td><td>2. Size of the present offer</td><td>Up to 8,750 (eight thousand seven hundred and fifty) listed, rated, unsecured, redeemable, non-convertible debentures of the face value of ₹ 10,00,000 (Indian Rupees Ten lakhs) each, aggregating up to INR 875,00,00,000 (Indian Rupees Eight Hundred and Seventy Five Crore).</td></tr>
<tr><td></td><td>3. Paid up equity capital
(i) After the offer;
(ii) after conversion of convertible instruments (if applicable)</td><td>This issuance of Debentures will not alter the paid-up capital of the Issuer</td></tr>
<tr><td></td><td>4. Securities premium account
(i) (before the offer)
(ii) (after the offer)</td><td>Not Applicable to this Issue</td></tr>
<tr><td>(a)(ii)</td><td>Details of the existing share capital of the Issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration; and</td><td>Please see clause 12.3.1.1 to 12.3.1.3</td></tr>
<tr><td></td><td>Number and price at which each of the allotments were made in the last 1 (one) year preceding the date of the PM separately indicating the allotments made for considerations other than cash and the details of the consideration in each case;</td><td>NIL</td></tr>
<tr><td>(b)</td><td>Profits of the company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of PM;</td><td>Refer to Section 12.2.1.3</td></tr>
</table>

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Information</th></tr>
<tr><td>(c)</td><td>Dividends paid by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last 3 (three) years;</td><td><table><tr><th>Particulars</th><th>31 March 2020</th><th>31 March 2021</th><th>31 March 2022</th></tr><tr><td>Dividend amounts paid (₹ crore)</td><td>1,190</td><td>483</td><td>1,571</td></tr><tr><td>Interest Coverage Ratio (Profit before Tax, Exceptional Items, Depreciation, Net Finance Charges/ Net Finance Charges)</td><td>3.61</td><td>6.52</td><td>11.31</td></tr></table></td></tr>
<tr><td>(d)</td><td>A summary of the financial position of the company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of PM along with the latest financials for half year ended September 30, 2022;</td><td>Please refer to Section 12.2.1.3 read with Annexure K of this Placement Memorandum</td></tr>
<tr><td>(e)</td><td>Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of PM along with the latest financials for half year ended September 30, 2022; and</td><td>Please refer to Section 12.2.1.3 read with Annexure K of this Placement Memorandum</td></tr>
<tr><td>(f)</td><td>Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the company.</td><td>There have been no changes in accounting policies during the last three years except for the adoption of new IND-ASs.</td></tr>
</table>

4. DISCLAIMERS

This Placement Memorandum is neither a prospectus nor a statement in lieu of a prospectus under the 2013 Act. This Placement Memorandum is prepared in conformity with the SEBI Regulations and the 2013 Act and the rules thereunder. The distribution of this Placement Memorandum and Issue of Debentures to be listed on the WDM segment is being made strictly on a private placement basis. This Placement Memorandum is not intended to be circulated to more than 200 persons in the aggregate in a Financial Year and to any person other than an Eligible Investor. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Placement Memorandum does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the Debentures to the public in general. This Placement Memorandum is uploaded on the BSE EBP Platform to comply with the SEBI EBP Circular and offer will be made by issue of the signed Placement Memorandum and completion of the bidding, to successful bidders. This Placement Memorandum discloses information pursuant to the SEBI NCS Regulations as amended from time to time and shall be uploaded on the BSE EBP Platform to facilitate invitation of bids. This Placement Memorandum shall be available on the wholesale debt market segment of the BSE after the final listing of the Debentures. Upon Issue/Bid Closing Date, the Issuer shall issue a signed Placement Memorandum to the successful bidders who shall be eligible to make an offer by submission of the completed Application Form under the Placement Memorandum.

This Placement Memorandum has been prepared solely to provide general information about the Issuer to Eligible Investors to whom it is specifically addressed and who are willing and eligible to subscribe to the Debentures. This Placement Memorandum does not purport to contain all the information that any Eligible Investor may require. Further, this Placement Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein. Further, since the Issue is being made on a private placement basis, the provisions of Section 26 of the Companies Act, 2013 shall not be applicable and accordingly, a copy of this Placement Memorandum has not been filed with the Registrar of Companies or the SEBI.

Neither this Placement Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Placement Memorandum should not consider such receipt a recommendation to purchase any Debentures. Each Eligible Investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer as well as the structure of the Issue. Potential Eligible Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances. It is the responsibility of potential Eligible Investors to also ensure that they will sell these Debentures in strict accordance with this Placement Memorandum and Applicable Laws, so that the sale does not constitute an offer to the public, within the meaning of the Companies Act, 2013.

Neither the intermediaries nor their agents nor advisors associated with the Issue undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Placement Memorandum or have any responsibility to advise any Eligible Investor or potential Eligible Investor in the Debentures of any information coming to the attention of any other intermediary. By subscribing to the Issue, Eligible Investors shall be deemed to have acknowledged that the Issuer does not owe them a duty of care in this respect. Accordingly, none of the Issuer’s officers (including Principal Officer and/or its directors) or employees shall be held responsible for any direct or consequential losses suffered or incurred by any recipient of this Placement Memorandum as a result of or arising from anything expressly or implicitly contained in or referred to in this Placement Memorandum or any information received by the recipient in connection with this Issue.

The Issuer confirms that, as of the date hereof, this Placement Memorandum (including the documents incorporated by reference herein, if any) contains all information that is material in the context of the Issue, is accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they are made, and is not misleading. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Placement Memorandum or in any material made available by the Issuer to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer. The Issuer certifies that the disclosures made in this Placement Memorandum are adequate and in conformity with the SEBI Regulations. Further, the Issuer accepts no responsibility for statements made otherwise than in the Placement Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Placement Memorandum for investment in the Issue would be doing so at his own risk. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Placement Memorandum or in any material made available by the Issuer to any potential Eligible Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer. The legal advisors to the Issuer and any other intermediaries and their agents or advisors associated with the Issue of Debentures have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the legal advisor to the Eligible Investor or any such intermediary as to the accuracy or completeness of the information contained in this Placement Memorandum or any other information provided by the Issuer. Accordingly, the legal advisors to the Issuer and other intermediaries associated with the Issue shall have no liability in relation to the information contained in this Placement Memorandum or any other information provided by the Issuer in connection with the Issue.

The Issuer does not undertake to update the Placement Memorandum to reflect subsequent events after the date of the Placement Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Placement Memorandum nor any Issue made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Placement Memorandum and the contents hereof are restricted providing information under the SEBI NCS Regulations for the purpose of inviting bids on the BSE EBP Platform only for the Eligible Investors. An offer of private placement shall be made by the Issuer by way of issue of the signed Placement Memorandum to the successful bidders who have been addressed through a communication by the Issuer, and only such recipients are eligible to comply with the relevant regulations/guidelines applicable to them, including but not limited to Operational Guidelines for investing in this issue. The contents of this Placement Memorandum and any other information supplied in connection with this Placement Memorandum or the Debentures are intended to be used only by those Eligible Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

The Issue of the Debentures will be under the electronic book mechanism as required in terms of the Operational Guidelines.

No invitation is being made to any persons other than the Eligible Investors to whom Application Forms along with this Placement Memorandum have been sent. Any application by a person to whom the Placement Memorandum has not been sent by the Issuer shall be rejected without assigning any reason.

Invitations offers, and allotment of the Debentures shall only be made pursuant to this Placement Memorandum. You may not be and are not authorized to (1) deliver this Placement Memorandum or any other information supplied in connection with this Placement Memorandum or the Debentures to any other person; or (2) reproduce in part or full, this Placement Memorandum or any other information supplied in connection with this Placement Memorandum or the Debentures in any manner whatsoever. Any distribution or reproduction of this Placement Memorandum in whole or in part or any public announcement or any announcement to third parties regarding the contents of this Placement Memorandum or any other information supplied in connection with this Placement Memorandum or the Debentures is unauthorized. Failure to comply with this instruction may result in a violation of the 2013 Act, the SEBI Regulations or other Applicable Laws of India and other jurisdictions. This Placement Memorandum has been prepared by the Issuer for providing information in connection with the proposed Issue described in this Placement Memorandum.

Any person who is in receipt of this Placement Memorandum, including the Eligible Investors, shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents without the consent of the Issuer. The recipient agrees to keep confidential all of such information provided (or made available hereafter), including, without limitation, the existence and terms of such transaction, any specific pricing information related to the transaction or the amount or terms of any fees payable to us or other parties in connection with such transaction. This Placement Memorandum may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer.

Neither the delivery of this Placement Memorandum nor any sale of Debentures made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof. The Issuer does not undertake to update the Placement Memorandum to reflect subsequent events after the date of the Placement Memorandum and thus no reliance should be placed on such subsequent events without first confirming its accuracy with the Issuer.

This Placement Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Placement Memorandum in any jurisdiction where such action is not permitted. Persons into whose possession this Placement Memorandum comes are required to inform themselves about and to observe any such restrictions. The Placement Memorandum is made available to the Eligible Investors in the Issue on the strict understanding that it is confidential.

Each person receiving this Placement Memorandum acknowledges that:

Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein; and such person has not relied on any intermediary that may be associated with issuance of Debentures in connection with its investigation of the accuracy of such information or its investment decision.

The Issuer does not undertake to update the Placement Memorandum to reflect subsequent events after the date of the Placement Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Placement Memorandum nor any issue of Debentures made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Placement Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Placement Memorandum in any jurisdiction where such action is required. The distribution of this Placement Memorandum and the offering of the Debentures may be restricted by law in certain jurisdictions. Persons into whose possession this Placement Memorandum comes are required to inform themselves about and to observe any such restrictions. The Placement Memorandum is made available to investors in the Issue on the strict understanding that the contents hereof are strictly confidential and the details provided herein are strictly for the sole purpose of information to the potential investors.

4.1 ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Placement Memorandum contains all information with regard to the Issuer and the Issue which is

material in the context of the Issue, that the information contained in the Placement Memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinion or intentions misleading.

4.2 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under "*Who Can Bid/Apply/Invest"* in the section "*Issue Procedure*" of this Placement Memorandum, who shall be specifically approached by the Issuer. This Placement Memorandum does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person other than the Eligible Investors. Any disputes arising out of this Issue will be subject to the non-exclusive jurisdiction of the courts and tribunals of Mumbai, India. This Placement Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

4.3 DISCLAIMER IN RESPECT OF THE EXCHANGE

As required under the SEBI Regulations, a copy of this Placement Memorandum has been filed with the Designated Stock Exchange. It is to be distinctly understood that submission of this Placement Memorandum to the Designated Stock Exchange should not in any way be deemed or construed to mean that this Placement Memorandum has been reviewed, cleared or approved by the Designated Stock Exchange nor does the Designated Stock Exchange in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Memorandum, nor does the Designated Stock Exchange warrant that the Issuer's Debentures will be listed or will continue to be listed on the Stock Exchange nor does the Designated Stock Exchange take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Designated Stock Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

4.4 DISCLAIMER IN RESPECT OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

As per the provisions of the SEBI Regulations, a copy of this Placement Memorandum is not required to be/has not been filed with or submitted to the SEBI. It is to be distinctly understood that this Placement Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued hereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Placement Memorandum. The issue of Debentures being made on a private placement basis, filing of this document is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Placement Memorandum.

4.5 DISCLAIMER IN RESPECT OF THE CREDIT RATING AGENCY

The ratings by the Credit Rating Agency should not be treated as a recommendation to buy, sell or hold the rated Debentures. The Credit Rating Agency's ratings are subject to a process of surveillance which may lead to a revision in ratings. Please visit Credit Rating Agency's websites http https://www.icra.in/

or contact the Credit Rating Agency's office for the latest information on Credit Rating Agency's ratings. All information contained herein has been obtained by the Credit Rating Agency from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and the Credit Rating Agency in particular, make no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion and the Credit Rating Agency shall not be liable for any losses incurred by users from any use of this publication or its contents. Most entities whose bank facilities / instruments are rated by the Credit Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities / instruments.

In case of partnership/proprietary concerns, the rating / outlook assigned by the Credit Rating Agency is based on the capital deployed by the partners / proprietor and the financial strength of the firm at present. The rating / outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners / proprietor in addition to the financial performance and other relevant factors. Please refer to Annexure C of this Placement Memorandum for the credit rating letters and press release.

4.6 DISCLAIMER OF THE ARRANGER

The Issuer has authorised the Arranger to distribute this Placement Memorandum in connection with the Debentures proposed to be issued by the Issuer.

The Issuer has prepared this Placement Memorandum and the Issuer is solely responsible for its contents. The Issuer will comply with all laws, rules and regulations and has obtained all regulatory, governmental and corporate approvals for the issuance of the Debentures. All the information contained in this Placement Memorandum has been provided by the Issuer or is from publicly available information, and such information has not been independently verified by the Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger for the accuracy, completeness, reliability, correctness or fairness of this Placement Memorandum or any of the information or opinions contained therein, and the Arranger hereby expressly disclaim, to the fullest extent permitted by law, any responsibility for the contents of this Placement Memorandum and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Placement Memorandum or any information or errors contained therein or any omissions therefrom. By accepting this Placement Memorandum, the investor agrees that the Arranger will not have any such liability.

It is hereby declared that the Issuer has exercised due diligence to ensure complete compliance of prescribed disclosure norms in this Placement Memorandum. Each person receiving this Placement Memorandum acknowledges that such person has not relied on the Arranger, nor any person affiliated with the Arranger, in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer and the merits and risks involved in investing in the Debentures. The Arranger: (a) has no obligations of any kind to any invited Investor under or in connection with any Transaction Documents; (b) is not acting as trustee or fiduciary for the investors or any other person; and (c) is under no obligation to conduct any "know your customer" or other procedures in relation to any person on behalf of any investor. Neither the Arranger or its respective officers, directors, , employees are responsible for: (a) the adequacy, accuracy, completeness and/ or use of any information (whether oral or written) supplied by the Issuer or any other person in or in connection with any Transaction Document including this Placement Memorandum; (b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with any Transaction Document; or (c) any determination as to whether any information provided or to be provided to any finance party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

The role of the Arranger in the assignment is confined to marketing and placement of the Debentures on the basis of this Placement Memorandum as prepared by the Issuer. The Arranger has neither scrutinized nor vetted nor has it done any due-diligence for verification of the contents of this Placement Memorandum. The Arranger is authorized to deliver copies of this Placement Memorandum on behalf of the Issuer to Eligible Investors which are considering participation in the Issue and shall use this Placement Memorandum for the purpose of soliciting subscriptions from Eligible Investors in the Debentures to be issued by the Issuer on a private placement basis. It is to be distinctly understood that the use of this Placement Memorandum by the Arranger should not in any way be deemed or construed to mean that the Placement Memorandum has been prepared, cleared, approved or vetted by the Arranger; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Memorandum; nor does it take responsibility for the financial or other soundness of this Issuer, its management or any scheme or project of the Issuer. The Arranger or any of their directors, employees, do not accept any responsibility and/or liability for any expenses paid arising of whatever nature and extent in connection with the use of any of the information contained in this Placement Memorandum.

The investors should carefully read and retain this Placement Memorandum. However, the investors are not to construe the contents of this Placement Memorandum as investment, legal, accounting, regulatory or tax advice, and the investors should consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debentures. This Placement Memorandum is not intended to be the basis of any credit analysis or other evaluation and should not be considered as a recommendation by the Arranger or any other person that any recipient participates in the Issue or advice of any sort. It is understood that each recipient of this Placement Memorandum will perform its own independent investigation and credit analysis of the proposed financing and the business, operations, financial condition, prospects, creditworthiness, status and affairs of the Issuer based on such information and independent investigation as it deems relevant or appropriate and without reliance on the Arranger or on this Placement Memorandum.

4.7 DISCLAIMER IN RESPECT OF THE RESERVE BANK OF INDIA

The Debentures have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this document should not, in any way, be deemed or construed that the Debentures have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the Debentures being issued by the Issuer or for the correctness of the statements made or opinions expressed in this document. Potential investors may make investment decision in the Debentures offered in terms of this Placement Memorandum solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/repayment of such investment.

RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for discharge of liability by the Company.

Neither is there any provision in law to keep, nor does the Company keep any part of the deposits with the RBI and by issuing the certificate of registration to the Company, the RBI neither accepts any responsibility nor guarantee for the payment of the deposit amount to any depositor.

4.8 DISCLAIMER OF THE DEBENTURE TRUSTEE

The Issuer confirms that all necessary disclosures have been made in the Placement Memorandum including but not limited to statutory and other regulatory disclosures. Investors should carefully read and note the contents of the Placement Memorandum. Each prospective investor should make its own independent assessment of the merit of the investment in the Debentures and the Issuer. Prospective investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and suitability of prospective investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in such instruments. The Trustees, ipso facto, do not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the Debentures.

4.9 CONFIDENTIALITY

The information and data contained herein is submitted to each recipient of this Placement Memorandum on a strictly private and confidential basis. By accepting a copy of this Placement Memorandum or any other information supplied in connection with this Placement Memorandum or the Debentures, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the Transaction described herein or will divulge to any other party any such information. This Placement Memorandum or any other information supplied in connection with this Placement Memorandum or the Debentures must not be photocopied, reproduced, extracted or distributed in full or in part to any person other than the recipient without the prior written consent of the Issuer. The provisions of this Paragraph 4.9 shall not apply to secondary market transactions of the Debentures.

4.10 CAUTIONARY NOTE

The Eligible Investors have confirmed that they: (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of purchasing the Debentures, (ii) understand that the Issuer has not provided, and will not provide, any material or other information regarding the Debentures, except as included in this Placement Memorandum, (iii) have not requested the Issuer to provide it with any such material or other information, (iv) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the Debentures, (v) have made their own investment decision regarding the Debentures based on their own knowledge (and information they have or which is publicly available) with respect to the Debentures or the Issuer, (vi) have had access to such information as deemed necessary or appropriate in connection with purchase of the Debentures, (vii) are not relying upon, and have not relied upon, any statement, representation or warranty made by any person, including, without limitation, the Issuer, and (viii) understand that, by purchase or holding of the Debentures, they are assuming and are capable of bearing the risk of loss that may occur with respect to the Debentures, including the possibility that they may lose all or a substantial portion of their investment in the Debentures, and they will not look to the Debenture Trustee appointed for the Debentures for all or part of any such loss or losses that they may suffer.

This Placement Memorandum is not intended to provide the sole basis of any credit decision or other evaluation and should not be considered as a recommendation that any recipients of this Placement Memorandum should invest in the Debentures proposed to be issued by the Issuer. Each Eligible Investor should make its own independent assessment of the investment merit of the Debentures and the Issuer. Eligible Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances. This Placement Memorandum is made available to Eligible Investors on the strict understanding that it is confidential. Recipients shall not be entitled to use any of the information otherwise than for deciding whether to invest in the Debentures.

No person including any employee of the Issuer has been authorized to give any information or to make any representation not contained in this Placement Memorandum. Any information or representation not contained herein must not be relied upon as having been authorized by or on behalf of the Issuer. Neither the delivery of this Placement Memorandum at any time nor any statement made in connection with the offering of the Debentures shall under the circumstances imply that any information/representation contained herein is correct at any time subsequent to the date of this Placement Memorandum. The distribution of this Placement Memorandum or the Application Forms and the offer, sale, pledge or disposal of the Debentures may be restricted by law in certain jurisdictions. This Placement Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures in any jurisdiction to any person to whom it is unlawful to make such offer or invitation in such jurisdiction. Persons into whose possession this Placement Memorandum comes are required by the Issuer to inform themselves about and observe any such restrictions. The sale or transfer of these Debentures outside India may require regulatory approvals in India, including without limitation, the approval of the RBI.

5. ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued only in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The DP's name, DP ID and beneficiary account number must be mentioned at the appropriate place in the Application Form. The Issuer shall take necessary steps to credit the Debentures allotted to the depository account of the investor. The Issuer shall ensure the Debentures are credited to the demat accounts of the Debenture Holders within 2 (two) working days from the Deemed Date of Allotment.

6. CONSENTS

SBICAP Trustee Company Limited has given its written consent for its appointment (annexed hereto as Annexure A) as Debenture Trustee to the Issue and inclusion of its name in the form and context in which it appears in this Placement Memorandum.

7. FORWARD-LOOKING STATEMENTS

Certain statements in this Placement Memorandum are not historical facts but are "forward-looking" in nature. Forward-looking statements appear throughout this Placement Memorandum, including, without limitation, under the section titled "*Risk Factors*". Forward-looking statements may include statements concerning the Issuer's plans, financial performance, the Issuer's competitive strengths and weaknesses, and the trends the Issuer anticipates in the industry, along with the political and legal environment, and geographical locations, in which the Issuer operates, and other information that is not historical information.

The Company may have included statements in this Placement Memorandum, that contain words or phrases such as "will", "would", "aim", "aimed", "will likely result", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will achieve", "anticipate", "estimate", "estimating", "intend", "plan", "contemplate", "seek to", "seeking to", "trying to", "target", "propose to", "future", "objective", "goal", "project", "should", "can", "could", "may", "will pursue" and similar expressions or variations of such expressions, that may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to:

(a) General economic and business conditions in India and other countries (including where the Company has a presence);

(b) The impact of the outbreak of COVID-19 on the global and domestic steel consumption, the Company's operations and liquidity and economic environment;

(c) The Company's ability to successfully implement its strategy, its growth and expansion plans and technological changes;

(d) The Company's ability to manage the increased complexity of the risks that the Company faces following its rapid growth;

(e) Changes in the value of the Indian Rupee and changes in value of other currencies;

(f) Changes in Indian or international interest rates, credit spreads and equity market prices;

(g) Changes in laws and regulations that apply to the Company in India and in other countries where the Company is carrying on business;

(h) Changes in political conditions in India and in other countries where the Company is carrying on business; and

(i) Changes in the foreign exchange control regulations in India and in other jurisdictions where the Company is carrying on business.

The Company undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof. Forward looking statements speak only as of the date of this Placement Memorandum. None of the Issuer, its Directors, its officers or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this Placement Memorandum include, but are not limited to the general economic and political conditions in India and the other countries which have an impact on the Company's business activities or investments, political or financial instability in India or any other country caused by any factor including any terrorist attacks in India, the United States or elsewhere or any other acts of terrorism world-wide, any anti-terrorist or other attacks by the United States, the monetary and interest rate policies of India, political or financial instability in India or any other country caused by tensions between India and Pakistan related to the Kashmir region or military armament or social unrest in any part of India, inflation, deflation, unanticipated turbulence in interest rates, changes in the value of the Indian Rupee, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets and level of internet penetration in India and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environment in India and regional or general changes in asset valuations. For a further discussion on the factors that could cause actual results to differ, see the discussion under "*Risk Factors*" contained in this Placement Memorandum.

8. LIMITS ON DISTRIBUTION

This Placement Memorandum and any other information supplied in connection with this Placement Memorandum are not for distribution (directly or indirectly) in any jurisdiction other than India unless the Issuer has intentionally delivered this Placement Memorandum and any other information supplied in connection with this Placement Memorandum in such jurisdiction and even then only for the limited purpose intended by the Issuer. They are not an offer for sale of Debentures, nor a solicitation to purchase or subscribe for Debentures, in any jurisdiction where such offer, sale or solicitation would be unlawful. The Debentures have not been and will not be registered under the laws of any jurisdiction (other than India; to the extent mandatory under Applicable Laws in India). The distribution of the Placement Memorandum in certain jurisdictions may be prohibited by law. Recipients are required to observe such restrictions and neither the Company nor its respective Affiliates accept any liability to any person in relation to the distribution of information in any jurisdiction.

9. PRESENTATION OF FINANCIAL INFORMATION

Financial Data

In this Placement Memorandum**,** unless otherwise specified, all financial information is of the Group on a consolidated basis. With effect from April 1, 2016, companies in India having a certain threshold net worth, including the Company, are required to prepare financial statements in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IND-AS"). Accordingly, the annual audited consolidated financial statements of the Group as at and for the years ended March 31, 2020, 2021 and 2022, and the unaudited consolidated statement of profit & loss of the Group as at and for the half year ended September 30, 2022 have each been prepared in accordance with IND-AS. The annual audited consolidated financial statements of the Group as at and for the years ended March 31, 2020, 2021 and 2022 are herein referred to as the "Consolidated Financial Statements". The annual audited standalone financial statements of the Company as at and for the years ended March 31, 2020, 2021 and 2022, and the unaudited standalone statement of profit & loss of the Company as at and for the quarter ended September 30, 2022 have been prepared in accordance with IND-AS.

The annual audited standalone financial statements of the Company as at and for the years ended March 31, 2020, 2021 and 2022 are herein referred to as the "Standalone Financial Statements". In making an investment decision, investors must rely on their own examination of the Group, the terms of the offering and the financial information contained in this **Placement Memorandum**. Information in the Consolidated Financial Statements and the Standalone Financial Statements is, unless otherwise stated therein, stated in Indian Rupees in "crore". The annual audited consolidated financial statements of the Group and the annual audited standalone financial statements of the Company as at and for the year ended March 31, 2020, March 31, 2021 and March 31, 2022 have been audited by the Auditors ("**SRB")**. The unaudited consolidated statement of the profit & loss of the Group and the unaudited standalone statement of profit & loss of the Company as at and for the half year ended September 30, 2022 have each been reviewed by SRB. SRB is a member firm of the S.R. Batliboi & Affiliates, a network registered with Institute of Chartered accountants of India.

Non-GAAP Financial Measures

As used in this Placement Memorandum, a non-GAAP financial measure is one that purports to measure historical financial performance, financial position or cash flows, From time to time, reference is made in this Placement Memorandum to such "non-GAAP financial measures", including EBITDA, or (unless otherwise specified) profit before other income and finance costs, tax expense/benefit, depreciation, amortization and exceptional items and share of profit/loss from joint ventures (net), and net debt, or (unless otherwise specified) non-current borrowings plus current borrowings plus current maturities of long term borrowings plus current maturities of finance lease obligations, if any, minus cash and cash equivalents, bank balances other than cash and cash equivalents and current investments. The Group's management believes that EBIT, EBITDA, EBITDA/revenue from operations, profit before tax/revenue from operations, net debt, net worth, net debt to equity ratio, average net worth, return on average net worth, return on average capital employed and other non-GAAP financial measures provide investors with additional information about the Group's performance, as well as ability to incur and service debt and fund capital expenditure, and are measures commonly used by investors.

Comparability of financials

The Group has adopted Ind AS 116 Leases, a new accounting standard which replaced the existing lease standard and became mandatory for reporting periods beginning on or after April 1, 2019. The Company has applied modified retrospective approach for transitioning to Ind AS 116 with the right-of-use assets recognised at an amount equal to lease liability adjusted for any prepayments/accruals recognised in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. Further, as per option available under Ind AS 116, the Company has disclosed lease liability as a separate line item on the face of balance sheet including finance lease obligation recognised and considered as borrowings till March 31, 2019 under erstwhile lease standard. The Company has accordingly disclosed impact of this standard on certain account balances of the Group and the Company in the audited consolidated financial statements and audited standalone financial statements as on March 31, 2020. Such restatements on account of adoption of the new accounting standard have not been carried out for any other period.

Rounding

Certain amounts and percentages included in this Placement Memorandum have been rounded. Accordingly, in certain instances, the sum of the numbers in a column may not equal the total figure for that column.

10. RISK FACTORS

An investment in Debentures involves risks. These risks may inter alia include market volatility and economic, political and regulatory risks, interest rate, equity market and any combination of these and other risks. Some of these are briefly discussed below. Potential Investors and subsequent purchasers of the Debentures should be experienced with respect to transactions in instruments such as the Debentures. Potential Investors and subsequent purchasers of the Debentures should understand the risks and uncertainties associated with an investment in the Debentures and should only reach an investment decision after careful consideration, with their legal, tax, accounting and other advisers, of (a) the suitability of an investment in the Debentures in the light of their own particular financial, tax and other circumstances and (b) the information set out in this Placement Memorandum.

The Debentures may decline in value and marketability and Investors should note that, whatever their investment in the Debentures, the cash amount due at maturity will be equivalent to the face value of the Debentures. More than one risk factor may have simultaneous effect with regard to the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Debentures. All these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency actually occurring.

The risks described below are not the only ones that may adversely affect the Group's ability to make payment on the Debentures. The Group's business, prospects, financial condition, cash flows and results of operations could be materially and adversely affected by any of these risks. Additional risks not currently known to the Group or that the Group currently deems immaterial may also impair the business, prospects, financial condition, cash flows and results of operations of the Group.

The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

This Placement Memorandum also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors including the considerations described below and elsewhere in this Placement Memorandum.

Risks Relating to the Group

The steel industry is cyclical in nature and the Group's performance and profitability is affected by a variety of factors.

The steel industry, like most capital-intensive commodity businesses, is cyclical in nature. Steel prices have fluctuated significantly in the past due to a number of factors such as the availability and prices of raw material, demand, capacity addition, imports/exports, transportation costs, trade measures, conflicts between key global powers etc. Steel prices are also sensitive to the events impacting key consumer industries such as the automotive, construction, packaging, appliance, machinery, equipment and transportation. The cyclical nature of some of these businesses (e.g. automotive, construction, oil and gas) further accentuates these risks.

The Group sells the majority of its products to the domestic market. The Group's revenue from operations within India amounted to Rs. 100,558 crores for the year ended March 31, 2022 (69% of total). The Group may be affected by significant and sustained downturns or disruptions in the Indian markets, especially given that a significant portion of future investments and expansions are expected to be made in India.

Global steel demand recovery post the intial waves of Covid pandemic was better than expected in calendar year 2021, despite continuing supply chain issues and sporadic resurgence of COVID waves in various parts of the world. For calendar years 2022 and 2023, the outlook is highly uncertain on account of the war in Ukraine and its implications on Europe, US China confrontation, slow down in China and rising inflation. A slowdown in key markets like Europe, United States or the emerging economies (China and India) would have a material adverse effect on the profitability of the steel industry. There can be no assurance that the future global events will not have an adverse effect on the Indian economy and the Group's business, financial condition and results of operations.

The COVID-19 pandemic and the disruption caused by various countermeasures to reduce its spread may have adverse consequences

A novel strain of coronavirus ("COVID-19"), first reported in December 2019, spread throughout the world and affected many countries including India, Italy and the United States and more recently China. The COVID-19 pandemic had adverse repercussions on economies and financial markets as many governments reacted by instituting lockdowns, quarantines and imposing restrictions on travel to prevent futher spread untill suitable measures like vaccinations could be made available on a mass scale.
While the vaccination campaigns globally have somewhat mitigated the potential risks, it is not possible to accurately predict a future recurrence, its duration, severity or measures that may be required to counter the same.
The COVID-19 pandemic may also exacerbate many of the other risks described in this "Risk Factors" section, such as slowdown in demand, investor sentiment, impact on movement of goods and people etc, which could impact profitability and credit ratings in turn ability to comply with covenants contained in the agreements that govern the Group's indebtedness.

The COVID-19 pandemic had in the past affected the the steel industry in general and the Group in particular in a number of ways including:

- decline in steel & raw material prices,
- significant disruptions in supply chains,
- reduction in sales volumes due to a decline in demand,
- impact on cash flow and consequently financial condition,
- scaling down/ postponement of capital expenditure, shut down of production facilities,
- shortage of manpower and materials due to restrictions on movement,
- obligation to implement measures to ensure the health and safety of employees and counterparties, resulting in increased costs or operational inefficiencies, and
- opportunity costs/ expenditure on account of social obligations such as providing free medical facilities, hospital beds, ambulance services, diverting supplies of oxygen to meet health emergencies etc to the needy

The steel industry is characterized by heavy reliance on and volatility in the prices of raw materials, including mismatches between trends in prices for raw materials as well as limitations on or disruptions in the supply of raw materials, which could adversely affect the Group's profitability.

Iron ore and coal are the primary raw materials that are used in the production of steel by the Group. In addition, the Group's operations also require substantial amounts of other raw materials and utilities, including various types of limestone, alloys, refractories, oxygen, fuel and gas. The cost of materials consumed accounted for the single largest component of the Group's cost base and amounted to 43 per cent and 62 per cent of total consolidated revenue from operations for the year ended March 31, 2022 and 6 months ended September 30, 2022, respectively. The price and availability of raw materials may be adversely affected by a number of factors that are beyond the Group's control, including interruptions in production by suppliers, demand for raw materials, supplier allocation to other purchasers, price and currency fluctuations and transport costs, among others. In the event that the Group is unable to procure raw materials in sufficient quantities, at acceptable prices, in a timely manner, or at all, the Group's operations may be disrupted, resulting in a reduction of production volumes or complete cessation of production. Any such disruption may adversely impact the Group's business, financial condition and results of operations.

In the past, iron ore mining activities in the state of Karnataka which houses the Group's major facilities were suspended due to certain environmental violations by third party miners. While the Group's technological competence to convert low grade iron ore to higher grade has helped it in meeting raw material requirements in the past, there can be no assurance that any future suspensions would not have a material adverse effect on the Group's business, financial condition and results of operations.

Further, the Group may be at a comparative disadvantage to more integrated competitors who have secure or more diversified sources of key raw materials. Any shortage or termination in supply of raw materials may lead to partial or full closure of the Group's facilities, thereby adversely impacting its production schedules and output.

In recent years, many steel companies have acquired raw materials sources around the world in an effort to limit their exposure to the volatility and instability of the markets for raw materials. To the extent such companies use these raw materials in their own steel production, these acquisitions will further limit the supply of these raw materials available for purchase in the global markets. A prolonged interruption in the supply of raw materials, or failure to obtain adequate supplies of raw materials or coal at reasonable prices or at all, or increases in costs which the Group cannot pass on to its customers, could have a material adverse effect on its business, financial condition, results of operations or prospects. The Group has in the recent pastacquired iron ore mines in India which will reduce the Group's dependence on third parties and provide a continuous supply of part of the requirement of iron ore. While the prices are linked to market, the Group will benefit from consistent supply of the required material of appropriate quality and blend.

The Group is also susceptible to sustained upward movements in the cost of key raw materials and any significant increase in the prices of raw materials would increase the Group's manufacturing costs and adversely affect its business, financial condition and results of operations. For example, the spot prices of iron ore (CFR North China Index Iron Ore Fines 62% Fe) fluctuated between U.S.$80/ton and U.S.$ 160/ton during the last 11 months ended November 30, 2022 while the spot prices of hard coking coal (HCC Premium LV FOB Australia) fluctuated between U.S.$250/ton and U.S.$527/ton during the same period.

***Minimum production requirements in the mining leases of the Company in Karnataka and Odisha*.**

The Group has secured iron ore mining leases in the states of Karnataka and Odisha. As per the terms of lease, royalty payments will have to be made based on the minimum production quantities committed in the lease agreement. This may result in increased costs of operations and affect the business and profit margins of the Group if the committed volumes are not achieved.

Overcapacity and oversupply in the global steel industry may adversely affect the Group's profitability.

The Group's competitiveness and long-term profitability are, to a significant degree, dependent upon its ability to optimize capacity utilization and maintain low-cost and efficient production relative to competitors. Due to the high fixed costs related to steel production, steel producers generally attempt to maintain high capacity utilization rates in order to maintain their profitability. During periods of declining demand, this may result in a significant oversupply of steel and a corresponding decline in steel prices. During periods of economic weakness, overcapacity increases due to weaker demand for steel. Global steelmaking capacity currently exceeds global consumption of steel products. This excess capacity often results in manufacturers exporting significant amounts of steel and steel products at prices that are at or below their costs of production. In addition, oversupply may result in decreased steel prices as well as lower utilization rate. A lower utilization rate would also affect the Group's fixed costs, which cannot be fully reduced in line with production volumes, leading to a higher per unit cost. A decrease in the Group's utilization rate could have a material adverse effect on its business, financial condition and results of operations.

If industry-wide steel inventory levels are high, customers may draw from inventory rather than purchase new products, which would adversely affect the Group's revenue and profitability.

Above-normal industry inventory levels of the Group's customers can cause a decrease in demand for the Group's products and thereby adversely impact its revenue. High industry-wide inventory levels of steel reduce the demand for production of steel because customers can draw from inventory rather than purchase new products. This reduction in demand could result in a corresponding reduction in prices and sales, both of which could contribute to a decrease in profitability. Industry-wide inventory levels of steel products can fluctuate significantly from period to period.

The Group may not be able to successfully implement, sustain or manage its organic growth strategy.

The Group's organic growth strategy includes brownfield and greenfield expansion projects, forward and backward integration, prudent financial management and investing in technology to improve cost efficiency and reduce wastage. However, there can be no assurance that the Group will be able to implement, sustain or manage this strategy successfully. Further, there can be no assurance that the strategy will have the desired outcome.

If the Group grows its business too rapidly or fails to assess risks associated with acquisitions, it may become significantly exposed to debt incurred for the purpose of the acquisitions or investments, which would have an impact on the Group's financial condition.

Further, investments in capacity addition could affect adversely in the event of a sustained slowdown in demand as it could lead to over capacity in the industry and thereby make prices unremunerative. Given that capacity utilisations need to be maintained at high levels, a slowdown in demand could have a material adverse effect on business, financial condition and results of operations.

The Group may need additional capital for pursuing other growth or acquisition opportunities.

The Group may pursue opportunities for further growth identified by the Group. The acquisition of new assets may be dependent upon the Group's ability to obtain suitable financing. There can be no assurance that such funding will be available, and if such funding is made available, that it will be offered on economical terms. Even if the Group succeeds in raising the required resources, such an effort may materially alter the risk profile of the Group and in turn have an adverse effect on its business, financial condition and results of operations.

The Group may reorganize or divest operations/ businesses subsidiaries from time to time.

The Group has multiple business operations located in India and abroad held either directly or through subsidiaries. The Group may reorganise or divest its businesses and subsidiaries as per its judgement which in turn may affect its business, financial condition and results of operations.

The Group's expansion plans require significant expenditure and, if it is unable to obtain the necessary funds for expansion, the Group's business may be adversely affected.

The Group has already invested and proposes to continue to make significant investments towards improving and increasing its existing capacities. To the extent that the Group's capital expenditure requirements exceed its available resources, the Group will be required to seek additional debt or equity financing. Additional debt financing could increase the Group's interest costs and require it to comply with additional restrictive covenants in its financing agreements.

The Group's ability to finance its capital expenditure plans is subject to a number of risks, contingencies and other factors, some of which are beyond its control, including tariff regulations, borrowing or lending restrictions, if any, imposed by the RBI or other regulatory or government organizations and general economic and capital markets conditions. Furthermore, adverse developments in the Indian and international credit markets may significantly increase the Group's debt service costs and its overall costs of funds. Even though a substantial portion of the required debt for the expansion projects is already committed, there can be no assurance that the Group will be able to raise additional financing on acceptable terms in a timely manner or at all. The Group's failure to renew existing funding or to obtain additional financing on acceptable terms in a timely manner could materially and adversely impact the Group's planned capital expenditure, business and profitability.

In the event of adverse market conditions, or if actual expenditure exceeds planned expenditure, the Group's external financing activities and internal sources of liquidity may not be sufficient to support current and future expansion plans, and the Group may be forced to, or may choose to, delay or terminate the expansion of the capacity of certain of its facilities, the construction of new facilities or the acquisition of new businesses. The Group's ability to arrange external financing and the cost of such financing, as well as the Group's ability to raise additional funds through the issuance of equity, equity-related or debt instruments in the future is dependent on numerous factors. These factors include general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investor confidence in the Group, the success of the Group, provisions of tax and securities laws that may be applicable to the Group's efforts to raise capital, the political and economic conditions in the geographic locations in which the Group operates, the amount of capital that other entities may seek to raise in the capital markets, the liquidity of the capital markets and the Group's business, financial condition and results of operations.

With increasing focus on environment and pollution, use of alternate technologies to curtail emissions, certain investors and lenders have started focus on these parameters as a part of their decision making process. Any inability to achieve accepted global benchmarks on this front could potentailly make funding expensive or unavailable.

Further, any debt the Group may raise may be required to be rated by credit rating agencies on an ongoing basis. Any fall in ratings for existing debt may impact the Group's ability to raise additional financing or may increase the cost of servicing debt due to renegotiation of lending terms by the Group's lenders.

Further, the Group may not be able to receive adequate debt funding on commercially reasonable terms in India and may be required to seek funding internationally, which may result in exposure to higher interest rates and may have a material adverse impact on the Group's business, financial condition and results of operations. There can also be no assurance that the actual costs incurred, the production capacity added or time taken for implementation of the Group's expansion plans will not vary from the estimated parameters. In the event of any significant cost overruns, the Group may need to incur additional indebtedness or may need to raise capital through other sources, which may have a material adverse impact on its business, financial condition and results of operations.

The Group is subject to comprehensive central, state, local and other laws and regulations that could increase the cost and alter the manner or feasibility of carrying the Group's business.

The Group's operations are regulated extensively at the central, state and local levels in India as well as in other countries where it operates. Environmental and other governmental laws and regulations have increased the Group's costs to plan, design, install and operate its facilities. Under such laws and regulations, the Group could also be liable for personal injuries, property damage and other damages. Failure to comply with these laws and regulations may result in the suspension or termination of the Group's operations and subject it to administrative, civil and criminal penalties. Moreover, public interest in environmental protection has increased in recent years, and environmental organizations have opposed, with some success, certain mining projects. There is also increasing effort globally, to limit climate change, including in India, and to move towards a stricter carbon emission regulation regime, the impact of which may be adverse to the Group's business and operations. Any move in future either in India or globally to create disincentives on carbon emissions could impact the cost of production, viability of operations, access to certain markets etc. Further, the efficacy of alternate technologies like hydrogen etc is not yet proven. In absence of availability of scrap steel, the blast furnace route continues to be the most efficient route to making steel in India, the largest market and production base for the group.

Part of the regulatory environment in which the Group operates includes, in some cases, legal requirements for obtaining environmental assessments, environmental impact studies and/or plans of development before commencing production activities. Any expiration or delay of approvals could prevent the Group from carrying out certain aspects of its operations, which may be adverse to the Group's business and results of operations. In addition, the Group's activities are subject to regulations regarding conservation practices and protection of correlative rights. These regulations may affect the Group's operations. The construction and operation of the Group's facilities have previously faced opposition from local communities where these projects are located and from special interest groups due to the perceived negative impact they may have on the natural and cultural heritage. Any actions taken by them in response to such concerns could compromise the Group's profitability or, in extreme cases, the viability of an operation or the development of new activities in the relevant region. There are certain cases filed against the Group alleging violation of environmental laws. Even if no orders are passed against the Group, it may have to bear the expense of various litigations and if any order is passed against it, it could have an impact on continuation of its business operations and reputation. It may have to pay the penalty and related charges, and its financial condition and results of operations could be adversely affected.

The Group is subject to notices and claims, from governmental authorities from time to time. The Group in their ordinary course of business, disputes, resolves and takes action to respond to such claims, which may be in relation to payment of taxes, or claims levied by statutory authorities.

The Group has incurred significant indebtedness and may incur further debt. The Group's substantial indebtedness and the conditions and restrictions imposed by the Group's lenders and the terms of any future debt obligations may restrict the Group's ability to conduct its business and operations.

As on September 30, 2022, the Group had total gross borrowings (non-current borrowings plus current borrowings plus current maturities of long-term borrowings) of Rs. 75, 559 Crore. The Group may incur additional indebtedness in the future for expansion, working capital or other business requirements. Any unfavorable increase in leverage levels may adversely impact the Group's ability to raise further resources.

The Group's substantial indebtedness could have several important consequences. For example, it could:

- increase the Group's vulnerability to general adverse economic and industry conditions;
- require the Group to dedicate a substantial portion of its cash flow from operations to payments on its indebtedness, thereby reducing the availability of its cash flows to fund working capital, capital expenditures, acquisitions, joint ventures and other general corporate purposes;
- limit the Group's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates;
- place the Group at a competitive disadvantage compared to its competitors that have less debt;
- impair the Group's ability to pay dividends in the future; and
- limit the Group's ability to obtain financing in the future for working capital, capital expenditures, acquisitions or other purposes on acceptable terms, on a timely basis or at all.
- Further, given the cyclicity of the Group's business, profitability tends to be severely impacted in a down cycle and could significantly magnify the leverage levels.

Many of the existing agreements with the Group's lenders contain restrictive covenants that require it to obtain the prior consent of its lenders to take certain actions, including raising additional debt, making investments, declaration of dividends, alteration of capital structure, making changes to constitutional documents and merging, amalgamating or consolidating with any other company, issuing additional securities, issuing guarantees and selling significant assets, among others. In addition, certain of the Group's financing arrangements include covenants to maintain certain debt to EBITDA ratios, debt to equity ratios, debt coverage ratios and certain other liquidity ratios, and there can be no assurance that such financial covenants will not hinder business development and growth. The Group has, in the past, sought waivers for certain of these covenants from some of its lenders and it may need to do so again in the future, with no assurance that any such waiver will be granted. Any breach of these covenants and in the absence of a waiver of all of such breaches by the concerned lender, such lender may call for immediate repayment of the entire outstanding amount of the loan or such breach may result in a cross default under other indebtedness, which may adversely affect the Group's business, financial condition and results of operations.

As at March 31, 2022, the Group had total contingent liabilities of Rs. 8,131 Crore as per IND-AS 37 — "Provisions, contingent liabilities and contingent assets". These included contingent liabilities on account of guarantees, disputed claims and levies. If these contingent liabilities fully, or substantially, materialize, the Group's business, financial condition and results of operations may be adversely affected.

The Group faces substantial competition, both from Indian and international steel producers, which may affect its prospects.

The Indian steel industry is highly competitive. The major integrated producers in India produce most of the flat steel products in India including hot rolled coils, cold rolled coils and galvanized steel and account for most of the steel production in India. In addition to these major integrated producers, the Group also competes with certain non-integrated steel producers, which manufacture value-added steel products as well as long steel products.

In the past, competing domestic steel producers have increased their manufacturing capacity which at times intensified domestic competition with the ramping up of new facilities by these competitors. Some of the Group's domestic competitors may possess an advantage over the Group due to various reasons, such as captive raw material sources, greater economies of scale, integrated manufacturing facilities, specialization in production of value-added or niche products and greater presence in certain markets. Maintaining or increasing the Group's market share will depend on effective marketing initiatives and the Group's ability to anticipate and respond to various competitive factors affecting the industry, including technological changes, product innovation, pricing strategies and changes in customer preferences.

The Group also faces competition from international steel producers. Some of the Group's international competitors may have greater financial and other resources. The Group may also face competition from new companies that are emerging which may attempt to obtain a share in the Group's existing markets, including steel producers from China. These factors, among others, have intensified the competition from global steel players and there can be no assurance that the Group will be able to compete successfully in the future against its existing or potential competitors or that increased competition with respect to its activities may not have an adverse effect on the Group's business, financial condition and results of operations.

Further, in the past, India has witnessed rising imports of steel, especially from countries such as Japan and South Korea with whom India has signed free trade agreements and steel manufacturers from these jurisdictions pose significant competition for the Group. Steel imports from South Korea, Japan and ASEAN countries have the benefit of concessional duty rates prevailing under bilateral and multilateral trade agreements, which could make the Group's products relatively more expensive.

The Group has undertaken, and may undertake in the future, strategic acquisitions, which may require the incurrence of material indebtedness, may be difficult to integrate, and may end up being unsuccessful. There can be no assurance that such acquisitions will be successful, will result in a positive outcome or, in certain instances, will not result in a material adverse effect on the Group's financial position or results of operations.

The Group may not be able to successfully complete its planned acquisitions and, even if it succeeds at acquiring any businesses, the Group's ability to achieve the benefits it anticipates from future acquisitions will depend in large part upon whether it is able to integrate the acquired businesses into the rest of the Group in an efficient and effective manner. The integration of acquired businesses and the achievement of synergies depend to great extent on synchronising business activities and work culture and practices, alignment of products, sales and marketing operations, compliance and control procedures, research and development activities and information and software systems among other things. Any difficulties encountered in combining operations could result in higher integration costs and lower savings than expected. Integration of certain operations also requires the dedication of significant management resources, and time and costs devoted to the integration process may divert management's attention from day to day business.

In addition, the Group may make further acquisitions which may require the Group to incur or assume substantial new debt, expose it to future funding obligations and expose it to integration risks, and the Group cannot assure prospective investors that such acquisitions will contribute to its profitability. The failure to successfully integrate an acquired business or the inability to realize the anticipated benefits of such acquisitions could materially and adversely affect the Group's business, financial condition and results of operations.

The Group may from time to time evaluate strategic acquisitions, which may be in various stages and the final outcome of which is inherently uncertain.

As part of its growth strategy, the Group may from time to time evaluate strategic transactions which may be in various stages, including the submission of bids (including binding bids) for a particular target company or asset and the negotiation of contracts and other items with respect thereto. Although the Group conducts business, financial and legal due diligence in connection with the evaluation of business or acquisition opportunities, there can be no assurance such due diligence investigations will identify every matter that could have a material adverse effect on the Group should the acquisition take place. These include the possibility that the acquired business or asset does not perform as expected, the possibility that the price paid for the acquisition is more than the value that can be derived from such acquisition and the risk of less cash available for operations and the incurrence of additional indebtedness to finance the acquisition as well as that of the target entity, among others. Any of these factors could materially and adversely affect the Group's business, financial condition and results of operations.

The Group operates a global business and its financial condition and results of operations are affected by the local conditions impacting countries where it operates.

The Group operates a global business and has facilities and/or interests in India, the United States, Italy and Mozambique, among others. As a result, the Group's financial condition and results of operations are affected by political and economic conditions impacting countries where it operates.

The Group faces a number of risks associated with its operations, including challenges caused by distance, local business customs, languages and cultural differences and adverse changes in laws and policies, including those affecting taxes and royalties on energy resources. Other risks may relate to labour, local competition law regimes, environmental compliance and investments, procedure for obtaining licenses, permits or other regulatory approvals, adverse effects from fluctuations in exchange rates, multiple and possibly overlapping or conflicting standards and practices of the regulatory, tax, judicial and administrative bodies in foreign jurisdictions, political strife, social turmoil, deteriorating economic conditions, military hostilities, acts of terrorism, natural disasters, epidemics or outbreaks such as avian flu, swine flu, monkeypox, severe acute respiratory syndrome or the COVID-19 pandemic. In addition, the infrastructure of certain countries where the Group operates its business, in particular India and Mozambique is less developed than that of many developed nations and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt the Group's normal business activities.

Any failure on the Group's part to recognize and respond to these risks may materially and adversely affect the success of its operations, which in turn could materially and adversely affect the Group's business, financial condition and results of operations.

Failure to secure power or water in sufficient quantities may impact operations.

The Group's production processes require, and the proposed expansions will require, a stable supply of electricity in large quantities. The entire production process may cease if there is insufficient power or a suspension in the power supply. Currently, a substantial portion of the Group's electricity requirements at Vijayanagar Works is met from its captive power plants and balance from JSW Energy Limited, a company belonging to the same Promoter Group. The Group's electricity requirements at Vasind, Tarapur and Kalmeshwar Works are largely sourced from JSW Energy Limited, the remainder being sourced from the Maharashtra State Electricity Board. At Salem Works, the power requirements are largely met from captive power plants and the balance from Tamil Nadu Electricity Board. At Dolvi Works, the power requirements are met from its captive power plant and a long-term power purchase agreement with JSW Energy Limited. The power requirements at the plants of Bhushan Power and Steel are largely met from captive sources. The Group also has arrangements in place to source power from JSW Energy Limited, incase of requirement.

In the event that there is any disruption to the electricity supply due to events beyond the Group's control, such as natural calamities or sabotage, the Group's operations will be adversely affected. The Group also relies on water supplied from the Tungabhadra Dam, the Almatti Dam, the Mettur Dam and the Amba River to operate the cooling systems at its facilities. If the sources supplying these facilities dry up or if a drought occurs, the Group may suffer from water supply shortages and the production facilities may be forced to cease operations. Lower monsoon rainfall in parts of South India in 2017 resulted in acute water scarcity in several parts of India.

Although there has not been any major shortage of electricity or water supply, there can be no assurance that the level of supply required by the Group can be maintained at a low cost or at all. Any significant increase in utilities cost or any interruption in utility supply will not only increase the Group's cost of production, but will also impact the Group's business operations.

The Group's steelmaking operations involve hazardous processes that can cause personal injury and loss of life, severe damage to and destruction of property and equipment and environmental damage, as a result of which the Group could suffer material liabilities, loss of revenues and increased expenses.

The Group's steelmaking operations are subject to various risks associated with the inherently hazardous production of steel. Hazards associated with the Group's steelmaking operations include accidents involving moving machinery, on-site transport, forklifts and overhead cranes, explosions, and resulting fires, in blast furnaces, coke ovens, steam generators and annealing ovens, fires in control rooms, electrical switch rooms, cable tunnels and vaults, transformers and lubricating oil rooms, fires caused by contact of molten metal in blast furnaces, open hearth furnaces, spills and spattering of molten materials; extreme temperatures, vibration and noise, and exposure to, through inhalation or contact with, hazardous chemicals including acids, ammonia, asbestos, carbon monoxide and various dusts such as coal dust and silica. These hazards may cause severe damage to and destruction of property and equipment, environmental damage and personal injury or even fatalities among the Group's personnel, which may result in temporary or lengthy interruptions of operations, damage to the Group's business reputation and corporate image and the imposition of civil and criminal liabilities.

The Group's employees, members of the public or government authorities may bring claims against the Group arising out of these hazardous production processes. If it is determined by the appropriate authorities that provisions and measures for safety within the Group's premises are inadequate, the licenses granted to the Group for operations at such premises may be revoked, thereby adversely affecting its business, financial condition and results of operations. Such events may also adversely affect public perception of the Group's business and the perception of its suppliers, customers and employees, leading to an adverse effect on the Group's business, financial condition and results of operations.

The Group may not be able to complete land acquisition and related formalities for its planned or any future expansion plans in a timely and cost-efficient manner. Further, if the Group becomes involved in any land related disputes in the future, for any reason, the resolution of such disputes may take considerable time and expense.

Uncertainty of, or imperfection in, title to land may impede the processes of any future acquisition, verification and transfer of title to land by the Group. As registration of land title in India is not centralized and has not been fully computerized as yet, title to land may be defective as a result of a failure on the part of a present holder or on the part of a prior transferee to obtain necessary consents or to duly complete stamping and registration requirements. The Group may also be exposed to risks associated with the acquisition and ownership of land based on inaccurate, incomplete, dated or illegible information in local land records. However, any disputes in respect of land title that the Group may become party to in the future may take several years and considerable expense to resolve if they become the subject of court proceedings and may thereby adversely affect the Group's business, financial condition and results of operations.

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 has provisions that include a requirement of obtaining the consent of up to 80 per cent of affected families, including those whose land is acquired, for projects by the private companies and consent of 70 per cent of the affected families in the case of public private partnership projects. It also provides for compensation, which is calculated basis the market value of the land and which may be significantly higher than then existing practice in rural and urban areas. The law increases the rigour of securing land for expansion and new projects and can result in cost and time overruns.

Certain portion of land where the Company's plant at Vijayanagar is situated and which was allotted by the Government of Karnataka by way of lease with sale deeds executed with the Government of Karnataka. The Company cannot assure you that the permanent transfer of title, in respect of such

portion of the land, in its favor, as required under the lease with sale deeds, will be completed in a timely manner.

The Company set up the Vijayanagar plant in 1994 after obtaining the necessary approvals from the Government of Karnataka. The Company executed a lease-with-sale deed with the Government of Karnataka, in 2006 ("**2006 Agreement**") for a parcel of land of 2,000.58 acres ("**2006 Parcel**"), which forms part of the land on which the Vijayanagar plant is situated. Subsequently, with a view to expanding the facilities, the Company executed another lease-with-sale deed in 2007 ("**2007 Agreement**") for a parcel of land of 1,700 acres. The 2006 Agreement stipulated that, subject to the Company complying with the terms of the agreement, the Government of Karnataka would be obliged to execute a sale deed in favor of the Company on the commissioning of the industrial unit set up on the 2006 Parcel. Similarly, the 2007 Agreement stipulated that, subject to the Company complying with terms of the agreement, the Government of Karnataka would be obliged to execute a sale deed in favor of the Company ten years from the date of the 2007 Agreement. The Company has complied with all terms of both agreements and has made attempts to initiate the process of the transfer of the title. However, the title of such land parcels has not been transferred to the Company as of the date of this Placement Memorandum. Government of Karnataka, in its government order dated 06.05.2021 ("2021 GO"), approved the proposal to execute the sale deeds in respect of the 2006 Agreement and 2007 Agreement in favour of the Company. However, as no action was taken pursuant to the 2021 GO, the Company has filed a writ petition before the Hon'ble Karnataka High Court seeking directions to the Government of Karnataka to execute the sale deeds in favour of the Company. The Company cannot assure you that such transfer will take place in a timely manner or at all. Such uncertainty of, or imperfection in, title to land may impede the processes of any verification and transfer of title to land by the Company. The Company may be exposed to unexpected risks with respect to the land parcels.

The Group's business is dependent on its manufacturing facilities and the loss, or shutdown, of operations at any of its manufacturing facilities or strikes, work stoppages or increased wage demands by its employees may have an adverse effect on the Group's business, financial condition and results of operations.

The Group's facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, production outages, labour disputes, natural disasters, industrial accidents and the need to comply with new directives of the relevant government authorities. The Group is required to carry out planned shutdowns of its various plants for routine maintenance, statutory inspections and testing. The Group also needs to shut down its various plants, from time to time, for capacity expansions and equipment upgrades. Any disruptions in the operations of the Group's manufacturing facilities may have a material adverse impact on its business, financial condition and results of operations.

While the Group takes precautions to minimize the risk of any significant operational problems at its manufacturing facilities, there can be no assurance that the Group's business, financial condition and results of operations will not be adversely affected by disruptions caused by operational problems at its manufacturing facilities.

It has also employed contract labourers at various locations. The number of employees may increase as the Group's proposed expansion plans are implemented. Currently, employees at most of the Group's locations are not represented by labour unions. While the Group considers its current labour relations to be good, there can be no assurance that it will not experience future disruptions in its operations due to disputes or other problems with its employees, which may adversely affect the Group's business and results of operations.

The Group's ability to meet future business challenges depends on its ability to attract and recruit talented, skilled and professionally qualified personnel, which may be affected by strong competition and increasing wage demands to recruit and retain such personnel. The loss of key personnel or any inability to manage the attrition levels in different employee categories may materially and adversely impact the Group's business, its ability to grow and its control over various business functions.

The Group relies on contractors for the implementation of various aspects of its regular as well as expansion activities and is therefore exposed to execution risks, including in relation to the timing or quality of their services, equipment or supplies.

The Group relies on the availability of skilled and experienced contractors for certain portions of its regular semi-skilled and unskilled workforce at its steel processing facilities. The execution risks the Group faces include the following:

- contractors hired by the Group may not be able to complete construction and installation on time, and within budgeted costs or to the agreed specifications and standards;
- as the Group expands, it may have to use contractors with whom it is not familiar, which may increase the risk of cost overruns or lower or no return on capital, construction defects and failures to meet scheduled completion dates; and
- the Group's regular labour contractors may engage contract labourers and although the Group does not engage such labourers directly, it may be held responsible under Indian laws for wage payments to such labourers should the Group's contractors default on wage payments. Any requirement to fund such payments may adversely affect the Group's business and results of operations.

Furthermore, as a result of increased industrial development in India in recent years, the demand for contractors and agencies with specialist design, engineering and project management skills and services has increased, resulting in a shortage of and increasing costs of services of such contractors and agencies. The Group cannot be certain that such skilled and experienced contractors and agencies will continue to be available to it at reasonable rates in the future. Any deterioration in the Group's relationships with its identified contractors and customers or its failure to negotiate acceptable terms may result in the Group incurring substantial additional costs, beyond its budgeted expenditure, in identifying and entering into alternative arrangements with other contractors.

Further, third party contractor defaults that disrupt or otherwise affect the Group's operations and that are not adequately resolved or cured in a timely manner may render the Group liable to regulatory intervention, cause damage to its reputation, and adversely affect its business, financial condition and results of operations.

Technologies and equipment may become obsolete in absence of continued investments, resulting in adverse impact on the Group's business, results of operations and financial condition.

The Group's profitability and competitiveness depend in large part on its ability to maintain a low cost of operations. While the Group believes that it has a strong focus on research and development and has achieved significant technological advancements, if it is unable to respond or adapt to changing trends and standards in technologies and equipment, or otherwise adapt its technologies and equipment to changes in market conditions or requirements, in a timely manner and at a reasonable cost, the Group may not be able to compete effectively and its business, financial condition and results of operations may be adversely affected.

Uncertainties in connection with the acquisition of Bhushan Power and Steel Limited.

The Group had submitted a resolution plan (the "BPSL Resolution Plan") in respect of Bhushan Power and Steel Limited ("BPSL"), under the provisions of the Bankruptcy Code. The Committee of Creditors of BPSL (BPSL Committee of Creditors) unanimously approved the BPSL Resolution Plan and the Resolution Professional issued a Letter of Intent to the Group on February 11, 2019, which was duly accepted by the Group. The Resolution Professional subsequently filed an application with the Delhi Bench of NCLT for approval of the BPSL Resolution Plan under section 31 of the Bankruptcy Code.

Subsequently, one of the former directors of BPSL challenged the corporate insolvency resolution process ("CIRP") in relation to BPSL before the High Court of Punjab and Haryana ("P&H High Court"). The P&H High Court had by its order dated April 18, 2019, directed the NCLT to decide the issue regarding objections raised by the former director of BPSL before passing any other order in the matter. However, the Supreme Court ("SC") stayed the order of the P&H High Court by its order dated July 3, 2019.

The NCLT, by its order dated September 5, 2019 (the "September Order"), approved the BPSL Resolution Plan, with certain modifications besides not granting certain reliefs sought by the Group. The Group filed an appeal before the NCLAT against the September Order ("JSW Appeal").

While the JSW Appeal was pending, the Directorate of Enforcement ("ED") issued a provisional attachment order dated October 10, 2019 ("PAO") whereby it attached assets of BPSL's Odisha plant. The PAO was thereafter challenged by the BPSL Committee of Creditors before the SC by way of a special leave petition which stayed the operation of the PAO ("BPSL CoC's SLP"). The NCLAT ruled in favor of the Group vide its judgment dated February 17, 2020 ("NCLAT Judgment"), wherein it categorically upheld the protection afforded under section 32A of the IBC and dismissed the objections of various operational creditors, ED and the former promoters of BPSL. The former promoters of BPSL, certain operational creditors and the ED filed appeals in the SC ("SC Appeals") against the NCLAT Judgment. On March 6, 2020, the SC admitted the SC Appeals and clubbed the same with BPSL CoC's SLP. The matter has since been pending before SC.

Pending the adjudication of the SC Appeals, the Group implemented the BPSL Resolution Plan on March 26, 2021 on the basis of the following:

a. statement given by the BPSL Committee of Creditors recorded in the order of the SC dated March 6, 2021,
b. subsequent mutual understanding between the erstwhile BPSL Committee of Creditors and the Group that provides an option/right to the Group to unwind the transaction in case of unfavourable SC ruling on certain specified issues and
c. considering the judgment dated January 19, 2021 passed by the Hon'ble Supreme Court in Manish Kumar v. Union of India (W.P.(C) No. 26 of 2020) which held that validity and constitutionality of section 32A of the Insolvency and Bankruptcy Code, 2016.

Pursuant to the implementation of the BPSL Resolution Plan, which inter-alia included payment to the financial creditors of BPSL the Group and JSW Shipping and Logistics Pvt. Ltd. ("JSLPL") acquired joint control of BPSL with effective shareholding in the ratio of 51% and 49% respectively.

The Group also had invested Rs.41,000 million in Optionally Fully Convertible Debentures ("OFCD"). The option has since been exercised on October 1, 2021 and acquired control on BPSL making it a subsidiary of the Group with an equity stake of 83.28%.

The Group continues to face uncertainties connected with the final outcome of the SC Appeals. In the event of an adverse decision, the Group may have to examine the option to unwind the transaction.

The Group faces risks relating to its joint ventures.

The Group has in the past entered into, and may from time to time in the future enter into, joint venture agreements. The Group may have limited control on the decision making in these projects ventures. If there is a disagreement between the Group and its partners in a joint venture regarding the business and operations of the project, there can be no assurance that it will be able to resolve such disagreements in a manner that will be in the Group's best interests. Certain major decisions, such as selling an equity interest in the joint venture may require the consent of other partners. These limitations may adversely affect the Group's ability to obtain the economic and other benefits it seeks from participating in these projects. Further, the Group's joint venture partners may have economic or business interests or goals that are inconsistent with those of the Group, or they may take actions contrary to the Group's instructions, requests, policies or objectives, or be unable or unwilling to fulfill their obligations; withdraw technology licenses provided, have financial difficulties; or have disputes as to their rights, responsibilities and obligations. Joint venture partners of the Group may also enter into business partnerships with competitors of the Group after the expiry of applicable non-compete periods, if any. Any of these and other factors may have a material adverse effect on the Group's joint venture projects, which may in turn materially and adversely affect the Group's business, financial condition and results of operations.

Some of the Group's overseas operations are currently operating at low production levels, such as those in the U.S. and Italy, and have been making losses in the past and there can be no assurance that these operations will provide desirable returns in the near future.

The Group has made significant investments in the plate and pipe mill, steel mill and coal mining assets in the U.S. The US operations were profitable in fiscal year 2022 despite low capacity utilization but contraction of spreads in the U.S. market could have an unfavourable impact on the results of US Operations in future. For fiscal year 2022, 0.29 million net tons of plates, 0.013 million net tons of pipes and 0.63 million net tons of liquid steel were produced from the Group's U.S. units with capacity utilization of 31.0 per cent., 3.0 per cent. and 42 per cent., respectively. Similarly, the Group's operations in Italy have been operating at low levels of capacity utilization due to weak economic conditions.

In fiscal year 2018, the Group surrendered one of its iron ore mines in Chile after taking into consideration its economic viability. Accordingly, the Company reassessed the recoverability of the carrying amounts of property, plant and equipment, goodwill and advances in relation to the said iron ore mine and recognized an impairment provision of Rs.264 Crore for the year ended March 31, 2018 and an additional Rs.725 Crore for the year ended March 31, 2020. Further, the Group took an impairment provision of Rs 83 crores in respect of the property, plant and equipment and goodwill of its US coal business for the year ended March 31, 2021 on the basis of values determined by independent external valuers using cashflow projections of the business. For the year ended March 31, 2022, the Group had to make an impairment provision of Rs 710 crores in respect of the property, plant and equipment, goodwill and other assets of its US coal business for settlement of a final arbitration order received in connection with a dispute with the lessor of the coking coal mine and plant and a consequential notice for termination of lease. For more information and discussion of provisioning, please see the Group's consolidated financial statements included elsewhere in this Placement Memorandum

The Group's overseas operations have required financial support from the Indian operations in the past and there can be no assurance that they will not require the same in the near future especially if they do not generate sufficient profits from their operations which in turn may adversely affect the Group's business, financial condition and results of operations

The Group is currently developing mining operations in various parts of India, the U.S. and Mozambique and there can be no assurance that these operations will result in meaningful reserves or the expected quality of the mined materials.

The Group plans to undertake mining activities in various parts of India and other countries. In the U.S., the Group has a 100 per cent. equity interest in coal mining concessions in West Virginia, U.S.. In Mozambique, JSW Natural Resources Mozambique Lda ("JSW Mozambique"), a subsidiary of the Group has completed its exploration activities in Mutarara, Tete and has applied for a mining license. JSW ADMS Carvão, Ltda ("JSW ADMS"), a subsidiary of JSW Mozambique, has a mining license in Zumbo, Tete in Mozambique and is in the process of obtaining environmental approvals for commencing mining operations.

The Group's estimates of iron ore and coal resources are subject to probabilistic assumptions based on interpretations of geological data obtained from sampling techniques and projected rates of production in the future. Actual reserves and production levels may differ significantly from reserve estimates. Furthermore, it may take many years from the initial phase of exploration before production is possible during which time the economic feasibility of exploiting such reserves may change. There can be no assurance that commercial levels of raw materials will be discovered or that the mines will produce raw materials at the estimated amounts or at all.

If mineral reserves or the quality of such reserves are overestimated, the level of viable reserves would be lower than expected, and we may be forced to purchase such minerals in the open market. Prices of minerals in the open market may significantly exceed the cost at which we might otherwise be able to extract these minerals, which would cause costs to increase and consequently adversely affect our businesses, results of operations, financial condition and prospects.

The Group has undertaken reorganisation of the Chile operations during the year, details of which are available elsewhere in the Placement Memorandum.

Mining operations are subject to substantial risks, including those related to operational hazards and environmental issues.

The Group's mining operations are subject to hazards and risks normally associated with the exploration, development and production of natural resources including industrial accidents, such as explosions, fires, transportation interruptions and inclement weather. The occurrence of any of these events, or similar events, some or all of which may not be covered by insurance, could delay production, increase production costs and result in death or injury to persons, or damage to property and liability for the Group, as well as substantially harm the Group's reputation.

These operations are also subject to hazards and risks relating to negative environmental consequences such as those resulting from tailings and sludge disposal, effluent management and disposal of mineralized waste water and rehabilitation of land disturbed during mining processes. In addition, environmental awareness throughout the world, including in India and other emerging markets, has grown significantly in recent years, and opposition to mining operations has also increased due to the perceived negative impact they have on the environment. Public protests over the Group's mining operations could cause operations to slow down, damage the Group's reputation and goodwill with the governments or public in the countries and communities in which it operates, or cause damage to its facilities.

The Group faces foreign exchange risks, which may adversely affect its cash flows and results of operations.

There has been considerable volatility in foreign exchange rates in recent years, including rates between the Rupee, the U.S. Dollar, the Euro, the Japanese Yen and other major foreign currencies. To the extent that the Group incurs costs in one currency and generates sales in another, its profit margins may be affected by changes in the exchange rates between the two currencies.

For the years ended March 31, 2021 and March 31, 2022, earning in foreign currency (F.O.B. value of exports, interest income) by the Company amounted to Rs. 14,327 Crore and Rs. 23,543 Crore, respectively, and C.I.F. value of imports (capital goods, raw materials (including power and fuel), stores and spare parts, traded goods) and expenditure in foreign currency (interest and finance charges, ocean freight, technical know-how, commission on sales, legal and professional fees, others) by the Company amounted to Rs. 17,054 Crore and Rs. 35,037 Crore, respectively.

The Group is exposed to the risks arising from timing and quantum mismatches of inflows and outflows in foreign currency. While the Group enters into derivative financial instruments to manage its exposure to interest rates and foreign exchange risks, changes in exchange rates may still have a material adverse effect on the Group's results of operations and financial condition and there can be no assurance that the use of derivative financial instruments would fully protect the Group from foreign exchange risks. Further, hedging contracts may, at times, restrict the Group from realizing the full potential of a favorable movement in the currency markets on receivables as well as payables.

Additionally, risk hedging contracts are regulated by the RBI and any change in its policies with respect to such hedging contracts may impact the Group's ability to adequately hedge its foreign currency exposure. Changes in exchange rates could materially and adversely affect the Group's cash flow, business, financial condition and results of operations.

The Group has in the past entered into related party transactions and may continue to do so in the future.

The Group has entered into certain transactions with related parties, including the promoters, directors, subsidiaries, group companies, joint ventures and associates of the Group. Transactions with related parties will continue to be significant considering the Group's reliance on related parties for procurement of essential resources which include raw materials, power and fuel etc. Although regulations in India require disclosure of related party transactions in a listed company's financial statements, such regulations only require board of directors' approval and shareholders' approval in certain circumstances and do not require an independent assessment of connected or related party transactions. As a result, there is no requirement for independent third-party verification with respect to the terms of such transactions. All related party transactions of the Group require approval from the Audit Committee, which is headed by an Independent Non-Executive Director, as well as approval from the Board of Directors. At its annual general meeting held on July 20, 2022, the Company received shareholder approval for entering into related party transactions with JSW Energy Limited, Jindal Saw Limited, JSW Ispat Special Products Limited, JSW MI Steel Service Centre Private Limited, Neotrex Steel Private Limited, JSW Paints Private Limited, JSW International Tradecorp Pte. Limited and other group companies.

While the Group believes that all such transactions will be conducted on an arm's length basis and contain commercially reasonable terms, there can be no assurance that the Group can achieve more favourable terms had such transactions not been entered into with related parties.

Product liability claims could adversely affect the Group's operations.

The Group sells its products to major manufacturers who sell a wide range of end products. Furthermore, the Group's products are also sold to, and used in, certain safety-critical applications. If the quality of the Group's steel does not meet the specifications of the order or the requirements of the application, there may be significant disruptions to the customer's production lines. There could be, as a result of such quality failure, significant consequential damages resulting from the use of such products. The Group has a limited amount of product liability insurance coverage, and a major claim for damages related to products sold could leave it uninsured against a portion or the entire award and, as a result, materially harm the Group's business, financial condition and results of operations.

Environmental matters, including compliance with laws and regulations and remediation of contamination, could result in substantially increased capital requirements and operating costs.

The Group's businesses are subject to numerous laws, regulations and contractual commitments relating to the environment in the countries in which it operates, and the Group's operations generate large amounts of pollutants and waste, some of which are hazardous. These laws, regulations and contractual commitments concern air emissions, wastewater discharges, solid and hazardous waste material handling and disposal, and the investigation and remediation of contamination or other environmental restoration. The risk of costs and liabilities related to compliance with these laws and regulations is an inherent part of the Group's business. Facilities currently or formerly owned or operated by the Group, or where wastes have been disposed or materials extracted, are all subject to risk of environmental cost and liabilities, which includes the costs or liabilities relating to the investigation and remediation of past or present contamination or other environmental restoration. In addition, future conditions and contamination may develop, arise or be discovered that create substantial environmental compliance, remediation or restoration liabilities and costs despite the Group's efforts to comply with environmental laws and regulations, violations of such laws or regulations can result in civil and/or criminal penalties being imposed, the suspension of permits, requirements to curtail or suspend operations, lawsuits by third parties and negative reputational effects. The

Group had in the past incurred remedial cost in respect of alleged environmental pollution and contamination from its plants. There can be no assurance that costs and liabilities will not be incurred in the future.

An increase in the requirements of environmental laws and regulations, increasingly strict enforcement thereof by governmental authorities, or claims for damages to property or injury to persons resulting from the environmental impacts of the Group's operations or past contamination, could prevent or restrict some of the Group's operations, require the expenditure of significant funds to bring the Group into compliance, involve the imposition of clean-up requirements and reporting obligations, and give rise to civil and/or criminal liability.

There can be no assurance that any such legislation, regulation, enforcement or private claim will not have a material adverse effect on the Group's business, financial condition or results of operations. In the event that production at one of the Group's facilities is partially or wholly disrupted due to this type of sanction, the Group's business could suffer significantly, and its financial condition and results of operations could be materially and adversely affected.

In addition, the Group's current and future operations may be located in areas where communities may regard its activities as having a detrimental effect on their natural environment and conditions of life. Any actions taken by such communities in response to such concerns could compromise the Group's profitability or, in extreme cases, the viability of an operation or the development of new activities in the relevant region or country. Further, there are certain cases filed against the Company alleging violation of environmental laws and causing pollution to the environment. Even though no orders may have been passed against the Company, the Company may have to bear the expense of various litigations and if any order is passed against the Company, it could have an impact on the reputation of the Company. The Company may have to pay the penalty and related charges, and its financial condition and results of operations could be materially and adversely affected.

Laws and regulations restricting emissions of greenhouse gases could force the Group to incur increased capital and operating costs and could have a material adverse effect on the Group's results of operations and financial condition.

Compliance with new and more stringent environmental obligations relating to greenhouse gas emissions may require additional capital expenditures or modifications in operating practices, as well as additional reporting obligations. The integrated steel process involves carbon and creates carbon dioxide ("**CO_2**"), which distinguishes integrated steel producers from mini-mills and many other industries where CO_2 generation is primarily linked to energy use.

In particular, the increase in global awareness of the risk of climate change and the urgent need to address it may result in the implementation of measures for drastic reductions of carbon emissions. While the Group takes this message seriously and investigates possibilities to contribute towards this objective through research programs and exploring its technical possibilities to reduce emissions, such measures, whether in the form of a national or international cap-and-trade emissions permit system, a carbon tax, emissions controls, reporting requirements, or other regulatory initiatives, could have a negative effect on the Group's production levels, income and cash flows. Such regulations could also have a negative effect on the Group suppliers and customers, which could result in higher costs and lower sales. Moreover, the EU Commission's decision to further reduce the allocation of CO2 emission rights to companies could negatively impact the global industry, as the amount of such rights is currently at the edge of covering technically achievable operating conditions.

Furthermore, regulation of greenhouse gas emissions in the jurisdictions of our major customers and in relation to international shipping could also have an adverse effect on the demand for our products. Increasing regulation of climate change issues such as greenhouse gas emissions, including the progressive introduction of carbon emissions trading mechanisms and tighter emission reduction targets, may raise energy costs and costs of production over the coming years.

The Group faces numerous protective trade restrictions, including anti-dumping laws, countervailing duties and tariffs, which could adversely affect its financial condition and results of operations.

Protectionist measures, including anti-dumping laws, countervailing duties and tariffs and government subsidization adopted or currently contemplated by governments in some of the Group's export markets could adversely affect the Group's sales. Anti-dumping duty proceedings or any resulting penalties or any other form of import restrictions may limit the Group's access to export markets for its products, and in the future additional markets could be closed to the Group as a result of similar proceedings, thereby adversely impacting its sales or limiting its opportunities for growth. Tariffs are often driven by local political pressure in a particular country. For example, in 2018, the United States announced its decision to levy import tariffs on steel and aluminium. Such protective trade restrictions that are imposed on the Group or any of the Group companies could result in the decline of its exports. There can be no assurance that other quotas or tariffs will not be imposed on the Group in the future as the imposition of such trade barriers may in turn affect the exports of the Group. Foreign steel manufacturers may, as a result of trade restrictions in other regions or other factors, attempt to increase their sales in India thereby causing increased competition in the Group's largest market. A decrease in exports from India or an increase in steel imports to India as a result of protective trade restrictions could have a negative impact on the Group's business, financial condition and results of operations.

Indian Government had recently increased the export duty on 58% and above Fe grade iron ore fines, lumps and concentrates from 30% to 50% and imposed export duty on pellets at 45% from nil earlier. The Government of India had also imposed a 15% export duty on a range of finished steel products. Semis and Slabs were not covered by the export duties introduced. These export tariffs would impose an additional cost on Indian steel and iron ore exporters as the importers are unlikely to bear the additional cost of the export duties. However, government vide circular dated November 19, 2022 has removed the export duty on steel products and iron ore. There is no assurance on whether export duties would again be levied by the Government of India depending on the changing regulatory landscape.

Any future changes in tariffs, royalties, cess, customs duties, export duties and government assistance may further reduce our Indian market domestic premium, which would adversely affect profitability and results of operations.

The Group's business is dependent on its key customers and the loss of any major customer may adversely affect its business and financial condition.

The loss of a number of major customers would have a material adverse effect on the Group's business and financial condition. Demand for the Group's products is sensitive to general economic conditions in India and globally, which are driven by factors beyond its control. There can be no assurance that the Group will be able to maintain historical levels of business from these major customers or that it will be able to replace these major customers in the event that they cease to purchase products from the Group. Further some of the key customer segments like automobile and construction are of a cyclical nature. Demand from these customers gets significantly affected during down turns. The construction sector in India is largely unorganised and is affected by liquidity constraints (such as bank credit and high levels of inventory).

Similarly, force majeure events such as disruptions of transportation services because of weather-related problems, strikes, epidemics, natural calamities, lock-outs, inadequacies in the road infrastructure and port facilities, government actions or other events that are beyond the control of the parties and allow our customers to suspend or cancel delivery of our products during a period of force majeure and any suspensions or cancellations that are not replaced by deliveries under new contracts or sales to third parties on the spot market would reduce cash flows and could adversely affect our financial condition and results of operations. There can be no assurance that such disruptions will not occur.

New materials, products or technologies could reduce the demand for the Group's steel products.

In many applications, steel as a product competes with other materials that may be used as substitutes, such as aluminum (particularly in the automobile industry), cement, composites, glass, plastic and wood. Government initiatives mandating or incentivizing the use of such materials in lieu of steel, whether for environmental or other reasons, as well as the development of other new substitutes for steel products, could significantly reduce market prices and demand for steel products and thereby reduce the Group's business, financial condition and results of operations.

In addition, the steel market is characterized by evolving technology standards that require improved quality and changing customer specifications. The products or manufacturing processes of the customers that use the Group's steel products may change from time to time due to improved technologies or product enhancements. These changes may require the Group to develop new products and enhancements for its existing products to keep pace with evolving industry standards and changing customer requirements. In addition, some of the Group's machinery may become outdated and, if it is not able to upgrade them or keep up with industry standards, then the Group's operations may suffer. If the Group cannot keep pace with market changes and produce steel products that meet market preferences, customers' specifications and quality standards in a timely and cost-effective manner, there is a risk that the demand for the Group's products would decrease and thereby have a material adverse effect on the Group's business, financial condition and results of operations.

The steel industry involves high capital costs and is subject to long gestation periods, which exposes the Group's production of steel to substantial price volatility.

The production of steel is capital intensive, with a high proportion of investment in fixed assets such as land, plant and machinery. Further, setting up of new capacities or expansion of existing capacities requires long lead times. Significant capacity additions in the steel industry, if not matched by a corresponding growth in demand, may result in downward pressure on operating margins. Conversely, if demand grows strongly, prices increase rapidly, as additional capacity to meet the higher demand cannot be brought online as quickly due to long gestation periods. While the Group has taken steps to reduce operating costs, it may be negatively affected, particularly in the event of excess production capacity in the global steel market and incur operating losses as a result.

The Group may not have sufficient insurance coverage for all possible economic losses.

The Group's operations are subject to inherent risks such as fire, strikes, loss-in-transit of the Group's products, cash-in-transit, accidents and natural disasters. In addition, many of these operating and other risks may cause personal injury, damage to or destruction of the Group's properties and may result in suspension of operations and the imposition of civil or criminal penalties. As part of its risk management, the Group maintains insurance policies that in its judgement may provide some reasonable insurance cover for mechanical failures, power interruptions, natural calamities or other problems at the Group's facilities. Notwithstanding the insurance coverage that the Group carries, the occurrence of any event that causes losses in excess of limits specified under the policy, or losses arising from events not covered by insurance policies, could have a material adverse effect on the Group's business, financial condition and results of operations.

While the Group believes that it maintains adequate insurance coverage amounts for its business and operations, the Group's insurance policies do not cover all risks and are subject to exclusions and deductibles. If any or all of the Group's facilities are damaged in whole or in part, the Group's operations, totally or partially, may be interrupted for a temporary period.

Further, the Group does not maintain key-man insurance for any of its key personnel and the loss of services of such key personnel may have an adverse effect on its business, financial condition and results of operations.

Members of the Jindal family are the Group's principal shareholders and may have conflicting interests.

As on September 30, 2022, Mrs. Savitri Devi Jindal and the sons of the late Mr. O.P. Jindal namely, Mr. P.R. Jindal, Mr. Sajjan Jindal, Mr. Ratan Jindal and Mr. Naveen Jindal, and their wives and children (together, the "**Jindal Family**"), through personal ownership, associates, investment companies and holding companies, owned 45.02 per cent. of the Company's equity shares. The Jindal Family has significant ability to control the Group's business including matters relating to any sale of all or substantially all of its assets, the timing and distribution of dividends and the election or termination of appointment of its officers and directors. This control could delay, defer or prevent a change in control of the Group, impede a merger, consolidation, takeover or other business combination involving the Group, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Group. In addition, for so long as the Jindal Family continues to exercise significant control over the Group, it may influence the material policies of the Group in a manner that may conflict with the interests of other security holders. The Jindal Family has interests that may be conflicting with the interests of other security holders and may take positions with which the Group or other security holders may not agree.

The Group is involved in litigation, investigations and other proceedings and cannot assure the Debenture Holders that it will prevail in these actions.

There are several outstanding litigations and other proceedings against the Group. In the ordinary course of business, there have been various criminal proceedings filed against the Group, its directors or its employees, which are pending before various authorities, tribunals and courts and are at various stages of adjudication. Legal and regulatory authorities have initiated, and may initiate in the future, investigations and proceedings against the Group, its senior management or its employees in relation to non-compliance of statutes which are incidental to its business and operations which are pending at different levels of adjudication before various courts, agencies and tribunals in different jurisdictions. There is no assurance that similar legal and regulatory investigations and proceedings will not be initiated against the Group in the future. No assurance can be given that these legal and regulatory proceedings will be decided in favor of the Group, its senior management or its employees.

Should any of these proceedings be decided adversely against the Group, its senior management or its employees or any new developments, such as a change in Indian law or rulings against the Group by appellate courts or tribunals, arise, the Group, among other things, may be required to make provisions in its financial statements, become subject to penalties, lose regulatory approvals or licenses, and such member of senior management or employee may become subject to imprisonment, any of which could have a material adverse effect on the Group's business, financial condition and results of operations and which could increase the Group's expenses and liabilities.

The Group's success depends in large part upon its senior management and key personnel and its ability to attract and retain them.

The Group is highly dependent on its senior management and other key personnel. Their extensive experience in the steel industry and in-depth knowledge of various aspects of the Group's business operations are critical to the continued success of the Group and the future performance of the Group will depend upon the continued services of these persons. Competition for senior management in the steel industry is intense, and the Group may not be able to retain its senior management personnel or attract and retain new senior management personnel in future. The loss of any of these key personnel may adversely affect the Group's business and results of operations.

Any future reduction in import duties or trade remedial measures on steel products in India may lead to increased competition from foreign companies, reduce the Group's market share and reduce margins on its steel products.

Import duty is payable on import of steel products which comprises of basic customs duty plus the surcharge as may be applicable. Additionally, integrated goods and service tax is also payable on such imports. The effective rates of basic customs duty generally applicable on the import of prime hot rolled, cold rolled, galvanized and color coated steel products currently ranges between 7.5 to 12.5 per cent. (plus applicable surcharge) depending on the description, category and classifications of the steel product being imported. However, the customs duty is nil for imports from countries with whom India has free trade agreements; such as Japan and South Korea. The import duty (including applicable Integrated Goods and Services Tax), along with lower freight costs, anti-dumping duties on certain steel products and, in some countries, higher labor costs, have allowed domestic manufacturers to enjoy a price advantage over imported steel products in the domestic Indian market. However, any policy change by the Government, resulting in a reduction in import duties or trade remedial measures may assert downward pressure on the Group's margins and prices. Reductions in import duties and lower priced imports from countries that benefit from bilateral or multilateral trade agreements with India may have an adverse effect on the Group's business, financial condition and results of operations.

The trade disputes arising from tariffs and other protectionist measures announced by the United States on imports from China and other countries continue to pose risk to global growth outlook. Uncertainty around the resolution of the ongoing trade disputes may also test the strength of domestic demand in these countries. Such measures from the United States were followed by similar trade actions from other countries such as the EU nations and Turkey. India being the third largest steel consumer with the highest growth rate among major consumers would be a key target for exports that were made earlier to these markets. This may affect the Company's ability to compete effectively with international exporters in the Indian market.

Imposition of export duties by the Government of India on steel products.

The Government of India imposed duty of 15% on export of steel from India in the month of May 2022 to moderate the prices of steel in the domestic market. While the Government also increased export duty on iron ore from 30% to 50% and reduced import duty on coking coal to nil from 2.5% in order to provide relief to the steel industry from the impact of the export duty, the same did not fully offset the loss of margins, especially for companies without captive raw material sources. These export tariffs would have imposed an additional cost on Indian steel and iron ore exporters as the importers are unlikely to bear the additional cost of the export duties. Government vide circular dated November 19, 2022 has removed the export duty on steel products and iron ore. However, there is no assurance on whether export duties would again be levied by the Government of India depending on the changing regulatory landscape.

A prolonged slowdown in the economic growth in India or financial instability in other countries could cause the Group's business to suffer.

The Indian economy is also influenced by economic and market conditions in other countries. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects in other countries. For instance, concerns over recession in larger economies such as US, UK, Germany and Australia, geopolitical issues involving the United States and China and a slowdown in global economic growth have resulted in investors withdrawing from riskier emerging market economies. A global economic slowdown affects the Indian economy and could adversely affect the policy of the Government of India towards the industries in which the Company operates, which may in turn adversely affect our financial performance and our ability to implement our business strategy. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect the Company's business and results of operations and the market price of the Bonds.

In addition, adverse geopolitical conditions such as increased tensions between India and its neighbouring countries resulting in any military or political conflict in the region could adversely affect the Company's business and operations. Further, trade tensions between the United States and major trading partners, most notably China, continue to escalate following the introduction of a series of tariff measures in both countries. China's policy response to these trade measures presents a degree of uncertainty. This may also impact other emerging markets, primarily in Asia. Such events may lead to countries imposing restrictions which may affect our ability to operate, procure raw materials, supply raw material and provide services. The Company could also be affected by the introduction of additional/new import tariffs in India, or in the countries to which the Company exports its products, or changes in trade agreements between countries

In February 2022, Russia invaded Ukraine, significantly amplifying already existing geopolitical tensions among Russia and other countries. Russia's invasion, the responses of countries and political bodies to Russia's actions, the larger overarching tensions, and Ukraine's military response and the potential for wider conflict may increase financial market volatility and could have severe adverse effects on global economic markets. Following Russia's actions, various countries, including the U.S., Canada, the United Kingdom, Germany and France, as well as the European Union, issued broad-ranging economic sanctions against Russia. The current sanctions (and potential further sanctions in response to continued Russian military activity) and other actions may have adverse effects on regional and global economic markets.

These and other related events have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the United States, Europe and global credit and financial markets. In response to such developments, legislators and financial regulators in the United States, Europe and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. In addition to check the inflation concerns, US Federal Reserve raised the target range of the federal funds rate for the fourth consecutive meeting but on expected lines by 75 bps to 3.75-4.00 per cent the United States Federal Reserve is increasing the interest rates this may lead to an increase in the borrowing costs in the United States and globally as well.

In the event that the global credit markets worsen or if there is any significant financial disruption, this could have an adverse effect on the Group's ability to borrow, as well as its profitability or growth of its business, which could have a material adverse effect on the Group's business, future financial performance, financial condition and results of operations.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could influence the Indian economy and could have a material adverse effect on the Group's business, financial condition and results of operations.

Changes in the policies of, or changes in, the Government, could adversely affect economic conditions in India, and thereby adversely impact the Group's business, financial condition and results of operations.

India remains the Group's largest market. Revenue from operations within India represents 74 per cent. and 69 per cent. of the Group's revenue from operations for the year ended March 31, 2021, and March 31, 2022, respectively. In addition, a significant portion of the Group's facilities are located in India. Consequently, the Group may be affected by changes to Government policies, changes in the Government itself, or any other political instability in India. For example, the imposition of foreign exchange controls, rising interest rates, increases in taxation or the creation of new regulations could have a detrimental effect on the Indian economy generally and the Group in particular. The Government has sought to implement a number of economic reforms in recent years, including a new and dynamic steel policy. The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. However, the Government and the state governments in the Indian economy play role of producers, consumers and regulations have remained significant. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India generally which may have an adverse effect on the Group's business, financial condition and results of operations.

The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. A significant change in India's economic liberalization and deregulation policies, and in particular, those relating to the business in which the Group operates, could disrupt the business and economic conditions in India generally and the Group's business in particular.

Current macroeconomic situations and global conditions might lead to a gradual departure from an accommodative fiscal and monetary policy, which would affect exchange rates and interest rates. Such events could also affect India's sovereign rating, and in turn, the Group's business and its future financial performance.

The Group's ability to raise foreign capital may be constrained by Indian law

As an Indian company, the Group is subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit its financing sources and hence could constrain its ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, there can be no assurance that the required approvals will be granted without onerous conditions on favourable terms or at all. Limitations on raising foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

The RBI's Large Exposures Framework may restrict our ability to raise funds from banks.

The RBI, by way of its large exposure framework circular dated December 1, 2016, as amended, which is effective from April 1, 2019 (the "Large Exposure Framework"), has capped the exposure limits for a bank towards a group of connected counterparties. The RBI has directed that the sum of all the exposure values of a bank to a group of connected counterparties must at all times not be higher than 25% of the bank's available eligible capital base. The Large Exposure Framework defines "connected counterparties" as a group of counterparties with specific relationships or dependencies such that, were one of the counterparties to fail, all of the counterparties would very likely fail. For the purpose of the Large Exposure Framework, such a group of connected counterparties must be treated as a single counterparty. Accordingly, in such cases, the sum of the bank's exposures to all the individual entities included within a group of connected counterparties is subject to the large exposure limit and to the other regulatory requirements set out in the Large Exposure Framework. This will limit our ability to raise funds from banks. If we are unable to raise funds from banks to meet our working capital and other requirements, we may have to meet our funding requirements by issuing debt securities such as non-convertible debentures and/or U.S.$ denominated bonds. This might result in increased interest expenses and financing costs, which may materially and adversely affect our cash flow, business, financial condition and results of operations.

If terrorist attacks or social unrest in India increases, the Group's business could be adversely affected.

India has from time to time experienced instances of civil unrest, terrorist attacks, war and conflicts. Some of India's neighboring countries have also experienced or are currently experiencing internal unrests. These events could lead to political or economic instability in India and may adversely affect the Indian economy, the Group's business, financial condition and results of operations. India has also experienced social unrest, Naxalite violence and communal disturbances in some parts of the country.

If such tensions occur in places where the Group operates or in other parts of the country, leading to overall political and economic instability, it could adversely affect the Group's business, financial condition and results of operations. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult, and such tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and the Group's revenue, operating results and cash flows.

Volatility in India's financial markets could materially and adversely affect the Group's financial condition.

Stock exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities. In the past, uncertainties relating to the Eurozone sovereign debt crisis and a decrease in the rate of economic growth in emerging markets have led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. As the Group has significant operations in India and accesses the Indian markets for debt financing, this uncertainty and volatility in the Indian financial markets could have a material and adverse effect on the Group's financial condition.

The Group's business may be exposed to rising interest rates.

Any increase in the interest rates across key economies across the globe including the U.S. could result in slowdown in foreign currency inflows into the country. This could in turn affect the value of the domestic currency and interest rates. As the Group has significant operations in India and accesses the Indian markets for debt financing, the rising interest rates could adversely impact our ability to secure financing on favorable terms.

If inflation rises in India, the Group may not be able to increase the prices of the Group's products in order to pass costs on to the Group's customers and its profits may decline.

Inflation rates in India have been stable in recent years. An increase in inflation in India could cause a rise in the price of transportation, wages, raw materials and other expenses, and the Group may be unable to reduce costs or pass the increased costs on to its customers by increasing prices, and the Group's business, prospects, financial condition and results of operations may therefore be adversely affected.

The extent and reliability of Indian infrastructure could adversely affect the Group's results of operations, financial condition and cash flows.

India's physical infrastructure is less developed than that of many developed nations. Any congestion or disruption in its transportation networks, electricity grid, communication systems or any other public facility could disrupt the Group's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies and add costs to doing business in India. These problems could interrupt the Group's business operations, which could have an adverse effect on the Group's results of operations, financial condition and cash flows

Companies operating in India are subject to a variety of central and state government taxes and surcharges.

Tax and other levies imposed by the central and state governments in India that affect the Group's tax liability include central and state taxes and other levies, custom duty, income tax, equalization levy, goods and services tax stamp duty and other special taxes, surcharges and cess which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. See "Risk Factors — Risks Relating to India — Changing laws, rules and regulations and legal uncertainties may adversely affect the Group's business and financial performance". The statutory corporate income tax in India in the case of a domestic company, which includes a surcharge on the tax and a health and education cess on the tax and the surcharge, may range up to 34.94 per cent where taxable income is computed under normal provisions of the IT Act. Further, until March 31, 2019, if the tax payable by a company, under the normal provisions of the IT Act was less than the minimum alternate tax rate which ranges up to 21.55 per cent (inclusive of surcharge and health and education cess) of the book profits of the company (computed in accordance with section 115JB of the IT Act), then such company was required to pay minimum alternate tax ranging up to 21.55 per cent (inclusive of surcharge and health and education cess) of the book profits (computed in accordance with section 115JB of the IT Act) of the company. Recently, the Taxation Laws (Amendment) Act, 2019 has amended the IT Act to reduce the minimum alternate tax rate to up to 17.47 per cent. (inclusive of surcharge and health and education cess) with effect from April 1, 2019. Additionally, through the Taxation Laws (Amendment) Act, 2019, the government has also amended the IT Act, with effect from April 1, 2019, to provide an option to the domestic companies to pay a reduced statutory corporate income tax of 25.17 per cent. (inclusive of surcharge and health and education cess), provided such companies do not claim certain specified deduction or exemptions. Further, where a company has opted to pay the reduced corporate tax rate of 25.17 per cent., the minimum alternate tax provisions would not be applicable. Thus, the Group's companies operating in India may choose not to claim any of the specified deductions or exemptions and claim the lower corporate tax, in which case, the minimum alternate tax provisions would not be applicable. Alternatively, the Group's companies may choose to pay the higher of corporate tax; i.e., ranging up to 34.94 per cent, after claiming the applicable deductions and exemptions or the minimum alternate tax at the rate of 17.47 per cent if the same is higher than tax payable under normal provisions of the IT Act.

In addition to the corporate income tax imposed on companies, domestic companies in India were also required to pay a dividend distribution tax at an effective rate of 20.56 per cent. (inclusive of surcharge and health and education cess), on the dividends distributed on or before March 31, 2020. With effect from April 1, 2020, taxation on dividend has been shifted from domestic companies to the shareholders receiving the dividend. Such domestic companies are required to undertake appropriate withholding of taxes before distributing dividend to their shareholders. Non-resident shareholder may be able to claim benefit, if any, under the applicable Tax Treaty read with Multilateral Instruments ("MLI"), if and to the extent applicable. The company is required to withhold tax on such dividends distributed at the rate of 10 per cent -., where such distributions are made to a resident shareholder. Similarly, tax would be required to be withheld at rates in force in case of non-resident shareholders, which can be lower of 20 per cent (plus surcharge and cess as applicable) or the rate prescribed under the applicable Tax Treaty read with MLI, if and to the extent applicable. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect the Group's business and results of operations.

Further, the provisions of GAAR have come into effect from April 1, 2017. The GAAR provisions can be invoked once an arrangement is regarded as an "impermissible avoidance arrangement", which is any arrangement the main purpose of which is to obtain a tax benefit and which satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which is not ordinarily employed for bona fide purposes. Once it is established that the main purpose of any part or step of the arrangement is to obtain tax benefit, the onus will be on the taxpayer to establish that obtaining a tax benefit was not the main purpose of the entire arrangement. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty (read with MLI, if and to the extent applicable the consequences and effects of which are not determinable at present.

Additionally, the Indian government also amended the IT Act in respect of the manner of determining the 'tax residency' of a company in India with effect from April 1, 2017. Previously, a foreign company could be a tax resident of India only if its control and management was situated wholly in India. Under the amended rules, a company is treated as tax resident of India if (i) it is an Indian company; or (ii) its place of effective management ("POEM") is in India. POEM is defined in the IT Act, to mean a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance, made. The Indian government has also issued the final guidelines for determining the POEM of a company on January 24, 2017.

Another vital measure by the government, is the introduction of 'Significant Economic Presence' (SEP) in Section 9 of the IT Act which provided that the SEP of a non-resident in India will constitute its business connection in India i.e. it is an alternative test of 'business connection' under the IT Act. In relation to SEP, Base Erosion and Profit Shifting (BEPS) Action Plans (APs) ('BEPS AP') 1 provides that a taxable presence can be created when a person who is not a tax resident of the country (non-resident) has a significant economic presence in it on the basis of a purposeful and sustained interaction with its economy via technology and other automated tools. It also stated that while formulating the conditions for SEP taxation, factors such as revenue earned from domestic customers, the person's digital presence in the country (domain name and digital platform) and domestic user base should be considered. The rules prescribing threshold for the purpose of SEP have been notified by the Indian Government on May 3, 2021, and applicable with effect from April 1, 2022.

Further, the Taxation Laws (Amendment) Act 2019 had announced a beneficial corporate tax rate of 17.16% (inclusive of surcharge and health and education cess) with effect from tax year 2019/20 for companies whi[ch] are newly incorporated on or after 1st October 2019 and engaged into manufacturing activity provided certain specified condition as mentioned in Section 115BAB are satisfied. The companies exercising this option have been excluded from the applicability of provisions of Minimum Alternate Tax (MAT) and MAT credit. The total income of the company is calculated without claiming any tax exemptions and incentives/ deductions. This beneficial rate is at the option of the company and once the company opts for section 115BAB in any particular financial year, it cannot be withdrawn subsequently.

In the absence of sufficient direct precedents on the subjects, the application of some of these provisions may look uncertain. However, such effects could materially and adversely affect our business, prospects, cash flows, financial condition and results of operations which is difficult to ascertain at this stage.

If natural disasters occur in India, the Group's business, financial condition and results of operations could be adversely affected.

India has experienced floods, earthquakes, tsunamis, cyclones and droughts in recent years. Such natural catastrophes could disrupt the Group's operations, production capabilities or distribution chains or damage its facilities located in India, including its production facilities and mines or those of its suppliers or customers. While the Group's facilities were not damaged in the past, a significant portion of its facilities and employees are located in India where they are exposed to such natural disasters. Potential effects may include the damage to infrastructure and the loss of business continuity and business information. In the event that the Group's facilities are affected by any of these factors, the Group's operations may be significantly interrupted, which may materially and adversely affect business, financial condition, results of operations, cash flows and prospects.

Additionally, in the event of a drought, the state governments in which the Group's facilities are located could cut or limit the supply of water to the Group's facilities, thus adversely affecting the Group's production capabilities by reducing the volume of products the Group can manufacture and consequently reducing its revenues. In the event of any of the foregoing natural disasters, the ability of the Group to produce and distribute steel may be adversely affected. There can be no assurance that such events will not occur in the future, or that its business, financial condition and results of operations will not be adversely affected.

Any downgrading of India's debt rating by an international rating agency could have a negative impact on the Group's business.

Any adverse revisions to India's sovereign rating or credit ratings for domestic and international debt by international rating agencies may adversely impact the Group's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on the Group's business and future financial performance.

The Company cannot guarantee that its credit rating or the credit rating of its subsidiaries will not be downgraded. Such a downgrade in the credit rating may lower the value of the Bonds and may also adversely affect the Company's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available, or limit the Company's access to the capital markets. As a result, the Company may not be able to raise funds on acceptable terms, or to raise sufficient funds. This could have an adverse effect on the Company's business, liquidity and future financial performance and our ability to obtain financing to fund our growth.

The Group may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect its business.

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which (i) directly or indirectly determines the purchase or sale prices; (ii) limits or controls production, supply, markets, technical development, investment or provision of services; (iii) shares the market or source of production or provision of services by way of allocation of geographical area of market, or type of goods or services, or number of customers in the market or any other similar way; or (iv) directly or indirectly results in bid rigging or collusive bidding, is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. The Competition Commission of India (the "**CCI**"), has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, the Group cannot predict the impact of the provisions of the Competition Act on the agreements entered into by it at this stage. The Group is not currently party to any outstanding proceedings, however, if the Group is affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect the Group's business, financial condition and results of operations.

Increased volatility or inflation of commodity prices in India could adversely affect the Group's business.

The consumer and wholesale prices in India have exhibited inflationary trends in the past and may continue to do so in the future. The Government's Wholesale Price Index stood at approximately 10.7 per cent. and the Consumer Price Index stood at approximately 7.41 per cent. for the month of September 2022. Consumer inflation in India has been high over the last few years, and such volatility may continue in the future. Volatility or high inflation in commodity prices, in particular oil and steel, could adversely affect the Group's customers and contractual counterparties. Although the RBI has implemented various policy measures designed to curb inflation, these policies may not be successful. Increase in inflation in India could cause a rise in the price of transportation, wages, raw materials and other expenses, and the Group may be unable to reduce the costs or pass the increased costs on to its customers by increasing the price that the Group charges for its services, and the Group's financial condition, cash flows and results of operations may therefore be adversely affected.

Trade deficits could have a negative effect on the Group's business.

India's trade relationships with other countries can influence Indian economic conditions. In the year ended March 31, 2022, the trade deficit was approximately USD 192.41 billion and current account deficit was 1.2 % of GDP, increased from 0.90% of GDP for the previous FY 2021. This large merchandise trade deficit neutralizes the surpluses in India's invisibles in the current account, resulting in a current account deficit. If India's trade deficits increase or become unmanageable, the Indian economy, and therefore the Group's business, financial condition, results of operations could be adversely affected.

The Company may not be successful in acquiring assets under the Insolvency and Bankruptcy Code, 2016 ("Bankruptcy Code")

The Bankruptcy Code consolidates the law relating to reorganization and insolvency resolution of corporate entities. Under the Bankruptcy Code, a confidential Placement Memorandum is provided to prospective applicants who satisfy the eligibility criteria. The Placement Memorandum contains with information about the corporate debtor including the liquidation value, the latest annual financial statements and the assets and liabilities. The applicant is required to submit a resolution plan within the prescribed period providing for, among others, payment of insolvency resolution process costs (including amount of any interim finance provided for the corporate debtor), repayment of the creditors as prescribed in the Bankruptcy Code, the details of management and control of the corporate debtor during the term of the resolution plan and the implementation and supervision of the resolution plan. A resolution plan requires approval of at least 66% of the voting share of the financial creditors and thereafter by the NCLT.

The Group may not be able to submit a resolution plan in a timely manner or at all, or the resolution plan submitted may not be approved by the committee of creditors or the NCLT. Further, while the Bankruptcy Code has prescribed a maximum period for the Bankruptcy Code Process, the Group cannot assure you that it will be completed in a timely manner or at all.

The Bankruptcy Code Process may be challenged in court and the Group may be made a party to such litigation as a bidder or otherwise. Any such litigation could be time-consuming and expensive. The Group cannot assure you that it will successfully acquire any entity in respect of which it has or chosen to submit a resolution plan. Participation in the Bankruptcy Code Process may distract management attention from business operations and lead to incurrence of significant costs, which may have a material adverse effect on its business, reputation and results of operation.

Changing laws, rules and regulations and legal uncertainties may adversely affect the Group's business and financial performance.

The Group's business and operations are governed by various laws and regulations. The Group's business and financial performance could be adversely affected by any change in laws or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to the business.

For instance, the Government has enacted the Central Goods and Services Act, 2017 and state specific GST Acts to lay the framework for a comprehensive national GST regime that combines taxes and levies by the central and state governments into a unified rate structure. Similarly, amendments have been made to direct tax laws relating to tax avoidance mechanisms and disclosure standards. Any future changes to laws that increase taxes or other amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions. In addition, there are uncertainties and ambiguities in relation the existing tax incentive regime. Any adverse changes to the incentive scheme may have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The General Anti-Avoidance Rules ("**GAAR**") came into effect on April 1, 2017. In the absence of any precedents on the subject, the impact of these provisions is uncertain and could result in denial of benefits amongst other consequences.

The Government of India had introduced the Income Computation and Disclosure Standards ("**ICDS**") that is applicable in computing taxable income and payment of income taxes thereon, with effect from assessment year 2017-18. The impact of any future changes in the ICDS on the tax liability of the Group cannot be determined.

Furthermore in the recent years, SEBI has amended the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to introduce certain additional corporate governance requirements for listed companies, which include among others, requirements with respect to constitution of the board of directors, secretarial audits to be conducted and disclosures to be made in the annual report. The Group may face challenges in interpreting and complying with such provisions. Further, to ensure compliance with such requirements, the Group may need to allocate additional resources, which may increase the Group's regulatory compliance costs and divert management attention.

There can be no assurance that the Government or state governments will not implement new regulations and policies, which will require the Group to obtain approvals and licenses from the Government, state government or other regulatory bodies or which will impose onerous requirements and conditions on the Group's operations. Any such changes and related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on the Group's business, financial condition, cash flows and results of operations.

RISKS RELATING TO THE DEBENTURES/ ISSUE

The Debentures may not be a suitable investment for all purchasers.

Potential Investors should ensure that they understand the nature of the Debentures and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debentures and that they consider the suitability of the Debentures as an investment in the light of their own circumstances and financial condition.

There is no assurance that the Debentures issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.

There is no guarantee that the Debentures issued pursuant to this issue will be listed on the Stock Exchange in a timely manner, or at all. The Company intends to list the Debentures on the Stock Exchange. In accordance with applicable laws and approvals, permissions for listing and trading of the Debentures issued pursuant to this issue will not be granted until after the Debentures have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Debentures to be submitted. There could be a failure or delay in listing the Debentures on the Stock Exchange. Any failure or delay in obtaining the approval would restrict an investor's ability to trade in the Debentures.

The Debentures may be illiquid

The Issuer intends to list the Debentures on the WDM segment of the BSE and such other recognised stock exchanges that the Issuer may deem fit after giving prior notice to the Debenture Trustee. The Issuer cannot provide any guarantee that the Debentures will be frequently traded on the BSE or such other stock exchanges on which the Debentures are listed and that there would be any market for the Debentures.

It is not possible to predict if and to what extent a secondary market may develop in the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. If so specified in this Placement Memorandum, application has been made to list or quote or admit to trading the Debentures on the stock exchange or quotation system(s) specified. If the Debentures are so listed or quoted or admitted to trading, no assurance is given that any such listing or quotation or admission to trading will lead to greater liquidity than if they were not so listed or quoted or admitted to trading. The listing of the Debentures is subject to receipt of the final listing and trading approval from the Stock Exchange.

The Issuer may, but is not obliged to, at any time purchase the Debentures at any price in the open market or by tender or private agreement. Any Debentures so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realize value for the Debentures prior to redemption of the Debentures.

Any downgrading in credit rating of the Debentures may affect the value of the Debentures.

The Debentures proposed to be issued pursuant to this Placement Memorandum have been rated 'ICRA AA' by ICRA. The Issuer cannot guarantee that the ratings on the Debentures will not be downgraded. A downgrade in the credit ratings may lower the value of the Debentures.

The right of the holders of the Debentures to receive payments under the Debentures will be junior to certain tax and other liabilities preferred by law on an insolvency of the Issuer.

The Debentures will be subordinated to certain liabilities preferred by law such as claims of the Government of India on account of taxes and certain liabilities incurred in the ordinary course of the Issuer's business (including workmen's dues). Upon an order for winding-up or liquidation in India, the assets of a company are vested in a liquidator who has wide powers to liquidate such company to pay its debt and administrative expenses.

You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/ or the interest accrued thereon in connection with the Debentures.

The Issuer's ability to pay interest accrued on the Debentures and/ or the principal amount outstanding in connection therewith would be subject to various factors, including its financial condition, profitability and the general economic conditions in India. The Issuer cannot assure you that it would be able to repay the principal amount outstanding on the Debentures or the interest accrued thereon in a timely manner or at all.

Delays in court proceedings in India.

If any dispute arises between the Issuer and any other party, the Issuer or such other party may need to take recourse to judicial proceedings before courts in India. It is not unusual for court proceedings in India to continue for extended periods. Disposition of cases may be further subject to various delays including multiple levels of appellate adjudication.

Potential purchasers and sellers of the Debentures should be aware that they may be required to pay taxes in accordance with the laws and practices of India.

Payment or delivery of any amount due in respect of the Debentures will be subject to deduction of all applicable taxes, duties or other withholdings. Potential investors who are in any doubt as to their tax position should consult their own independent tax advisers to ascertain tax impact. In addition, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time.

Debentures may not be a suitable investment for all investors.

Each prospective investor in the Debentures must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Debentures, the merits and risks of investing in the relevant Debentures and the information contained or incorporated by reference in this Placement Memorandum or any applicable supplement;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Debentures and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Debentures, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

- understand thoroughly the terms of the relevant Debentures and be familiar with the behavior of any relevant indices and financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Issuer is not required to maintain a debenture redemption reserve ("DRR")

Pursuant to a Ministry of Corporate Affairs notification dated August 16, 2019 amending Section 71 of the Companies Act, 2013 and Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, the Issuer is not required to maintain DRR for debentures issued through a private placement. Hence, investors shall not have the benefit of reserve funds to cover the re-payment of the principal and interest on the Debentures.

Future changes in government policies and in laws may adversely affect the Debentures

Future government policies and changes in laws and regulations in India and comments, statements or policy changes by any regulator, including but not limited to SEBI or RBI, may adversely affect the Debentures. The timing and content of any new law or regulation is not within the Issuer's control and such new law, regulation, comment, statement or policy change could have an adverse effect on market for and the price of the Debentures.

Further, if any regulatory authorities require clarifications on this Placement Memorandum, it may cause a delay in the issuance of Debentures or may result in the Debentures being materially affected or even rejected.

11. DOCUMENTS SUBMITTED/ TO BE SUBMITTED TO DESIGNATED STOCK EXCHANGE / DEBENTURE TRUSTEE

11.1 **The following documents shall be submitted to the BSE along with the listing application:**

11.1.1 Issued copy of the Final Placement Memorandum;

11.1.2 Certificate of Incorporation / Registration Certificate under the Act, Rules, Regulations or charter under which the issuer has been established or incorporated or notified;

11.1.3 Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;

11.1.4 Copy of last 3 (three) years audited annual reports of the Issuer;

11.1.5 Copies of the relevant resolutions passed under the Companies Act in relation to the Issue;

11.1.6 Consent letter from the Debenture Trustee;

11.1.7 Certified copy of the Executed Debenture Trust Deed;

11.1.8 Due diligence certificate from Debenture Trustee;

11.1.9 Confirmation from the Debenture Trustee that they are in possession of the contact details and email id of the investors;

11.1.10 Certified copy of credit confirmation letter issued by both Depositories (NSDL & CDSL) confirming credit of securities in respective ISIN;

11.1.11 Approval by the Board of Directors / Committee/ Authorised persons of allotment of securities along with List of allottees Annexure IC of ‘Checklist for listing of Privately Placed Debt issuances’ provided on the website of BSE;

11.1.12 Copy of In- principal approval of other Exchange where the securities are proposed to be listed;

11.1.13 Confirmation for authentication on SEBI for SCORES;

11.1.14 Confirmation from issuer as per Annexure II (specified format) of ‘Checklist for listing of Privately Placed Debt issuances’ provided on the website of BSE;

11.1.15 Undertaking as per Annexure IV (specified format) of ‘Checklist for listing of Privately Placed Debt issuances’ provided on the website of BSE.

11.1.16 Confirmation/consent letters from the Registrar to Issue;

11.1.17 Credit rating certificate (not being older than one month from the issue opening date);

11.1.18 Statement containing Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of Directors; and

11.1.19 Any other particulars or documents that the recognised stock exchange may call for as it deems fit.

11.2 The following documents have been/shall be submitted to the Debenture Trustee in electronic form (soft copy) on or before the allotment of the Debentures:

11.2.1 Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;

11.2.2 Copy of last 3 (three) years audited annual reports of the Company;

11.2.3 Statement containing particulars of, dates of, and parties to all material contracts and agreements;

11.2.4 Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;

11.2.5 An undertaking to the effect that the Issuer would, until the redemption of the debt securities, submit the details mentioned in paragraph 10.1 and 10.2 above to the Debenture Trustee within the timelines as mentioned in simplified listing agreement issued by SEBI vide circular number SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 (one hundred and eighty) calendar days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this Para with all 'Qualified Institutional Buyers' and other existing debenture-holders within 2 (two) Business Days of their specific request.

12. ISSUER INFORMATION

12.1 Issuer Information

Name:	JSW Steel Limited
Registered Office:	JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
Corporate office	JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400051
Phone No.:	(022) 4286 1000
Fax No.:	(022) 4286 3000
Email:	pfg@jsw.in
Compliance Officer	Mr. Lancy Varghese, Company Secretary Address: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai -400051 Tel: (022) 4286 1000 Email: lancy.varghese@jsw.in
Chief Financial Officer	Mr. Rajeev Pai Address: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai -400051 Tel: (022) 4286 1000 Email: pfg@jsw.in
Arrangers	**ICICI Bank Limited** Contact person: Ms. Naina Agrawal Address: ICICI Bank Towers, Bandra-Kurla Complex, Mumbai-400051

	Tel: 022-4008 8894 E-mail:merchantbanking@icicibank.com; gmgfixedincome@icicibank.com SEBI Reg. No.: INM000010759 Website: www.icicibank.com
Debenture Trustee	**SBICAP Trustee Company Limited** Address: Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai - 400 020 Tel: 2243025500 E-mail: dt@sbicaptrustee Website: https://www.sbicaptrustee.com/ Contact person: Prashant Joshi
Registrar	**KFin Technologies Limited** Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 Contact Person: Mr.S.V. Raju Tel: (91 40) 67161500/ 2222; Fax: (91 40) 23001153 Email: einward.ris@karvy.com Website: https://www.kfintech.com/
Credit Rating Agency	**ICRA Limited** Address: Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurugram – 122002, Haryana Tel: + 91.11.23357940-41 E-mail: icra_trustee_info@icraindia.com Website: https://www.icra.in/ Contact person: Mr. Priyesh Ruparelia
Auditors:	**S.R.B.C & Co. LLP** Address: 14th Floor, The Ruby, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400 028 Tel: +91 20 6603 6000 Fax: +91 20 6601 5900 Email: srbc.co@in.ey.com
Legal Counsel to the Issuer:	**KHAITAN & CO.** Address: One World Centre, 13th Floor, Tower 1, 841 Senapati Bapat Marg, Mumbai-400 013 Phone: +91-22-66365000 Fax: +91-22-66365050 Email: manisha.shroff@khaitanco.com Contact person: Ms. Manisha Shroff

12.2 **A brief overview of the business/activities of the Issuer and its line of business:**

12.2.1.1 Overview of the Issuer

JSW Steel Limited, the flagship company of the diversified U.S.$22 billion JSW group and a part of the O.P. Jindal group, is an integrated manufacturer of a diverse range of steel products with an export footprint in more than 100 countries. The JSW group has diversified interests in mining, carbon steel, power, industrial gases, port facilities, cement and paints.

The Group owns an extensive portfolio of flat and long products, including hot rolled coils, sheets and plates, cold rolled coils and sheets, galvanized and galvalume products, electrical steel, pre-painted galvanized and galvalume products, thermo-mechanically treated ("**TMT**") bars, wire rods, rails, grinding balls and special steel bars, rounds and blooms, plates and pipes of various sizes and cold rolled non-grain oriented products. The Group is one of the largest producers and exporters of coated flat steel products in India. The Group believes that it has one of the lowest conversion costs in the industry, primarily due to its efficient operations, high manpower productivity and the strategic location of its state-of-the-art manufacturing facilities. The Group's operations in India currently have an installed crude steel capacity of approximately 27.0 mtpa, which comprises 19.8 mtpa (approximately 73 per cent. of the capacity) of flat products and 7.2 mtpa (approximately 27 per cent. of the capacity) of long products. The revenue from operations were Rs. 146,371 crore for the year ended March 31, 2022 and Rs. 79,864 crore for the six months ended on September 30, 2022.

In November 2021, the Group was ranked twelfth amongst top 35 world class steelmakers according to a report 'Steel's "last Hurrah"' by World Steel Dynamics, based on a variety of factors. In particular, the Group achieved the highest rating (10 out of 10) on the following criteria: expanding capacity, location in high-growth markets and labour costs. On profitability, cost cutting efforts, liabilities for retired workers, environment & safety and M&A alliances and JVs, the Group achieved 9 out of 10. This ranking puts the Group amongst the top five Asian steelmakers.

The Group expanded its steelmaking capacity at its Indian operations from 1.6 mtpa in 2002 to 2.5 mtpa in 2006, 3.8 mtpa in 2007, 7.8 mtpa in 2010, 11.0 mtpa in 2012, 18.0 mtpa in 2016 (including 3.3 mtpa of erstwhile Ispat Industries Limited) and 27 mtpa in 2021 (including 2.7 mtpa of Bushan Power and Steel Limited "BPSL" and 1.2 mtpa of JISPL, a joint venture company). The Group's manufacturing facilities in India consist of Vijayanagar Works in Karnataka (12.0 mtpa), Dolvi Works in Maharashtra (10.0 mtpa), Salem Works in Tamil Nadu (1.0 mtpa), Raigarh and Raipur (Chattisgarh) Works of JISPL (1.2 mtpa), and Jharsuguda Works in Odisha of BPSL (2.7 mtpa). In addition , the Group has downstream facilities for its coated products division at Vasind, Tarapur , Kalmeshwar and Khapoli Works in Maharashtra and Bawal in Haryana. The Group's major facilities in India are strategically located near raw material sources and are well connected via ports and railways, thus helping the Group to maintain a low cost structure. The Group's overseas manufacturing facilities comprise a plate/pipe mill in Baytown, Texas, U.S., a steel making facility at Ohio, U.S., and a long product mill in Italy. The Baytown facility has a 1.2 mtpa plate mill and a 0.55 mtpa pipe mill. The facility is located near a port and in close proximity to key customers in the oil and gas industry. The Ohio facility is a hot rolling mill with a 3.0 mtpa capacity. It is partially backward integrated with a 1.5 mtpa EAF furnace. The facility in Italy was acquired by the Group in July 2018 and produces long products railway lines, bars, wire rods and grinding balls with aggregate capacity of 1.3 mtpa. The Group plans to expand its domestic steel capacity to 37.0 mtpa by 2025.

The Group has a widespread sales and distribution network that sells its products directly to customers, wholesale traders and stock points. The Group's sales presence is particularly strong in South and West India, where a large portion of India's steel customers are located. The Group's focus on retail sales is mainly through its exclusive and non-exclusive retail outlets. As at September 30, 2022, the Group had a strong network of 1,773 distribution channels across India comprising of 1,396 branded stores (602 JSW Shoppes in urban areas and 794 JSW Shoppe connect in semi urban and rural areas) and 377 distributors. The Group has an export footprint in more than 100 countries. The Group uses a combination of direct sales to customers and sales to international trading houses for its international sales

Competitive Strengths

a. Leading player in the Indian steel market
b. Strong portfolio of diversified products
c. Growth through acquisitions and strategic joint ventures

d. Strategically located manufacturing facilities
e. Focus on technology
f. Integrated and efficient operations – from pellet to colour coated steel
g. Strong project execution capabilities
h. Skilled workforce led by an experienced management team.

Strategy

The Group aims to enhance its position as a leading global steel producer through the following strategies:

a. Selective growth through brownfield expansion and greenfield projects as well as inorganic growth:

The Group intends to leverage its proximity to iron ore reserves and its existing logistics infrastructure to expand its production capacity at a low investment cost per ton. The Group's strategy is to maintain and grow its share of steel production in India, while locating the production of its finished products close to its key markets.

b. Diversification of the Group's product profile and customer base:

The Group further intends to increase the proportion of high margin value-added products in its product mix so as to better withstand steel price volatility, to offer a broad-based suite of products to meet the growing requirements of customers and facilitate import substitution. The share of value-added and special product ("VASP") sale was approximately 60 per cent of consolidated sales volume of the Indian operations in FY2022, which contributed to the increase in the Group's margins.

c. Focus on operational efficiency through newer technologies

The Group is a leader in using sustainable and eco-friendly technologies to drive growth, as well as reducing cost and increasing energy efficiency. The Group will continue to invest in new technologies to enhance its operational productivity and efficiency and shall continuously review and assess new technologies, such as improvements to the Corex process, replacing natural gas with coke oven gas for its DRI plant at Dolvi Works and the use of galvalume technology. Advanced technologies will continue to be adopted across the Group's operations, ranging from power generation from waste gases and heat generated from its operations, using the beneficiation process to convert low grade iron ore and blending different varieties of coking coal for coke making, each of which improve operational efficiencies and reduce costs. The Group also attempts to minimize fresh water consumption by maximizing reutilization of treated waste water. The Group will continue its focus on reducing raw materials consumed per unit of steel produced by replacing virgin raw materials and recycling of waste.

d. Strengthening backward and forward integration

Backward integration and raw material security are key components of the Group's future strategy. The Group believes that securing critical raw materials, either for sale on the global market or for direct use at its facilities, will help protect the Group from variations in raw material prices. To this end, the Group has acquired coal and iron ore mines in India, the U.S. and Mozambique.

The Group will continue to evaluate additional raw material assets that fit within its strategic criteria and intend to look for further opportunities in India and abroad to secure key raw material supplies and to reduce its cost of production by targeting strategic tie-ups and investments in new technologies to achieve further backward integration. The Group successfully bid for thirteen iron ore mines in Karnataka & Odisha at auctions conducted in these states. These mines have aggregate iron ore resources of 1.35 billion tonnes and further enhance its raw material security and lead to integrated and efficient operations.

The Group intends to strengthen its forward integration by expanding its retail outlets to sell higher value-added products, in India. The forward integration initiatives include of 0.5 mtpa tinplate mill at Tarapur of which 0.25 mtpa has been commissioned, 2.30 mtpa CRM/PLTCM mills at Vijayanagar and Vasind/Tarapur, 0.5 mtpa continuous annealing line at Vasind. The company is in the process of implementing 0.25 mtpa colour coating line in Rajpura (Punjab) and 0.12 mtpa Color Coating line in Jammu & Kashmir. The Group believes that higher margin value added products business improves profitability, helps deliver relatively stable spreads through the cycle and ensures better retention of customers with scope for import substitution.

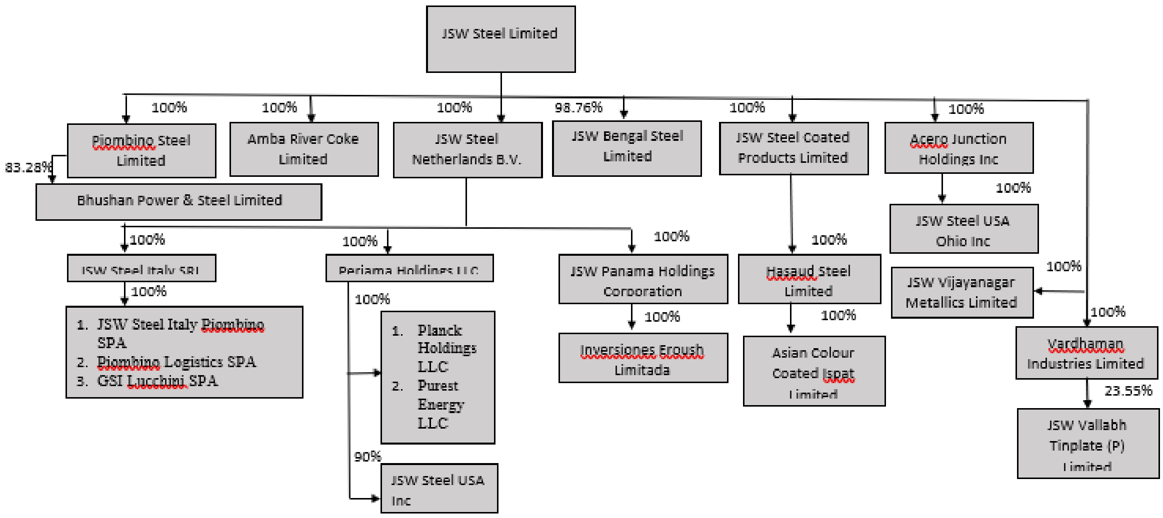
e. Robust financial discipline and focus on return profile

The Group operates in a capital-intensive industry with a history of volatile prices. The Group therefore continuously seeks to improve its financial profile as it believes a strong financial position will be critical to support its future growth. The Group maintains a strong focus on cost management and prudent investment in new projects. The Group has developed robust financial principles and business criteria to assess potential acquisitions and expansions. The Group intends to manage its capacity expansion, improve its debt maturity profile, and diversify its funding sources so as to capture market opportunities without taking on excessive risk.

For fiscal year 2022, the Group recorded revenue from operations of Rs.1,46,371 Crore and profit for the year (i.e. profit after taxes and share of profit of associate and joint ventures (net)) of Rs.20,938 Crore. For the 6 months ended September 30, 2022, the Group recorded revenue from operations of Rs. 79,864 Crore and profit/ (loss) for the period (i.e., profits/ (loss) after taxes and share of profit/ (losses) of joint ventures (net)) of Rs. (76) Crore.

12.2.1.2 Corporate Structure of the Issuer

The chart below shows a summary of the Issuer's corporate structure as at September 30, 2022. This is a summary chart only and does not show all of the Issuer's subsidiaries. For further details of the subsidiaries of the Group, see note 1 to the Group's Annual Financial Statements.



Notes:

(1) Periama Holdings, LLC is held 99.949 per cent. by JSW Steel Netherlands B.V. and 0.051 per cent. by the Company.

(2) Inversiones Eurosh Limitada is held 94.9 per cent. by JSW Panama Holdings Corporation, 0.1 per cent. by JSW Steel Netherlands B.V. and 5.0 per cent. by the Company.

(3) JSIP and GSI Lucchini SPA are each held 0.1 per cent. by the Company

(4) JSW Steel Limited and Vardhaman Industries Limited holds 76.45 % and 23.55% in JSW Vallabh Tinplate (P) Limited respectively

Subsidiaries:

1. JSW Steel (Netherlands) B.V.
2. Periama Holdings, LLC
3. JSW Steel (USA), Inc
4. Planck Holdings, LLC
5. Purest Energy, LLC
6. Caretta Minerals, LLC
7. Lower Hutchinson Minerals, LLC
8. Hutchinson Minerals, LLC
9. Meadow Creek Minerals, LLC
10. JSW Panama Holdings Corporation
11. Inversiones Eurosh Limitada
12. JSW Steel (UK) Limited
13. JSW Natural Resources Limited
14. JSW Natural Resources Mozambique Limitada
15. JSW ADMS Carvao Limitada
16. JSW Steel Global Trade Pte Limited
17. Nippon Ispat Singapore (PTE) Limited
18. Acero Junction Holdings, Inc
19. JSW Steel (USA) Ohio, Inc.
20. JSW Steel Italy S.r.L
21. JSW Steel Italy Piombino S.p.A
22. Piombino Logistics S.p.A. - A JSW Enterprise
23. GSI Lucchini S.p.A.
24. JSW Steel Coated Products Limited
25. Amba River Coke Limited
26. JSW Vijayanagar Metallics Limited
27. Vardhman Industries Limited
28. JSW Jharkhand Steel Limited
29. JSW Bengal Steel Limited
30. JSW Natural Resources India Limited
31. JSW Energy (Bengal) Limited
32. JSW Natural Resources Bengal Limited

33. Peddar Realty Private Limited
34. JSW Realty & Infrastructure Private Limited
35. JSW Vallabh Tin Plate Private Limited
36. JSW Industrial Gases Private Limited
37. JSW Utkal Steel Limited
38. Asian Color Coated Ispat Limited
39. Hasaud Steel Limited
40. Piombino Steel Limited
41. Bhushan Power and Steel Limited
42. Neotrex Steel Private Limited
43. JSW Retail and Distribution Limited
44. JSW NSL Green Steel Recycling Limited
45. Chandranitya Developers Private Limited

Joint ventures:
1. Vijayanagar Minerals Private Limited
2. Rohne Coal Company Private Limited
3. Gourangdih Coal Limited
4. JSW MI Steel Service Center Limited
5. JSW MI Chennai Steel Service Center Limited
6. JSW Severfield Structures Limited
7. JSW Structural Metal Decking Limited
8. Creixent Special Steels Limited
9. JSW Ispat Special Products Limited
10. JSW One Platforms Limited
11. JSW One Distribution Limited

Associates:
1. JSW Renewable Energy (Vijayanagar) Limited

Financial Information:

12.2.1.3 A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the placement memorandum or issue opening date, as applicable.

a. Standalone Balance Sheet as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020

Rs. in crores

		As at 30 Sep 2022	As at 31 Mar 2022	As at 31 Mar 2021	As at 31 Mar 2020
I	**ASSETS**				
	Non-current assets				
	(a) Property, plant and equipment	67,490	65,862	46,167	46,117
	(b) Capital work-in-progress	11,869	12,459	28,914	23,810
	(c) Right-of-use assets	3,494	3,905	4,161	4,102
	(d) Intangible assets	1,840	1,879	1,614	323
	(e) Intangible assets under development	164	140	128	331
	(f) Investments in subsidiaries, associates, and joint ventures	15,560	13,522	6,676	4,757
	(g) Financial assets				
	(i) Investments	4,504	4,506	5,782	1,242
	(ii) Loans	5,806	5,763	4,872	8,705
	(iii) Derivative assets	84	24	110	-
	(iv) Other financial assets	4,251	3,534	2,481	562
	(h) Current tax assets (net)	375	318	230	340
	(i) Other non-current assets	3,815	3,473	2,394	2,378
	Total non-current assets	**1,19,252**	**1,15,385**	**1,03,529**	**92,667**

Current assets				
(a) Inventories	19,630	21,028	10,692	9,623
(b) Financial assets				
(i) Trade receivables	6,873	6,146	3,333	3,166
(ii) Cash and cash equivalents	7,517	7,670	11,121	3,438
(iii) Bank balances other than (ii) above	4,134	7,857	625	7,963
(iv) Loans	227	265	602	321
(v) Derivative assets	679	403	86	275
(vi) Other financial assets	1,031	1,151	1,479	2,794
(c) Other current assets	3,273	2,965	1,765	1,795
Total current assets	**43,364**	**47,485**	**29,703**	**29,375**
Total assets	**1,62,616**	**1,62,870**	**1,33,232**	**122,042**
	As at 30 Sep 2022	**As at 31 Mar 2022**	**As at 31 Mar 2021**	**As at 31 Mar 2020**
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	301	301	302	301
(b) Other equity	59,652	63,200	46,675	38,061
Total equity	**59,953**	**63,501**	**46,977**	**38,362**
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	48,355	41,176	39,551	39,247
(ia) Lease liabilities	1,613	1,767	2,413	2,716
(ii) Derivative liabilities	22	7	57	130
(iii) Other financial liabilities	965	1,035	1,310	1,308
(b) Provisions	1,236	1,292	753	322
(c) Deferred tax liabilities(net)	6,883	6,935	3,095	1,315
(d) Other non-current liabilities	519	1,023	2,036	3,048
Total non-current liabilities	**59,593**	**53,235**	**49,215**	**48,086**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	6,079	9,259	12,073	6,813
(ia) Lease liabilities	606	984	925	773
(ii) Trade payables				
(a) Total outstanding, dues of micro and small enterprises	294	330	205	56
(b) Total outstanding, dues of creditors other than micro and small enterprises	25,666	23,998	11,945	13298
(iii) Derivative Liabilities	152	105	96	189
(iv) Other financial liabilities	5,251	6,693	7,762	11980
(b) Provisions	199	227	243	64
(c) Other current liabilities	4,300	4,153	3,254	2,302
(d) Current tax liabilities(net)	523	385	537	119
Total current liabilities	**43,070**	**46,134**	**37,040**	**35,594**

Total liabilities	**1,02,663**	**99,369**	**86,255**	**83,680**
Total equity and liabilities	**1,62,616**	**162,870**	**133,232**	**122,042**

b. Standalone Profit and Loss account for the period ended September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020

Rs. in crores

Sr	Particulars	For the half year ended 30 Sep 2022	For the year ended		
			31 Mar 2022	31 Mar 2021	31 Mar 2020
I	Revenue from operations	63,599	118,820	70,727	64,262
II	Other income	705	1,929	669	628
III	**Total income (I + II)**	**64,304**	**120,749**	**71,396**	**64,890**
IV	**Expenses:**				
	Cost of materials consumed	40,026	51,457	28,743	33,073
	Purchases of stock-in-trade	731	234	199	420
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-1,919	-3112	-872	-27
	Mining premium and royalties	2,943	13,894	6,972	-
	Employee benefits expense	936	1,870	1,501	1,496
	Finance costs	2,123	3,849	3,565	4,022
	Depreciation and amortization expense	2,384	4,511	3,781	3,522
	Other expenses	15,788	22,609	14,925	16,783
	Total expenses	**63,012**	**95,312**	**58,814**	**59,289**
V	**Profit before exceptional items and tax (III-IV)**	1292	25,437	12,582	**5,601**
VI	Exceptional items	-	722	386	1,309
VII	**Profit before tax (V-VI)**	**1,292**	24,715	12,196	4,292
VIII	**Tax expense/(benefit):**				
	Current tax	278	4,411	2,162	789
	Deferred tax	149	3,602	1,641	(1788)
		427	8,013	3,803	(999)
IX	**Profit for the period/year (VII-VIII)**	865	16,702	8,393	5,291
A	i) Items that will not be reclassified to profit or loss				
	(a) Re-measurements of the defined benefit plans	(36)	-75	27	(19)
	(b) Equity instruments through other comprehensive income	(16)	2,083	385	(255)
	ii) Income tax relating to items that will not be reclassified to profit or loss	14	-246	(10)	6
	Total (A)	(38)	1,762	402	(268)
B	i) Items that will be reclassified to profit or loss				
	(a) The effective portion of gains and loss on hedging instruments	(532)	(22)	369	(719)
	(b) Changes in Foreign Currency monetary item translation difference account (FCMITDA)	-	-	-	87
	ii) Income tax relating to items that will be reclassified to profit or loss	186	8	-129	221
	Total (B)	**-346**	**-14**	**240**	**(411)**
	Total Other comprehensive income (A+B)	**(384)**	**1,748**	**642**	**(679)**

Sr	Particulars	For the half year ended 30 Sep 2022	For the year ended		
			31 Mar 2022	31 Mar 2021	31 Mar 2020
XI	**Total comprehensive income (IX + X)**	**481**	**18,450**	**9,305**	**4,612**
XII	Earnings per equity share of Re. 1 each				
	Basic (in Rs.)	3.60	69.48	34.92	22.03
	Diluted (in Rs.)	3.58	69.10	34.72	21.89

c. Standalone Cash Flow statement for period ended September 30, 2022, March 31,2022, March 31,2021, and March 31,2020

Rs. in crores

	For the half year ended 30 Sep 2022	For the year ended		
		31 Mar 2022	31 Mar 2021	31 Mar 2020
Cash flow from operating activities	1,292	24,715	12,196	4,292
Net profit before tax				
Adjustments for :				
Depreciation and amortisation expenses	2,384	4,511	3,781	3522
Loss on sale of property, plant & equipment (net)	4	61	30	29
Gain on sale of financial investments designated as FVTPL	-	(11)	(6)	(4)
Interest income	(614)	(932)	(593)	(528)
Gain arising of financial instruments designated as FVTPL	(9)	(799)	(6)	(16)
Unwinding of interest on financial assets carried at amortised cost	(49)	(69)	(51)	(45)
Dividend income	(17)	(17)	(9)	(31)
Interest expense	2029	3,466	3,410	3831
Share based payment expense	112	161	20	37
Export obligation deferred income amortisation	(33)	(462)	(239)	(140)
Unrealised exchange gain/(loss)	641	273	(415)	566
Allowance for doubtful debts, loans, advances and others	(2)	41	58	96
Loss arising from financial instruments designated as FVTPL		6	19	17
Gain on derecognition of lease	(32)	**-**		-
Non Cash expenditure	-	**-**	-	14
Exceptional Items	-	**722**	386	1309
	4,414	**6,951**	**6,385**	**8,657**
Operating profit before working capital changes	**5,706**	**31,666**	**18,581**	**12,949**

	For the half year ended	For the year ended		
	30 Sep 2022	31 Mar 2022	31 Mar 2021	31 Mar 2020
Adjustments for :				
(Increase) / Decrease in inventories	1398	(10,336)	(1,069)	1,192
(Increase) / Decrease in trade receivables	(756)	(2,842)	(183)	3,514
Decrease/ (Increase) in other assets	(1,239)	(2,801)	(398)	(1,393)
(Decrease) / Increase in trade payable	547	12,006	(1,203)	(373)
(Decrease)/ Increase in other liabilities	(865)	233	3,296	(873)
(Decrease)/Increase in provisions	(145)	61	193	80
	(1060)	**(3,679)**	**636**	**2,147**
Cash flow from operations	**4,646**	**27,987**	**19,217**	**15,096**
Income taxes paid (net of refund received)	(197)	(4,652)	(1,660)	(986)
Net cash generated from operating activities (A)	**4,449**	**23,335**	**17,557**	**14,110**
Cash flow from investing activities				
Purchase of property, plant & equipment, intangible assets (including under development and capital advances)	(2,954)	(7,462)	(7,865)	(10,740)
Refund of Capital Advance	260			
Proceeds from sale of property, plant & equipment	2	33	13	41
Investment in subsidiaries and joint ventures including advances, preference shares and optionally fully convertible debentures	(1,997)	(2,612)	(5,785)	(939)
Loans to related parties	(443)	(2,318)	(4,277)	(1,623)
Loans repaid by related parties	749	902	6,181	1236
Purchase of current investments	-	(4,140)	(600)	(762)
Sale of current investments	-	4,151	606	765
Bank deposits not considered as cash and cash equivalents (net)	3,723	(7,232)	7,427	(7,524)
Interest received	511	1,009	532	423
Dividend received	17	17	9	31
Net cash used in investing activities (B)	(132)	**(17,652)**	**(3,759)**	**(19,092)**
Cash flow from financing activities				

	For the half year ended 30 Sep 2022	For the year ended 31 Mar 2022	31 Mar 2021	31 Mar 2020
Proceeds from sale of treasury shares	35	72	39	107
Payment for purchase of treasury shares	-	-591	0	(101)
Proceeds from non-current borrowings	8,777	16,052	9,365	18,561
Repayment of non-current borrowings	(6,129)	(13,753)	(6,053)	(10,320)
Proceeds from/Repayment of current borrowings (net)	(572)	(4,505)	(4,192)	1,443
Repayment of lease liabilities	(269)	(948)	(776)	(503)
Interest paid	(2,118)	(3,890)	(4,015)	(4,371)
Dividend paid (including corporate dividend tax)	(4,194)	(1,571)	(483)	(1,190)
Premium paid on redemption of debentures	-	-	0	(572)
Net cash used in financing activities (C)	(4,470)	**(9,134)**	**(6,115)**	**3054**
Net increase in cash and cash equivalents(A+B+C)	**(153)**	**(3,451)**	**7,683**	**(1,928)**
Cash and cash equivalents - opening balances	**7,670**	**11,121**	**3,438**	**5366**
Cash and cash equivalents - closing balances	**7,517**	**7,670**	**11,121**	**3,438**

d. Consolidated Balance Sheet as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020

Rs. in Crores

		As at 30 Sept 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
I	**ASSETS**				
(1)	**Non-current assets**				
	(a) Property, plant and equipment	94,388	92,952	58,857	57,758
	(b) Capital work-in-progress	18,907	16,756	32,433	26,857
	(c) Investment property	164	180	259	-
	(d) Right-of-use assets	4,711	4,715	3,816	3,471
	(e) Goodwill	128	119	336	415
	(f) Other intangible assets	1,861	1,914	1,649	350
	(g) Intangible assets under development	170	149	133	334
	(h) Investments in joint ventures	474	367	1,815	283
	(i) Financial assets				
	(i) Investments	4,608	4,565	5,604	974
	(ii) Loans	129	125	493	772
	(iii) Derivative assets	84	24	110	-
	(iv) Other financial assets	4,761	4,084	2,683	696
	(j) Current tax assets (net)	583	528	275	385
	(k) Other non-current assets	5,256	4,633	2,848	2,956

		As at 30 Sept 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Total non-current assets	**136,224**	**131,111**	**111,311**	**95,251**
(2)	**Current assets**				
	(a) Inventories	32,501	33,787	14,249	13,864
	(b) Financial assets				
	(i) Investments	5	8	8	2
	(ii) Trade receivables	6,827	7,457	4,486	4,505
	(iii) Cash and cash equivalents	8,786	8,808	11,943	3,966
	(iv) Bank balances other than (iii) above	4,499	8,575	870	8,037
	(v) Loans	722	759	479	742
	(vi) Derivative assets	732	426	102	294
	(vii) Other financial assets	1,464	1,289	1,610	2,858
	(c) Current tax assets (net)	6	7	6	6
	(d) Other current assets	4,707	4,250	2,091	2,286
	(e) Assets classified as held for sale	6	8	8	9
	Total current assets	**60,255**	**65,374**	**35,852**	**36,569**
	TOTAL - ASSETS	**196,479**	**196,485**	**147,163**	**131,820**
II	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
	(a) Equity share capital	301	301	302	301
	(b) Other equity	61,706	66,996	45,308	36,298
	Equity attributable to owners of the Company	**62,007**	**67,297**	**45,610**	**36,599**
	Non-controlling interests (NCI)	1,288	1,238	(619)	(575)
	Total equity	**63,295**	**68,535**	**44,991**	**36,024**
	Liabilities				
(2)	**Non-current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	66,220	57,929	49,731	44,673
	(ia) Lease liabilities	1,604	1,582	1,939	1,744
	(ii) Derivative liabilities	22	7	57	130
	(iii) Other financial liabilities	1,149	699	725	464
	(b) Provisions	1,373	1,481	852	348
	(c) Deferred tax liabilities (net)	7,471	7,621	3,509	1,677
	(d) Other non-current liabilities	557	1,080	2,060	3,072
	Total non-current liabilities	**78,396**	**70,399**	**58,873**	**52,108**
(3)	**Current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	9,339	12,046	14,652	8,325
	(ia) Lease liabilities	574	680	405	306
	(ii) Trade payables				
	a) Total outstanding, dues of micro and small enterprises	532	497	230	142
	b) Total outstanding, dues of creditors other than micro and small enterprises	31,397	30,392	15,013	17,776
	(iii) Derivative liabilities	193	115	110	251
	(iv) Other financial liabilities	6,785	8,415	8,694	14,143
	(b) Provisions	237	256	274	161
	(c) Other current liabilities	5,146	4,759	3,365	2,455
	(d) Current tax liabilities (net)	585	391	556	129

	As at 30 Sept 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Total current liabilities	**54,788**	**57,551**	**43,299**	**43,688**
Total liabilities	**133,184**	**127,950**	**102,172**	**95,796**
TOTAL – EQUITY AND LIABILITIES	**196,479**	**196,485**	**147,163**	**131,820**

e. Consolidated Profit and Loss account for the period ended September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020

Rs. in crores

		For the half year ended 30 Sep 2022	For the year ended 31 Mar 2022	31 Mar 2021	31 Mar 2020
I	Revenue from operations	79,864	146,371	79,839	73,326
II	Other income	377	1,531	592	546
III	**Total income (I + II)**	**80,241**	**147,902**	**80,431**	73,872
IV	**Expenses**				
	Cost of materials consumed	49,354	62,337	32,623	38,865
	Purchases of stock-in-trade	831	534	233	135
	Changes in inventories of finished goods and semi-finished goods, work-in-progress and stock-in-trade	(2,842)	(3,601)	(348)	(270)
	Mining premium and royalties	2,943	13,894	6,972	-
	Employee benefits expense	1,889	3,493	2,506	2,839
	Finance costs	2,945	4,968	3,957	4,265
	Depreciation and amortisation expense	3,583	6,001	4,679	4,246
	Other expenses	21,628	30,707	17,712	19,884
	Total expenses	**80,331**	**118,333**	**68,334**	**69,964**
V	**Profit before share of profit / (loss) from joint ventures (net), exceptional items and tax (III-IV)**	**(90)**	**29,569**	**12,097**	**3,908**
VI	Share of profit / (loss) from joint ventures (net)	(73)	917	1	(90)
VII	**Profit before exceptional items and tax (V+VI)**	**(163)**	**30,486**	**12,098**	**3,818**
VIII	Exceptional items	(591)	741	83	805
IX	**Profit before tax (VII-VIII)**	**428**	**29,745**	**12,015**	**3,013**
X	**Tax expense/(credit)**				
	Current tax	435	4,974	2,467	943
	Deferred tax	69	3,833	1,675	(1,849)
	Total tax expense/(credit)	**504**	**8,807**	**4,142**	**(906)**
XI	**Profit for the period/year (IX-X)**	**(76)**	**20,938**	**7,873**	**3,919**
XII	**Other comprehensive income / (loss)**				
A	Items that will not be reclassified to profit or loss				

		For the half year ended 30 Sep 2022	For the year ended 31 Mar 2022	31 Mar 2021	31 Mar 2020
	Remeasurement of the defined benefit plans	(45)	(83)	33	(23)
	Equity instruments through other comprehensive income	(19)	2,435	459	(304)
	Income tax relating to items that will not be reclassified to profit or loss	17	(284)	(12)	7
	Total (A)	**(47)**	**2,068**	**480**	**(320)**
B	Items that will be reclassified to profit or loss				
	The effective portion of gain /(loss) on hedging instruments	(589)	(9)	426	(825)
	Foreign currency translation reserve (FCTR)	(865)	(148)	25	(316)
	Changes in Foreign currency monetary item translation difference account (FCMITDA)				87
	Income tax relating to items that will be reclassified to profit or loss	200	5	(143)	253
	Total (B)	**(1,254)**	**(152)**	**308**	(801)
	Total other comprehensive income/(loss) (A+B)	**(1,301)**	**1,916**	**788**	**(1,121)**
XIII	**Total comprehensive income/(loss) (XI+XII)**	**(1,377)**	**22,854**	**8,661**	**2,798**
	Total Profit /(loss) for the year attributable to:				
	- Owners of the Company	(10)	20,665	7,911	4,030
	- Non-controlling interests	(66)	273	(38)	(111)
		(76)	**20,938**	**7,873**	**3,919**
	Other comprehensive income/(loss) for the period/year attributable to:				
	- Owners of the Company	(1,249)	1,937	770	(1,076)
	- Non-controlling interests	(52)	(21)	18	(45)
		(1,301)	**1,916**	**788**	**(1,121)**
	Total comprehensive income/(loss) for the period/year attributable to:				
	- Owners of the Company	(1,259)	22,602	8,681	2,954
	- Non-controlling interests	(118)	252	(20)	(156)
		(1,377)	**22,854**	**8,661**	**2,798**
XIV	**Earnings per equity share of Re 1 each**				
	Basic (in Rs.)	(0.05)	85.96	32.91	16.78
	Diluted (in Rs.)	(0.05)	85.49	32.73	16.67

f. Consolidated Cash Flow statement for period ended September 30, 2022, March 31,2022, March 31,2021 and March 31,2020

Rs. in crores

	For the half year ended	For the year ended		
	30 Sep 2022	**31 Mar 2022**	**31 Mar 2021**	**31 Mar 2020**
A. Cash flow from operating activities				
Profit before tax	**428**	**29,745**	**12,015**	**3,013**
Adjustments for:				
Depreciation and amortization expense	3,583	6,001	4,679	4,246
Loss on sale of property, plant and equipment (net)	@	107	37	30
Gain on sale of financial investments designated as FVTPL	@	(11)	(7)	(5)
Export obligation deferred income amortization	(39)	(526)	(239)	(144)
Interest income	(273)	(580)	(481)	(439)
Dividend income	(20)	(25)	(11)	(10)
Interest expense	2,850	4,584	3,745	3,924
Unrealised exchange (gain) / loss (net)	946	388	(436)	687
Gain on financial instruments designated as FVTPL	(3)	(707)	-	(4)
Unwinding of interest on financial assets carried at amortised cost	(50)	(69)	(52)	(45)
Fair value gain on joint venture previously held stake on acquisition of control	-	-	-	(13)
Share based payment expense	112	161	20	37
Share of (profit) / loss from joint ventures (net)	73	(917)	(1)	90
Fair value loss on financial instrument designated as FVTPL	-	-	2	2
Allowances for doubtful receivable and advances	5	56	101	113
Exceptional items	(591)	741	83	805
Non Cash expenditure debit to the consolidated financial statement of profit and loss	-			14
Gain on sale of Investment property	-	(35)	**-**	-
	6,593	**9,168**	**7,440**	**9,288**
Operating profit before working capital changes	**7,021**	**38,913**	**19,455**	12,301
Adjustments for:				

	For the half year ended	For the year ended		
	30 Sep 2022	31 Mar 2022	31 Mar 2021	31 Mar 2020
Decrease/(Increase) in inventories	1,335	(15,593)	(335)	744
Decrease/Increase in trade receivables	594	(1,884)	72	2,458
(Increase) in other assets	(1,942)	(2,884)	(423)	(1,837)
Decrease/(Increase) in trade payable and other liabilities	(431)	13,013	1,348	183
Increase in provisions	(162)	84	644	91
	(606)	**(7,264)**	**1,306**	**1,639**
Cash flow from operations	**6,415**	**31,649**	**20,761**	**13,940**
Income taxes paid (net of refund received)	(293)	(5,379)	(1,930)	(1,155)
Net cash generated from operating activities	**6,122**	**26,270**	**18,831**	**12,785**
B. Cash flow from investing activities				
Purchases of property, plant and equipment and intangibles assets (including under development and capital advances)	(5,894)	(10,091)	(10,966)	(12,810)
Refund of capital Advance	260			
Proceeds from sale of property, plant and equipment	24	43	51	43
Proceeds from sale of Investment property	10	135	-	-
Cash outflow on acquisition of a subsidiary / acquisition of NCI	@	(20)	(1,575)	(64)
Investment in joint ventures	(136)	(364)	(5,087)	-
Equity investment in other related parties	(100)	(300)	-	-
Proceed from sale of stake in joint venture	-			164
Inter corporate deposits	-	(149)	(293)	-
Purchase of current investments	-	(4,140)	(606)	(762)
Sale of current investments	4	4,153	612	847
Bank deposits not considered as cash and cash equivalents (net)	4,076	(5,870)	7,407	(7,517)
Interest received	256	591	619	503
Dividend received	20	25	11	10

	For the half year ended	For the year ended		
	30 Sep 2022	**31 Mar 2022**	**31 Mar 2021**	**31 Mar 2020**
Net cash used in investing activities	**(1,480)**	**(15,987)**	**(9,827)**	**(19,586)**
C. Cash flow from financing activities				
Proceeds from sale of treasury shares	35	72	39	107
Payment for purchase of treasury shares	-	(591)	-	(101)
Proceeds from non-current borrowings	10,392	17,043	15,897	20,814
Repayment of non-current borrowings	(7,419)	(19,651)	(7,562)	(11,107)
Proceeds from / (repayment) of current borrowings (net)	(11)	(4,440)	(4,660)	1,940
Repayment of lease liabilities	(256)	(417)	(335)	(177)
Interest paid	(3,198)	(5,102)	(4,340)	(4,520)
Dividend paid (including corporate dividend tax)	(4,194)	(1,571)	(483)	(1,195)
Premium paid on redemption of debenture	-			(572)
Net cash (used in) / generated from financing activities	**(4,651)**	**(14,657)**	**(1,444)**	**5,189**
Net increase / (decrease) in cash and cash equivalents(A+B+C)	**(9)**	**(4,374)**	**7,560**	**(1,612)**
Cash and cash equivalents at the beginning of year	**8,808**	11,943	**3,966**	**5,581**
Add: Translation adjustment in cash and cash equivalents	(13)	(3)	(3)	(6)
Add: Cash and cash equivalents pursuant to business combinations	**-**	1,246	420	**3**
Less: Cash and cash equivalents upon loss of control of subsidiaries @	**-**	(4)	-	-
Cash and cash equivalents at the end of period/ year	**8,786**	**8,808**	**11,943**	**3,966**

@ less than 0.50 Crore

Note: Refer **Annexure-K** for Audit report and detailed financial statements

12.2.1.4 Key Operational and Financial Parameters

A brief overview of the financial performance of the Issuer for the past 3 (three audited financial years):

Standalone Financials: **Rs. (in crores)**

Parameters	**30-09-2022**	**2021-22**	**2020-21**	**2019-20**
				Balance Sheet
Net Fixed assets (comprises of Property, plant and equipment and Capital work-in-progress)	79,359	78,321	75,081	69,927
Current Assets	43,364	47,485	29,703	29,375
Non Current Assets (Excluding net fixed assets)	39,893	37,064	28,448	22,740
Total Assets	1,62,616	1,62,870	1,33,232	1,22,042
Non-Current Liabilities	59,593	53,235	49,215	48,086
Non-Current Financial Liabilities (borrowings, lease liabilities, derivative liabilities and other financial liabilities	50,955	43,985	43,331	43,401
Non-Current Provisions	1,236	1,292	753	322
Deferred Tax Liabilities (net)	6,883	6,935	3,095	1,315
Other non-current liabilities	519	1,023	2,036	3,048
Current Liabilities	43,070	46,134	37,040	35,594
Current Financial Liabilities (borrowings, trade payables, lease liabilities, derivative liabilities and other financial liabilities)	38,048	41,369	33,006	33,109
Current Provisions	199	227	243	64
Current Tax Liabilities (net)	523	385	537	119
Other current liabilities	4,300	4,153	3,254	2,302
Total Liability	1,02,663	99,369	86,255	83,680
Equity (equity and other equity)	59,953	63,501	46,977	38,362
Total equity and liabilities	1,62,616	1,62,870	1,33,232	122,042
Profit and Loss				
Total revenue from operations	63,599	1,18,820	70,727	64,262
Other Income	705	1,929	669	628
Total Expenses	63,012	95,312	58,814	59,289
Total comprehensive income	481	18,450	9,035	4,612
Other comprehensive income	(384)	1,748	642	(679)
Profit/loss after tax	865	16,702	8,393	5,291
Earnings per equity share: (a) basic; and (b) diluted	3.60 3.58	69.48 69.10	34.92 34.72	22.03 21.89
Cash Flow				
Net cash generated from operating activities	4,449	23,335	17,557	14,110
Net cash (used in)/generated from investing activities	(132)	(17,652)	(3,759)	(19,092)
Net cash (used in)/generated from financing activities	(4,470)	(9,134)	(6,115)	3,054
Cash and cash equivalents	7517	7,670	11,121	3,438

Parameters	30-09-2022	2021-22	2020-21	2019-20
Balance as per statement of cash flow	7517	7,670	11,121	3,438
Additional Information				
Net worth (Total Equity)	59,953	63,501	46,977	38,362
Cash and Cash equivalents	7,517	7,670	11,121	3,438
Current Investments	-	-	-	-
Net Sales	62,731	1,16,928	69,458	62,315
EBITDA	5799	33,797	19,928	13,145
EBIT	3415	29,286	16,147	9,623
Dividend Amounts	4194	1,571	483	1,190
Long term debt to working capital	8.72	5.03	*	*
Current Liability Ratio	0.42	0.46	0.43	NA#
Current liabilities / Non-current liabilities	0.72	0.87	0.75	NA#
Total Debts to Total Assets	0.33	0.31	0.39	NA#
Interest service coverage ratio	3.44	11.31	6.52	3.61
Debt service coverage ratio	0.75	3.78	2.60	1.12

*Working capital was negative as on 31st March 2021 and 31st March 2020.
*for the purpose of above table, only published figures/ ratios have been considered.

Consolidated Financials: **Rs. (in crores)**

Parameters	30-09-2022	2021-22	2020-21	2019-20
Balance Sheet				
Net Fixed assets (comprises of Property, plant and equipment and Capital work-in-progress)	1,13,295	109,708	91,290	84,615
Current Assets	60,255	65,374	35,852	36,569
Non-Current Assets (excluding net fixed assets)	22,929	21,403	20,021	10,636
Total Assets	1,96,479	196,485	147,163	131,820
Non-Current Liabilities	78,396	70,399	58,873	52,108
Non-Current Financial Liabilities (borrowings, lease liabilities, derivative liabilities and other financial liabilities)	68,995	60,217	52,452	47,011
Non-Current Provisions	1,373	1,481	852	348
Deferred Tax Liabilities (net)	7,471	7,621	3,509	1,677
Other non-current liabilities	557	1,080	2,060	3,072
Current Liabilities	54,788	57,551	43,299	43,688
Current Financial Liabilities (borrowings,	48,820	52,145	39,104	40,943

trade payables, lease liabilities, derivative liabilities and other financial liabilities)				
Provisions	237	256	274	161
Current Tax Liabilities (net),	585	391	556	129
Other current liabilities	5,146	4,759	3,365	2,455
Total Liability	1,33,184	127,950	102,172	95,796
Equity (equity and other equity)	63,295	68,535	44,991	36,024
Total equity and liabilities	1,96,479	196,485	147,163	131,820
Profit and Loss				
Total revenue from operations	79,864	146,371	79,839	73,326
Other Income	377	1,531	592	546
Total Expenses	80,331	118,333	68,334	69,964
Total comprehensive income	(1377)	22,854	8,661	2,798
Other comprehensive income	(1301)	1,916	788	(1,121)
Profit/loss after tax	(76)	20,938	7,873	3,919
Earnings per equity share: (a) basic; and (b) diluted	(0.05) (0.05)	85.96 85.49	32.91 32.73	16.78 16.67
Cash Flow				
Net cash generated from operating activities	6,122	26,270	18,831	12,785
Net cash used in investing activities	(1480)	(15,987)	(9,827)	(19,586)
Net cash (used in)/generated from financing activities	(4,651)	(14,657)	(1,444)	5,189
Cash and cash equivalents	8,786	8,808	11,943	3,966
Additional Information				
Net-worth (Total Equity)	63,295	68,535	44,991	36,024
Current Investments	5	8	8	2
Net Sales	78,622	1,43,829	78,059	71,116
EBITDA	6438	40,538	20,733	12,419
EBIT	2855	34,537	16,054	8,173
Dividend Amounts	4,194	1,571	483	1,195
Long term debt to working capital	5.73	3.80	66.65	NA*
Current Liability Ratio	0.41	0.45	0.42	NA*
Current liabilities / Non-current liabilities	0.69	0.82	0.73	NA*
Total Debts to Total Assets	0.38	0.36	0.44	NA*
Interest service coverage ratio	2.28	9.33	5.84	NA*
Debt service coverage ratio	0.67	3.56	2.22	NA*

*for the purpose of above table, only published figures/ ratios have been considered

12.2.1.5 Debt-Equity ratio of the Issuer (on Standalone basis)

Before the issue of Debentures *	0.91
After the issue of Debentures*	0.92

*Based on the September 30, 2022 standalone financial statements and considering current NCD issue size of INR 875 Crore.

12.2.1.6 Project Cost and means of financing, in case of funding of new projects: N.A.

12.2.1.7 Details of contingent liabilities of the Issuer based on the last audited financial statements including amounts and nature of liability:

As at March 31, 2022, the Company and the Group had total contingent liabilities of Rs. 21,191 Crore and Rs. 18,131 Crore, respectively, as per IND-AS 37 — "Provisions, contingent liabilities and contingent assets". These included contingent liabilities on account of guarantees, disputed claims and levies. If these contingent liabilities fully, or substantially, materialize, the Group's business, financial condition and results of operations may be adversely affected.

12.3 **Brief History of the Issuer since its incorporation**

The Company was incorporated on 15th March 1994 as Jindal Vijayanagar Steel Limited in the state of Karnataka and received the certificate of commencement of business on 8 July 1994. The registered office of the Company was shifted to Jindal Mansion, 5A, Dr. G. Deshmukh Marg, Mumbai 400 026, Maharashtra, with effect from April 29, 2005. Subsequently, the Company was renamed to JSW Steel Limited and a fresh certificate of incorporation was issued by the RoC on June 16, 2005. The registered office of Company was shifted to JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, with effect from June 20, 2013.

12.3.1.1 Details of share capital as on September 30, 2022:

Authorised Share Capital	**Amount in ₹ Crores**
Equity shares of the par value of ₹ 1 each	6,015
TOTAL	**6,015**
Issued, Subscribed and Paid Share Capital	**Amount in ₹ Crores**
Issued and subscribed	240
Equity shares forfeited	61
Total	**301**

12.3.1.2 Changes in capital structure as on September 30, 2022, for the last 3 years

Date of Change (AGM/EGM)	**Rs.**	**Particulars**
48,54,14,604 Nos 0.01% Cumulative redeemable preference shares of face value of Rs. 10/- have been partially redeemed as per details given here below:		
15.06.2018 (Redemption date)	Redemption amount Rs. 60,67,68,255 (initial face value Rs. 10) (Face value post redemption Rs.8.75)	1st Instalment of redemption amount due on the 0.01% Cumulative Redeemable Preference Shares.

Date of Change (AGM/EGM)	Rs.	Particulars
	No. of Preference Shares 48,54,14,604	
15.09.2018	Redemption amount Rs. 60,67,68,255 (Face value pre- redemption Rs.8.75) (Face value post redemption Rs.7.5) No. of Preference Shares 48,54,14,604	2nd Instalment of redemption amount due on the 0.01% Cumulative Redeemable Preference Shares.
15.12.2018	Redemption amount Rs. 60,67,68,255 (Face value pre- redemption Rs.7.5) (Face value post redemption Rs.6.25) No. of Preference Shares 48,54,14,604	3rd Instalment of redemption amount due on the 0.01% Cumulative Redeemable Preference Shares.
15.03.2019	Redemption amount Rs. 60,67,68,255 (Face value pre- redemption Rs.6.25) (Face value post redemption Rs.5) No. of Preference Shares 48,54,14,604	4th Instalment of redemption amount due on the 0.01% Cumulative Redeemable Preference Shares.
15.06.2019	Redemption amount Rs. 60,67,68,255 (Face value pre- redemption Rs.5) (Face value post redemption Rs.3.75) No. of Preference Shares 48,54,14,604	5th Instalment of redemption amount due on the 0.01% Cumulative Redeemable Preference Shares.
15.09.2019 (Actual Redemption date 13.09.2019)	Redemption amount Rs. 60,67,68,255 (Face value pre- redemption Rs.3.75) (Face value post redemption Rs.2.5) No. of Preference Shares 48,54,14,604	6th Instalment of redemption amount due on the 0.01% Cumulative Redeemable Preference Shares.
15.12.2019 (Actual Redemption date 13.12.2019)	Redemption amount Rs. 60,67,68,255 (Face value pre- redemption Rs.2.5) (Face value post redemption Rs.1.25) No. of Preference Shares 48,54,14,604	7th Instalment of redemption amount due on the 0.01% Cumulative Redeemable Preference Shares.
13.03.2020 (Actual Redemption date 13.03.2020)	Redemption Amount Rs.60,67,68,255 (Face value pre- redemption Rs.1.25) (Face value post redemption Nil, Fully redeemed. No. of Preference shares 48,54,14,604	8th & Final Instalment of redemption amount due on the 0.01% Cumulative Redeemable Preference Shares.

12.3.1.3 Equity Share Capital history of the Company as on last quarter end (i.e. 30 September 2022) and last 3 years

Date of Allotment	No of Equity Shares	Face Value (Rs)	Issue Price (Rs)	Consideration (Cash, other than cash, etc)	Nature of Allotment	Cumulative			Remarks
						No of equity shares	Equity Share Capital (Rs)	Equity Share Premium (in Rs)	
05.01.2017	2417220440	Re. 1/-	The Equity Shares of the Company having a face value of Rs.10/- each were sub-divided into 10 Equity Shares having a face value of Re.1/- each			2417220440	2417220440	Nil	Nil

12.3.1.4 Details of any Acquisition/Amalgamation in the last 1 year:

Key acquisitions/ amalgamation in the last one year are listed below:

a. BPSL – acquisition of majority stake:

The Company and JSW Shipping & Logistics P Limited (JSLPL), a JSW promoter group company, had acquire BPSL under the IBC process in March 2021 with JSLPL acquiring 51% of the equity stake and the balance being acquired by the Company. In October 2021, the Company exercised an option to convert optionally convertible debentures issued held by the intermediate holding company of BPSL, thereby increasing its effective holding to 83.28%.

b. Amalgamation of JSW Steel Coated Products Limited (JSW Coated), Hasaud Special Steel Limited (HSL), Asian Colour Coated Ispat Limited (ACCIL), Vardhman Industries Limited (VIL), JSW Vallabh Tinplate P Limited (JVTPL):

JSW Steel is proposing to simplify the holding structure of its value added products (downstream) business by consolidating various entities acquired at different points of time and engaged in the same line of business. The proposal comprises of a merger of 5 group entities engaged in similar lines of business and in which JSW Steel has an effective 100% equity stake.

c. Amalgamation of JISPL & Creixent Special Steels Limited ("CSSL"):

JSW Steel has proposed a scheme that entails the amalgamation of CSSL and JISPL, its joint ventures, into itself. JISPL (erstwhile Monnet Ispat and Energy Limited), was acquired by the Company in consortium with AION Investments Private II Limited ("AION"), an affiliate of Apollo Global Management LLC, under the provisions of the Insolvency and Bankruptcy Code, 2016 in August 2018. CSSL was formed as the vehicle for the acquisition of JISPL along with AION. JISPL and CSSL are in the same line of business as the Company and the amalgamation would result in administrative efficiences. The proposed Scheme is in line with JSW Steel's track record of acquiring stressed assets, turning them around and merging with itself. The boards Company and its joint venture companies - JISPL and CSSL had on May 27, 2022 approved a scheme of arrangement for amalgamation of JISPL and CSSL into the Company. The scheme is subject to approvals of the shareholders and creditors of the companies and also of stock exchanges, SEBI, Competition Commission and NCLT. The Competition Comission has approved the proposed scheme and the companies are in process of seeking the other approvals for consumating the scheme.

d. Neotrex Steel P Limited (NPSL) – acquisition of stake:

The board of the Company had approved an investment of Rs 96 crores in October 2021 for acquisition of a stake in NSPL, a company set up to produce low relaxation pre stressed concrete strands facility with an annual capacity of 144,000 at an estimated cost of Rs 340 crores. The project cost is proposed to be funded with equity and convertible debentures of Rs 120 crores (80% of which would be funded by the Company) and balance of Rs 220 crores would be tied up as debt.

e. Acquisition of National Steel and Agro Industries Limited (NSAL):

JSCPL had submitted a resolution plan in the CIRP of NSAL on September 6, 2022. The resolution professional has issued a letter of intent to JSCPL on October 7, 2022 indicating that the committee of creditors of NSAL have approved the resolution plan. JSCPL has since accepted the aforementioned letter of intent and the closure of the transaction is subject to approval of NCLT.

12.4 **Details of any Reorganization or Reconstruction in the last 1 year: NIL**

12.5 **Details of the shareholding of the Company as on latest quarter end, i.e., 30 September 2022:**

Please refer to annexure P of this Placement Memorandum.

12.5.1.1 List of top 10 (ten) holders of equity shares of the Issuer as on 30 September 2022:

The list of the top 10 (ten) equity shareholders of the Issuer as on the quarter ended on September 30, 2022 are given below:

Sr. No.	Name of the shareholders	Total no of equity shares	No. of shares in demat form	Total shareholding as per cent of total no of equity shares
1.	JFE STEEL INTERNATIONAL EUROPE B.V.	36,25,83,070	36,25,83,070	15
2.	JSW TECHNO PROJECTS MANAGEMENT LTD	26,45,96,120	26,45,96,120	10.9
3.	JSW HOLDINGS LIMITED	18,14,02,230	18,14,02,230	7.50
4.	LIFE INSURANCE CORPORATION OF INDIA	16,43,21,417	16,43,21,417	6.79
5.	VIVIDH FINVEST PRIVATE LIMITED	14,33,70,690	14,33,70,690	5.93
6.	SAHYOG HOLDINGS PRIVATE LIMITED	11,20,67,860	11,20,67,860	4.63
7.	SIDDESHWARI TRADEX PRIVATE LIMITED	8,45,50,760	8,45,50,760	3.49
8.	JSW ENERGY LIMITED	7,00,38,350	7,00,38,350	2.89

Sr. No.	Name of the shareholders	Total no of equity shares	No. of shares in demat form	Total shareholding as per cent of total no of equity shares
9.	JTPM METAL TRADERS PRIVATE LIMITED	6,83,29,700	68,32,97,000	2.83
10.	VIRTUOUS TRADECORP PRIVATE LIMITED	6,03,68,250	6,03,68,250	2.49
	Total	**1521639447**	**1521639447**	62.45

12.6 **Details regarding the directors of the Issuer**

12.6.1.1 Details of current directors of the Issuer

The following table sets forth the details of the directors of the Issuer as on the date of this Placement Memorandum:

Sr. No	Name, designation and DIN	Age	Address	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
1.	Mr. Sajjan Jindal Chairman and Managing Director DIN: 00017762	62	JSW Steel Ltd, JSW Centre, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	15/03/1994	1. JSW Energy Limited 2. JSW Holdings Limited	No
2.	Mr. Seshagiri Rao Joint Managing Director and Group CFO DIN: 00029136	64	JSW Steel Ltd, JSW Centre, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	06/04/1999	NIL	No
3.	Mr. Jayant Acharya Dy. Managing Director DIN: 00106543	59	JSW Steel Ltd, JSW Centre, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	07/05/2009	1. JSW Steel Coated Products Ltd. 2. JSW IP Holdings Private Limited	No

Sr. No	Name, designation and DIN	Age	Address	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
4.	Mr Hiroyuki Ogawa Nominee Director (JFE Steel Corporation, Japan) DIN: 07803839	61	JFE Steel Corporation 2-2-3 Uchisaiwaicho, Chiyoda-Ku, Tokyo 110 0011, Japan	17/05/2017	JFE Steel Corporation	No
5.	Dr. M. R. Ravi Nominee Director, KSIIDC DIN : 08254276	56	"KSIIDC", 'Khanija Bhavan' 4th Floor, East Wing, 49, Race Course Road, Bangalore – 560 001.	21 January 2021	1. Karnataka State Industrial & Infrastructure Development Corporation Ltd 2. Karnataka trustee Co. Pvt Ltd 3. Karnataka Asset Management Co. Pvt Ltd 4. Mysore sales International Ltd 5. KSIIDC-ILFS Project development Co. Ltd 6. Karnatka Antibiotic & Pharmaceuticals Ltd 7. Tadadi Port Limited 8. mKarnataka StateSmall Industries Development Corporation Ltd	No
6.	Mr. Seturaman Mahalingam Independent Director	74	No.6, Subbaraya Iyer Avenue, Abhiramapu	27/07/2016	1. Lucas TVS Limited	No

Sr. No	Name, designation and DIN	Age	Address	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
	DIN: 00121727		ram, Chennai 600 018		2. Sundaram Finance Limited 3. Sundaram Fasteners Limited 4. Kasturi & Sons Limited 5. TVS Supply Chain Solutions Ltd 6. CSI Publications (Sec.8 Company) 7. Nani Palkhivala Arbitration Centre (Sec. 8 Company) 8. IIT Madras Research park (Sec.8 Company) 9. Indian Institute of Information Technology and Management Kerala 10. Delphi-TVS Technologies Limited 11. Lessonleap Academy India Pvt Ltd 12. RICO Logistics Ltd., UK 13. TVS Supply Chain Solutions Limited, UK 14. Divinion Advisory Pvt Ltd	
7.	Mr. Haigreve Khaitan	52	Indiabulls Tower No. 1, 13th Floor	30/09/2015	1. Ceat Limited 2. Inox Leisure Limited	No

Sr. No	Name, designation and DIN	Age	Address	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
	Independent Director DIN: 00005290		Senapati Bapat Marg, Mumbai 13		3. Torrent Pharmaceuticals Limited 4. Tech Mahindra Limited 5. Mahindra & Mahindra Ltd 6. Borosil Renewables Limited 7. VS Trustee Private Limited 8. JIO Platforms Ltd 9. New Democratic Electoral Trust	
8.	Dr. Punita Kumar Sinha Independent Director DIN: 05229262	60	51 Gate House Road, Chestnut Hill, Newton, MA 02467, USA	28 October 2012	1. Classic Legends Private Limited 2. Embassy Office Parks Management Services Private Limited 3. Lupin Ltd 4. Mahindra Intertrade Limited 5. Lupin Inc, USA 6. Rallis India Limited 7. Paradigmarq Advisors Private Limited 8. One Mobikwik Systems Ltd.	No
9.	Mr. Harsh Charandas Mariwala Independent Director	71	2nd Floor, 7th on the hill, Auxilium Convent Rd Rajendra	25/07/2018	1. Marico Ltd. 2. Marico Innovation Foundation 3. Kaya Limited	No

Sr. No	Name, designation and DIN	Age	Address	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
	DIN: 00210342		Kumar Chowk, Pali Hill, Bandra (West) Mumbai 400050		4. Eternis Fine Chemicals Limited 5. Scientific Precision Private Limited 6. Halite Personal Care India Pvt Ltd. 7. Ascent India Foundation 8. Mariwala Health Foundation 9. Thermax Limited 10. Aqua Centric Private Limited 11. Zensar Technologies Limited 12. Sharrp Consumer Welbeing Solutions Pvt Ltd 13. The Bombay Oil Private Limited	
10.	Mrs. Nirupama Rao Independent Director DIN: 06954879	71	Apartment D, Springleaf Apartments No. 6, Brunton Cross Road Bangalore 560025	25/07/2018	1. ITC Limited 2. KEC International Limited. 3. Adani Ports and Special Economic Zone Ltd	No
11.	Ms.Fiona Jane Mary Paulus Additional Director	62	Upper Flat, 155 Gloucester Avenue, London NW1, 8LA, UK	27 May 2022	1. RHI- Magnesita (RHIM) 2. Interpipe Group 3. 155 Gloucester Avenue Limited, UK	No

Sr. No	Name, designation and DIN	Age	Address	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/No)
	(Independent Director) DIN: 09618098					
12.	Mr. Marcel Fasswald Independent Director DIN: **00140134**	53	Steinbergweg 9, 42579 Heiligenhaus, Germany	21 October 2022	Nil	No

None of our Directors are part of the RBI defaulter list and/or ECGC default list.

12.6.1.2 Details of change in directors since last 3 (three) years

Sr. No.	Name, designation and DIN	Date of appointment	Date of cessation, if applicable	Date of resignation, if applicable	Remarks
1.	Mr. Ganga Ram Baderiya Nominee Director of KSIIDC Din No. 0750633	24.05.2019	N.A.	23.10.2020	Nominee changed by KSIIDC, Equity Investor
2.	M.S.Srikar Nominee Director of KSIIDC Din No. 07882939	23.10.2020	N.A.	N.A.	Nominee changed by KSIIDC, Equity Investor
3.	Dr. V.Ram Prasath Manohar, IAS Nominee Director of KSIIDC Din No. 08079851	21.05.2021	16.10.2021	N.A.	Nominee changed by KSIIDC, Equity Investor
4.	Mr.K.P.Mohan Raj IAS Nominee Director of KSIIDC Din No.06965604	21.10.2021	18.01.2022	N.A.	Nominee changed by KSIIDC, Equity Investor
5.	Dr. M.R.Ravi, IAS Nominee Director of KSIIDC Din No.08254276	21.01.2022	N.A.	N.A.	NIL
6.	Mr. Malay Mukherjee, Independent Director Din No.02861065	29.07.2015	29.01.2022	N.A.	Due to sudden demise

Sr. No.	Name, designation and DIN	Date of appointment	Date of cessation, if applicable	Date of resignation, if applicable	Remarks
7.	Dr.Vinod Nowal Din No. 00046144	30.04.2007	N.A.	29.04.2022	Dr. Nowal has superannuated from the services of the Company with effect from the close of business hours of 29th April 2022, upon completion of his tenure on the same day as a Whole-time Director, designated as Dy. Managing Director.
8.	Ms. Fiona Jane Mary Paulus Independent Director DIN: 09618098	27.05.2022	N.A.	N.A.	NIL
9.	Mr. Marcel Fasswald Independent Director DIN: 00140134	21.10.2022	N.A.	N.A.	Appointment as Independent Director

12.7 Remuneration of directors (during the current year and last three financial years)

Please refer to Annexure I.

12.8 Details regarding the Auditor of the Company

Name	Address	Auditor since
SRBC & Co. LLP	14th Floor, The Ruby 29 Senapati Bapat Marg Dadar (West), Mumbai – 400 028	29 June 2017

12.9 Details of change in auditors since last 3 (three) years:

Name	Address	Date of appointment/ resignation/	Auditor of the Issuer since (in case of resignation)	Remarks
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

12.10 **Summary or reservation or qualifications or adverse remarks of auditors in the immediately preceding 3 (three) financial years and their impact on financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservation or qualification or adverse remarks, if any**

There are no qualifications or adverse remarks of auditors in the immediately preceding three financial years.

12.11 **Details of borrowings of the Company as on quarter ended 30 September 2022**

12.11.1.1 Details of outstanding secured loan facilities of the Issuer: Please refer to **Annexure L.**

12.11.1.2 Details of outstanding unsecured loan facilities of the Issuer: Please refer to **Annexure L**.

12.11.1.3 Details of outstanding Non-Convertible Securities: Please refer to **Annexure L**.

12.11.1.4 List of top 10 (ten) holders of non-convertible securities in terms of value (in cumulative basis) as on September 30, 2022:

Name of the Debenture Holder#	Amount (INR Crore)	percentage of total amount outstanding
Life Insurance Corporation of India	4,670	48%
State Bank of India	3,845	40%
Kotak Mahindra Bank Limited	335	3%
ICICI Bank Limited	250	3%
Bank of Baroda	240	2%
Bank of Maharasthra	140	1%
Nippon Life India Trustee Ltd (Various funds)	135	1%
DSP Credit Risk Fund	15	0.2%
Rams Investment Unit Trust-India Fixed Income Fund	15	0.2%
Alembic Pharmaceuticals Limited Provident Fund	10	0.1%
#The list includes only names of only top 10 debenture holders. Total debentures outstanding as on September 30, 2022 is Rs.9,670 Crore details of which are given in Annexure-L		

12.11.1.5 **Details of outstanding Commercial Paper as on September 30, 2022**

Nil

12.11.1.6 **Details of rest of the borrowing (if any including hybrid debt like FCCB, optionally convertible debentures/preference shares) as on September 30, 2022 :** Nil

12.11.1.7 **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, and other financial indebtedness including corporate guarantee issued:** Nil

12.11.1.8 **Details of default and non-payment of statutory dues (including therein the amounts involved, duration of default and present status):**

The Issuer has no pending statutory dues in respect of undisputed claims against the issuer. Please refer to page number 26 of the chapter on 'Risk Factors'.

12.11.1.9 **Details of any outstanding borrowings taken/debt securities issued other than cash. This information shall be disclosed where such borrowing/debt securities have been taken/issued (i) in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option or not:** Nil

12.12 **Details of Promoters of the Company**

A complete profile of all the promoters, including their name, date of birth, age, personal addresses, educational qualifications, experience in the business or employment, positions/posts held in the past, directorships held, other ventures of each promoter, special achievements, their business and financial activities, photograph, Permanent Accountant Number.

Name	**Mr. Sajjan Jindal**	**Ms. Savitri Jindal**
Brief Description	Mr. Sajjan Jindal is the chairman of the JSW Group.	Smt. Savitri Devi Jindal, Chairperson Emeritus of the O.P. Jindal Group, is a former Member of the Legislative Assembly from Hisar Constituency of Haryana. As a Minister, she held the portfolio of Urban Local Bodies in the Government of Haryana. She is a devoted social worker and strives to continuously work towards upliftment of the backward sections of the Society through various initiatives like women empowerment, health care, education, and environment. Smt. Jindal has been instrumental in launching various housing schemes and computerization of land records in Haryana.
Date of Birth	December 5, 1959	March 30, 1949
Age	62 years	73 years
Personal Addresses	Jindal Villa, 36, Nepeansea Road, Mumbai - 400026	Jindal House, Model Town, O.P. Jindal Marg, Hisar – 125 001, Haryana
Educational Qualification	B.Tech (Mechanical Engineering)	Diploma
Experience in the Business or Employment	Chairman and Managing Director of the Company	Smt. Savitri Devi Jindal, Chairperson Emeritus of the O.P. Jindal Group.
Positions/Post held in the past	Mr. Sajjan Jindal was past President of Indian Steel Association (ISA) as	Past Directorships: Jindal Stainless Limited (21.4.2005 to 28.10.2013)

Name	Mr. Sajjan Jindal	Ms. Savitri Jindal
	well as the former President of the Institute of Steel Development & Growth (INSDAG).	JSW Steel Limited (18.4.2005 to 21.10.2011) Jindal Saw Limited (28.4.2005 to 28.10.2013) Jindal Steel & Power Limited (25.7.2005 to 26.4.2012) JWIL Infra Limited (19.12.2008 to 29.10.2014) Jindal ITF Limited (16.12.2008 to 20.10.2014)
Directorship Held	JSW Steel Limited , JSW Energy Limited and JSW Holdings Limited	Present Directorship (as on 9.9.2022): Sonabheel Tea Limited (Since 3.9.2000) Jindal Industries Private Limited (Since 22.4.2005) OPJ Steel Trading Private Limited (Since 23.11.2016) Rohit Tower Building Limited (Since 15.6.1977)
Other Ventures of Each Promoter	Mr. Sajjan Jindal is the Chairman and Managing Director of JSW Energy Limited and Chairman of JSW Holdings Limited and World Steel Associations, Brussels. He is also the Vice President and Chairman (Ferrous division) of the Indian Institute of Metals.	N.A.
Special Achievements	Mr. Sajjan Jindal has been awarded on many global platforms for his contribution and commendable work and has been recognized "CEO of the Year 2019" by Business Standard (India's leading business publication) & "Best CEO Award 2019" by Business Today Magazine. He has also been recognized as "Outstanding Business Leader of the year 2018" by IBLA - CNBC TV18 (India's leading business news channel). He was also awarded the JRD Tata Award 2017 for "Excellence in Corporate Leadership in Metallurgical industry", and the "2014 National Metallurgist Award: Industry" instituted by the Ministry of Steel, Government of India. Mr. Sajjan Jindal is Chairman of the World Steel	With a net worth of $18 billion, Mrs. Jindal is the only woman in the Forbes India's Richest list, standing at the seventh position in 2021. She also ranks 91st on the Forbes Billionaires' List.

Name	Mr. Sajjan Jindal	Ms. Savitri Jindal
	Association, one of the largest and most dynamic industry associations in the world.	
Business and Financial Activities	Industrialist	Industrialist
Photograph		
Permanent Account Number	AADPJ5110D	ACPPJ0130M

Our Company confirms that the permanent account number, aadhaar number, driving license number, bank account number(s) and passport number of the Promoters and permanent account number of Directors shall be submitted to the Stock Exchange at the time of filing of in-principle application with the Stock Exchange.

12.13 **Audited Cash Flow Statement both om a standalone and consolidated basis for a period of three completed years:**

Please refer to Section 12.1.2.3 and Annexure K of this Placement Memorandum.

12.14 **Any material event/development or change having implications on the financials/ credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate event etc.) at the time of Issue which may affect the Issue or the investors decision to restructuring invest/ continue to invest in the debt securities:**

Reorganisation of subsidiaries/joint ventures

The boards Company and its joint venture companies - JISPL and CSSL had on May 27, 2022 approved a Proposed scheme of arrangement for amalgamation of JISPL and CSSL into the Company. The scheme is subject to approvals of the shareholders and creditors of the companies and also of stock exchanges, SEBI, Competition Commission and NCLT. The Competition Comission has approved the proposed scheme and the companies are in process of seeking the other approvals for consumating the scheme.

Reorganisation of Chile operations

The Company through its wholly owned subsidiary Inversiones Eurosh Limitada ("IEL") and its Joint Venture partner Compañía Minera Santa Fe had formed a joint venture company, Santa Fe Mining ("SFM"), in Chile to develop iron ore deposits in the Atacama region of Chile. IEL had 70% equity interest in SFM.

IEL and SFM had ownership/leasehold rights to five iron ore mining projects in Chile. While the lease of Bellavista, which had been operationalised, was terminated in FY2021 due to uncertainties arising post the COVID 19 outbreak, in view of the then prevailing market conditions, iron ore mining in other mines was economically not viable and therefore, the entire amount of investments made by the Company and loans extended by the Company in Chile was fully provided for in its books of accounts in the previous years.

IEL has entered into an agreement on August 31, 2022 for selling its 70% stake held in SFM. The Company proposes to liquidate the other subsidiaries relating to the Chile investments in due course. As the entire investments and investments made by the Company and loans extended by the Company in Chile have been fully provided for in the books of accounts in the previous years, there would be no impact on the financial results of the Company on account of this sale of SFM and liquidation of subsidiaries relating to Chile investments.

Acquisition of National Steel and Agro Industries Limited (NSAL)

JSCPL had submitted a resolution plan in the CIRP of NSAL on September 6, 2022. The resolution professional has issued a letter of intent to JSCPL on October 7, 2022 indicating that the committee of creditors of NSAL have approved the resolution plan. JSCPL has since accepted the aforementioned letter of intent and the closure of the transaction is subject to approval of NCLT.

New joint venture for scrap shredding

The Company has entered into a joint venture agreement with National Steel Holding Limited ("NSHL"), a company incorporated under the laws of New Zealand, on August 18, 2022 for the purposes of establishing scrap shredding facilities in India using industry leading machinery, technical know-how and relevant processes in a suitable manner. This is in furtherance of the Company's endeavour to reduce its carbon footprint by setting a target of achieving 42% reduction in CO2 emissions intensity by FY 2030, from the base year of 2005. Both companies would have an equal shareholding in the joint venture company.

NSHL is engaged in the business of metal recycling, collection and processing based in Auckland, New Zealand. It has the relevant expertise and technical know-how in relation to end-to-end metal processing/recycling.

Steel production volumes

The Company has announced its production volumes for quarter ended September 2022. The production from Indian operations was 5.6 mt, a rise of 14% on a year on year basis as compared to quarter ended September 2021. The corresponding figure for half year ended September 2022 was 11.32 mt, an increase of 14% over corresponding half year ended September 2021. Also, JSW Steel reported standalone Crude Steel production of 1.776 mt and 1.690 mt for the month of October 2022 and November 2022 a growth of 25% and 16% YoY.

Environmental clearance for steel plant in Odisha

JSW Utkal Steel Ltd (JUSL), a wholly-owned subsidiary of the Company has received environmental clearance for setting up of a greenfield Integrated Steel Plant (ISP) of 13.2 million tonnes per annum (MTPA) crude steel from the Union Ministry of Environment & Forest and Climate Change (MoEF&CC) on April 11, 2022. The project cost has been estimated at Rs. 65,000 crores and phase-wise work will be commenced once the land is handed over by the Government of Odisha.

MOU with SMS Group of Germany for decarbonisation

JSW Steel forged a collaboration with Germany based engineering and technology company, SMS Group to explore multiple cutting edge solutions and R&D projects to reduce carbon emissions and produce green steel in one of the hard to abate sectors. A memorandum of understanding was signed for exploring decarbonisation solutions across the steel plants of JSW Steel in India.

Revised credit rating/ outlooks

On May 13, 2022, Fitch Ratings revised their Issuer Default Rating and Senior Unsecured Debt Rating and outlook from BB- (positive) to BB (stable) vide their rating release dated May 13, 2022. Moody's have also revised their Corporate Family Rating and Senior Unsecured Notes Rating/ Guarantee backed Senior Unsecured Notes Rating and outlook from Ba2 (positive) to Ba1 (stable) vide their rating release dated June 27, 2022.

Preferred bidder for mine

The Company has been declared as a "Preferred Bidder" vide communication dated March 31, 2022 received from the Directorate of Geology and Mining, Maharashtra, for Composite Licence of an unexplored Iron Ore mine (Ajgaon Iron Ore Block of Sindhudurg District) in the State of Maharashtra, in the Auctions held by the State Govt. of Maharashtra on 30th March 2022.

The highest final offer price by the Company to become a "Preferred Bidder" is 25% of average monthly prices of iron ore of different grades and quality published by Indian Bureau of Mines in the State of Maharashtra from time to time. The Company will take all requisite steps as per the tender document to obtain Letter of Intent, all statutory clearances to execute the Lease Deed with Mine Development and Production Agreement (MDPA) and start the mining operations.

Dividends

The shareholders of the Company at the General Meeting held on July 20, 2022 approved a dividend of Rs.17.35 per equity share for the year ended March 31, 2022.

Issuance of Specified Securities to Qualified Institutional Buyers QIBs

The shareholders have at the annual general meeting held on July 20, 2022 approved the issuance of:

a. Non-Convertible Debentures ("NCDs") with warrants which are convertible into or exchangeable with equity shares at a later date, for an amount not exceeding Rs.7,000 crores (Rupees Seven Thousand Crores Only), inclusive of such premium as may be decided by the Board; and/ or

b. Equity Shares and/or convertible securities (other than warrants) for an amount not exceeding Rs.7,000 Crores (Rupees Seven Thousand Crores Only), inclusive of such premium as may be decided by the Board.

(herein collectively referred to as the "**Specified Securities**")

Further, please refer to Annexure H in respect of material litigations against the Company.

12.15 **Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of this Placement Memorandum against the promoter of the company.**

Please refer to Annexure H of this Placement Memorandum

12.16 **Details** of **default and non-payment of deposits and interest thereon (including therein the amounts involved, duration of default and present status):** Nil

12.17 Name of Debenture Trustee and consent thereof

The Debenture Trustee for the Debentures is SBICAP Trustee Company Limited. The Debenture Trustee has given its written consent for its appointment under Regulation 4(4) of the SEBI Regulations. The Debenture Trustee has also given its consent for the inclusion of its name as Debenture Trustee in the form and context in which it appears in this Placement Memorandum and all subsequent periodical communications to be sent to the holders of the debt securities. The consent letter from the Debenture Trustee is attached as **Annexure A** to this Placement Memorandum.

12.18 Rating not older than one month from the date of opening of the Issue and press release by ICRA

The Debentures have been rated "ICRA AA" with Stable outlook by ICRA Limited for an amount up to INR 1,000 crores (Indian Rupees One Thousand Crores) vide its letter dated 14 December 2022.

Please refer to **Annexure C** to this Placement Memorandum for the rating letters and the press release from the Credit Rating Agency.

12.19 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

Not Applicable

12.20 Listing

The Company shall get the debentures listed on the WDM segment of the BSE Limited. The Company has initiated the process to obtain in-principle approval from the BSE to list the Debentures issued under this Placement Memorandum.

The Issuer has obtained the in-principle approval for the listing of the Debentures from the BSE on 19 December 2022. The Issuer shall comply with the requirements of the Listing Agreement for Debt securities to the extent applicable to it on a continuous basis.

12.21 **Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/issue and the effect of such interest in so far as it is different from the interests of other persons:** Nil

12.22 **Related party transactions entered during the last three financial years immediately preceding the year of circulation of this Placement Memorandum including with regard to loans made or, guarantees given or securities provided:**

Please refer to Annexure G.

12.23 **Details of any inquiry, inspections or investigations initiated or conducted under the Act or any previous company law in the last three years immediately preceding the year of circulation of this Placement Memorandum in the case of company and all of its subsidiaries. Also, if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Memorandum and if so, section-wise details thereof for the company and all of its subsidiaries: Nil**

12.24 Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company: Nil

12.25 Disclosure of Cash Flow with date of redemption payment as per day count convention:

12.25.1 **The day count convention for dates on which the payment in relation to non-convertible securities which need to be made:** Any interest, Coupon or fee accruing under a Transaction Document will be computed on the basis of the actual number of days elapsed

12.25.2 **Procedure and time schedule for allotment and issuance of securities:** Refer to Para 13 of this Placement Memorandum.

12.25.3 **Cash flow emanating from the non-convertible securities by way of illustration:** Refer to Para 17 of this Placement Memorandum.

13. ISSUE/INSTRUMENT SPECIFIC REGULATIONS

13.1 Instrument Specific Regulations

The Debentures shall be issued and regulated in accordance with the provisions of the Companies Act, 2013 and rules framed thereunder, the SEBI LODR Regulations, the SEBI NCS Regulations and all applicable circulars issued by the RBI and the SEBI, each as amended from time to time.

13.2 Governing Law

The Debentures shall be governed by Indian law and shall be subject to the jurisdiction of courts of Mumbai.

13.3 Rights of Debenture Holders

The Debentures do not, except as provided in the 2013 Act, confer upon the Debenture holders thereof any rights or privileges available to the members of the Company including the right to receive notices or annual reports of, or to attend and/or vote, at the general meeting of the Company. However, if any resolution affecting the rights attached to the Debentures is to be placed before the shareholders, the said resolution will first be placed before the concerned registered Debenture holders for their consideration.

The rights, privileges and conditions attached to the Debentures may be varied, modified and/or abrogated with the consent in writing of the holders of at least 51% of the outstanding amount of the Debentures or with the sanction of special resolution passed at a meeting of the concerned Debentureholders, provided that nothing in such consent or resolution shall be operative against the Company, where such consent or resolution modifies or varies the terms and conditions governing the Debentures, if the same are not acceptable to the Company.

The registered Debenture holder or in case of joint-holders, the one whose name stands first in the Register of Debenture holders shall be entitled to vote in respect of such Debentures, either in person or by proxy, at any meeting of the concerned Debenture holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights shall be in proportion to the outstanding nominal value of Debentures held by him/her on every resolution placed before such meeting of the Debenture holders.

The Debentures are subject to the provisions of the 2013 Act and Companies (Share Capital and Debentures) Rules, 2014, the Memorandum and Articles, the terms of this Placement Memorandum, the Form PAS-4 and Application Form. Over and above such terms and conditions, the Debentures shall also be subject to other terms and conditions as may be incorporated in the Debenture Trustee Agreement/ letters of allotment/ debenture certificates, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Debentures.

A Register of Debenture holders will be maintained in accordance with Section 188 of the 2013 Act read with Companies (Management and Administration) Rules, 2014 and all interest and principal sums becoming due and payable in respect of the Debentures will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of Debenture holders.

The Debenture holders will be entitled to their Debentures free from equities and/or cross claims by the Company against the original or any intermediate holders thereof.

13.4 **A summary term sheet with prescribed information pertaining to the Debentures**

A summary of the term sheet has been set forth in 'Summary of Key Terms' appearing in "*Issue Details*" of this Placement Memorandum.

14. ISSUE PROCEDURE

The Issuer proposes to Issue the Debentures on the terms set out in this Placement Memorandum subject to the provisions of the 2013 Act and the 1956 Act (to the extent in force on the date of this Placement Memorandum), the SEBI NCS Regulations, the SEBI LODR Regulations, the Memorandum and Articles of Association of the Issuer, the terms of this Placement Memorandum, Application Form, and other terms and conditions as may be incorporated in the Debenture Trust Deed. This section applies to all applicants. Please note that all applicants are required to make payment of the full application amount along with submission of the Application Form.

The Issuer or any of its promoters or directors is not a wilful defaulter as at the date of filing of this Placement Memorandum and neither the Issuer or any of its promoters or its directors have been categorized as wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

14.1 **Who Can Bid/Apply/Invest**

All QIBs and any non-QIB Investors specifically mapped by the Issuer on the BSE EBP Platform, are eligible to bid / invest / apply for this Issue.

All applicants are required to comply with the relevant regulations/ guidelines applicable to them for investing in the Issue as per the norms approved by Government of India, RBI or any other statutory body from time to time, including but not limited to BSE EBP Guidelines as published by BSE on its website for investing in this Issue. The contents of this Placement Memorandum and any other information supplied in connection with this Placement Memorandum or the Debentures are intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

The Issue will be under the electronic book mechanism as required in terms of the Operational Guidelines.

However, out of the aforesaid class of investors eligible to invest, this Placement Memorandum is intended solely for the use of the person to whom it has been sent by the Issuer for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Placement Memorandum from the Issuer).

14.2 **Documents to be provided by successful bidders**

14.2.1 Eligible Investors need to submit the certified true copies of the following documents, along-with the Application Form, as applicable:

(a) Memorandum and Articles of Association/ Constitution/ Bye-laws/ Debenture Trust Deed;

(b) Board Resolution authorizing the investment and containing operating instructions along with the finance committee resolution dated 20 December 2022;

(c) Power of Attorney/ relevant resolution/authority to make application;

(d) Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;

(e) Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;

(f) Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

14.3 **Manner of Bidding**

The Issue will be through open bidding on the EBP platform in line with the Operational Guidelines.

14.4 **Manner of Settlement**

Settlement of the Issue will be done through Indian Clearing Corporation Limited (ICCL) and the account details are given in the section on 'Payment Mechanism' of this Placement Memorandum.

14.5 **Method of Allotment**

The allotment will be done on uniform yield basis in line with the Operational Guidelines.

14.6 **How to bid**

All Eligible Investors will have to register themselves as a one-time exercise (if not already registered) with BSE's EBP Platform offered by BSE for participating in electronic book building mechanism. Eligible Investors should refer the Operational Guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on web site of BSE. Eligible Investors will also have to complete the mandatory KYC verification process. Eligible Investors should refer to the BSE EBP Guidelines.

14.7 **Right to accept or reject bids**

The Company reserves it's full, unqualified and absolute right to accept or reject any bid(s), in part or in full, without assigning any reason thereof and to make provisional / final allocations at its absolute discretion.

14.8 **Provisional/ Final allocation**

Allocation shall be made on a pro rata basis in the multiples of the bidding lot size, i.e., in multiples of Rs. 10,00,000.

Post completion of bidding process, The Debentures shall be allocated in accordance with the provisions of the Operational Guidelines.

Bids needs to be submitted by issue closing time or such extended time as decided by the Issuer on BSE EBP Platform. Post that the original Applications Forms (along with all necessary documents as detailed in this Placement Memorandum), payment details and other necessary documents should be sent to the Corporate Office of the Issuer on the same day.

14.9 **Applications by successful bidders**

Bids needs to be submitted by issue closing time or such extended time as decided by the Issuer on BSE EBP platform. Post that the original Applications Forms (along with all necessary documents as detailed in this Placement Memorandum), payment details and other necessary documents should be sent to the Corporate Office of the Issuer on the same day.

14.10 **Payment Mechanism**

Subscription should be as per the final allocation made to the successful bidder as notified by the Issuer.

Successful bidders should do the funds pay-in to the following bank account of ICCL ("**Designated Bank Account**"):

ICICI Bank Limited
Beneficiary Name: INDIAN CLEARING CORPORATION LTD
Account Number: As mentioned in the BSE EBP platform
IFSC Code : ICIC0000106
Mode: NEFT/RTGS

Successful bidders must do the funds pay-in to the Designated Bank Account on or before 10:30 a.m. on the Pay in Date ("**Pay-in Time**"). Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned back.

Note: In case of failure of any successful bidder to complete the funds pay-in by the Pay-in Time or the funds are not received in the ICCL's Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Issuer shall not be liable to the successful bidder.

Funds pay-out on the Pay-in Date would be made by ICCL to the following bank account of the Issuer:

Bank	: State Bank of India
Branch	: SBI CAG-BKC, Mumbai, Maharashtra
Bank Account No.	: 00000011083979326
IFSC Code No.	: SBIN0016376

Cheque(s), demand draft(s), Money orders, postal orders will not be accepted. The Issuer assumes no responsibility for any applications lost in mail. The entire amount of INR 10,00,000 per Debenture is payable on application.

Applications should be for the number of Debentures applied by the Applicant. Applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the Application Form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income-tax Act, 1961 or where the same is applied for and pending allotment, should mention the General Index Register Number No.('GIR No.') as applicable. . As per the provision of Section 139A (5A) of the IT Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. In case the PAN has not been allotted, the applicant shall mention "Applied for" alongwith the GIR No. as above. In case the applicant is not assessed to income tax and neither have PAN nor applied for, the applicant shall mention 'Not Applicable' (stating reasons for non-applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected.

All applicants are requested to tick the relevant column "Category of Investor" in the Application Form. Public/ Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring "approved security" status for making investments.

For further instructions about how to make an application for applying for the Debentures and procedure for remittance of application money, please refer to the Issue Details and the Application Form.

14.11 **Terms of Payment**

The full-face value of the Debentures applied for is to be paid along with the Application Form. Eligible Investor(s) need to send in the Application Form and the details of RTGS for the full value of Debentures applied for.

14.12 **Force Majeure**

The Issuer reserves the right to withdraw the issue prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and regulatory environment.

14.13 **Applications under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

14.14 **Application by Mutual Funds**

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

14.15 **Application by Provident Funds, Superannuation Funds and Gratuity Funds**

The applications must be accompanied by certified true copies of

(a) Trust Deed / Bye Laws /Resolutions

(b) Resolution authorizing Investment

(c) Specimen Signatures of the Authorized Signatories

Those desirous of claiming tax exemptions on interest on application money are compulsorily required to submit a certificate issued by the Income Tax Officer along with the Application form. For subsequent interest payments, such certificates have to be submitted periodically.

14.16 **Basis of allocation**

The Debentures shall be allocated in accordance with the provisions of the Operational Guidelines.

14.17 **PAN**

All applicants should mention their Permanent Account Number / General Index Register Number allotted under Income Tax Act, 1961 and the Income Tax Circle/ Ward/ District. In case where the PAN/ GIR No. has not been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

14.18 **DATE OF SUBSCRIPTION**

The Date of Subscription shall be the date of realisation of proceeds of subscription money in the Designated Bank Account of ICCL, as listed above.

14.19 **Settlement Process**

Successful bidders shall be required to transfer funds from bank account(s) registered with BSE to the bank account of ICCL to the extent of funds pay-in obligation on or before 10:30 A.M. on the Pay-In Date. The Issuer shall accordingly inform BSE about the final decision of the Issuer to go-ahead with allotment for the Issue by 16:00 hours. Depositories on the instruction of Issuer or through its Registrar, will credit the Debentures to the demat account of the investors, in accordance with the Operational Guidelines.

14.20 **Post-Allocation Disclosures by the EBP**

Upon final allocation by the Issuer, the Issuer shall disclose the Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc., in accordance with the SEBI EBP Circular. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

14.21 **Signatures**

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of the Issuer or by a Magistrate/ Notary Public under his/her official seal.

14.22 **Nomination Facility**

Only individuals applying as sole applicant/Joint Applicant can nominate, in the prescribed manner, a person to whom his Debentures shall vest in the event of his death. Non -individuals including holders of Power of Attorney cannot nominate.

14.23 **Fictitious Applications**

Any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the Debentures, or otherwise induced a body corporate to allot, register any transfer of Debentures therein to them or any other person in a fictitious name, shall be punishable under the extant laws.

14.24 **Depository Arrangements**

The Issuer has appointed KFin Technologies Limited having its office at Hyderabad as the Registrar for the present Debenture Issue. The Issuer has entered into necessary depository arrangements with National Securities Depository Limited ("NSDL") and/or Central Depository Services (India)

Limited("CDSL") for dematerialization of the Debentures offered under the present Issue, in accordance with the Depositories Act, 1996 and regulations made there under. In this context, the Issuer has signed two tripartite agreements as under**: (i)** Tripartite Agreement between the Issuer, NSDL and the Registrar for dematerialization of the Debentures offered under the present Issue;and (ii) Tripartite Agreement between the Issuer, CDSL and the Registrar for dematerialization of the Debentures offered under the present Issue.

14.25 **Debentureholders can hold the Debentures only in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.**

14.26 **Procedure for applying for Demat Facility**

14.26.1 Applicant(s) must have a Beneficiary Account with any Depository Participant of NSDL or CDSL prior to making the application.

14.26.2 Applicant(s) must specify their beneficiary account number and depository participant's ID in the relevant columns of the Application Form.

14.26.3 For subscribing to the Debentures, names in the application form should be identical to those appearing in the account details of the Depository. In case of Joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

14.26.4 If incomplete/ incorrect beneficiary account details are given in the Application Form which does not match with the details in the depository system, it will be deemed to be an incomplete application and the same be held liable for rejection at the sole discretion of the Issuer.

14.26.5 The Debentures shall be directly credited to the Beneficiary Account as given in the Application Form and after due verification, allotment advice/ refund order, if any, would be sent directly to the applicant by the Registrars to the Issue but the confirmation of the credit of the Debentures to the applicant's Depository Account will be provided to the applicant by the Depository Participant of the applicant.

14.26.6 Interest or other benefits with respect to the Debentures would be paid to those Debentureholders whose names appear on the list of beneficial owners given by the depositories to the Issuer as on the Record Date. In case, the beneficial owner is not identified by the depository on the Record Date due to any reason whatsoever, the Issuer shall keep in abeyance the payment of interest or other benefits, till such time the beneficial owner is identified by the depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the interest or other benefits to the beneficiaries identified, within a period of 15 days from the date of receiving such intimation.

14.26.7 Applicants may please note that the Debentures shall be allotted and traded on the stock exchange(s) only in dematerialized form.

14.27 **Modification of Rights**

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with the consent, in writing, of those holders of the Debentures who hold at least 51% of the outstanding amount of the Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debentureholders, provided that nothing in such consent or resolution shall be operative against the Issuer where such consent or resolution modifies or varies the terms and conditions of the Debentures , if the same are not acceptable to the Issuer.

14.28 **Future Borrowings**

The Issuer shall be entitled to borrow/raise loans or avail of financial assistance in whatever form and also issue debentures/notes/other securities in any manner and create/subsist charge on any of its assets for the above; and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Issuer may think appropriate, without the consent or intimation to the Debenture Holders/Debenture Trustee in this connection.

14.29 **Notices**

All notices required to be given by the Issuer or by the Debenture Trustee to the Debentureholders shall be deemed to have been given if sent by ordinary post/ courier and e-mail to the original sole/ first allottees of the Debentures and/ or if published in one English daily newspaper having nation - wide circulation and one regional language newspaper.

All notices required to be given by the Debentureholder(s), including notices referred to under "Payment of Interest" and "Payment on Redemption" shall be sent by registered post or by hand delivery to the Issuer or to such persons at such address as may be notified by the Issuer from time to time.

14.30 **Minimum subscription**

As the current issue of Debentures are being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Issuer shall not be liable to refund the issue subscription(s) / proceed (s) in the event of the total issue collection falling short of the issue size or certain percentage of the issue size.

14.31 **Underwriting**

The present issue of Debentures is not underwritten.

14.32 **Deemed Date of Allotment**

All benefits under the Debentures including payment of interest will accrue to the Debentureholders from and including the respective Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. The Issuer reserves the right to keep multiple date(s) of allotment / allotment date(s) at its sole and absolute discretion without any notice. In case if the issue closing date/pay-in dates is/are changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre -pond/ postponed) by the Issuer at its sole and absolute discretion.

14.33 **Letter(s) of Allotment / Debenture Certificate(s) /Refund Order (s)/Issue of Letter(s) of Allotment**

The beneficiary account of the investor(s) with NSDL/ CDSL/ Depository Participant will be given initial credit within 2 (two) working days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment. On completion of the all statutory formalities, such credit in the account will be akin to a Debenture Certificate.

14.34 **Issue of Debenture Certificate(s)**

Subject to the completion of all statutory formalities within time frame prescribed in the relevant Regulations/Act/ Rules etc., the initial credit akin to a Letter of Allotment in the Beneficiary Account of the investor would be replaced with the number of Debentures allotted. The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The Debentures shall be allotted in dematerialized form only.

14.35 **Market Lot**

The market lot will be one Debenture ("Market Lot"). Since the Debentures are being issued only in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of Debentures.

14.36 **Trading of Debentures**

The marketable lot for the purpose of trading of Debentures shall be 1 (one) Debenture of face value of INR 10,00,000 each. Trading of Debentures would be permitted in demat mode only in standard denomination of INR 10,00,000 and such trades shall be cleared and settled in recognized stock exchange(s) subject to conditions specified by SEBI. In case of trading in Debentures which has been made over the counter, the trades shall be reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

14.37 **Mode of Transfer of Debentures**

The Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/Depository Participant of the transferor/transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

Transfer of Debentures to and from NRIs/ OCBs, in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines of RBI.

14.38 **Common Form of Transfer**

The Issuer undertakes that it shall use a common form/procedure for transfer of Debentures issued under terms of this Placement Memorandum.

14.39 **Effect of Holidays**

If any of the Coupon Payment Date(s), other than the ones falling on the redemption date, falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day, which becomes the Coupon Payment Date for that coupon. However, the future coupon payment date(s) would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent Coupon Payment Date(s) would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non-Business Day.

If the Redemption Date/Call Option Date/Put Option Date of the Debentures falls on a day that is not a Business Day, the redemption amount shall be paid by the Issuer on the immediately preceding Business Day which becomes the new redemption date, along with interest accrued on the Debentures until but excluding the date of such payment.

14.40 **Interest on Application Money**

As the Pay-In Date and the Deemed Date of Allotment fall on the same day, interest on application money shall not be applicable.

14.41 **Deduction of Tax at Source**

Withholding tax, as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source out of interest payable on Debentures.

Interest payable subsequent to the Deemed Date of Allotment of Debentures shall be treated as "Interest on Securities" as per the provisions of Income-tax Act, 1961 and Income-tax Rules, 1962. Where tax is required to be deducted at source but debenture-holder(s) are entitled to claim exemption from deduction of income tax at source on the interest payable on Debentures in accordance with the provisions of Income-tax Act, 1961, they should submit applicable tax exemption certificate/ document obtained in accordance with the provisions of the Income-tax Act, 1961, with the Registrars, or to such other person(s) at such other address (es) as the Issuer may specify from time to time through suitable communication, at least 45 days before the payment becoming due. Regarding deduction of tax at source and the requisite forms to be submitted, applicants are advised to consult their own tax consultant(s). Tax exemption certificate/ order/ declaration/ document of non-deduction of tax at source on Interest on Application Money, should be submitted along with the Application Form. Where any deduction of Income Tax is made at source and PAN has been provided by the Debenture Holder, the Company shall send to the Debenture Holder(s) a Certificate of Tax Deduction at Source

14.42 **List of Beneficial Owners**

The Issuer shall request the Depository to provide a list of beneficial owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

14.43 **Succession**

In the event of the demise of the sole/first holder of the Debenture(s) or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased Debentureholder or the holder of succession certificate or other legal representative as having title to the Debenture(s).The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debenture (s) standing in the name of the deceased Debentureholder on production of sufficient documentary proof or indemnity.

14.44 **Joint – Holders**

Where two or more persons are holders of any Debenture (s), they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to provisions contained in the 2013 Act and the amendments thereto.

14.45 **Disputes and Governing Law**

The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the jurisdiction of courts of Mumbai.

14.46 **Investor Relations and Grievance Redressal**

Arrangements have been made to redress investor grievances expeditiously as far as possible. The Issuer shall endeavour to resolve the investor's grievances within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Debentures applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at registered office of the Issuer. All investors are hereby informed that the Issuer has designated a Compliance Officer who may be contacted in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ debenture certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Placement Memorandum.

15. MATERIAL CONTRACTS AND DOCUMENTS

Material Contracts - By the very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. However, the contracts referred to below which are or may be deemed to be material for this issue have been entered into by the Company. Copies of these contracts may be inspected at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on any working day until the Issue Closing Date.

15.1 Certified Copy of the Memorandum and Articles of Association of the Issuer;

15.2 Certified true Copy of the resolution passed by the Board approving the issue of Debentures;

15.3 Credit Rating Letter from ICRA Limited dated 14 December 2022;

15.4 Letter dated 11 October 2022 given by SBICAP Trustee Company Limited giving its consent for acting as Debenture Trustee to the Debentures offered under this Issue;

15.5 Debenture Trust Deed;

15.6 Debenture Trustee Appointment Agreement; and

15.7 Placement Memorandum.

16. DISCLOSURES PERTAINING TO WILFUL DEFAULTER (IF ANY)

The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:

(a) Name of the bank declaring as a wilful defaulter: NIL
(b) The year in which it was declared as a wilful defaulter: NIL
(c) Outstanding amount when declared as a wilful defaulter: NIL
(d) Name of the entity declared as a wilful defaulter: NIL
(e) Steps taken, if any, for the removal from the list of wilful defaulters: NIL
(f) Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions: NIL
(g) Any other disclosure as specified by the Board: NIL

17. ILLUSTRATION OF CASH FLOWS

17.1 **The illustrative cash flows per Debenture (bearing face value of ₹ 10,00,000) is as under:**

If Call Option or Put Option is not exercised

Cash Flows	Coupon/Principal Payment Date	Pay-out Date	Amount (in Rupees)
Coupon	Saturday, 23 December, 2023	Tuesday, 26 December, 2023	82,500
Coupon	Monday, 23 December, 2024	Monday, 23 December, 2024	82,500
Coupon	Tuesday, 23 December, 2025	Tuesday, 23 December, 2025	82,500
Coupon	Wednesday, 23 December, 2026	Wednesday, 23 December, 2026	82,500
Coupon	Thursday, 23 December, 2027	Thursday, 23 December, 2027	82,500
Principal	Thursday, 23 December, 2027	Thursday, 23 December, 2027	10,00,000

If first Call option is exercised on March 2025

Cash Flows	Coupon/Principal Payment Date	Pay-out Date	Amount (in Rupees)
Coupon	Saturday, 23 December, 2023	Tuesday, 26 December, 2023	82,500
Coupon	Monday, 23 December, 2024	Monday, 23 December, 2024	82,500
Coupon	Friday, 21 March, 2025	Friday, 21 March, 2025	19,890
Principal	Friday, 21 March, 2025	Friday, 21 March, 2025	10,00,000

If second Call Option or Put Option is exercised in December 2025

Cash Flows	Coupon/Principal Payment Date	Pay-out Date	Amount (in Rupees)
Coupon	Saturday, 23 December, 2023	Tuesday, 26 December, 2023	82,500
Coupon	Monday, 23 December, 2024	Monday, 23 December, 2024	82,500
Coupon	Tuesday, 23 December, 2025	Tuesday, 23 December, 2025	82,500
Principal	Tuesday, 23 December, 2025	Tuesday, 23 December, 2025	10,00,000

*List of Bank Holidays were not available, hence interest payment and repayment was not adjusted to that extent.

18. UNDERTAKING BY THE ISSUER

17.2 The Eligible Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page number 26 under Section 10 of this Placement Memorandum.

17.3 The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Placement Memorandum contains all information with regard to the Issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

17.4 The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the Placement Memorandum. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

19. DUE DILIGENCE CERTIFICATE FROM THE DEBENTURE TRUSTEE:

Provided for in Annexure M

20. ISSUE DETAILS

20.1 Summary of Key Terms (Term Sheet)

Security Name	8.25% 2027 Unsecured Listed Rated Redeemable Non-Convertible Debentures of JSW Steel Limited 2022 issuance
Issuer	JSW Steel Limited
Issue Name	JSW Steel Limited NCD Issuance December 2022
Security Providers	N.A.
Issuance/Type of Instrument	Unsecured Listed Redeemable Non-Convertible Debentures
Nature of Instrument	Unsecured
Seniority	Pari passu with unsecured creditors
Mode of Issuance of Debentures	Private placement under the electronic book mechanism of BSE under Chapter VI of SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 issued under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and any amendments thereto read with the "Operational Guidelines for issuance of Securities on Private Placement basis through an Electronic Book Mechanism" issued by BSE vide their notice number 20210816-32 dated August 16, 2021 and any amendments or any subsequent guidelines as may be issued by BSE from time to time, in this regard. The Issue will be through open bidding on the EBP platform in line with Chapter VI of SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 issued under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021
Eligible Investors	As specified under the paragraph titled "Eligible Investors" in the Placement Memorandum.
Listing (including name of stock exchange(s) where it will be listed and timeline for listing)	Debentures are to be listed on the WDM of the within 4 (four) trading days from the Issue Closing Date. Delay in Listing: If the Debentures are not listed for any reason whatsoever within 4 (four) trading days from the Issue Closing Date, the Issuer (i) shall pay penal interest of 1% (one per cent) p.a. over and above the Coupon Rate to the Debenture Holders from the Deemed Date of Allotment to the date of listing of Debentures; and (ii) will not be permitted to utilise the issue proceeds of its subsequent two privately placed issuance of securities only after receiving the final listing approval from Stock Exchange.
Sole Arranger	ICICI Bank Limited
Legal Counsel	Khaitan & Co
Option to retain over-subscription	N.A.
Credit Rating	The Debentures have been rated "ICRA 'AA'" with Stable Outlook by ICRA Limited.
Base Issue Size	8,750 nos. of 8.25% per annum unsecured, redeemable, listed, rated, non-convertible Debentures of the face value of INR 10,00,000 (Indian Rupees Ten Lakhs) each, aggregating INR 875,00,00,000 (Indian Rupees Eight Hundred and Seventy Five Crore).

Total Issue Size	INR 875,00,00,000 (Indian Rupees Eight Hundred and Seventy Five Crore)
Debenture Trustee	SBICAP Trustee Company Limited
Registrar & Transfer Agent	KFin Technologies Limited
Depository	NSDL and/or CDSL
Minimum Subscription	As the current issue of Debentures is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Issuer shall not be liable to refund the issue subscription(s) proceed(s) in the event of the total issue collection falling short of Issue size or certain percentage of Issue size.
Manner of Allotment	The allotment will be done on uniform yield basis in line with Chapter VI of SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 issued under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and any amendments thereto read with the "Operational Guidelines for issuance of Securities on Private Placement basis through an Electronic Book Mechanism" issued by BSE vide their notice number 20210816-32 dated August 16, 2021 and any amendments thereto.
Objects of the Issue/ Purpose for which there is requirement of raising funds	The Issuer shall utilise the proceeds of the Issue for long term working capital purposes, refinancing/ prepayment of debt and capital expenditure purpose. It shall be ensured that the Issue proceeds: - (a) are used in compliance with the Applicable Law, including applicable guidelines on bank finance issued by Reserve Bank of India; and (b) are not permitted to be utilized towards activities like investment in capital markets, real estate, acquisition or purchase of land, acquiring equity shares of Indian company/ies, buyback of shares of Indian company, funding of promoter's contribution in the project or any other purpose, which is prohibited under RBI guidelines for bank finance or for refinancing of debt which was used for the said purpose
Use of Proceeds	100% of the Issue proceeds shall be used for long term working capital purposes, refinancing/ prepayment of debt and capital expenditure purpose
Tenor	5 (Five) years from the Deemed Date of Allotment
Coupon Type	Fixed
Coupon Rate	8.25% per annum (Eight Point Two Five percent per annum) payable annually.
Coupon Payment Frequency	Annually
Coupon Payment Dates	Coupon shall be payable on an annual basis from the Deemed Date of Allotment till redemption of the Debentures.
Illustrative Cash Flow	Please refer to Section 17 of this Placement Memorandum
Coupon Step-up / Step down	As per the Credit Rating Related Covenant under this term sheet

Credit Rating Related Covenant	The Coupon shall be revised as follows upon change in credit rating by the rating agency which has rated the Debentures: • If the credit rating becomes AA-, the revised coupon shall be sum of Coupon Rate and additional 25 bps; • If the credit rating becomes A+, the revised coupon shall be the sum of Coupon Rate, 25 bps and an additional 75 bps; • If the credit rating falls below A+, the revised coupon shall be sum of Coupon Rate, 100 bps and an additional 25 bps for each rating notch downgrade from A+; • The revised Coupon shall be effective from the date of such downgrade; • If the rating is subsequently upgraded, then the revised coupon shall be reduced by 25 bps for each notch of upgrade till it reaches A+ levels, then by additional 75 bps in case of further upgrade from A+ to AA- levels and then by additional 25 bps in case the further upgrade from AA- to AA levels. Notwithstanding anything contained above, the coupon shall not be reduced below the Coupon Rate at the time of issuance. If the Credit Rating of the Issuer revised below "A" by the rating agency which has rated the Debentures, each Debenture Holder shall reserve the right to accelerate payment of their outstanding principal amount on the Debentures along with all other monies/ accrued interest due in respect thereof. The Debentures shall be redeemed at par within 60 days of receipt of notice from the Debenture Holder(s). The Debenture Holder shall exercise such right within 30 days from the revision of credit rating below "A" by the rating agency which has rated the Debentures. In the event of any suspension / withdrawal of the rating of the Debenture by rating agency which has rated the Debentures, the Company shall get the debentures rated by a new rating agency within period of 90 days. Such new rating agency shall be either CARE Ratings Limited or India Ratings & Research Limited.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)	N.A.
Day Count Basis	Actual Basis
Expenses	All expenses associated with this transaction (including without limitation, legal, printing, auditors' fees, trustee fees and listing fees) will be for the account of the Issuer.
Interest on Application Money	As the Pay-In Date and the Deemed Date of Allotment fall on the same day, interest on application money shall not be applicable.

Final Redemption Date or Scheduled Redemption Date	December 23, 2027
Redemption Amount	Rs. 10,00,000/- (Rupees Ten Lakhs Only) per Debenture, at par, payable on the Redemption Date.
Redemption Premium	N.A.
Issue Price	At par, i.e., INR 10,00,000 (Indian Rupees Ten Lakhs only) per Debenture
Discount at which security is issued and the effective yield as a result of such discount.	N.A.
Put Option and Put Option Notification Time	The Put Option notification shall be provided 30 days prior to the Put Option Date, before 12.00 pm IST
Put Option Date	December 23, 2025 It is clarified that the Put Option can be exercised by any Debenture Holder.
Put Option Price	At Par
Put Notification Time	30 days prior to the Put Option Date, before 12.00 pm IST
Call Option and Call Option Notification Time	The Call Option notification shall be provided 30 days prior to the Call Option Date, before 12.00 pm IST
Call Option Date	March 21, 2025 December 23, 2025
Call Option Price	At Par
Face Value	INR. 10,00,000 (Indian Rupees Ten Lakh Only) per Debenture
Redemption Date	Bullet repayment at the end of 5 years from Deemed Date of Allotment
Issue Opening Date	22 December 2022
Issue Closing Date	22 December 2022
Pay-in Date	23 December 2022
Deemed Date of Allotment	23 December 2022
Issue Timing	10:00 AM to 11:00 AM Note: The Issuer reserves the right to change the Issue Schedule at its sole discretion in accordance with the timelines specified in the "Operational Guidelines for issuance of Securities on Private Placement basis through an Electronic Book Mechanism" issued by

	BSE vide their notice number 20210816-32 dated August 16, 2021 and amendments thereto without giving any reasons or prior notice.
Minimum Application and in multiples of Debt securities thereafter	1 Debenture of Rs. 10,00,000 (Rupees Ten Lakhs only) each and in multiple of 1 Debenture of Rs. 10,00,000 (Rupees Ten Lakhs only) each thereafter.
Type of Bidding	Fixed Rate Bidding
Manner of Bidding	Open Bid Book
Mode of Allotment	Uniform Yield
Mode of Settlement	Indian Clearing Corporation Limited ("**ICCL**")
Settlement cycle	T+1
Manner of Allotment	The allotment will be done on uniform yield basis in line with Chapter VI of SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 issued under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and any amendments thereto read with the "Operational Guidelines for issuance of Securities on Private Placement basis through an Electronic Book Mechanism" issued by BSE vide their notice number 20210816-32 dated August 16, 2021 and any amendments thereto.
Date of earliest closing of issue, if any	N.A.
Settlement mode of the Instrument	Payment of interest and Redemption Amount will be made by way of RTGS/ NEFT/ any other electronic mode / any other permissible mode of payment under law.
Issuance mode of Debentures	Only in dematerialized form
Trading mode of the Debentures	Only in dematerialized form
Business Day and Business Day Convention	'Business Day' shall be a day on which the money market is functioning in Mumbai. If the date of payment of interest/redemption of principal does not fall on a Business Day, the payment of interest/principal shall be made in accordance with SEBI Operational Circular. If any of the Coupon Payment Date(s), other than the ones falling on the redemption date, falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day, which becomes the Coupon Payment Date for that coupon. However, the future coupon payment date(s) would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent Coupon Payment Date(s) would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non-Business Day. If the Redemption Date/Call Option Date/Put Option date of the Debentures falls on a day that is not a Business Day, the redemption amount shall be paid by the Issuer on the immediately preceding

	Business Day, which becomes the new redemption date, along with interest accrued on the Debentures until but excluding the date of such payment.
Default Interest	In case of default in payment of interest and/or Redemption Amount on due dates, additional interest at the rate of 2% p.a. over the Coupon Rate will be payable by the Issuer for the period of default on the unpaid coupon or Redemption Amount.
Record Date	The date which is 15 (fifteen) days prior to each Coupon Payment Date or Redemption Date, as the case may be for the purposes of actual payment or as may be prescribed by SEBI. If the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.
Description regarding Security (where applicable) including type of security (movable/immovable/ tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Placement Memorandum.	Not Applicable
Transaction Documents	The Issuer has arranged to execute/ executed/ shall execute the documents including but not limited to the following in connection with the Issue: 1. Certified true copy of the Board Resolution as provided in Annexure D of this Placement Memorandum along with the finance committee resolution of the Board. 2. Certified true copy of the Shareholder Resolution for issuing Debentures as provided in Annexure E of this Placement Memorandum. 3. Consent Letter from KFin Technologies Limited to act as Registrar for the Issue 4. Consent Letter from SBICAP Trustee Company Limited to act as Debenture Trustee for the Issue 5. Debenture Trustee Appointment Agreement 6. Rating Letter from ICRA Limited.

	7. Tripartite agreement between Issuer, Registrar and depositories 8. Allotment letter of ISIN issued by NSDL/CDSL 9. Placement Memorandum 10. Debenture Trust Deed
Conditions Precedent to Pay In	The Company shall have submitted the following conditions precedent, to the satisfaction of the Debenture Trustee, prior to the Deemed Date of Allotment: (i) Execution and delivery of all Transaction Documents except Debenture Trust Deed and Allotment Letter of ISIN issued by NSDL/CDSL, to the satisfaction of Debenture Trustee. (ii) Submission of a certificate from the director or company secretary or chief financial officer of the Company addressed to the Debenture Trustee certifying that: (a) no Event of Default has occurred or is continuing or will occur as a result of the Company entering into the Transaction Documents; (b) the borrowings of the Company, including by way of issue of the Debentures, together with facilities from the existing lenders of the Company, will not breach the borrowing limits prescribed by shareholders' resolutions under Section 180(1)(c) of the Companies Act, 2013; (c) no Material Adverse Effect has occurred; and (d) the Company is and will remain in compliance with all provisions of the Transaction Documents, its own memorandum of association and articles of association and any other document to which it is a party or by which it is bound, and any Laws applicable to the same; and (e) that all undisputed statutory dues including payment to the employees' provident fund or other labour and employment dues and benefits, income tax and other Taxes, until the date of this Deed been paid in full by the Company, other than as mentioned in the certificate.
Recovery Expense Fund	The Issuer has created a recovery expense fund with the BSE as the designated stock exchange, in a manner as specified by the SEBI pursuant to circular number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020, as amended from time to time. This fund will be used by Debenture Trustee in the event of default towards recovery proceeding expenses. The Company shall maintain a reserve to be called the "Recovery Expense Fund" as per the provisions of SEBI (Debenture Trustee) Amendment Regulations, 2020 as amended from time to time and shall comply with all SEBI Regulations. The Company shall submit to the Trustee a certificate duly certified by the statutory auditors certifying creation of such recovery expense fund by the Company, for an amount equal to 0.01% of Issue subject to maximum of INR 25,00,000/- (Indian Rupees Twenty Five Lakhs only) in the manner

	specified by the SEBI from time to time, the listing agreement entered into with the Stock Exchange and/or the Debenture Trust Deed.
Conditions Subsequent	(i) On the Deemed Date of Allotment, pass all necessary corporate resolutions and do all other acts for allotment of the Debentures to the Debenture holders. (ii) Execution of Debenture Trust Deed before listing of Debentures. (iii) Completion of listing of Debentures on the stock exchange. (iv) Within 2 (two) Business Days from the Deemed Date of Allotment, credit the Debentures in dematerialized form to the respective dematerialised accounts of the Debenture holders. (v) Within 15 (fifteen) days from the Deemed Date of Allotment, the Company shall file the return of allotment of securities under Form No. PAS-3 with the Registrar of Companies. (vi) Within 15 (fifteen) days from the Deemed Date of Allotment, the Company shall provide evidence to the Debenture Trustee that the Form PAS-5 is being maintained.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	Refer to Annexure N of this Placement Memorandum

Other Covenants	Other covenants to be maintained during the tenor of the Debentures are as follows: 1. The Issuer shall defend and hold the investor, harmless from and against any costs and expenses (excluding indirect, consequential loss or damages) incurred by it as a result of, arising from, or in connection with or relating to (i) any matter inconsistent with, or any material breach of, the representations and/or warranties made by the issuer herein or in the Transaction Documents; or (ii) the non-performance (in whole or in part) by the Issuer of any of its material covenants, obligations or agreements contained herein or the Transaction Documents. 2. The promoters shall continue to exercise control (as defined in Companies Act, 2013) over the issuer, throughout the term of the Debentures. 3. The Issuer shall maintain the ratio of Secured Long-Term Debt to Fixed Assets not exceeding 0.70 times throughout the tenor of the Debentures. The testing of the ratio shall be done annually based on the standalone audited financial statements of the Issuer and a certificate from the authorised signatory of the Issuer shall be submitted to the Debenture Trustee within 4 (four) months from the end of the last completed financial year. Wherein, Secured Long-Term Debt shall mean all financial indebtedness of the Issuer howsoever secured in respect of amounts borrowed or raised and not originally due for repayment within 12 (twelve) months of the date of creation of such financial indebtedness (which shall include any part of such financial indebtedness to be amortized within 12 months); and Fixed Assets shall mean, at any time, the aggregate net book value of all of the Issuer's fixed tangible assets and capital work in progress incl. capital advances (excluding, for the avoidance of doubt, any revaluation reserve, goodwill and other intangible assets). In case of failure of the Issuer to execute the Debenture Trust Deed prior to listing of the Debentures, without prejudice to the provisions of the Companies Act 2013 and the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Issuer shall also pay an additional interest of 2% (two percent) per annum over and above the agreed Coupon, to the Debentureholders till the execution of the Debenture Trust Deed.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	(i) failure by the Issuer to pay the outstanding amounts on the due date when due, any amounts payable in connection with the Debentures except for a technical delay for which a cure period of 2 (two) days will be provided; (ii) breach of a material covenant, undertaking, condition or any

	other obligation by the Issuer, other than a breach of payment obligations, and such default continues for a period of 30 (thirty) days after written notice has been given to the Issuer by the Debenture Trustee of any such breach, requiring the same to be remedied; (iii) any representation or warranty or statement made or deemed to be made by or on behalf of the Issuer in any Transaction Document or if any other document delivered by or on behalf of that Issuer under or in connection with any Transaction Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made and such default continues for a period of 30 (thirty) days after written notice has been given to the Issuer by the Debenture Trustee of any such breach, requiring the same to be remedied; (iv) with respect to insolvency and bankruptcy of the Issuer (no cure period shall be applicable), in case of the occurrence of the following events: (a) the Issuer is unable to, is presumed or deemed by Applicable Law to be unable to or admits its inability to, pay its debts as they fall due, or suspends making payments on any of its debts; (b) An application is filed by the Issuer, financial creditor (as defined under the IBC) or operational creditor (as defined under the IBC) before the relevant authority under the IBC and the same has been admitted by the relevant authority; (c) Other than proceedings detailed in this sub-clause, any corporate action, legal proceedings or other procedure or step is taken in relation to (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company other than any winding up proceeding under Companies Act, or (B) making a reference in relation to the Company to the National Company Law Tribunal under Sections 253 and 254 of the Companies Act, or (C) a composition, compromise, assignment or arrangement with any creditor of the Company that adversely affects the interests of the Debenture holders, (D) declaration of the Company as a “relief undertaking”, (E) the appointment of a liquidator, receiver, administrative receiver, administrator, or other similar officer in respect of the Company or any of its assets,. (v) With respect to a judgement or creditors’ process, in the event (A) the Issuer fails to comply with or pay any sum due from it under any final judgment or any final order made or given by a court of competent jurisdiction, or (B) any material attachment, sequestration, distress or execution affects any asset or assets

	of the Issuer. (vi) Any indebtedness of the Issuer for borrowed monies i.e. indebtedness for and in respect of monies borrowed or raised (whether or not for cash consideration) by whatever means (including acceptances, credits, deposits and leasing) becoming due prior to their stated maturity by reason of default of the terms herein or any such indebtedness not being paid at its stated maturity or there is a default in making payments due under any guarantee or indemnity given by the Issuer in respect of any indebtedness of borrowed monies by any person and such person has declared the same as an event of default as per the conditions in their respective loan agreements; (vii) If the Issuer exceeds the stipulated ratio of Secured Long-Term Debt to Fixed Assets as defined above; (viii) Any Transaction Document or any material provision therein is or becomes invalid, illegal or unenforceable or the Issuer have repudiated or terminated (before the stated termination date thereof) such Transaction Document or taken any action to challenge the validity or enforceability of such document, thereby making it impossible for the Issuer to fulfill its material obligations; (ix) If the Issuer ceases to or threatens to cease to carry on its business or substantial part thereof or gives notice to the Debenture Trustee of its intention to do without the prior written consent from the Debenture Trustee (acting on the instructions of the Debenture holders); (x) the Issuer rescinds or repudiates or purports to rescind or repudiates or any Transaction Document to which it is a party or evidences an intention to rescind or repudiate such Transaction Document; and (xi) Delisting of Debentures before its maturity. Unless otherwise specified, a cure period of 30 (thirty) days would be given to the Issuer upon issuance of notice of Event of Default by the Debenture Trustee.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	As per the Placement Memorandum and the Debenture Trust Deed
Cross Default Clause	Any financial indebtedness of the Company is not paid when due or within any originally applicable grace period, it would result in an event of Cross Default. No Event of Default will occur on account of Cross Default, if the aggregate amount of financial indebtedness or commitment for financial indebtedness falling overdue as above is less than Rs.100 Crore (Rupee One Hundred Crore) or its equivalent in any other currency or currencies.

Consequences of Event of Default	On and at any time after the occurrence of an Event of Default and expiry of permitted cure period (as applicable), the Debenture Trustee may upon instructions of: (1) any Debentureholder in the case of Event of Default mentioned under Clause (i) and Clause (iv)(b); or (2) Majority Debenture Holders in respect of other Events of Default; by giving reasonable notice to the Company shall declare all of the Outstanding Amounts and all other amounts accrued or outstanding under the Transaction Documents to be immediately due and payable, whereupon they shall become immediately due and payable.
Majority Debenture Holders	Majority Debenture Holders for the purpose of this Term Sheet shall mean Debenture Holders holding equal to or more than 51% of the face value of Debentures issued and outstanding under this term sheet (i.e. ISIN).
Roles and Responsibilities of Debenture Trustee	The Debenture Trustee has given its consent to the Issuer for its appointment and has entered into a Debenture Trustee Appointment Agreement with the Issuer. The Issuer shall enter into a Debenture Trust Deed, inter alia, specifying the terms and conditions of the Debentures and the powers, authorities and obligations of the Issuer and the Debenture Trustee in respect of the Debentures. The Debenture Trustee shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Debenture Trustee by the holder(s) of the Debentures and shall further conduct itself, and comply with the provisions of all applicable laws. The Debenture Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Regulations, the Debenture Trustee Agreement, Placement Memorandum and all other related transaction documents, with due care, diligence and loyalty.
Risk factors pertaining to the issue	Refer to Section 10 of this Placement Memorandum
Governing Law and Jurisdiction	The Debentures are governed by and shall be construed in accordance with the existing laws of India. The Parties agree that the courts and tribunals of Mumbai shall have exclusive jurisdiction to settle any claim(s), dispute(s) or difference(s) arising directly or indirectly out of the Transaction Documents or the interpretation thereof or anything done or omitted to be done pursuant thereto or the performance or non-performance, defaults, breaches, of the Transaction Documents.
Future Borrowings	The Issuer shall be entitled to borrow/raise loans or avail of financial assistance in whatever form and also issue debentures/notes/other securities in any manner and create/subsist charge on any of its assets for the above; and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Issuer may think appropriate, without the consent or intimation to the Debentureholders/Debenture Trustee in this connection.

DECLARATION

Steel Limited

Regd. Office : JSW Centre,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
CIN. : L27102MH1994PLC152925
Phone : +91 22 4286 1000
Fax : +91 22 4286 3000
Website : www.jsw.in

DECLARATION

Declaration by the Director that:

a. The Company has complied with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder;

b. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of Debentures, if applicable, is guaranteed by the Central Government; and

c. The monies received under the offer shall be used only for the purposes and objects indicated in the Placement Memorandum.

I am authorised by the Board of Directors of the Company vide its resolution dated 24 July 2020 to sign this Placement Memorandum and declare that all the requirements of the Companies Act, 2013, and the rules made thereunder in respect of the subject matter of this Placement Memorandum and matters incidental thereto have been complied with. Whatever is stated in this Placement Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Placement Memorandum has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

Signed for **JSW Steel Limited**;

JSW STEEL LIMITED

Name: Mr. Seshagiri Rao MVS

Designation: Joint Managing Director and Group CFO

Date: December 20, 2022

Place: Mumbai

Part of O. P. Jindal Group

ANNEXURE A - CONSENT LETTER FROM DEBENTURE TRUSTEE

SBICAP Trustee

SBICAP Trustee Company Ltd.

No. 5749 /2022-2023/CL - 4196
11th October 2022

JSW Steel Limited
JSW Centre, Bandra Kurla Complex,
Bandra (East) Mumbai,
Maharashtra - 400051,

Dear Sir,

Sub:- Consent to act as Debenture Trustee for Listed, Unsecured, Non convertible, Debentures on Private Placement aggregating to Rs. 1000 crores

This is with reference to your email dated 26th August, 2022 and our subsequent discussion in the matter for the appointment of SBICAP Trustee Company Limited as Debenture Trustee for your proposed Listed, Unsecured, Non-convertible, Debentures on Private Placement aggregating to Rs. 1000 crores. In this connection, we hereby give our consent to act as Debenture Trustee and confirm our acceptance to the assignment.

We are aggregable for inclusion of our name as Trustee in the Private Placement Memorandum / Information Memorandum to be issued by the Company on private placement basis to the certain identified person in terms of the Companies Act, 2013, as required subject to following conditions: -

1. The Company shall enter into the written Debenture Trustee Agreement (DTA) for the said issue before the opening of subscription list for issue debentures. The Debenture Trust Deed shall be executed by the Company within a period of 4 days from the date of closure of issue. Further, Company shall also list the debentures on the Stock Exchange within a period of 4 days from the date of closure of debenture issue.

2. The Company agrees and undertakes that it shall comply with the provisions of the SEBI regulations /Companies Act, 2013 read with the rules and regulations framed thereunder and the applicable provisions of the rules and regulations framed under the Reserve Bank of India Act, till the final redemption of the NCD being issued by the Company.

3. The Company agrees and undertakes to pay to the debenture trustee so long as they hold the office of the debenture trustee, remuneration as stated in the fee consent letter dated 26th August, 2022 in addition to all the legal, travelling and other cost, charges and expenses which

JSW STEEL LIMITED

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+91 22 4302 5555
+91 22 2204 0465
corporate@sbicaptrustee.com

Corporate Office :
4th Floor, Mistry Bhavan,
122, Dinshaw Vachha Road,
Churchgate, Mumbai,
Pin - 400 020.

Registered Office :
202, Maker Tower E,
Cuffe Parade, Mumbai - 400 005.
CIN : U65991MH2005PLC158386

A Group Company of SBI

SBICAP Trustee Company Ltd.

the debenture trustee or their officers, employees or agents may incur in relation to execution of the debenture trust deed and all other documents affecting the securities till the monies in respect of the debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respect, have been complied.

4. Any payment in respect of debentures required to be made by the debenture trustee to debenture holder (who is FII Entity) at the time / post enforcement would, if required by applicable law, be subject to the prior approval of RBI for such remittance through an Authorised Dealer only. The Company / Investor / Debenture Holders shall obtain all such approvals from RBI, if required, to ensure prompt and timely payments to the said debenture holders. Such remittance shall not exceed total investment (and interest provided herein) made by the debenture holder (who is FII).

5. The Company confirms that all necessary disclosures shall be made in the Private Placement Memorandum / Information Memorandum including but not limited to statutory and other regulatory disclosures. Investor should carefully read and note the contents of the Private Placement Memorandum / Information Memorandum. Each prospective investor should make its own independent assessment of the merits of the investment in NCDs and the Issuer Company. Prospective Investor should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the NCDs and should possess the appropriate resources to analyze such investment and suitability of such investment to such investor's particular circumstance. Prospective investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt market and are able to bear the economic risk of investing in such instruments.

6. The Trustee, "ipso facto" do not have the obligations of a borrower or a Principal Debtor or a Guarantor as to the monies paid / invested by the investors for the debentures being issued by the Issuer Company.

Looking forward to a fruitful association with you and assuring you of our best professional services at all times.

With warm regards,
Yours faithfully,
For SBICAP Trustee Company Limited

(Authorised Signatory)

We accept the above terms
For **JSW Steel Limited**

Authorised Signatory
(Signature with stamp)

ANNEXURE B - CONSENT LETTER FROM REGISTRAR OF THE ISSUE

KFINTECH

https://www.kfintech.com
+91 40 6716 2222, 7961 1000

KFT/JSWS /Consent/2022
Monday, August 29, 2022

JSW STEEL LIMITED
SW CENTRE, BANDRA KURLA COMPLEX,
BANDRA (EAST), MUMBAI – 400051

Sub: Consent to act as RTA for issue of Unsecured, Rated, Listed, Redeemable, Private Placement, Non-Convertible Debentures

Details of issuance:

Name of the company	JSW STEEL LIMITED
Issue Size	**1000 Crores** (ONE OR MORE TRANCHES)
Security Description	UNSECURED, RATED, LISTED, REDEEMABLE, PRIVATE PLACEMENT, NON-CONVERTIBLE DEBENTURES

****

Dear Sir/Madam,

This has reference to your email dated, Monday, August 29, 2022 with regard to the captioned subject. We hereby accord our consent to act as Registrar to the aforesaid issue and have our name included as Registrar and Transfer Agents in the information Memorandum, which your company proposes to issue.

We also authorize you to forward this consent letter to SEBI and the Stock Exchange where the Company proposes to list its NCDs along with the Information Memorandum.

Thanking you,

Yours faithfully,
For **KFin Technologies Limited**

S P Venugopal
General Manager
Corporate Registry

KFin Technologies Limited
(Formerly known as KFin Technologies Private Limited)
Registered & Corporate Office:
Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddi, Telangana – 500032, India
CIN : U72400TG2017PLC117649

ANNEXURE C - RATING LETTER & PRESS RELEASE

ICRA ICRA Limited

Ref: ICRA/JSW Steel Limited/14122022/02

Date: December 14, 2022

Mr. Vishal Shah
Vice President - Finance
JSW Steel Limited
JSW Centre, Bandra Kurla Complex,
Bandra (East), Mumbai– 400 051

Dear Sir,

Re: ICRA rating for Rs. 1,000.00 crore Non-Convertible Debenture (NCD) programme of JSW Steel Limited

Please refer to your email dated December 12, 2022, for revalidating the rating for the captioned programme.

We confirm that the **[ICRA]AA** (pronounced as ICRA double A) rating assigned to your captioned programme and last communicated to you vide our letter dated October 07, 2022, stands. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. Within this category rating modifier ("+" (plus)) can be used with the rating symbols. The modifier reflects the comparative standing within the category.

The other terms and conditions for the rating of the captioned instrument shall remain the same as were communicated vide our letter Ref: ICRA/JSW Steel Limited/07102022/01 dated October 07, 2022. The rating assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated instrument issued/availed by your company.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

SRI KUMAR KRISHNAMURTHY

Digitally signed by SRI KUMAR KRISHNAMURTHY
Date: 2022.12.14 12:37:36 +05'30'

SRIKUMAR KRISHNAMURTHY
Vice President
ksrikumar@icraindia.com

Building No. 8, 2nd Floor, Tower A
DLF Cyber City, Phase II
Gurugram – 122002, Haryana

Tel.: +91.124 .4545300
CIN : L749999DL1991PLC042749

Website: www.icra.in
Email: info@icraindia.com
Helpdesk: +91 9354738909

Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001. Tel: +91.11.23357940-41

RATING • RESEARCH • INFORMATION

ICRA

October 07, 2022

JSW Steel Limited: Ratings reaffirmed; [ICRA]AA(Stable)/[ICRA]A1+ assigned for the enhanced amount

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Term Loans/Standby Letter of Credit Facilities	28,950	26,887	[ICRA]AA(Stable); reaffirmed
Short-term Fund-based Limits	2,694	3,108	[ICRA]A1+; assigned/reaffirmed
Short-term Non-fund Based Limits	20,089	32,130	[ICRA]A1+; assigned/reaffirmed
Long-term/Short-term – Fund-based/ Non-fund Based Limits	12,131	13,911	[ICRA]AA(Stable)/[ICRA]A1+; assigned/reaffirmed
Non-convertible Debenture Programme	6,341	6,341	[ICRA]AA(Stable); reaffirmed
Commercial Paper Programme	5,000	5,000	[ICRA]A1+; reaffirmed
Total	75,205	87,377	

**Instrument details are provided in Annexure-1*

Rationale

The ratings reaffirmation factors in ICRA's expectation that despite a sharp fall in steel prices JSW Steel Limited's (JSW Steel or the company) credit profile will get support in FY2023 from a YoY increase in sales volumes (following the commencement of additional 5 million tonnes (mt) capacity at Dolvi), healthy demand from end-user industries as well as moderation in raw material prices (primarily coking coal).

JSW Steel reported strong operating and financial performances in FY2022, supported by remunerative steel prices and favourable demand conditions from the end-user industries. The company reported consolidated EBITDA/MT of Rs. 21,454 in FY2022 compared to Rs. 13,477 in FY2021. Given the healthy operating performance, the consolidated net debt-to-operating profit ratio improved to 1.4 times as on March 31, 2022 from 2.6 times as on March 31, 2021. JSW Steel's financial performance remained subdued in Q1 FY2023, with EBITDA/MT declining to Rs. 9,347 due to moderation in steel prices post imposition of export duty on steel products in May 2022, consumption of high-cost coking coal (procured in Q4 FY2022 and Q1 FY2023) and high energy prices, among others. While JSW Steel's contribution levels would remain subdued in Q2 FY2023 as the company consumes its high-cost coking coal inventory with sequentially lower sales realisations, the same is likely to recover from Q3 FY2023 as the benefit of low-cost coking coal starts flowing in. Pick-up in domestic steel consumption on the back of strong demand from the end-user industries (like construction, infrastructure, automotive segments, among others) would also support improvement in EBITDA/MT in H2 FY2023. The company has deferred Rs. 5,000-crore discretionary capex to partly offset the impact of moderation in profitability. Coverage indicators, though likely to moderate on a YoY basis in FY2023, are expected to remain better than the pre-pandemic levels, with an estimated net debt vis-à-vis EBITDA of ~2.4 times as on March 31, 2023.

The ratings continue to favourably factor in the company's diversified product mix with a large share of higher value-added and special products (VASP) in the sales mix (60% in FY2022), the company's opportunistic shift between export and domestic markets, which reduces geographical concentration risks, and its increasing raw material security, with the operationalisation of all 13 iron ore mines in Odisha and Karnataka. Around 47% of JSW Steel's standalone iron ore requirement is met from captive sources. JSW Steel is also in the process of enhancing its downstream capacities by 1.1 mt in FY2023 and FY2024 at competitive capital costs, which would not only increase the share of the value-added products in the company's sales mix but would also improve its cost efficiencies further. JSW Steel also benefits from Bhushan Power and Steel Limited's (BPSL) diverse product portfolio with a high share of value-added products, its strong market presence in eastern India and its proximity to captive iron ore mines of JSW Steel in Odisha.

The ratings favourably factor in JSW Steel's position as the largest Indian steel exporter and one of the largest domestic steel producers with a healthy market position in western and southern India. Notwithstanding the limited captive raw material sources in the past, ICRA notes that JSW Steel has been able to maintain a healthy operating profitability, which can be attributed to its efficient and technologically advanced operations, which keep its conversion costs low. In addition, it considers the location-specific advantages, resulting from the proximity of the Vijayanagar plant to the iron ore mines and the Dolvi plant to a port, which results in freight cost savings to an extent.

The ratings, however, factor in the company's capital expenditure (capex) plans of Rs. 48,852 crore, to be incurred over FY2023-FY2025, which would constrain its free cash flows and keep the overall debt levels elevated in the medium term. A large part of this capex would be towards a brownfield 5-mtpa steel capacity expansion project at Vijayanagar. The ratings are also constrained by JSW Steel's exposure to price risks, especially in case of coking coal, which has historically exhibited high price volatility. JSW Steel also remains exposed to foreign (forex) risks given its dependence on imports to meet its coking coal requirements, and the fact that ~46% of the company's standalone total debt as on March 31, 2022 was denominated in the foreign currency. However, the forex risks are largely mitigated by the inherent linkage of steel realisations with the forex rates and JSW Steel's formal hedging policy to fully cover its revenue account and the next one year's debt service obligations. ICRA also notes that while JSW Steel's US operations turned profitable at the operating level in FY2022 post the modernisation capex incurred in FY2021 and healthy operating environment in FY2022, the Italian operations are yet to achieve break even. The cyclicality associated with the steel industry, causing variability in the players' profits and cash accruals, also impacts the company's ratings. As on June 30, 2022, 16.8% of the promoters 45.0% equity stake in JSW Steel was pledged, which could weigh on the company's financial flexibility.

The Stable outlook on the [ICRA]AA rating reflects ICRA's expectations that JSW Steel's credit profile will remain supported by healthy domestic demand and increasing share of value-added products in the sales mix.

Key rating drivers and their description

Credit strengths

Largest steel exporter in the country and one of the largest steel producers with healthy market position in western and southern India –JSW Steel remained one of the largest steel producers in India with a crude steel production of 19.5 mt in FY2022, and the largest steel exporter with exports of 4.6 mt in the said year. The company's diverse product portfolio comprising flat and long products, a high share of VASP in the sales mix (60% of total sales volumes in FY2022), its strong distribution network with a significant retail presence, help it achieve a leading market position in western and southern India, where its manufacturing facilities are located. In November 2021, the company commissioned additional 5-mtpa capacity at Dolvi, taking the total standalone installed capacity to 23 mt.

Location-specific advantages – The company's Dolvi plant's proximity to the port and the Vijayanagar plant's location in the Bellary district of Karnataka with access to large iron ore deposits result in significant freight cost savings.

Focus on increasing share of value-added products in the sales mix and cost efficiency – The share of VASP in JSW Steel's sales mix stood at 60% in FY2022, up from 52% in FY2021. JSW Steel is in the process of increasing its steelmaking and downstream capacities by 9.8 mt and 1.1 mt over the next 2-3 years. While the steelmaking capacity addition would provide improved economies of scale, additional downstream capacities would increase the share of value-added products in the company's sales mix. JSW Steel commissioned an 8-mtpa pellet plant at Vijayanagar, which along with the ongoing capex towards setting up a coke oven plant will further improve the company's cost efficiencies. JSW acquired BPSL in March 2021 by acquiring a 49% stake. The company became a majority shareholder in BPSL by increasing its stake to 83% on October 1, 2021. BPSL has a 2.7-mtpa integrated steel making facility at Jharsuguda, Odisha, which is in proximity to JSW Steel's captive iron ore mines. Apart from the backward integration facilities such as beneficiation, sintering, coke oven and pelletisation plants, BPSL has downstream facilities in the form of cold rolling mill, galvanising and colour coating lines, and pipe and tube mill. BPSL's product portfolio is skewed in favour of value-added products and has a strong market presence in eastern India.

The acquisition of BPSL has provided synergy benefits to JSW Steel in the form of a strong foothold in the eastern region, higher margins associated with value-added products and freight cost savings for iron ore procurement. BPSL reported revenues and EBITDA of Rs. 21,409 crore and Rs. 6,423 crore, respectively in FY2022 (compared to revenues and EBITDA of Rs. 11,402 crore and Rs. 2,243 crore, respectively in FY2021.

Captive iron ore mines and power generation – JSW Steel has 13 operational iron ore mines – nine in Karnataka and four in Odisha. At present, around 47% of its iron ore requirement for the standalone operations is met through captive sources. Although these mines have been acquired at a premium, it ensures raw material security for the company. The company has committed a capex of Rs. 3,450 crore (to be incurred till FY2024) to enhance its own mining infrastructure to reduce reliance on outsourced mining. This would involve investment in mining equipment, washing/grinding facility and digitisation, which in turn would bring down the landed costs of captive iron ore and enrich the quality of iron ore. Further, most of JSW Steel's power requirements in domestic production are met through captive plants with a total capacity of 1,029 megawatt as on March 31, 2022.

Demonstrated capability to execute capital expansion at a significantly lower cost than peers – The capital cost per tonne for JSW Steel's past and ongoing capacity additions remains lower than its peers. ICRA notes the capital cost of around $500 per tonne pertaining to JSW Steel's 5-mtpa brownfield expansion project is significantly lower than the benchmark capital cost of $1,000 per tonne in the international/domestic context.

Credit challenges

Large capex to be incurred over the next three years – The company has planned a capex of Rs. 48,852 crore over the next three years towards 7.5-mt brownfield capacity expansion at Vijayanagar, 2.3-mt expansion at BPSL, expansion of its downstream capacity, enhancement in its iron ore mining infrastructure, among others. While the said capex would expose the company to project execution risks, the debt-funded nature of the capex would keep the overall debt levels elevated in the near-to-medium term.

Exposure to price risk as well as cyclicality inherent in the steel industry – While captive mines meet about 47% of JSW Steel's total iron ore requirements for standalone operations, the company remains exposed to the volatility in coking coal prices. High coking coal prices adversely impacted the company's profitability in Q1 FY2023 and is likely to exert pressure on its earnings in Q2 FY2023 as well. Also, prolonged iron ore shortage in Odisha could heighten JSW Steel's exposure to price risks related to iron ore and affect its profitability. JSW Steel, like other steel manufacturers, is exposed to the cyclicality inherent in the steel industry. Nevertheless, the risks are mitigated partially by JSW Steel's cost efficiency and a portfolio of value-added products, which find application in several industries.

Weak financial profile of overseas subsidiaries – JSW Steel's US-based plate and pipe mill and its steel assets in the US and Italy acquired in FY2019 remained loss making at the operating level till FY2021. While the US operations reported healthy operating performance and became profitable in FY2022, those in Italy are yet to achieve break even. A sustained improvement would be crucial for the overall financial risk profile of these entities. Dependence of these overseas entities on the parent company to partly meet their debt servicing requirements affects the consolidated financial position of JSW Steel.

Exposure to forex risks – Given JSW Steel's dependence on imports for coking coal and its large forex debt (accounting for about 46% of the standalone debt as on March 31, 2022), the company remains exposed to forex risks. However, the same are largely mitigated by its hedging policy, fully covering its revenue account and the next one year's debt servicing obligations, and the inherent linkage of steel realisations with foreign exchange rates. ICRA notes that the company has hedged its next two years' debt servicing obligations in the backdrop of recent volatility in currency rates.

Environmental and Social Risks

The steel industry faces several environmental risks, especially related to carbon emissions. JSW Steel is making conscious efforts towards sustainable steel production. It has technologically advanced and efficient operations in India (corex, gas-based DRI (direct reduced iron) in addition to BF-BOF-Conarc), which enabled it to source and blend different raw materials, resulting in low conversion costs. Moreover, the company re-uses various by-products and gases in different stages, which helps in reducing its operating costs. The company has also adopted an integrated strategy towards efficient waste and wastewater management, focussing on zero liquid and zero effluent discharge at its facilities. It is further committed to reduce specific carbon dioxide emission by more than 42% by 2030 (vs base year of 2005). JSW Energy Limited has plans to expand its presence in the renewable energy space. JSW Steel has entered into a solar and wind power purchase agreement through SPVs set up by JSW Energy Limited. JSW Steel will acquire 26% stake in each of those SPVs, which will set up renewable power facilities with an aggregate capacity of 958 MW, of which 225 MW was commissioned in April 2022.

Social risks for ferrous entities are manifest from the health and safety of employees involved in the mining and manufacturing activity. Casualties/accidents at operating units due to gaps in safety practices could not only lead to production outages, but also invite penal action from regulatory bodies. The sector is exposed to labour-related risks and risks of protests/social issues with local communities, which might impact expansion/modernisation plans. Also, the adverse impact of environmental pollution in nearby localities could trigger local criticism. On the social front, JSW has put in place a safety organisation structure and conducts various certification programmes, safety audits and assessments to ensure enhanced safety requirements.

Liquidity position: Adequate

JSW Steel's liquidity is adequate as cash flow generation in FY2023 along with large unencumbered cash and cash equivalents worth Rs. 9,789 crore as on June 30, 2022 are expected to be sufficient to meet its debt servicing requirements and capex commitments. In FY2023, the company has capex commitment of Rs. 15,000 crore (of which Rs. 3,702 crore was incurred in Q1 FY2023) and scheduled repayments of Rs. 11,853 crore (out of which around Rs. 5,693 crore was repaid in Q1 FY2023). The company has access to undrawn fund-based and non-fund-based capex lines of ~Rs. 7,200 crore as on date. This coupled with unutilised working capital lines (to the extent of available drawing power) would keep the overall liquidity profile comfortable. JSW Steel's liquidity profile is also supported by its healthy financial flexibility and strong access to capital markets.

Rating sensitivities

Positive factors – ICRA could upgrade JSW Steel's long-term rating if stabilisation of the additional capacity coming on stream in Vijayanagar, leads to higher cash flows and deleveraging of the balance sheet. A consolidated net debt to OPBDITA ratio of lower than 1.75 times on a sustained basis may also lead to a rating upgrade.

Negative factors – Pressure on JSW Steel's ratings could arise in case of a prolonged lull in demand conditions, resulting in lower-than-anticipated sales volumes and profitability, or in case of any major unanticipated debt-funded capex or acquisition. A consolidated net debt to OPBDITA ratio above 2.75 times on a sustained basis may result in ratings downgrade.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for entities in the Ferrous Metals Industry
Parent/Group Support	Not applicable
Consolidation/Standalone	The ratings are based on the consolidated financials of JSW Steel Limited. As on March 31, 2022, JSW Steel had 49 subsidiaries and 8 joint ventures, which are enlisted in Annexure-2.

About the company

JSW Steel, a part of the O.P. Jindal Group, manufactures iron and steel products. The company's products include hot-rolled steel strips, sheets/plates, mild steel (MS) cold-rolled coils/sheets, MS galvanised plain/corrugated/colour-coated coils/sheets, steel billet, bars and rods. As on date, the company's plants in Karnataka, Tamil Nadu and Maharashtra have a combined installed capacity of 23.0 million tonnes per annum (mtpa). JSW Coated Products Limited (JSCPL), a 100% subsidiary of JSW Steel, has manufacturing facilities at Vasind and Tarapur (near Mumbai) and Kalmeshwar (near Nagpur) in Maharashtra for value-added steel products. The company also has a plate-and-pipe-mill business in the US, iron ore mines in Chile and coal mines in the US and Mozambique, which operate through its international subsidiaries. In FY2019, the company acquired steel assets in the US and Italy with installed capacities of 1.5 mntpa (with potential to expand up to 3 mntpa) and 1.32 mtpa, respectively. In FY2019, the company also emerged as a successful resolution applicant for the acquisition of JSW Ispat Special Products Limited (JISPL; erstwhile Monnet Ispat and Energy Limited) as a consortium partner with AION Investments under the insolvency and bankruptcy code (IBC) framework. In May 2022, the company announced amalgamation of JISPL with JSW Steel Limited, which is subject to regulatory approvals and is expected to be completed by the end of the current fiscal. In October 2020, the company, through its subsidiary, JSCPL, acquired Asian Colour Coated Ispat Limited (ACCIL) under the IBC framework. The Board of Directors of JSCPL in their meeting held on April 29, 2022, considered and approved the scheme of amalgamation for the merger of ACCIL, Hasaud Steel Limited, JSW Vallabh Tinplate Private Limited (JVTPL) and Vardhman Industries Limited (VIL) with JSCPL. The company also completed the acquisition of BPSL in March 2021 by acquiring a 49% stake and subsequently increased the stake to 83% in October 2021. BPSL has a 2.7-mtpa integrated steel making facility at Jharsuguda, Odisha.

Key financial indicators (Consolidated)

	FY2021 (Audited)	FY2022 (Audited)
Operating Income (Rs. crore)	79,839	146,371
PAT (Rs. crore)	7,873	20,938
OPBDIT/OI (%)	25.2%	27.3%
PAT/OI (%)	9.9%	14.3%
Total Outside Liabilities/Tangible Net Worth (times)	2.3	1.9
Total Debt/OPBDIT (times)	3.2	1.9
Interest Coverage (times)	5.1	8.0

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation
Source: Company, ICRA Research; All ratios as per ICRA's calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

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Rating history for past three years

	Instrument	Current Rating (FY2023)					Chronology of Rating History for the past 3 years				
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating		Date & Rating in FY2022	Date & Rating in FY2021		Date & Rating in FY2020	
					07-Oct-2022	19-Aug-2022	23-Aug-2021	09-Mar-2021	11-Dec-2020	05-Mar-2020	30-Aug-2019
1	Term Loans/Standby Letter of Credit	Long Term	26,887.00	26,887.00^	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Positive)	[ICRA]AA- (Stable)	[ICRA]AA- (Negative)	[ICRA]AA (Negative)
2	Fund-based Limits	Short Term	3,108.00	-	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
3	Non-fund Based	Short Term	32,130.00	-	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
4	Fund-based/ Non-fund Based	Long Term/ Short Term	13,911.00	-	[ICRA]AA (Stable)/ [ICRA]A1+	[ICRA]AA (Stable)/ [ICRA]A1+	[ICRA]AA (Stable)/ [ICRA]A1+	[ICRA]AA- (Positive)/ [ICRA]A1+	[ICRA]AA- (Stable)/ [ICRA]A1+	[ICRA]AA- (Negative)/ [ICRA]A1+	[ICRA]AA (Negative)/ [ICRA]A1+
5	Non-convertible Debentures (NCD)	Long Term	5,000.00	5,000.00	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Positive)	[ICRA]AA- (Stable)	[ICRA]AA- (Negative)	[ICRA]AA (Negative)
6	Proposed NCDs	Long Term	1,341.00	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Positive)	[ICRA]AA- (Stable)	[ICRA]AA- (Negative)	[ICRA]AA (Negative)
7	Commercial Paper (CP)	Short Term	5,000.00	-*	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

*as on September 30, 2022; ^as on August 31, 2022

Complexity level of the rated instrument

Instrument	Complexity Indicator
Term Loans/Standby Letter of Credit	Simple
Fund-based Limits	Very Simple
Fund-based/Non-fund Based	Very Simple
Non-fund Based	Very Simple
Non-convertible Debentures (NCD)	Very Simple
Proposed NCDs	Very Simple
Commercial Paper (CP)	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

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Annexure-1: Instrument details

ISIN No.	Instrument Name	Date of Issuance/ Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
NA	Fund-based	-	-	-	3,108.00	[ICRA]A1+
NA	Non-fund Based (LC/BG)	-	-	-	32,130.00	[ICRA]A1+
NA	Fund-based/Non-fund Based limits	-	-	-	13,911.00	[ICRA]AA(Stable) /[ICRA]A1+
NA	Term Loans	FY2010-FY2021	NA	FY2022-FY2031	26,887.00	[ICRA]AA(Stable)
INE019A07241	NCD 1	18-Jan-2013	10.34%	18-Jan-2024	1,000.00	[ICRA]AA(Stable)
INE019A07415	NCD 2	18-Oct-2019	8.79%	18-Oct-2029	2,000.00	[ICRA]AA(Stable)
INE019A07423	NCD 3	23-Jan-2020	8.90%	23-Jan-2030	1,000.00	[ICRA]AA(Stable)
INE019A07258	NCD 4 - First tranche	20-May-2013	10.02%	20-May-2023	500.00	[ICRA]AA(Stable)
INE019A07266	NCD 4 - Second tranche	19-Jul-2013	10.02%	19-Jul-2023	500.00	[ICRA]AA(Stable)
NA	Proposed NCD	NA	NA	NA	1,341.00	[ICRA]AA(Stable)
Not placed	Commercial Paper	-	-	-	5,000.00	[ICRA]A1+

Source: Company; NA – Not applicable

Please click here to view details of lender-wise facilities rated by ICRA

Annexure-2: List of entities considered for consolidated analysis

Sr.	Company Name	Ownership	Consolidation Approach
1	JSW Steel Limited	Rated Entity	Full Consolidation
2	JSW Steel (UK) Limited	100.00%	Full Consolidation
3	JSW Natural Resources Limited, Mauritius	100.00%	Full Consolidation
4	JSW Natural Resources Mozambique Lda	100.00%	Full Consolidation
5	JSW ADMS Carvão Limitada	100.00%	Full Consolidation
6	JSW Steel (Netherlands) B.V.	100.00%	Full Consolidation
7	Periama Holdings, LLC	100.00%	Full Consolidation
8	JSW Steel (USA) Inc	90.00%	Full Consolidation
9	Purest Energy, LLC	100.00%	Full Consolidation
10	Planck Holdings, LLC	100.00%	Full Consolidation
11	Caretta Minerals, LLC	100.00%	Full Consolidation
12	Lower Hutchinson Minerals, LLC	100.00%	Full Consolidation
13	Meadow Creek Minerals, LLC	100.00%	Full Consolidation
14	Hutchinson Minerals, LLC	100.00%	Full Consolidation
15	JSW Panama Holdings Corporation	100.00%	Full Consolidation
16	Inversiones Eurosh Limitada	94.90%	Full Consolidation
17	Santa Fe Mining S.A.	70.00%	Full Consolidation
18	Santa Fe Puerto S.A.	99.90%	Full Consolidation
19	Acero Juntion Holdings Inc	100.00%	Full Consolidation
20	JSW Steel USA Ohio Inc	100.00%	Full Consolidation
21	JSW Jharkhand Steel Limited	100.00%	Full Consolidation
22	JSW Bengal Steel Limited	100.00%	Full Consolidation
23	JSW Natural Resources India Limited	100.00%	Full Consolidation
24	JSW Energy (Bengal) Limited	100.00%	Full Consolidation
25	JSW Steel Coated Products Limited	100.00%	Full Consolidation
26	Amba River Coke Limited	100.00%	Full Consolidation

Sr.	Company Name	Ownership	Consolidation Approach
27	Peddar Realty Pvt Limited	100.00%	Full Consolidation
28	Arima Holdings Limited	100.00%	Full Consolidation
29	Lakeland Securities Limited	100.00%	Full Consolidation
30	Erebus Limited	100.00%	Full Consolidation
31	Nippon Ispat Singapore (Pte) Limited	100.00%	Full Consolidation
32	JSW Natural Resource Bengal Limited	98.68%	Full Consolidation
33	JSW Industrial Gases Private Limited	100.00%	Full Consolidation
34	JSW Steel Italy S.R.L.	100.00%	Full Consolidation
35	JSW Steel Italy Piombino	100.00%	Full Consolidation
36	Piombino Logistics SpA (PL)	100.00%	Full Consolidation
37	GSI Lucchini SpA	100.00%	Full Consolidation
38	JSW Utkal Steel Limited	100.00%	Full Consolidation
39	Hasaud Steel Limited	100.00%	Full Consolidation
40	JSW One Platforms Limited	100.00%	Full Consolidation
41	Vardhaman Industries	100.00%	Full Consolidation
42	JSW Vallabh Tinplate Private Limited	100.00%	Full Consolidation
43	Piombino Steel Limited	100.00%	Full Consolidation
44	JSW Vijayanagar Metallics Limited	100.00%	Full Consolidation
45	Asian Colour Coated Ispat Limited	100.00%	Full Consolidation
46	JSW Realty & Infrastructure Private Limited	100.00%	Full Consolidation
47	JSW Retail and Distribution Limited	100.00%	Full Consolidation
48	Bhushan Power and Steel Limited	83.28%	Full Consolidation
49	West Waves Maritime & Allied Services Private Limited	100.00%	Full Consolidation
50	Neotrex Steel Private Limited	80.00%	Full Consolidation
51	Creixent Special Steel Limited	48.00%	Equity method
52	JSW Ispat Special Products Limited (Formerly known as Monnet Ispat & Energy Limited)	23.10%	Equity method
53	Vijayanagar Minerals Private Limited	40.00%	Equity method
54	Rohne Coal Company Private Limited	49.00%	Equity method
55	JSW Severfield Structures Limited	50.00%	Equity method
56	JSW Structural Metal Decking Limited	33.33%	Equity method
57	Gourangdih Coal Limited	50.00%	Equity method
58	JSW MI Steel Services Centre Private Limited	50.00%	Equity method

Source: JSW Steel annual report FY2022

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ANNEXURE D - COPY OF BOARD RESOLUTION AND FINANCE COMMITTEE RESOLUTION

JSW Steel Limited
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Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
CIN.: L27102MH1994PLC152925
Phone : +91 22 4286 1000
Fax : +91 22 4286 3000
Website : www.jsw.in

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF JSW STEEL LIMITED IN ITS MEETING HELD ON FRIDAY 24th JULY 2020 AT 10:30 AM:

"**RESOLVED THAT** pursuant to Sections 23, 42, 179 (3) (d), 71, 180 (1) (c) & 180 (1) (a) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and the enabling provisions in the Memorandum and Articles of Association of the Company, consent of the Board be and is hereby given to avail financial assistance not exceeding Rs.10,000 Crores (Rupees Ten Thousand Crores only) in the aggregate, by way of subscription to 1,00,000 Secured/Unsecured, Redeemable, Non-Convertible Debentures (NCDs) of Rs.10,00,000 each of the Company by way of private placement or by way of a public issue in one or more tranches, on the terms and conditions as may be stipulated by Mutual Funds / Banks / Financial Institutions / Insurance Companies in their Sanction Letter and/or either on public issuance/private placement basis or by way of a public issue..

RESOLVED FURTHER THAT Mr. Sajjan Jindal, Chairman & Managing Director or Mr. Seshagiri Rao MVS, Jt. Managing Director & Group CFO or Dr. Vinod Nowal, Dy. Managing Director or Mr. Jayant Acharya, Director (Commercial & Marketing) or Rajeev Pai, Chief Financial Officer ('**Authorised Persons**') be and is hereby authorised to convey acceptance on behalf of the Company to the terms and conditions as may be stipulated by Mutual Funds/ Banks / Financial Institutions / Insurance Companies for private placement of NCDs and/or by way of public issuance and to agree to such modifications thereto as may be suggested from time to time by Mutual Fund/ Banks / Financial Institutions / Insurance Companies for private placement of NCD's and/or by way of public issuance and to execute such deeds, agreements, documents and other writings as may be necessary or required for the purpose including the Subscription Agreement/Facility Agreement.

RESOLVED FURTHER THAT the Company do secure the redemption of the principal amount of the Secured NCDs and payment of all interest, remuneration of the Trustees, all fees, costs, charges, expenses and all other monies payable in respect thereof by creating a charge on any of the Company's fixed assets/ immovable properties.

RESOLVED FURTHER THAT the Company do appoint IDBI TRUSTEESHIP SERVICES LTD (ITSL) and / or any other agency as the Debenture trustees / Security trustees, in terms of and under the Debenture Trust Deed/ Trustee Agreement/ Facility Agreement to be executed / entered into by the Company in favour of Mutual Fund/ Banks / Financial Institutions / Insurance Companies and to hold as such the NCDs created by the Company for the benefit of the holders of the NCDs and to exercise all powers and discharge all obligations contained in the said Debenture Trust Deed / Trustee Agreement / Facility Agreement or available to trustees under the law.

RESOLVED FURTHER THAT the 'Authorised Persons' be and are hereby severally authorised to negotiate, consider and accept the terms and conditions as may be stipulated by Debenture Trustee / Security Trustee and/or Mutual Fund/ Banks / Financial Institutions / Insurance Companies, for acting as trustees for the said NCDs and to do all such acts and things as may

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JSW STEEL LIMITED MUMBAI

be necessary and to sign and execute all such deeds, documents, writing and papers as may be required.

RESOLVED FURTHER THAT after execution of the Debenture Trust Deed by the Company and the Trustees, the same be lodged for registration with the registering authority competent in that behalf.

RESOLVED FURTHER THAT the 'Authorised Persons' and Mr. Ravishankar Jayaraman, Vice President (Finance) or Mr. Ranganath T, Vice President (Banking & Finance) or Mr Umesh Singhania, Associate Vice President (Banking and Finance) or Ms Deepa Yezdegardi, General Manager (Banking and Finance) or Mr. Vishal Shah, General Manager (Finance) be and are hereby severally authorised to deliver to and deposit the Title Deeds pertaining to the aforesaid immovable properties on behalf of the Company with the Debenture Trustee / Security Trustee / Security Agent with intent to create a mortgage security in favour of Debenture Trustee / Security Trustee / Mutual Fund/ Banks / Financial Institutions / Insurance Companies as aforesaid.

RESOLVED FURTHER THAT the 'Authorised Persons' and Mr. Ravishankar Jayaraman, Vice President (Finance) or Mr. Ranganath T, Vice President (Banking & Finance) or Mr Umesh Singhania, Associate Vice President (Banking and Finance) or Ms Deepa Yezdegardi, General Manager (Banking and Finance) or Mr. Vishal Shah, General Manager (Finance), be and are hereby authorised severally to state on oath on behalf of the Company to the Authorised Representative of Mutual Funds/ Banks / Financial Institutions / Insurance Companies /Debenture Trustee / Security Trustee, that the said Title Deeds being so deposited by the Company with the Debenture Trustee / Security Trustee / Security Agent are the only documents of title in the possession of the Company relating to the said Immovable Properties and that the Company has a clear and marketable title to the said Immovable Properties.

RESOLVED FURTHER THAT the 'Authorised Persons' and Mr. Ravishankar Jayaraman, Vice President (Finance) or Mr. Ranganath T, Vice President (Banking & Finance) or Mr Umesh Singhania, Associate Vice President (Banking and Finance) or Ms Deepa Yezdegardi, General Manager (Banking and Finance) or Mr. Vishal Shah, General Manager (Finance) , be and are hereby authorised severally to do all acts and to finalise, approve and execute all such other deeds and documents as may be required by the Debenture Trustee / Security Trustee in connection with the Debentures and or Corporate Loan and if necessary, the Common Seal of the Company be affixed thereto in the presence of any two Directors of the Company or any one Director of the Company and the Company Secretary or Mr. Rajeev Pai, Chief Financial Officer or Mr. Ravishankar Jayaraman, Vice President (Finance) or Mr. Ranganath T, Vice President (Banking & Finance) or Mr Umesh Singhania, Associate Vice President (Banking and Finance) or Ms Deepa Yezdegardi, General Manager (Banking and Finance) or Mr. Vishal Shah, General Manager (Finance) .

RESOLVED FURTHER THAT the aforesaid 'Authorised Persons' be and are hereby severally authorised and empowered to appoint, intermediaries and to negotiate, finalise, approve and accept the terms and conditions stipulated by these intermediaries and /or Mutual Fund/ Banks / Financial Institutions / Insurance Companies and any modification(s) thereto and execute all such deeds, documents, writings, receipts as may be required by the intermediaries and/or Mutual Fund/ Banks / Financial Institutions / Insurance Companies in connection with the subscription to the Debentures and the advance subscription thereto and / or be and are hereby severally authorised and empowered to appoint, intermediaries and to negotiate, finalise, approve and accept the terms and conditions stipulated by these intermediaries and /or Banks / Financial Institutions and any modification(s) thereto and execute all such deeds, documents, writings, receipts as may be required by the

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JSW STEEL LIMITED MUMBAI

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intermediaries under the Common Seal of the Company, if so required, which shall be affixed in the presence of any two Directors of the Company or any one Director of the Company and the Company Secretary or Mr. Ravishankar Jayaraman, Vice President (Finance) or Mr. Ranganath T, Vice President (Banking & Finance) or Mr Umesh Singhania, Associate Vice President (Banking and Finance) or Ms Deepa Yezdegardi, General Manager (Banking and Finance) or Mr. Vishal Shah, General Manager (Finance).

RESOLVED FURTHER THAT upon receipt of the certificate of registration of charge, the Company do issue Debenture Certificate(s) in terms of the draft set out in the Debenture Trust Deed with such modifications as may be finalised in consultation with the Trustees and that the Common Seal of the Company be affixed to the Debenture Certificate(s) in the presence of any two Directors of the Company or any one Director of the Company and the Company Secretary or Mr. Rajeev Pai, Chief Financial Officer or Mr. Ravishankar Jayaraman, Vice President (Finance) or Mr. Ranganath T, Vice President (Banking & Finance) or Mr Umesh Singhania, Associate Vice President (Banking and Finance) or Ms Deepa Yezdegardi, General Manager (Banking and Finance) or Mr. Vishal Shah, General Manager (Finance).

RESOLVED FURTHER THAT upon allotment, the Company do enter the particulars of the Debentures allotted and the Debenture Certificate(s) in the Register of Debenture holders maintained by the Company in that behalf.

RESOLVED FURTHER THAT Mr. Seshagiri Rao, Jt. Managing Director & Group CFO and Mr. Lancy Varghese, Company Secretary be and are hereby severally authorised to file the necessary Returns with the Registrar of Companies within the prescribed time limit.

RESOLVED FURTHER THAT all of the aforesaid Debentures be issued to the allottee in dematerialised form, if so required by the allottee, and that Mr. Seshagiri Rao M. V. S, Jt. Managing Director & Group CFO, Mr. Rajeev Pai, Chief Financial Officer and Mr. Lancy Varghese, Company Secretary be and are hereby severally authorised to make necessary applications and to take all such steps as may be necessary for the admission of the aforesaid securities into the Depositories (NSDL & CDSL) and for the listing of the aforesaid debentures on the Bombay Stock Exchange Limited and/or National Stock Exchange, if so required by the allottee.

RESOLVED FURTHER THAT the existing 'Finance Committee' of the Board of Directors of the Company be and is hereby empowered to:

- To finalise the terms and conditions of the issuance, appoint lead managers, registrars, bankers, legal advisors, trustees, and all such other intermediaries, agencies or agents as may be required and to negotiate, finalise, settle and execute any documents, deeds, agreements, letters, as may be necessary for the proposed issuance of NCD's.
- To allot, in one or more tranches, the aforesaid non-convertible debentures, as approved by the Board upon receipt of subscription monies.
- To approve and authorise the issue of letter of allotment(s) and/or, debenture certificate(s) / to the allottee.
- To authorise the affixation of the Common Seal of the Company on the Debenture certificate and /or any other Document in connection with the issue of the debentures.
- To do all such things and acts as may be necessary and expedient and to settle any matter that may and/ or arise in connection with the allotment of the aforesaid Debentures or creation of security.

RESOLVED FURTHER THAT the common seal be taken for execution outside the city, state and country limits of the Registered Office, if need be.

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JSW STEEL LIMITED MUMBAI

RESOLVED FURTHER THAT the Jt. Managing Director & Group CFO or the Company Secretary be and is hereby authorised to furnish copies of the aforesaid resolution certified to be true to such persons as may be required and they be requested to act thereon."

for **JSW STEEL LIMITED**

Place: Mumbai
Date: 08.09.2022

LANCY VARGHESE
Company Secretary

Valid and subsisting as on 08.09.2022

for **JSW STEEL LIMITED**

LANCY VARGHESE
Company Secretary

Part of O. P. Jindal Group

JSW Steel Limited

Regd. Office : JSW Centre,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
CIN.: L27102MH1994PLC152925
Phone : +91 22 4286 1000
Fax : +91 22 4286 3000
Website : www.jsw.in

CERTIFIED TRUE COPY OF THE RESOLUTION OF THE FINANCE COMMITTEE ("COMMITTEE") OF JSW STEEL LIMITED ("COMPANY") HELD ON DECEMBER 20, 2022 AT 01.30 PM AT JSW CENTRE, BANDRA KURLA COMPLEX, BANDRA (EAST), MUMBAI 400 051 (RESOLUTION NO 1074)

"**RESOLVED THAT** subject to applicable provisions of the Companies Act, 2013 read with the rules thereto, as amended and the Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended and pursuant to the powers conferred on this Committee by the Board of Directors in its meeting held on 24.07.2020, the Committee hereby approves the Placement Memorandum in connection with the issuance of Listed, Unsecured, Redeemable, Non-Convertible Debentures of face value Rs.10,00,000 each of the Company ("**NCDs**"), aggregating to Rs. 875 Crores (Rupees Eight Hundred and Seventy Five Crores only) by way of private placement.

RESOLVED FURTHER THAT the Committee hereby jointly and severally authorizes Mr. Sajjan Jindal, Chairman and Managing Director, Mr. Seshagiri Rao M.V.S, Joint Managing Director and Group CFO, Mr. Jayant Acharya – Dy. Managing Director, Mr. Rajeev Pai, Chief Financial Officer ("**Authorised Persons")**, to appoint Khaitan & Co. as transaction counsel, ICRA Limited as credit rating agency, SBICAP Trustee Company Limited as the debenture trustee, KFin Technologies Limited as the registrar and transfer agent, other consultants, depositories, custodians, and any such agencies and intermediaries as may be involved or concerned in connection with the NCD issuance and to remunerate such agencies by way of fees, or similar amounts and to enter into or execute agreements, arrangements, Memorandum of Understanding with any such agency or intermediary and also to seek listing of such NCDs on BSE Limited (BSE) and issue private placement offer cum application letters to the successful bidders/ identified investors.

RESOLVED FURTHER THAT no brokerage / commission / incentive shall be paid to any intermediary / broker/ any other person by the Company in respect of the above NCDs.

RESOLVED FURTHER THAT the Authorised Persons and Mr. Ravishankar Jayaraman, Sr. Vice President (F&A), Mr. Ranganath Tirumala, Sr. Vice President (Banking & Finance), Mr. Lancy Varghese, Company Secretary and Mr. Kunal Raval, General Manager (F&A) be and are hereby severally authorized to:

1. Negotiate, approve, modify, vary, and decide the terms of the issue, offer, and allotment of the NCDs and all other related matters;

2. Finalize, execute and file the placement memorandum for the issue of the NCDs from time to time with the relevant stock exchanges, the Registrar of Companies and the Securities and Exchange Board of India in accordance with the applicable laws and regulations;

3. Approve the private placement offer cum application letter ("**PPOAL**") (including amending, varying, or modifying the PPOAL, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;

JSW STEEL LIMITED MUMBAI

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4. Seek, if required, any approval, consent, or waiver from any and all concerned governmental and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the Debentures
5. Apply for admission of the securities on the depository system including but not limited to submission of Master Creation Form (MCF) for creation of ISIN, submission of Corporate Action Form (CAF) for allotment to depositories and taking all actions that may be necessary for in this regard;
6. Approve, negotiate, finalise, sign, execute, ratify, amend and/or supplement all necessary documents / deeds / agreements / papers / certificates / undertakings in relation to the issue of the NCDs and take all necessary steps in this regard including the payment of applicable stamp duty and other taxes, fees and costs as required under the applicable laws in relation to the NCDs;
7. carry out any other function as is mandated by the Board of Directors from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable;
8. Execute all necessary documents in connection with opening of such accounts with banks, institutions or agencies as may be required as per the applicable laws; and
9. to do all such acts, deeds and things as may be deemed necessary, desirable, proper, or expedient in this regard.

RESOLVED FURTHER THAT Mr. Rajeev Pai, Chief Financial Officer and Mr. Lancy Varghese, Company Secretary be and are hereby severally authorized to enter into an agreement to access the Electronic Bidding Platform ("**EBP**") of BSE Limited and upload necessary documents in EBP for facilitating the bidding process.

RESOLVED FURTHER THAT the Common Seal of the Company, if required, be affixed to any of the documents as referred to above, in the presence of any two Directors of the Company or any one Director and the Company Secretary or Mr. Rajeev Pai, Chief Financial Officer or Mr. Ranganath Tirumala, Sr. Vice President (Banking & Finance) or Mr. Ravishankar Jayaraman, Sr. Vice President (F & A) or Mr. Kunal Raval, General Manager (F&A).

RESOLVED FURTHER THAT the Committee hereby approves and ratifies all such acts, deeds and actions taken by the Company till date for the purpose of the issue, offer and allotment of the NCDs.

RESOLVED FURTHER THAT the Joint Managing Director and Group CFO or Dy. Managing Director or the Company Secretary be and is hereby authorised to sign any copy of this resolution as a certified true copy thereof and furnish the same to whomsoever concerned".

For **JSW STEEL LIMITED**

JSW STEEL LIMITED * MUMBAI *

LANCY VARGHESE
COMPANY SECRETARY

Place : Mumbai
Date : December 20, 2022

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ANNEXURE E - COPY OF SHAREHOLDERS RESOLUTION

JSW Steel Limited

Regd. Office : JSW Centre,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
CIN. : L27102MH1994PLC152925
Phone : +91 22 4286 1000
Fax : +91 22 4286 3000
Website : www.jsw.in

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE MEMBERS OF JSW STEEL LIMITED IN THEIR TWENTY SECOND ANNUAL GENERAL MEETING HELD ON 26TH JULY 2016 AT 11.00 A.M. AT Y.B. CHAVAN AUDITORIUM, GENERAL JAGANNATHRAO BHONSLE MARG, NARIMAN POINT, MUMBAI 400 021.

"**RESOLVED THAT** in supersession of the Ordinary Resolution adopted at the 20th Annual General Meeting of the Company held on 31st July 2014 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and that of the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board"), for borrowing from time to time, any sum or sums of money, on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) including rupee equivalent of foreign currency loans (such rupee equivalent being calculated at the exchange rate prevailing as on the date of the relevant foreign currency agreement) may exceed, at any time, the aggregate of the paid-up capital of the Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid- up capital of the Company and its free reserves shall not at any time exceed Rs.60,000 crores (Rupees Sixty thousand crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and execute all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company."

For **JSW STEEL LIMITED**

Place : **Mumbai**
Date : 08.09.2022

Lancy Varghese
Company Secretary

Valid and subsisting as on date

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ANNEXURE F - IN-PRINCIPLE APPROVAL FROM THE STOCK EXCHANGE

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

EXPERIENCE THE NEW

DCS/COMP/AA/IP-PPDI/503/22-23 December 19, 2022

JSW Steel Limited
JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra

Dear Sir,

Re: Private Placement of 8,750 Debentures of face value of Rs.10,00,000/- each aggregating upto Rs.875 Crore (The Issue).

We acknowledge receipt of your application on the online portal on December 15, 2022 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:

https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com)

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the shelf placement memorandum, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,

For BSE Limited

Sd/-	Sd/-
Rupal Khandelwal	**Raghavendra Bhat**
Assistant General Manager	**Associate Manager**

ANNEXURE G - RELATED PARTY TRANSACTIONS FOR THE PAST THREE YEARS

(i) Related Party Transactions for the Year ended 31 March 2022

Please refer to page number 263 to 273 of the Annual Report for financial year ended March 31, 2022 (Standalone Financial Statements) and please refer to page number 385 to 391 of the Annual Report for financial year ended March 31, 2022 (Consolidated Financial Statements) for details in respect of the related party transactions entered into by the Company for the financial year ended March 31, 2022.

The Annual Report for year ended March 31, 2022 can be accessed at:

https://www.jswsteel.in/sites/default/files/assets/downloads/steel/IR/Financial%20Performance/Annual%20Reports%20Steel/20-21/JSW%20Steel%20AR%2021-22_2607%20(1).pdf

(ii) Related Party Transactions for the Year ended 31 March 2021

Please refer to page number 255 to 265 of the Annual Report for financial year ended March 31, 2021 (Standalone Financial Statements) and please refer to page number 365 to 373 of the Annual Report for financial year ended March 31, 2021 (Consolidated Financial Statements) for details in respect of the related party transactions entered into by the Company for the year ended March 31, 2021.

The Annual Report for year ended March 31, 2021 can be accessed at:

https://www.jsw.in/sites/default/files/assets/downloads/steel/IR/Financial%20Performance/Annual%20Reports%20Steel/20-21/AR%202020-21.pdf

(iii) Related Party Transactions for the Year ended 31 March 2020

Please refer to page number 222 to 231 of the Annual Report for financial year ended March 31, 2020 (Standalone Financial Statements) and please refer to page number 323 to 329 of the Annual Report for financial year ended March 31, 2020 (Consolidated Financial Statements) for details in respect of the related party transactions entered into by the Company for the year ended March 31, 2020.

The Annual Report for year ended March 31, 2020 can be accessed at:

https://www.jsw.in/sites/default/files/assets/downloads/steel/IR/Financial%20Performance/Annual%20Reports%20Steel/JSW%20Steel_AR%202020%20Final.pdf

ANNEXURE H - LEGAL PROCEEDINGS

Except as described below, our Company ("**JSW**") is not involved in any ongoing legal or regulatory proceedings or disputes, prosecutions or other enforcement actions which may have, or have had, a material adverse effect on the business, financial condition or results of operations. JSW believes that the number of proceedings and disputes in which it is involved in is not unusual for a company of its size in the context of doing business in India, the current Indian regulatory and legal environment and in the international market. Civil and tax related proceedings involving the Company, which involve a claim of more than 5.0 per cent. of our EBITDA on a consolidated basis in the year ended March 31, 2022 or proceedings which the Company considers otherwise material have been individually described below.

ADJUDICATION & RECOVERY PROCEEDINGS:

Forest Development Tax (FDT) and Forest Development Fees (FDF)

JSW successfully challenged the levy of FDT & FDF before High Court Karnataka. The Karnataka State Government is presently in appeal before the Hon'ble Supreme Court against the judgment of the High Court. The Supreme Court has stayed the order for refund of FDT / FDF collected. The matter is currently pending.

Goa Rural Cess

JSW has filed a writ petition challenging a demand notice dated November 11, 2020 issued by the Assistant Director of Transport (Enforcement), South Margao, Goa, seeking payment of a cess under the Goa Rural Improvement and Welfare Act, 2000. The matter is presently pending.

Dispute in Relation to Minimum Production and Dispatch Requirement

State of Odisha through its Department of Mines issued various demand notices against JSW for failing to fulfilling the minimum dispatch requirement as required under the amended Rule 12-A of the Minerals (Other than Atomic and Hydrocarbons Energy Minerals) Concession Rules, 2016. JSW challenged the demand notice by way of a writ petition before the Orissa High Court. The matter is presently pending.

Sales Tax Deferral/Refund

The Central Excise & GST Department has raised various demand notices on account of refund of value added tax ("**VAT**") received by JSW and differential amount due to the premature repayment of sales tax/VAT deferred liability as an additional consideration includable in the assessable value for the purpose of levy of excise duty. In the matter of VAT deferred liability at Dolvi, the Commissioner has ruled in favor of JSW dropping the demand of Rs. 2,142.3 million and the Central Excise & GST Department had filed appeal before the Custom Excise and Service Tax Appellate Tribunal ("**CESTAT**"). CESTAT dismissed the Department's appeal and the Department has now filed Civil Appeal in Supreme Court. The matters are pending for a final hearing.

Import of Coking Coal

The Custom Department has raised various demands on import of coking coal based on their claim for classification of goods under the category of non-coking coal attracting duty of 5 percent. It has been the intent of Government to exempt the import of 'coking coal' from basic customs duty which has been provided through various exemption notifications from time to time. SCNs issued in this regard were partly confirmed and partly dropped. In appeals filed by JSW and the Department in CESTAT, the entire demand has been set aside. The Customs Department has now filed an appeal before the Supreme Court. The other matters are pending at various appellate authorities, including, before the High Court of Andhra Pradesh.

Disputes regarding Corex gas, mixed gas and DRI gas generated as by-products during the course ofmanufacture

During the course of direct reduction of iron ore pellets and manufacture of iron in the Corex plant, waste gases termed as Corex gas, mixed gas and DRI gas are generated as by-products. These gases are a mixture of, among others, carbon monoxide and carbon dioxide and being by-products are dutiable at Nil rate of Central Excise duty and cleared accordingly. The Central Excise & GST department has raised various demands on the clearance of such gases. Appeals in the initial demands with respect to Corex gas are pending in Supreme Court and subsequent demands are pending with appellate authorities at various stages. In the case of mixed gas and DRI gas, Writ Petitions have been filed by JSW are pending before the Dharwad Bench of Karnataka High Court. Matters are pending for final hearing and disposal.

Environmental Cases

An original application has been filed before the National Green Tribunal, at Pune, ("**NGT**") challenging the issuance of Environment Clearance, particularly relating to the issue of the 'coastal regulation zone' ("**CRZ**"), given by the Ministry of Environment and Forests, for expansion of the Dolvi plant from 5 to 10 mtpa located in Maharashtra. A public interest litigation ("**PIL**") was filed before the High Court for similar allegations and the writ petition was clubbed with the PIL for hearing. Subsequently, the High Court dismissed the PIL and directed the Maharashtra Coastal Zone Management Authority to complete the task of mapping the coastal belt in Maharashtra according to the CRZ Notification, 2011. The matter is currently pending.

Another original application has been filed before the NGT against JSW, the Maharashtra Pollution Control Board and certain other respondents, alleging, among other things, various environmental violations at JSW's Dolvi plant. JSW has filed its detailed objections denying all the allegations made by the Applicant, and seeking a dismissal of the matter on the ground of limitation. The NGT has, pursuant to order dated May 27, 2021 constituted a committee to prepare a report on whether any further remedial action is necessary at JSW's Dolvi plant.

Package Scheme of Incentives, 1993 — Electricity Duty

JSW has filed a writ petition against the Managing Director and Chief Engineer (Commercial) of the Maharashtra State Electricity Distribution Company Limited ("**MSEDCL**"), and the State of Maharashtra before the Bombay High Court seeking a declaration that JSW is entitled for exemption from payment of electricity duty between the extended period of August 5, 2012 till August 5, 2019 under the Package Scheme of Incentives. The matter is currently pending.

Contractual dispute with Karnataka State Minerals Corporation Limited (formerly known as Mysore Minerals Limited) ("KSMCL")

JSW had filed a suit ("**Suit**") in 2012 before the Court of the Additional City Civil Judge, Bengaluru against KSMCL in relation to a contractual dispute relating to, among other things, the supply of iron ore to JSW from certain iron ore mines held by KSMCL, the setting up of a joint venture between JSW and KSMCL, and the counter claim of KSMCL. KMSCL had filed an interim application ("**IA**") seeking to amend its written statement to make a counter claim against JSW, which was allowed by the Additional City Civil and Sessions Judge, Bengaluru vide its order dated November 10, 2020 (the "**ACCSJ Order**"). The ACCSJ Order was challenged by JSW before the Hon'ble Karnataka High Court on the ground that KSMCL could not file its counter claim as the claim was barred by limitation. The Karnataka High Court, vide its order dated January 13, 2021, quashed the ACCSJ Order allowing KSMCL to file its counter claim ("**KHC Order**"). KMSCL has filed an appeal against the KHC Order before the Supreme Court of India. The Suit before the Additional City Civil and Sessions Judge, Bengaluru and the appeal before the Supreme Court of India are presently pending.

PROSECUTION/ENFORCEMENT ACTIONS INITIATED:

Central Bureau of Investigation

The Central Bureau of Investigation ("**CBI**"), Anti-Corruption Branch — Bengaluru has registered a case against, amongst others, JSW, based on the source information and the joint surprise check conducted by the CBI team along with the Southern Railway officials on allegations of manipulation of software of Electronic-in-Motion Weigh Bridge in order to evade payment of punitive charges, which is before the Court of Additional Chief Metropolitan Magistrate at Bengaluru ("**ACMM**"). JSW was discharged as an accused by the ACMM vide its order dated September 11, 2018. CBI filed a review against the said order, which was allowed vide order dated December 23, 2021 ("**Review Order**"). JSW has consequently challenged the Review Order by way of a writ petition before the Karnataka High Court, which has presently stayed the trial proceedings against JSW pursuant to the Review Order.

FEMA case against JSW and two of its executives

JSW received a show cause notice followed by an adjudication order on October 6, 2009 from the Directorate of Enforcement imposing a penalty on JSW and two executives of JSW alleging misuse of foreign exchange amounting to 262.6 million Austrian Schillings in relation to imports of certain basic design and engineering, preliminary engineering and additional equipment for its Corex process based iron manufacturing plant at Bellary in 1994 to 1995. The Special Director Enforcement vide its order dated October 6, 2009 imposed penalties on JSW and two of its officers. The order of Special Director was confirmed on January 26, 2010 by the Appellate Tribunal for foreign exchange. The review petition filed against the order was dismissed on the ground of maintainability on January 9, 2015. Against the order of the Appellate Tribunal, JSW and both officers filed an appeal before the High Court of Bombay. The High Court of Bombay had on September 28, 2015 admitted the appeal and stayed the Order of Tribunal against furnishing of bank guarantees. The bank guarantee has been furnished to the Directorate of Enforcement and the matter is currently pending.

PMLA case against JSW and its officials

The Directorate of Enforcement ("**ED**") attached four bank accounts of JSW under section 5 of the Prevention of Money Laundering Act, 2002 ("**PMLA**"), vide provisional attachment order bearing numbers 08/2015 and 11/2016, attaching a sum of Rs. 338.08 million, on the allegation that the said sum was payable by JSW to the entity involved in the scheduled offence on account of certain contractual transactions for supply of iron ore. The said provisional attachment orders were confirmed by Adjudicating Authority, PMLA vide its order dated April 09, 2021. JSW has filed an appeal challenging the order of the Adjudicating Authority before the Appellate Tribunal, PMLA under section 26 of PMLA. However, owing to the fact that the quorum before the Appellate Tribunal, PMLA was vacant, JSW also filed a writ petition before the Hon'ble Karnataka High Court challenging the order of the Adjudicating Authority. The said writ petition is presently pending.

Thereafter, ED has filed a complaint section 44 and 45 of the Prevention of Money Laundering Act, 2002 ("**PMLA**") on April 08, 2022 before the Ld. Principal City Civil and Sessions Judge, Bengaluru ("**Special Court, PMLA**"), for the commission of offence of money-laundering as defined under section 3 of the PMLA. The complaint alleges that JSW committed the offence of money-laundering under section 3 of PMLA by knowingly frustrated proceeds of crime to the tune of Rs. 165.57 million by operating certain bank accounts which were attached by the Enforcement Directorate under section 5(1) of PMLA. JSW had challenged the complaint by way of a writ petition before the Hon'ble Karnataka High Court, which was dismissed on June 13, 2022 ("**HC Dismissal**"). JSW has thereafter preferred a special leave petition challenging the HC Dismissal before the Hon'ble Supreme Court, which is presently pending. The Special Court, PMLA vide its order dated April 11, 2022, issued process against JSW, thereby taking cognizance of the case. The matter before the Special Court, PMLA is also presently pending.

Other cases involving JSW

In the ordinary course of business, there have been a various criminal, regulator, tax, civil and other proceedings filed against JSW, its directors or its employees, which are pending before various authorities, tribunals and courts and areat various stages of adjudication. As on the date of this disclosure, there are a total of 455 cases pending where JSW is involved before various forums. Certain key litigation, except for what has been detailed above, is split into the following categories:

- 49 cases pertaining to tax in the Supreme Court and High Courts of various jurisdiction;
- 8 cases pertaining to regulatory issues including labour, electricity, etc.

ANNEXURE I - REMUNERATION OF THE DIRECTORS THE LAST THREE FINANCIAL YEARS

i) For financial year ended March 31, 2022

The details of remuneration paid/payable to the Non-Executive Directors for the period 01.04.2021 to 31.03.2022 are as follows:

Name of the Director	Commission Paid/Payable (2021-2022) (₹ in Lakhs)	Sitting Fees @ ₹20,000 per meeting (₹ in Lakhs)	Total (₹ in Lakhs)
Nominee Director of KSIIDC	35.00 #	0.80	35.80
Mr. Hiroyuki Ogawa (JFE Steel Corporation Nominee Director)	35.00 #	1.80	36.80
Mr. Malay Mukherjee	35.50	4.60	40.10
Mr. Seturaman Mahalingam	36.00	5.40	41.40
Dr. (Mrs) Punita Kumar Sinha	35.00	3.60	38.60
Mr. Harsh Mariwala	35.00	1.80	36.80
Mr. Haigreve Khaitan	35.50	2.80	38.30
Mrs. Nirupama Rao	35.00	2.40	37.40

Payable to the respective institutions/Companies they represent

Note: None of the Non-Executive Directors hold any shares in the Company.

The details of Remuneration paid / payable to the Whole-time Directors for the financial year 2021-22 are as given below:

Name of Director and Designation	Salary including provident fund (₹ in Crores)	Perks (₹ in crores)	Profit linked commission (₹ in crores)	Total	Period of contract	Notice period
Mr. Sajjan Jindal Chairman & Managing Director	11.44	1.66	121.70	134.80	From 07.07.2017 to 06.07.2022	NA
Mr. Seshagiri Rao MVS Jt. Managing Director & Group CFO	5.92	0.36	-	6.28	From 06.04.2020 to 05.04.2023	3 Months from either side or salary in lieu thereof.
Dr. Vinod Nowal Dy. Managing Director	4.61	0.26	-	4.87	From 30.04.2017 to 29.04.2022	3 months from either side or salary in lieu thereof.
Mr. Jayant Acharya Director (Commercial & Marketing)	4.30	0.23	-	4.53	From 07.05.2019 to 06.05.2024	3 months from either side or salary in lieu thereof.

ii) For financial year ended March 31, 2021

The details of remuneration paid/payable to the Non-Executive Directors for the period 01.04.2020 to 31.03.2021 are as follows:

Name of the Director	Commission Paid/Payable (2020-2021) (₹ in lakhs)	Sitting Fees @ ₹20,000 per meeting (₹ in lakhs)	Total (₹ in lakhs)
Mr. Ganga Ram Baderiya /Mr. M.S.Srikar (KSIIDC Nominee Director)	34.00#	1.20	35.20
Mr. Hiroyuki Ogawa (JFE Steel Corporation Nominee Director)	34.00#	1.60#	35.60
Mr. Malay Mukherjee	34.50	4.20	38.70
Mr. Seturaman Mahalingam	35.00	4.40	39.40
Dr. (Mrs) Punita Kumar Sinha	34.00	2.60	36.60
Mr. Harsh Mariwala	34.00	1.40	35.40
Mr. Haigreve Khaitan	34.50	2.00	36.50
Mrs. Nirupama Rao	34.00	2.20	36.20

Payable to the respective institutions/Companies they represent

Note: None of the Non-Executive Directors hold any shares in the Company.

The details of Remuneration paid / payable to the Whole-time Directors for the financial year 2020-21 are as given below:

Name of Director and Designation	Salary including provident fund (₹in crores)	Perks (₹in crores)	Profit linked commission (₹in crores)	Total	Period of contract	Notice period
Mr. Sajjan Jindal Chairman & Managing Director	11.66	1.30	60.42	73.37	From 07.07.2017 to 06.07.2022	NA
Mr. Seshagiri Rao MVS Jt. Managing Director & Group CFO	4.83	0.25	--	5.08	From 06.04.2020 to 05.04.2023	3 Months from either side or salary in lieu thereof.
Dr. Vinod Nowal Dy. Managing Director	4.04	0.18	--	4.22	From 30.04.2017 to 29.04.2022	3 months from either side or salary in lieu thereof.
Mr. Jayant Acharya Director (Commercial & Marketing)	3.46	0.16	--	3.62	From 07.05.2019 to 05.06.2024	3 months from either side or salary in lieu thereof.

iii) For financial year ended March 31, 2020

The details of remuneration paid/payable to the Non-Executive Directors for the period April 01, 2019 to March 31, 2020 are as follows:

Name of the Director	Commission Paid/Payable (2019-2020) (₹ in Lakhs)	Sitting Fees @ ₹20,000 per meeting (₹ in Lakhs)	Total (₹ in Lakhs)
Mr. Gangaram Baderiya (KSIIDC Nominee Director)	35.00	0.80	35.80
Mr. Hiroyuki Ogawa (JFE Steel Corporation Nominee Director)	35.00	1.80	36.80
Mr. Malay Mukherjee	35.50	4.40	39.90
Mr. Seturaman Mahalingam	36.00	4.20	40.20
Dr. (Mrs) Punita Kumar Sinha	35.00	2.60	37.60
Mr. Harsh Mariwala	35.00	1.60	36.60
Mr. Haigreve Khaitan	35.50	2.20	37.70
Mrs. Nirupama Rao	35.00	1.60	36.60

The details of Remuneration paid / payable to the Whole-time Directors for the financial year 2019- 20 are as given below:

Name of Director and Designation	Salary including provident fund (₹ in crores)	Perks (₹ in crores)	Profit linked commission (₹ in crores)	Total	Period of contract	Notice period
Mr. Sajjan Jindal Chairman & Managing Director	11.80	1.30	26.93	40.03	From 07.07.2017 to 06.07.2022	NA
Mr. Seshagiri Rao MVS Jt. Managing Director & Group CFO	5.52	0.25		5.57	From 06.04.2017 to 05.04.2020	3 Months from either side or salary in lieu thereof.
Dr. Vinod Nowal Dy. Managing Director	4.26	0.18		4.44	From 30.04.2017 to 29.04.2022	3 months from either side or salary in lieu thereof.
Mr. Jayant Acharya Director (Commercial & Marketing)	3.65	0.16		3.81	From 07.05.2019 to 05.06.2024	3 months from either side or salary in lieu thereof.

ANNEXURE J - SUMMARY OF RESERVATIONS OR QUALIFICATIONS OR ADVERSE REMARKS OF AUDITORS IN THE LAST THREE FINANCIAL YEARS IMMEDIATELY PRECEDING THE YEAR OF CIRCULATION OF OFFER LETTER

FY 2021-22

NIL

FY 2020-21

NIL

FY 2019-20

NIL

ANNEXURE K - FINANCIAL STATEMENT***

(i) Standalone Financial Statements and Audit report/Limited review report for the period ending September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020

[*Attached separately*]

(ii) Consolidated Financial Statements and Audit report/Limited review report for the period ending September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020

[*Attached separately*]

(iii) Annual Financial Statements for the Financial Years ended on March 31, 2022

Please refer to page number 172 to 412 of the Annual Report Financial year ended March 31, 2022 for Standalone & Consolidated financial statements for the year including the Independent Auditors Report.

The Annual Report can be accessed at:

https://www.jswsteel.in/sites/default/files/assets/downloads/steel/IR/Financial%20Performance/Annual%20Reports%20Steel/20-21/JSW%20Steel%20AR%2021-22_2607%20(1).pdf

(iv) Financials results for the quarter and financial year ended March 31, 2022 (Standalone and Consolidated)

The financial results can be accessed at:

https://www.jswsteel.in/sites/default/files/assets/industry/steel/IR/Financial%20Performance/Financials/2021-22/Q4/Results%20Q4%20FY22.pdf

(v) Annual Financial Statements for the Financial Years ended on March 31, 2021

Please refer to page number 172 to 392 of the Annual Report Financial year ended March 31, 2021, for Standalone & Consolidated financial statements for the year including the Independent Auditors Report.

The Annual Report can be accessed at:

https://www.jsw.in/sites/default/files/assets/downloads/steel/IR/Financial%20Performance/Annual%20Reports%20Steel/20-21/AR%202020-21.pdf

(vi) Financials results for the quarter and financial year ended March 31, 2021 (Standalone and Consolidated)

The financial results can be accessed at:

https://www.jsw.in/sites/default/files/assets/industry/steel/IR/Financial%20Performance/Financials/2020-21/Q4/Results_Q4%2021.pdf

(vii) Annual Financial Statements for the Financial Years ended on March 31, 2020

Please refer to page number 147 to 344 of the Annual Report Financial year ended March 31, 2020, for Standalone & Consolidated financial statements for the year including the Independent Auditors Report.

The Annual Report can be accessed at:

https://www.jsw.in/sites/default/files/assets/downloads/steel/IR/Financial%20Performance/Annual%20Reports%20Steel/JSW%20Steel_AR%202020%20Final.pdf

(viii) Financials results for the quarter and financial year ended March 31, 2020 (Standalone and Consolidated)

The financial results can be accessed at:

https://www.jswsteel.in/sites/default/files/assets/industry/steel/IR/Financial%20Performance/Financials/2019-20/Q4/Results-FY20-Q4.pdf

*****The Auditor's Reports including Financial Statements for the financial year ended March 31, 2022, March 31, 2021, March 31, 2020 and the limited review report for the half-year ended September 30, 2022 are annexed separately.**

ANNEXURE L-EXISTING INDEBTEDNESS

PART – A - EXISTING SECURED LOANS AS ON SEPTEMBER 30, 2022

Rupee Term Loan Secured facility:

Lender's Name	Type of Facility	Amount sanctioned (Rupees in crores)	Principal amount outstanding (Rupees in crores)	Repayment Schedule/ Final Repayment Date	Security
State Bank of India	Rs. 1000 Crores	175	175	Quarterly Mar-23	First pari passu charge on 3.8mtpa upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
State Bank of India	Rs. 1200 Crores	506	506	Quarterly Dec-23	First pari passu charge on 3.8mtpa upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
State Bank of India	Rs. 1250 Crores	563	563	Quarterly Jan-24	First charge on property, plant and equipment upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
Axis Bank	Rs 500 Crores	175	175	Quarterly Jun-24	First pari passu charge on 3.8 mtpa property, plant and equipment located at Vijayanagar Works Karnataka (other than specifically carved out).
Axis Bank	Rs 500 Crores 1	275	275	Quarterly Jun-25	First pari passu charge on 3.8 mtpa property, plant and equipment located at Vijayanagar Works Karnataka (other than specifically carved out).
Axis Bank	Rs 500 Crores 2	413	413	Quarterly Mar-26	First pari passu charge on property, plant and equipments related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.(other than specifically carved out).
Kotak Mahindra Bank	Rs 500 Crores	250	250	Quarterly Feb-25	First pari passu charge on property, plant and equipment situated at Salem Works, Tamil Nadu.
State Bank of India	Dolvi - RTL Rs.	486	486	Quarterly Sep-24	First charge on entire movable and immovable property, plant and equipment upto 5 MTPA

Lender's Name	Type of Facility	Amount sanctioned (Rupees in crores)	Principal amount outstanding (Rupees in crores)	Repayment Schedule/ Final Repayment Date	Security
led consortium	1600 Crores				capacity situated at Dolvi works, Maharashtra (excluding those specifically charged and equipment/machinery procured out of proceeds of ECA/ECB/FCL) both present and future.
IDBI Bank	Rs 600 Crores	311	311	Quarterly Jun-26	First pari-passu charge on 1.5 MTPA coke oven plant property, plant and equipment at Dolvi, Maharasthra
State Bank of India	Rs 1000 Crores	320	320	Quarterly Mar-25	First charge on entire immovable assets and movable property, plant and equipment at Salav Works Maharasthra
Indian Bank	Rs 500 Crores	250	250	Quarterly Mar-25	First pari passu charge on property, plant and equipments related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
Punjab & Sind Bank	Rs 500 Crores	500	500	Quarterly Dec-28	First pari passu charge on property, plant and equipments related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
Kotak Mahindra Bank	Rs 398 Crores	398	398	Quarterly Aug-26	First pari passu charge on property, plant and equipment situated at Salem Works, Tamil Nadu.
Kotak Mahindra Bank	Rs 500 Crores	500	500	Quarterly June-27	First ranking pari-passu charge on moveable and immoveable fixed assets (other than those specifically excluded) of 5-10 MTPA Capacity of the Borrower at Dolvi Works located in the State of Maharashtra.
Canara Bank led consortium	Rs.2050 Crs facility	2050	1480	Quarterly Dec-29	First pari-passu charge on moveable and immoveable fixed assets (other than those specifically excluded) of the Project viz crude steel capacity

Lender's Name	Type of Facility	Amount sanctioned (Rupees in crores)	Principal amount outstanding (Rupees in crores)	Repayment Schedule/ Final Repayment Date	Security
					from 12-13 MTPA , Pellet plant 8 MTPA , Coke oven(CO-5) plant with a capacity of 1.5 MTPA at Vijayanagar Works , Karnataka
HDFC Limited	Rs 1,000 Crs RTL	1000	1000	Quarterly March-30	First pari-passu charge on moveable and immoveable fixed assets (other than those specifically excluded) being Cold Rolling Mill 1 & 2 Complex at Vijayanagar Works, Karnataka.
HDFC Limited	Rs 500 Crs RTL	500	500	Quarterly July-30	First ranking pari- passu charge on moveable and immovable fixed assets (other than those specifically excluded) of 5-10 MTPA Capacity of the Borrower at Dolvi Works located in the State of Maharashtra.
EXIM Bank	Rs 1,000 Crs RTL	1000	1,000	Quarterly April-29	First pari passu charge on property, plant and equipments related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.(other than specifically carved out) for loan amount of Rs.250 Crs. First ranking pari- passu charge on moveable and immovable fixed assets (other than those specifically excluded) of 5-10 MTPA Capacity of the Borrower at Dolvi Works located in the State of Maharashtra for loan amount of Rs.750 Crs.
Central Bank of India	Rs 1,000 Crs RTL	1000	1,000	Quarterly March-32	First pari-passu charge on moveable and immoveable fixed assets (other than those specifically excluded) of upto 5 MTPA Capacity of the Borrower at Dolvi Works , Maharashtra
NIIF	Rs 490 Crs RTL	490	490	Quarterly March-32	First pari passu charge on fixed assets up to 5.0 MTPA integrated steel plant at Dolvi Works (other than assets

Lender's Name	**Type of Facility**	**Amount sanctioned (Rupees in crores)**	**Principal amount outstanding (Rupees in crores)**	**Repayment Schedule/ Final Repayment Date**	**Security**
					specifically carved out) located in the State of Maharashtra,
Bank of Baroda	Rs 1,000 Crs RTL	1000	1000	Quarterly June-29	First ranking pari- passu charge on moveable fixed assets (other than those specifically excluded) of 5-10 MTPA Capacity of the Borrower at Dolvi Works located in the State of Maharashtra.
Axis Bank	Rs 500 Crs RTL	488	488	Quarterly June-28	First ranking pari-passu charge on moveable and immoveable fixed assets (other than those specifically excluded) of 5-10 MTPA Capacity of the Borrower at Dolvi Works located in the State of Maharashtra.
Canara Bank	Rs 1,000 Crs RTL	1,000	1,000	Quarterly March-28	First ranking pari- passu charge on moveable and immovable fixed assets (other than those specifically excluded) of 5-10 MTPA Capacity of the Borrower at Dolvi Works located in the State of Maharashtra.
Indian Bank	Rs 1,000 Crs RTL	1,000	1,000	Quarterly September-29	First ranking pari- passu charge on moveable and immovable fixed assets (other than those specifically excluded) of 5-10 MTPA Capacity of the Borrower at Dolvi Works located in the State of Maharashtra.
Total			**14,080**		

Foreign Currency Loan Secured facility:

Type of Facility	**Amount O/S (USD in Millions)**	**Principal amount outstanding (Rupees in crores)**	**Repayment Schedule/ Final Repayment Date**	**Security**
ECB 90 Million	51	417	Jun-26	First pari-passu charge on 1.5 MTPA coke oven plant property, plant and equipment at Dolvi (Phase-1 under erstwhile DCPL) at Maharasthra
Total	**51**	**417**		

PART – B DETAILS OF NCDs AS ON QUARTER END – 30 SEPTEMBER 2022

Non-Convertible Debentures issued by the Issuer as on September 30, 2022:

Debenture Series	**Tenor/ Period of maturity (in years)**	**Coupon**	**Amount issued (INR Crore)**	**Date of allotment**	**Redemption on date/ Schedule**	**Credit rating**	**Secured/ Unsecured**
Tranche 1 INE019A07258	10 Years	10.02%	500	20-May-13	20-May-23	CARE AA Outlook (Stable) ICRA Outlook AA(Stable) IndRa AA Outlook Stable	Secured
Tranche 2 INE019A07266	10 Years	10.02%	500	21-May-13	19-Jul-23		Secured
Security for Tranche 1 and Tranche 2:							
First pari passu charge on 3.8 mtpa fixed assets located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.							
INE019A07241	11 Years	10.34%	1,000.00	18-Jan-13	10.34% secured NCDs of Rs. 10,00,000 each are redeemable in two tranches a.Rs. 330 crores on 18.1.2023 b.Rs. 340 crores on 18.1.2024	CARE AA Outlook (Stable) ICRA AA Outlook (Stable) IndRa AA Outlook (Stable)	Secured
*O/s as on September 30, 2022 is Rs.670 Crs							
Security:							
First pari passu charge on fixed assets related to 2.8 mtpa expansion project located at Vijayanagar Works, Karnataka and a flat at Vasind, Maharashtra.							
INE019A07415	10 Years	8.79%	2,000.00	18-Oct-19	8.79% secured NCDs of Rs 10,00,000 each are	CARE AA Outlook Stable ICRA AA	Secured

Debenture Series	Tenor/ Period of maturity (in years)	Coupon	Amount issued (INR Crore)	Date of allotment	Redemption on date/ Schedule	Credit rating	Secured/ Unsecured
					redeemable in four tranches a. Rs 500 crores on 18.10.2026 b. Rs 500 crores on 18.10.2027 c. Rs 500 crores on 18.10.2028 and d. Rs 500 crores on 18.10.2029.	Outlook Stable	
Security:							
First charge on fixed assets upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out).							
INE019A07423	10 Years	8.90%	1,000.00	23-Jan-20	8.90% secured NCDs of Rs 10,00,000 each are redeemable in four tranches a. Rs 250 crores on 23.01.2027 b. Rs 250 crores on 23.01.2028 c. Rs 250 crores on 23.01.2029 and d. Rs 250 crores on 23.01.2030.	CARE AA Outlook Stable ICRA AA Outlook Stable	Secured
Security:							
First charge on fixed assets of Cold Rolling 1 and Cold Rolling Mill 2, Vijayanagar Works, Bellary, Karnataka(other than specifically carved out).							
INE019A07449	10 Years	8.76%	1,000.00	03-May-21	8.76% secureed NCD of Rs.	CARE AA Outlook Stable	Secured

Debenture Series	**Tenor/ Period of maturity (in years)**	**Coupon**	**Amount issued (INR Crore)**	**Date of allotment**	**Redemption on date/ Schedule**	**Credit rating**	**Secured/ Unsecured**
					10,00,000 each redeemable in bullet payment on May 3, 2031		
Security:							
First charge on fixed assets upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other then specifically carved out).							
INE019A07431	7 Years	8.50%	4,000.00	12-Oct-20	8.5% secureed NCD of Rs. 10,00,000 each redeemable in bullet payment on Oct 12, 2027, with provision of put/call option on Oct 10, 2025	CARE AA Outlook Stable IndRa AA Outlook Stable	Secured
Security:							
First charge on fixed assets of i. 3.8 MTPA Upstream assets, Vijayanagar Works, Bellary, Karnataka ii. Cold Rolling 1 and Cold Rolling Mill 2, Vijayanagar Works, Bellary, Karnataka iii. Salem Works plant in Tamil Nadu							

PART – C UNSECURED LOAN FACILITIES AS ON QUARTER END SEPTEMBER 30, 2022*

Rupee Term Loan Unsecured facility:

Lender's Name	Type of Facility	Amount sanctioned (Rupees in crores)	Principal amount outstanding (Rupees in crores)	Repayment Schedule/ Final Repayment Date
Sumitomo Mitsui Banking Corporation	Rs. 300 Crore	300	300	Quarterly/Dec-2023
Citi Bank	Rs.350 Crore	350	350	July-2027
	Total	**650**	**650**	

Foreign Currency Loan Unsecured facility:

Lender's Name	Type of Facility	Amount Sanctioned (in Millions)	Principal amount Outstanding (In INR Crores)	Final Repayment Date
Facility in USD Currency:				
JBIC	CAL I USD 63.72 Million	8.79	72	Jan-24
JBIC	CAL II USD 34.50 Million	8.15	66	Jan-25
JBIC	CLA - I - USD	23.23	157	Mar-29
Mizuho Bank		4.07	25	
JBIC	CLA - II - USD	8.28	63	Jun-29
Mizuho Bank		2.07	14	
JBIC	CLA - III - USD	27.79	166	Jun-27
MUFG Bank		3.26	4	
JBIC	CLA - IV - USD	29.66	204	Aug-28
Mizuho Bank		7.42	36	
Development Bank of Japan Inc.	ECB 100 Million	20.00	163	Apr-24
Mizuho Bank		60.00	489	
The Hyakugo Bank Ltd.		10.00	82	
The San-in Godo Bank Ltd.		10.00	82	
Mashreq Bank	ECB 100 Million - MM	50.00	408	Apr-25
Mizuho Bank		50.00	408	
Bank of Taiwan		10.00	82	Feb-27
HSBC		25.00	204	

Lender's Name	Type of Facility	Amount Sanctioned (in Millions)	Principal amount Outstanding (In INR Crores)	Final Repayment Date
Hua Nan Commercial Bank Ltd	ECB 100 million JPM HSBC	15.00	122	
JP Morgan		50.00	408	
Development Bank of Japan Inc.	ECB 110 Million	20.00	163	Dec-25
Kiyo Bank		10.00	82	
Mizuho Bank		60.00	489	
Nanto Bank		5.00	41	
The San-in Godo Bank Ltd.		6.00	49	
Woori Bank		9.00	73	
Abu Dhabi Commercial Bank	ECB 125 Million	22.50	183	Jul-25
Entie Commercial Bank		3.75	31	
First Abu Dhabi Bank		45.00	367	
PT Bank Negara Indonesia (Persero)		3.75	31	
Taichung Commercial Bank Co. Ltd		7.50	61	
Taiwan Cooperative Bank		11.25	92	
BNP Paribas	ECB 130 Million	30.00	245	Jul-26
First Abu Dhabi Bank		50.00	408	
Sumitomo Mitsui Banking Corporation		50.00	408	
Abu Dhabi Commercial Bank	ECB 210 Million	11.25	92	Oct-24
Aozora Bank		15.00	122	
Canara Bank		18.75	153	
First Abu Dhabi Bank		11.25	92	
Mega ICBC		18.75	153	
SBI Mauritius Limited		11.25	92	
Shinsei Bank		7.50	61	
Standard Chartered Bank		7.50	61	
State Bank of India		56.25	459	
Abu Dhabi Commercial Bank	ECB 250 Million 2	20.00	163	Mar-26
ANZ		20.00	163	
Barclays		10.00	82	
BNP Paribas		50.00	408	
First Abu Dhabi Bank		50.00	408	
Hua Nan Commercial Bank Ltd		20.00	163	

Lender's Name	Type of Facility	Amount Sanctioned (in Millions)	Principal amount Outstanding (In INR Crores)	Final Repayment Date
Mizuho Bank		50.00	408	
Sinopac Capital International		10.00	82	
Woori Bank		20.00	163	
Society General	ECB 40 Million	24.38	199	Jul-25
Taishin Commercial Bank		5.62	46	
Canara Bank	ECB 75 Million	30.00	245	Oct-25
ICICI Bank Ltd		45.00	367	
Abu Dhabi Commercial Bank	ECB 95 Million	95.00	774	Sep-27
KfW IPEX-Bank GmbH	Hermes - Tranche B	10.63	87	Apr-23
KfW IPEX-Bank GmbH	Hermes - Tranche C	2.43	20	Mar-24
KfW IPEX-Bank GmbH	Hermes - Tranche D	1.35	11	Jan-24
KfW IPEX-Bank GmbH	Hermes - Tranche E	2.87	23	Mar-24
KfW IPEX-Bank GmbH	Hermes - Tranche F	0.73	6	Apr-24
KfW IPEX-Bank GmbH	Hermes - Tranche H	4.38	36	Jan-26
KfW IPEX-Bank GmbH	Hermes - Tranche I	2.05	17	Feb-26
JBIC	JBIC Line - 1	2.22	18	Mar-25
JBIC	JBIC Line - 2	1.13	9	Mar-25
Finnish Export Credit	Nordea 14.535 Million	2.86	23	Feb-24
BNP Paribas	SACE USD 97 Million	40.27	196	Jun-29
ING Bank N.V.		40.27	196	Jun-29
JBIC	Slab Sizing Press - TMEIC	1.69	14	Jun-26
JBIC	Slab Sizing Press - USD	2.11	17	Mar-26
BNP Paribas	USD 80 Million	80.00	610	May-31
	Sub total	**1,558.96**	**12,217**	
Facility in Euro Currency:				
KfW IPEX-Bank GmbH	Hermes - Tranche G	5	39	Jan-27
KfW IPEX-Bank GmbH	Hermes - Tranche K	31	166	Dec-29
KfW IPEX-Bank GmbH	Hermes - Tranche L	30	208	Feb-30

Lender's Name	Type of Facility	Amount Sanctioned (in Millions)	Principal amount Outstanding (In INR Crores)	Final Repayment Date
KfW IPEX-Bank GmbH	Hermes - Tranche M	40	259	Aug-30
BNP Paribas	SACE	2	14	Dec-23
	Sub total	**108**	**686**	
Facility in JPY Currency:				
JBIC	CAL I Yen 5170 Million	775	44	Jan-24
JBIC	CAL II Yen 1810 Million	443	25	Jan-25
JBIC	CLA - I - JPY	2,788	129	Mar-29
Mizuho Bank		490	20	
JBIC	CLA - II - JPY	1,123	60	Jun-29
Mizuho Bank		281	13	
Development Bank of Japan Inc.	ECB 1000 Yen Million	1,000	56	Jan-26
JBIC	Slab Sizing Press - JPY	224	13	Mar-26
	Sub total	**7,124**	**360**	

Foreign Currency Bonds:

Lender Name	Type of Facility	Principal-amount sanctioned (USD in Millions)	Principal-amount Outstanding (In INR Crores)	Final Repayment Date
FC Bond Investors	Bond 500 Million	500	4,078	Apr-24
FC Bond Investors	Bond 400 Million	400	3,261	Apr-25
FC Bond Investors	Bond 500 Million	500	4,078	Mar-27
FC Bond Investors	Bond 500 Million	500	4,078	Apr-32
	Total	**1,900**	**15,495**	

ANNEXURE M- DUE DILIGENCE CERTIFICATE

SBICAP Trustee

SBICAP Trustee Company Ltd.

Ref No: 8475/STCL/DT/2022-23

Date: 15th December, 2022

To,
BSE Limited,
Listing Department,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai- 400001

Dear Sir / Madam,

Sub: Private Placement ("Issue") of 8750 Redeemable, Rated, Listed and Unsecured Debentures of Face Value of INR 10,00,000 Each (Rupees Ten Lakh Only) aggregating upto INR 875 Crores (Indian Rupees Eight Hundred and Seventy-Five Crores) ("Issue Size") (Referred to as "Debentures") in Dematerialized form to be issued by JSW Steel Limited (The "Issuer")

We, SBICAP Trustee Company Limited ("STCL") the debenture trustee to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents:

We confirm that:

a) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

b) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.) in the offer document.

c) Issuer has given an undertaking that debenture trust deed shall be executed before filing of listing application.

For SBICAP Trustee Company Ltd

Authorised signatory
Place: Mumbai

www.sbicaptrustee.com
+91 22 4302 5566
+91 22 4302 5555
+91 22 2204 0465
corporate@sbicaptrustee.com

Corporate Office :
4th Floor, Mistry Bhavan,
122, Dinshaw Vachha Road,
Churchgate, Mumbai,
Pin - 400 020.

Registered Office :
202, Maker Tower E,
Cuffe Parade, Mumbai - 400 005.
CIN : U65991MH2005PLC158386

A Group Company of SBI

ANNEXURE N - ALL COVENANTS TO THE ISSUE

Affirmative Covenants, Information Covenants and Negative Covenants

The covenants and conditions contained in this clause shall be binding on the Company and all persons claiming by, through or under any of them, unless otherwise previously agreed in writing by the Debenture Trustee. The Debenture Trustee shall be entitled to enforce the obligations of the Company under or pursuant to the covenants as set out herein.

(a) ***Affirmative Covenants***

The Company hereby covenants with the Debenture Trustee that it shall at all times until the Final Settlement Date, be in compliance with the following covenants:

i. carry out and conduct its business with due diligence and efficiency and in accordance with sound managerial and financial standards and business practices with qualified and experienced management and personnel and it will comply with Applicable Law and shall engage in business which is permitted by Constitutional Documents;

ii. not do or voluntarily suffer or permit to be done any act or omission whereby its right to transact its business might or could be terminated or whereby payment of any Outstanding Amounts or any other amounts in relation to the Debentures may be hindered or delayed;

iii. promptly obtain, comply with and do all that is necessary to maintain in full force and effect all necessary clearances and authorisations, applicable to the operation of its business;

iv. promptly supply certified copies to the Debenture Trustee of all necessary authorisations required by the Company (as applicable) to:

(A) enable it to perform its obligations under the Transaction Documents;

(B) ensure the legality, validity, enforceability or admissibility of the Transaction Documents in evidence in India;

v. comply in all respects with Applicable Law;

vi. share all information relating to financing assistance availed from lenders and financial institutions by the Company in a manner as may be required under the Applicable Law for the time being in force and update the information from time to time;

vii. at any time, including upon the occurrence of an Event of Default, upon the request of the Debenture Trustee, provide the Debenture Trustee and any of its representatives, professional advisers and contractors with access to and permit inspection by them of the assets, premises, books and records of the Company and such other Person, in each case during the normal business hours of a Business Day;

viii. ensure that the Issue Proceeds are utilised from the issue proceeds account towards the Purpose set out in Placement Memorandum;

ix. The Company shall ensure that they:

(a) comply in all respects with the provisions of the Transaction Documents; and

(b) covenants that there are no agreements or instruments, which have been executed by such Person (and shall not enter into any agreements or instruments) which have the effect of amending or modifying the Transaction Documents to which such Person is a party.

x. The Company shall further ensure that they shall keep all books of account as required by the Act (if applicable) and in accordance with Ind AS and applicable accounting practicesand keep the said books of account and all other books, registers and other documents relating to the affairs thereof at the registered office, and where permitted by law, at other place or places where the books of account and documents of a similar nature may be kept, and the Debenture Trustee may inspect such documents at any time during normal business hours.

xi. reimburse all sums paid or expenses incurred by the Debenture Trustee, Nominee Director, attorney, manager, agent or other Person appointed by the Debenture Trustee for all or any of the purposes mentioned in the Transaction Documents promptly on receipt of a notice of demand from them in this behalf;

xii. The Company shall, in accordance with the provisions of this Placement Memorandum, allot the Debentures and continue to observe and act in accordance with the terms of Debentures as set out in the Placement Memorandum and in the other Transaction Documents;

xiii. maintain recovery expense fund ("**Recovery Expense Fund**") with the 'Designated Stock Exchange', as per the provisions of SEBI REF Circular, in the manner as maybe specified by SEBI from time to time and inform the Debenture Trustee about the same.

xiv. The Company shall ensure that the financial statements disclosed in the Placement Memorandum are disclosed in accordance with the provisions of SEBI NCS Regulations. The Company undertakes that it shall apply for SEBI Redress System (SCORES) authentication in the format specified by SEBI and shall use the same for all issuance of Debentures.

xv. The Company shall ensure that it treats all applicants to the Issue in a fair and equitable manner as per the procedures as may be specified by SEBI. The Company shall not employ any device, scheme or artifice to defraud in connection with the subscription or allotment of Debentures which are listed or proposed to be listed on the Stock Exchange.

xvi. at the request of the Debenture Trustee, forthwith take steps to amend Placement Memorandum to specifically incorporate any additional terms and conditions as may be deemed required by the Trustee to comply with any directions of SEBI.

xvii. *SEBI DLT Circular*

The Company shall comply with the requirements under the SEBI DLT Circular, to the extent applicable to the Debentures.

(b) *Information Covenants*

The Company shall provide to the Debenture Trustee, in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

(i) As soon as possible and in no event later than 15 (Fifteen) days:

(a) notice of any dispute, litigation, arbitration, investigation, or other proceeding (including without limitation any orders, direction notices of any judicial or any other tribunal) affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect; and

(b) notice of the occurrence of any event which constitutes an Event of Default specifying the nature of such Event of Default any steps taken to remedy such default.

(ii) Promptly and in no event later than 15 (Fifteen) days:

(a) notify the Debenture Trustee in writing, if it becomes aware of any fact, matter or circumstance which would cause any of the representations and warranties under any of the Transaction Documents to become untrue or inaccurate or misleading in any respect and which has a Material Adverse Effect;

(b) inform the Debenture Trustee of any significant changes in the composition of its Board; and

(c) provide to the Debenture Trustee such further information regarding the financial condition, business and operations of the Company as the Debenture Trustee may reasonably request in relation to the Redemption Amounts due to be paid in respect of the Debentures.

(iii) Deliver to the Debenture Trustee inline with SEBI (LODR) Regulations i.e: (i) within 60 (sixty) days from the close of the relevant Financial Year, its duly audited consolidated and standalone financial results; (ii) within 45 (forty five) days from the end of each quarter its consolidated and standalone published financial results;

(iv) Within 30 (thirty) days of receipt of any request, furnish all such information as reasonably requested by the Debenture Trustee for the effective discharge of its duties and obligation under this Placement Memorandum and Applicable Law;

(v) Promptly and in no event later than 5 (five) Business Days inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up is given to the Company under the Act;

(vi) Certification requirements on Debentures

The Company shall provide:

(a) a certificate from the statutory auditor of the Company certifying the end use of Issue Proceeds and stating that the end use of Issue Proceeds by the Company from the issue proceeds account is in compliance with the permitted end uses in the Deed, to the Debenture Trustee. Such certificate shall be provided as per the extant SEBI regulations;

(b) unless relevant period specified herein, on a quarterly basis in each year, reports certified by a director / chief financial officer / company secretary / authorised official of the Company, to the Debenture Trustee, certifying and containing the following:

(i) updated list of names, address and email address of all

Debentureholders and the number of Debentures held by each Debentureholder;

(ii) compliance of the Company with respect to the use of the proceeds raised through the issue of the Debentures; and

(iii) promptly details of Coupon due but unpaid and reasons for the same.

(c) all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary due diligence and issue a due diligence certificate in accordance with SEBI NCS Regulations and make the necessary disclosures on its website, in accordance with the SEBI's circular bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/23 dated November 12, 2020, as amended from time to time on "Monitoring and Disclosures by Debenture Trustee(s)" as amended by the SEBI 19 May 2022 Circular (collectively referred to as the "**SEBI Monitoring Circular**") and SEBI Operational Circular, the Company undertakes.

(d) the obligations set out above from (a) to (c), including the timeline for performance of such obligation, are subject to change in the Debenture Guidelines. For avoidance of doubt, it is hereby clarified that in the event the timeline as set out above in (a) to (c) changes and/or any provision mentioned therein is waived / relaxed / becomes non applicable pursuant to such change in the Debenture Guidelines, then notwithstanding anything set out above in (a) to (c), the above provisions in (a) to (c) will be substituted and revised provisions will be deemed to have been incorporated herein by reference.

(e) The Company hereby covenants that it is in compliance with all Debenture Guidelines, Section 71 of the Companies Act and Form No. SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014.

(f) The Company shall create and maintain a Recovery Expense Fund for an amount equal to 0.01% of the Issue size subject to maximum of INR 25 lakhs as per the provisions of SEBI (Debenture Trustee) Amendment Regulations, 2020 and SEBI REF Circular as amended from time to time.

(g) The Company shall provide an intimation to the Debenture Trustee in case of a change in its director and shall promptly inform the Debenture Trustee of any change in its name, any change in the change in the conduct of its business prior to such change being effected.

(c) ***Negative Covenants***

The Company hereby agrees that it will not undertake the following, without express consent of the Majority Debentureholders:

(i) Dividend

The Company shall not pay any dividend without the prior written approval of the Debenture Trustee (acting on the instructions of the Debentureholders) in the event any Event of Default has occurred and is subsisting.

(ii) Amalgamation, De-merger etc

The Company shall not enter into any amalgamation, consolidation, merger, de-merger, re-organisation, corporate reconstruction or restructuring (except in case of any restructuring / reorganisation within the JSW Group and the resulting company being JSW Steel Limited) or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution).

(iii) Business

The Company shall not carry out material change in the nature of its business in a manner that adversely affects the interests of the Debentureholders, without the prior approval of the Debentureholders / Debenture Trustee."

(iv) Alteration to the Constitutional Documents

The Company shall not carry out alterations to its Constitutional Documents in a manner that adversely affects the interests of the Debenture holders without the prior approval of the Debentureholders / Debenture Trustee.

(v) Management Control

The Company shall not without the prior written approval of the Debenture Trustee (acting on the instruction of the Debentureholders) change the Management Control of the Company and ensure that the Promoter continues to retain the Management Control of the Company.

(d) ***General Covenants***

(i) Material Adverse Effect

The Company shall notify the Debentureholders and the Debenture Trustee of any Material Adverse Effect in relation to the Company (and the steps, if any, being taken to remedy it) promptly upon occurrence of the same.

(ii) Default

The Company shall promptly notify the Debenture Trustee and the Debentureholders in writing of the occurrence of an Event of Default and provide any further information with respect thereto as the Debenture Trustee or the Debentureholders may require.

(iii) Corporate Existence

The Company shall at all times ensure that it is a company duly organized and validly existing under the Applicable Laws of India and has the right to carry on its business and operations in compliance with Applicable Law.

(iv) Valid and Binding Obligations

The Company shall ensure that the Transaction Documents shall at all times constitute legal, valid, binding obligations of the Company enforceable against it in accordance with its terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency or other laws of general application affecting creditor's rights or the application of equitable principles.

(v) No Violation

The Company shall ensure that the execution, delivery and performance by the Company of the Transaction Documents and the compliance by it with the terms and provisions therefore do not and will not conflict with or be inconsistent with or result in any breach of the any of the terms, covenants, conditions or provisions of, or constitute a default under, any indenture, mortgage, loan agreements with its lenders / creditors, other agreements, contract or other instrument to which it is a party or by which it or any of its property or assets including its shareholding in any entity is bound or to which it may be subject.

(vi) Inspection, Review

The Company shall permit any officers or employees of the Debenture Trustee or its representatives to (i) visit and inspect any of its properties, and to discuss with its principal officers matters pertinent to an evaluation of the credit of the Company or relating to compliance with this Deed, and (ii)to the fullest extent permitted by Applicable Law, and appropriate regulatory authority to review all books of record and account and any available reports or statements relevant thereto, all at such reasonable times and as often as it may request.

(i) Stamp Duty and Taxes

The Company shall pay, in respect of the Debentures, all stamp duty, Taxes, charges (including registration charges), as required to be paid under Applicable Law. Other than the stamp duty, registration charges which have already been paid on the Transaction Documents, no other stamp, registration or similar Tax is required to be paid on or in relation to the Transaction Documents or the transactions contemplated thereunder in the state of execution or the state of receipt thereof.

(ii) Filings or Approvals

The Company shall at all times make all filings, submit all documentation, obtain all registrations and complete all formalities as may be required in connection with the Debentures and Transaction Documents with all relevant regulatory authorities, including but not limited to with the ROC, SEBI, Stock Exchange or other analogous bodies.The Company shall, *inter alia*, file a return of allotment of securities under Form PAS-3 under Section 42 of the Companies Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (Fifteen) days of the Deemed Date of Allotment along with a list of the Debentureholders and with the prescribed fee and the same has been filed by the Company.

It is not necessary that the Transaction Documents be filed, recorded or enrolled with any court or other authority in India or that any stamp, registration or similar Tax be paid on or in relation to the Transaction Documents or the transactions contemplated by the Transaction Documents other than stamp duty payable on this Placement Memorandum and the other Transaction Documents (which have been paid and is recorded on the face of each such Transaction Document executed on the execution Date) in the state of execution or the state of receipt thereof.

(iii) Compliance with Applicable Law

So long as the Debentureholders continue to hold the Debentures, the Company agrees and undertakes to comply with Applicable Law including all provisions of the Debenture Guidelines as amended from time to time, the debt listing agreement entered with the Exchange, Placement Memorandum and the Transaction Documents. The Company agrees and undertakes that once the Debentures are listed with the Exchange, the Company shall comply with all relevant provisions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, modified or replaced from time to time.

(iv) Governmental Approvals and Licenses

The Company will obtain and maintain all Governmental Approvals and Licenses that are required to carry out its business activities pursuant to the Applicable Laws from time to time.

(v) Debenture Redemption Reserve

(a) the Company is not required to maintain a reserve as per the provisions of Section 71 of the Companies Act, read with Rule 18 of the Companies (Share Capital and Debenture) Rules, 2014 and the SEBI Regulations called the 'Debenture Redemption Reserve'("**Debenture Redemption Reserve**"); and

(b) the Company hereby agrees and undertakes that, if during the currency of this presents, any further guidelines are formulated (or modified or revised) by the central government or any other statutory or regulatory authority in respect of creation of Debenture Redemption Reserve and investment of the monies lying therein, the Company shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required to be compliant under Applicable Laws and as requested by the Debentureholder(s) / beneficial owner(s) or the Debenture Trustee.

(vi) Other Covenant

The Issuer shall maintain the ratio of Secured Long-Term Debt to Fixed Assets not exceeding 0.70 times throughout the Tenor of the Debentures. The testing of the abovementioned ratio shall be done annually, based on the standalone audited financial statements of the Issuer and a certificate from the authorised signatory of the Issuer shall be submitted to the Debenture Trustee within 4 months from the end of the last completed Financial Year.

For the Purposes of this clause, 'Secured Long-Term Debt' shall mean all financial indebtedness of the Issuer howsoever secured in respect of amounts borrowed or raised and not originally due for repayment within 12 (twelve) months of the date of creation of such financial indebtedness (which shall include any part of such financial indebtedness to be amortized within 12 (twelve) months); and 'Fixed Assets' shall mean, at any time, the aggregate net book value of all of the Issuer's fixed tangible assets and capital work in progress including capital advances (excluding, for the avoidance of doubt, any revaluation reserve, goodwill and other intangible assets).

(vii) Future Borrowing

The Issuer shall be entitled to borrow/raise loans or avail of financial assistance in whatever form and also issue debentures/notes/other securities in any manner and create/subsist charge on any of its assets for the above; and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Issuer may think appropriate, without the consent or intimation to the Debenture Holders/Debenture Trustee in this connection.

ANNEXURE O- PRE-ISSUE AND POST-ISSUE SHAREHOLDING PATTERN

Sl. No.	Category	Pre-issue		Post-issue	
		No. of shares held	Percentage of shareholding	No. of shares held	Percentage of shareholding
A	Promoters' holding				
1.	Indian				
	Individual	1,50,01,300	0.62	1,50,01,300	0.62
	Bodies Corporate	1,03,51,38,670	42.82	1,03,51,38,670	42.82
	Sub-total	1,05,01,39,970	43.44	1,05,01,39,970	43.44
2	Foreign promoters	3,79,79,180	1.57	3,79,79,180	1.57
	Sub-total (A)	1,08,81,19,150	45.02	1,08,81,19,150	45.02
B	Non-promoters' holding				
1	Institutional Investors	47,56,91,939	19.68	47,56,91,939	19.68
2	Non-Institutional Investors				
	Private Corporate Bodies	19,94,97,930	8.25	19,94,97,930	8.25
	Directors and relatives	0		0	
	Indian public	19,17,34,698	7.93	19,17,34,698	7.93
	Others (including Non-resident Indians)	46,21,76,723	19.12	46,21,76,723	19.12
	Sub-total (B)	1,32,91,01,290	54.98	1,32,91,01,290	54.98
	Grand Total	**2,41,72,20,440**	**100**	**2,41,72,20,440**	**100**

Note: There will be no change in the Shareholding Pattern of the company as this is an NCD issuance.

ANNEXURE P – DETAILS OF SHAREHOLDING OF THE COMPANY AS ON SEPTEMBER 30, 2022

Category (I)	**Category of shareholder (II)**	**Number of shareholders (III)**	**Number of fully paid up equity shares held (IV)**	**Number of Partly paid-up equity shares held (V)**	**Number of shares underlying Depository Receipts (VI)**	**Total number of shares held (VII) =(IV)+(V)+ (VI)**	**Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)**	**Number of Voting Rights held in each class of securities (IX)**				**Number of shares Underlying Outstanding convertible securities (including Warrants) (X)**	**Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)**	**Number of Locked in shares (XII)**		**Number of Shares pledged or otherwise encumbered (XIII)**		**Number of equity shares held in dematerialized form (XIV)**
								Number of Voting Rights			**Total as a % of (A+B+C)**			**Number (a)**	**As a % of total Shares held (b)**	**Number (a)**	**As a % of total Shares held (b)**	
								Class eg: Equity Shares	**Class eg: Others**	**Total**								
(A)	Promoter and Promoter Group	47	1092374150	0	0	1092374150	45.19	1092374150	0	1092374150	45.19	0	45.19	0	0.00	166175032	15.21	1092374150
(B)	Public	667125	1310239529	0	0	1310239529	54.20	1310239529	0	1310239529	54.20	0	54.20	0	0.00	NA	NA	1297777413

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up equity shares held (IV)	Number of Partly paid-up equity shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(C)ss	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by	1	14606761	0	0	14606761	0.60	14606761	0	14606761	0.60	0	0.60	0	0.00	NA	NA	14606761

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up equity shares held (IV)	Number of Partly paid-up equity shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
	Employee Trusts																	
	Total	**667173**	**2417220440**	**0**	**0**	**2417220440**	**100**	**2417220440**	**0**	**2417220440**	**100**	**0**	**100**	**0**	**0**	**166175032**	**6.87**	**2404758324**

ANNEXURE Q – APPLICATION FORM

PART A OF THE APPLICATION FORM

The details of the application are as follows:

20.2 **APPLICATION FORM FOR DEBENTURES (CONT.)**

No. of Debentures (in figures and in words)	Issue Price per Debenture (Rs.)	Amount (Rs.)

Tax status of the Applicant (please tick one)

1. Non-Exempt ☐ 2. Exempt under ☐ Self-declaration ☐ Under Statute Certificate from I.T. Authority ☐

Please furnish exemption certificate, if applicable.

We apply as (tick whichever is applicable)

- ☐ Financial Institution/
- ☐ Company
- ☐ Non-Banking Finance Company
- ☐ Insurance Company
- ☐ Commercial Bank/RRB/Co-op. Bank/UCB
- ☐ Body Corporate
- ☐ Mutual Fund
- ☐ Others: ___________________________

APPLICANT'S NAME IN FULL:

Tax payer's PAN										IT Circle/Ward/District									

MAILING ADDRESS IN FULL (Do not repeat name) (Post Box No. alone is not sufficient)

Pin							Tel							Fax					

CONTACT PERSON

NAME	DESIGNATION	TEL. NO.	FAX NO.	Email

I / We, the undersigned, want delivery of the Debentures in Electronic Form. Details of my / our Beneficiary (Electronic) account are given below:

Depository Name	NSDL							CDSL
Depository Participant Name								
DP ID								
Beneficiary Account Number								
Name of Applicant								

We understand that in case of allocation of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allocated Debentures. (Applicants must ensure that the sequence of names as mentioned in the application form matches that of the Account held with the DP).

Name of the Authorized Signatory(ies)	Designation	Signature

1. We understand and confirm that the information provided in the Placement Memorandum is provided by the Company and the same has not been verified by any legal advisors to the Company and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Company, if any.

2. We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

3. We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures. We undertake that upon sale or transfer to subsequent investor or transferee ("**Transferee**"), we shall convey all the terms and conditions contained herein and in this Placement Memorandum to such Transferee. In the event of any Transferee (including any intermediate or final holder of the Debentures) suing the Company (or any person acting on its or their behalf) we shall indemnify the Company (and all such persons acting on its behalf) and also hold the Company and each of such person harmless in respect of any claim by any Transferee.

Applicant's Signature

FOR BANK USE ONLY

No. of Debentures (in words and figures)			Date of receipt of application	
Amount for Debentures (Rs.) (in words and figures)				
RTGS/ Fund Transfer/ to (Name of Bank and Branch)	UTR No. in case of RTGS/ A/c no in case of FT	RTGS/ fund transfer Date	DP ID No.	
			Client ID No.	

..…………………………………………..……TEAR…..…………………………………………………
…………

PART B OF THE APPLICATION FORM

Eligible Investor Details

(To be filled by the applicant/ Eligible Investor)

SERIAL NO : ___________________________

INVESTOR NAME : ___________________________

(i)	Name	
(ii)	Father's Name	
(iii)	Complete Address including Flat/House	

	Number, Street, Locality, Pin Code	
(iv)	Phone Number, if any	
(v)	Email id, if any	
(vi)	PAN Number	
(vii)	Bank Account Details	
(viii)	Tick whichever is applicable:-	☐ The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares. ☐ The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained and is enclosed herewith.

Name of Investor : ________________________________

Signature of Investor : ______________________________

Initial of the officer of the Company designated to keep the record

S R B C & CO LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
JSW Steel Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of JSW Steel Limited (the "Company") for the quarter ended September 30, 2022 and year to date from April 1, 2022 to September 30, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 22105938BAMXKE2000

Place: Mumbai
Date: October 21, 2022

JSW Steel Limited

Registered Office : JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai- 400051
CIN: L27102MH1994PLC152925

Statement of Unaudited Standalone Financial Results for the quarter and half year ended 30 September 2022

(Rs. in Crores)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	**Revenue from operations**						
	a) Gross sales	**32,080**	**30,651**	**27,517**	**62,731**	**53,098**	**1,16,928**
	b) Other operating income	414	454	483	868	861	1,892
	Total Revenue from operations	**32,494**	**31,105**	**28,000**	**63,599**	**53,959**	**1,18,820**
II	Other Income (refer note 2)	422	283	919	705	1,119	1,929
III	**Total Income (I + II)**	**32,916**	**31,388**	**28,919**	**64,304**	**55,078**	**1,20,749**
IV	**Expenses**						
	a) Cost of materials consumed	18,797	21,229	10,843	40,026	20,310	51,457
	b) Purchases of stock-in-trade	146	585	125	731	163	234
	c) Changes in inventories of finished goods & semi-finished, work-in-progress and stock-in-trade	2,810	(4,729)	(83)	(1,919)	(3,608)	(3,112)
	d) Mining premium and royalties	828	2,115	2,492	2,943	7,841	13,894
	e) Employee benefits expense	499	437	454	936	895	1,870
	f) Finance costs	1,093	1,030	802	2,123	1,645	3,849
	g) Depreciation and amortisation expense	1,207	1,177	1,051	2,384	2,049	4,511
	h) Power and fuel	3,608	3,619	2,021	7,227	3,754	8,930
	i) Other expenses	4,064	4,497	3,475	8,561	6,440	13,679
	Total Expenses (IV)	**33,052**	**29,960**	**21,180**	**63,012**	**39,489**	**95,312**
V	**Profit/(Loss) before exceptional Items and Tax (III - IV)**	**(136)**	**1,428**	**7,739**	**1,292**	**15,589**	**25,437**
VI	Exceptional Items	-	-	-	-	-	722
VII	**Profit /(Loss) before Tax (V - VI)**	**(136)**	**1,428**	**7,739**	**1,292**	**15,589**	**24,715**
VIII	**Tax Expense**						
	a) Current tax	(17)	295	1,305	278	2,724	4,411
	b) Deferred tax	(28)	177	1,051	149	2,224	3,602
	Total Tax Expense	**(45)**	**472**	**2,356**	**427**	**4,948**	**8,013**
IX	**Net Profit /(Loss) for the period/ year (VII-VIII)**	**(91)**	**956**	**5,383**	**865**	**10,641**	**16,702**
X	**Other Comprehensive Income (OCI)**						
	A. i) Items that will not be reclassified to profit or loss	753	(805)	1,842	(52)	2,520	2,008
	ii) Income tax relating to items that will not be reclassified to profit or loss	(80)	94	(202)	14	(280)	(246)
	B. i) Items that will be reclassified to profit or loss	(452)	(80)	90	(532)	(13)	(22)
	ii) Income tax relating to items that will be reclassified to profit or loss	158	28	(32)	186	4	8
	Total Other Comprehensive Income/ (Loss)	**379**	**(763)**	**1,698**	**(384)**	**2,231**	**1,748**
XI	**Total Comprehensive Income for the period/year (Comprising Profit/(loss) and Other Comprehensive Income for the period/year) (IX+X)**	**288**	**193**	**7,081**	**481**	**12,872**	**18,450**
XII	Earnings per equity share (not annualised)						
	Basic (Rs.)	(0.38)	3.98	22.36	3.60	44.21	69.48
	Diluted (Rs.)	(0.38)	3.95	22.27	3.58	44.02	69.10

SIGNED FOR IDENTIFICATION
BY
S R B C & CO LLP
MUMBAI

JSW STEEL LIMITED

JSW Steel Limited

STANDALONE STATEMENT OF ASSETS AND LIABILITIES :

(Rs. in Crores)

	Particulars	As at 30.09.2022	As at 31.03.2022
		Unaudited	Audited
A	**ASSETS**		
1	**Non-current assets**		
	(a) Property, plant and equipment	67,490	65,862
	(b) Capital work-in-progress	11,869	12,459
	(c) Right of Use Assets	3,494	3,905
	(d) Intangible assets	1,840	1,879
	(e) Intangible assets under development	164	140
	(f) Investments in subsidiaries, associates and joint ventures	15,560	13,522
	(g) Financial assets		
	(i) Investments	4,504	4,506
	(ii) Loans	5,806	5,763
	(iii) Derivative assets	84	24
	(iv) Others financial assets	4,251	3,534
	(h) Current tax assets (net)	375	318
	(i) Other non-current assets	3,815	3,473
	Total Non-current assets	**1,19,252**	1,15,385
2	**Current assets**		
	(a) Inventories	19,630	21,028
	(b) Financial assets		
	(i) Trade receivables	6,873	6,146
	(ii) Cash and cash equivalents	7,517	7,670
	(iii) Bank balances other than (ii) above	4,134	7,857
	(iv) Loans	227	265
	(v) Derivative Assets	679	403
	(vi) Others financial assets	1,031	1,151
	(c) Other current assets	3,273	2,965
	Total Current assets	43,364	47,485
	TOTAL ASSETS	**1,62,616**	**1,62,870**
B	**EQUITY AND LIABILITIES**		
1	**Equity**		
	(a) Equity share capital	301	301
	(b) Other equity	59,652	63,200
	Total Equity	59,953	63,501
2	**Non-current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	48,355	41,176
	(ia) Lease Liabilities	1,613	1,767
	(ii) Derivative liabilities	22	7
	(iii) Other financial liabilities	965	1,035
	(b) Provisions	1,236	1,292
	(c) Deferred tax liabilities (net)	6,883	6,935
	(d) Other non-current liabilities	519	1,023
	Total Non-current liabilities	**59,593**	**53,235**
3	**Current Liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	6,079	9,259
	(ia) Lease Liabilities	606	984
	(ii) Trade payables		
	(a) Total outstanding, dues of micro and small enterprises	294	330
	(b) Total outstanding, dues of creditors other than micro and small enterprises	25,666	23,998
	(iii) Derivative liabilities	152	105
	(iv) Other financial liabilities	5,251	6,693
	(b) Provisions	199	227
	(c) Other current liabilities	4,300	4,153
	(d) Current tax liabilities (net)	523	385
	Total Current liabilities	43,070	46,134
	TOTAL EQUITY AND LIABILITIES	**1,62,616**	**1,62,870**

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MUMBAI

JSW STEEL LIMITED

JSW Steel Limited

STANDALONE CASH FLOW STATEMENT :

(Rs. in crores)

Particulars	Half Year Ended			
	30.09.2022		30.09.2021	
	Unaudited		Unaudited	
Cash flow from operating activities				
Profit before tax		**1,292**		**15,589**
Adjustments for :				
Depreciation and amortization expenses	2,384		2,049	
Loss on sale of property, plant & equipment (net)	4		33	
Gain on sale of financial investments designated as Fair value through profit & loss account ('FVTPL')	-		(2)	
Interest income	(614)		(334)	
Gain arising of financial instruments designated as FVTPL	(9)		(708)	
Unwinding of interest on financial assets carried at amortised cost	(49)		(29)	
Dividend income	(17)		(17)	
Interest expense	2,029		1,522	
Share based payment expense	112		40	
Export obligation deferred income amortization	(33)		(222)	
Unrealised exchange (gain)/ loss (net)	641		165	
Allowance for doubtful debts, loans, advances and others	(2)		7	
Gain on Derecognition of Lease	(32)		-	
		4,414		**2,504**
Operating profit before working capital changes		**5,706**		**18,093**
Adjustments for :				
(Increase)/ Decrease in inventories	1,398		(5,151)	
(Increase) in trade receivables	(756)		(1,778)	
(Increase) in other assets	(1,239)		(1,125)	
Increase in trade payable	547		498	
Increase / (Decrease) in other liabilities	(865)		395	
Increase/ (Decrease) in provisions	(145)		60	
		(1,060)		**(7,101)**
Cash flow from operations		**4,646**		**10,992**
Income tax paid (net of refund received)		(197)		(2,338)
Net cash generated from operating activities (A)		**4,449**		**8,654**
Cash flow from investing activities				
Purchase of property, plant and equipment, intangible assets (including under development and capital advances)		(2,954)		(4,565)
Refund of Capital advance		260		-
Proceeds from sale of property, plant & equipment		2		22
Investment in subsidiaries, joint ventures and other related parties including advances		(1,997)		(1,414)
Purchase of current investments		-		(2,600)
Sale of current investments		-		2,602
Bank deposits not considered as cash and cash equivalents (net)		3,723		(679)
Loans to related parties		(443)		(1,623)
Loans repaid by related parties		749		22
Interest received		511		306
Dividend received		17		17
Net cash used in investing activities (B)		**(132)**		**(7,912)**
Cash flow from financing activities				
Proceeds from sale of treasury shares		35		39
Payment for purchase of treasury shares		-		(301)
Proceeds from non current borrowings		8,777		10,520
Repayment of non current borrowings		(6,129)		(4,501)
Proceeds from/ (repayment) of Current borrowings (net)		(572)		(1,345)
Repayment of lease liabilities		(269)		(374)
Interest paid		(2,118)		(1,493)
Dividend paid		(4,194)		(1,571)
Net cash used in from financing activities (C)		**(4,470)**		**974**
Net increase/ (decrease) in cash and cash equivalents(A+B+C)		**(153)**		**1,716**
Cash and cash equivalents - opening balances		**7,670**		**11,121**
Cash and cash equivalents - closing balances		**7,517**		**12,837**

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BY

S R B C & CO LLP
MUMBAI

JSW STEEL LIMITED

JSW Steel Limited

Additional information pursuant to Regulation 52(4) and Regulation 54 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended as at and for the quarter and half year ended 30 September 2022

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Debt Equity Ratio** *(Total Borrowings / Total Equity)*	0.91	0.82	0.97	0.91	0.97	0.79
2	**Debt service coverage ratio (not annualised)**	1.26	0.62	4.39	0.75	4.50	3.78
	Debt service coverage ratio (trailing twelve months) *(Profit before Tax, Exceptional Items, Depreciation , Net Finance Charges / (Net Finance Charges + Long Term Borrowings scheduled 'principal repayments (excluding prepayments/ refinancing) 'during the period) (Net Finance Charges : Finance Costs - Interest Income - Net Gain /(Loss) on sale of current investments)*	1.67	2.20	4.03	1.67	4.03	3.78
3	**Interest service coverage ratio (not annualised)**	2.51	4.26	14.85	3.44	14.47	11.31
	Interest service coverage ratio (trailing twelve months) *(Profit before Tax, Exceptional Items, Depreciation, Net Finance Charges/ Net Finance Charges)*	6.15	8.82	12.00	6.15	12.00	11.31
4	**Current Ratio** *(Current Assets/ Current Liabilities)*	1.01	1.08	1.01	1.01	1.01	1.03
5	**Long term debt to working capital** *(Non-current borrowings + Current maturities of long term borrowings/ Current Assets - (Current liabilities - Current maturities of long term borrowings)*	8.72	5.63	5.08	8.72	5.08	5.03
6	**Bad debts to Accounts receivable ratio** *(Bad debts/ Trade receivables)*	-	-	-	-	-	-
7	**Current liability ratio** *(Current Liabilities/ Total Liabilities)*	0.42	0.44	0.42	0.42	0.42	0.46
8	**Total debts to total assets** *(Total borrowings/ Total Assets)*	0.33	0.32	0.37	0.33	0.37	0.31
9	**Trade receivables Turnover (no. of days)** *(Average Trade receivables/ Gross Sales X No. of days)*	21	20	17	19	15	15
10	**Inventory Turnover (no. of days)** *(Average inventory / (Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories + Mining premium and royalties + Power and fuel + Stores & spares consumed + Repairs & Maintenance + Job work charges + Labour charges + Mining & development cost) X No. of days)*	77	89	83	71	78	75
11	**Operating EBIDTA Margin (%)** *(Profit before depreciation, Interest, Tax and exceptional items less Other Income/ Revenue from operations)*	5.36%	10.78%	30.98%	8.01%	33.66%	26.82%
12	**Net Profit Margin (%)** *((Net profit/ (loss) for the period/ year)/ Revenue from operations))*	-0.28%	3.07%	19.23%	1.36%	19.72%	14.06%
13	**Paid up Equity Share Capital** (face value of Re.1 per share)	240	240	240	240	240	240
14	**Other Equity excluding Revaluation Reserves**	59,652	63,463	57,757	59,652	57,757	63,200
15	**Capital Redemption Reserve**	774	774	774	774	774	774
16	**Networth** *(As per Companies Act 2013)*	53,848	58,049	51,130	53,848	51,130	57,033
17	**Securites Premium**	5,439	5,439	5,439	5,439	5,439	5,439
18	**Paid up Debt capital**	9,670	9,670	10,000	9,670	10,000	9,670

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S R B C & CO LLP
MUMBAI

19 **Security Coverage Ratio (in times)**
(Security Coverage Ratio : Specific assets given as security for NCDs/ Secured borrowings for those specific assets)

Particulars	Outstanding as on 30.09.2022	30.09.2022	Outstanding as on 31.03.2022	31.03.2022
8.50% Non-Convertible Debentures of Rs 4,000 crores	4,000	1.68	4,000	1.58
10.02% Non-Convertible Debentures of Rs 1,000 crores	1,000	1.68	1,000	1.50
10.34% Non-Convertible Debentures of Rs 1,000 crores	670	6.67	670	6.63
8.90% Non-Convertible Debentures of Rs 1,000 crores	1,000	1.76	1,000	1.76
8.79% Non-Convertible Debentures of Rs 2,000 crores	2,000	1.77	2,000	2.04
8.76% Non-Convertible Debentures of Rs 1,000 crores	1,000	1.77	1,000	2.04
	9,670		**9,670**	

JSW STEEL LIMITED

Notes

1. The Board of Directors of the Company at their meeting held on 27 May 2022 considered and approved the Scheme of Amalgamation pursuant to Section 230-232 and other applicable provisions of the Companies Act 2013, providing for amalgamation of its Joint Venture Creixent Special Steels Limited ("CSSL") and CSSL's subsidiary JSW Ispat Special Products Limited with the Company. Pursuant to the Board approval, the Scheme has been filed with the concerned Stock Exchanges and Competition Commission of India for requisite approvals. The Competition Commission of India has approved the proposed amalgamation vide its order dated 29 September 2022. The requisite regulatory and other approvals are awaited. Accordingly, no impact is given on account of this in the Statement of Unaudited Standalone Financial Results for the quarter and half year ended 30 September 2022.

2. Other Income for the quarter and half year ended 30 September 2021 and year ended 31 March 2022 includes Rs. 702 crores which represents fair valuation gain on re-measurement of OFCDs held by the Company in one of its joint ventures.

   Further, during the current quarter, the Company has recognized interest income on loans given to certain overseas subsidiaries of Rs. 128 crores relating to earlier quarters on receipt of such interest income.

3. The Company is in the business of manufacturing steel products and hence has only one reportable operating segment as per Ind AS 108 - Operating Segments.

4. The Company has complied with the requirements of SEBI circular dated 26 November 2018 applicable to large corporate borrowers with credit rating of AA and above.

5. Previous period/ year figures have been regrouped/ reclassified wherever necessary.

6. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 20 October 2022 and 21 October 2022 respectively. The statutory auditors have carried out a Limited Review of the results for the quarter and half year ended 30 September 2022.

For JSW Steel Limited

Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
21 October 2022

SIGNED FOR IDENTIFICATION BY
S R B C & CO LLP
MUMBAI

JSW STEEL LIMITED

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
JSW Steel Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of JSW Steel Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint ventures for the quarter ended September 30, 2022 and year to date from April 1, 2022 to September 30, 2022 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 and 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:

   - 5 subsidiaries, whose unaudited interim financial results and other unaudited financial information include total assets of Rs 33,685 crores as at September 30, 2022, total revenues of Rs 5,504 crores and Rs 11,045 crores, total net loss after tax of Rs 369 crores and Rs 124 crores, total comprehensive loss of Rs 342 crores and Rs 77 crores for the quarter ended September 30, 2022 and the period ended on that date respectively, and net cash inflows of Rs 13 crores for the period April 01, 2022 to September 30, 2022, as considered in the Statement, which have been reviewed by their respective independent auditors.

   - 3 joint ventures, whose unaudited interim financial results and other unaudited financial information include Group's share of net loss of Rs 56 crores and Rs 85 crores and Group's share of total comprehensive loss of Rs 56 crores and Rs 85 crores for the quarter ended September 30, 2022 and for the period ended on that date respectively, as considered in the Statement whose unaudited interim financial result and other unaudited financial information have been reviewed by their respective independent auditors.

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

The independent auditor's reports on unaudited interim financial results and other unaudited financial information of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and joint ventures, is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

7. Certain of these subsidiaries are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's Management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Holding Company and reviewed by us.

8. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:

- 23 subsidiaries, whose unaudited interim financial results and other unaudited financial information include total assets of Rs 5,432 crores as at September 30, 2022, and total revenues of Rs 20 crores and Rs 42 crores, total net loss after tax of Rs 79 crores and Rs 232 crores, total comprehensive loss of Rs 172 crores and Rs 435 crores, for the quarter ended September 30, 2022 and the period ended on that date respectively and net cash outflows of Rs 31 crores for the period from April 01, 2022 to September 30, 2022.

- 1 associate and 4 joint ventures, whose unaudited interim financial results and other unaudited financial information include the Group's share of net loss of Rs 17 crores and Rs 38 crores and Group's share of total comprehensive loss of Rs 17 crores and Rs 38 crores for the quarter ended September 30, 2022 and for the period ended on that date respectively.

The unaudited interim financial results and other unaudited financial information of these subsidiaries, associate and joint ventures have not been reviewed by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, associate and joint ventures, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 6, 7 and 8 above is not modified with respect to our reliance hon the work done and the reports of the other auditors and the financial results certified by the Management.

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

per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 22105938BAMXMQ6436

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Place: Mumbai
Date: October 21, 2022

Annexure I – List of entities included in the Limited Review Report

Subsidiaries:

1. JSW Steel (Netherlands) B.V.
2. Periama Holdings, LLC
3. JSW Steel (USA), Inc
4. Planck Holdings, LLC
5. Purest Energy, LLC
6. Caretta Minerals, LLC
7. Lower Hutchinson Minerals, LLC
8. Hutchinson Minerals, LLC
9. Meadow Creek Minerals, LLC
10. JSW Panama Holdings Corporation
11. Inversiones Eurosh Limitada
12. Santa Fe Mining (till August 31, 2022)
13. Santa Fe Puerto S.A. (till August 31, 2022)
14. JSW Natural Resources Limited
15. JSW Natural Resources Mozambique Limitada
16. JSW ADMS Carvao Limitada
17. Acero Junction Holdings, Inc
18. JSW Steel (USA) Ohio, Inc.
19. JSW Steel Italy S.r.L
20. JSW Steel Italy Piombino S.p.A (formerly known as Acciaierie e Ferriere di Piombino S.p.A.).
21. Piombino Logistics S.p.A. - A JSW Enterprise (formerly known as Piombino Logistics S.p.A.)
22. GSI Lucchini S.p.A.
23. Nippon Ispat Singapore (PTE) Limited
24. JSW Steel (UK) Limited
25. Amba River Coke Limited
26. JSW Steel Coated Products Limited
27. Hasaud Steel Limited
28. JSW Jharkhand Steel Limited
29. JSW Bengal Steel Limited
30. JSW Natural Resources India Limited
31. JSW Energy (Bengal) Limited
32. JSW Natural Resources Bengal Limited
33. Peddar Realty Private Limited
34. JSW Realty & Infrastructure Private Limited
35. JSW Industrial Gases Private Limited
36. JSW Utkal Steel Limited
37. Vardhman Industries Limited
38. JSW Vallabh Tin Plate Private Limited
39. JSW Vijayanagar Metallics Limited
40. Asian Color Coated Ispat Limited
41. JSW Retail and Distribution Limited
42. Piombino Steel Limited
43. Bhushan Power and Steel Limited
44. Neotrex Steel Private Limited
45. JSW Steel Global Trade Pte Limited
46. JSW NSL Green Steel Recycling Limited (w.e.f. July 05, 2022)

Joint ventures:

1. Vijayanagar Minerals Private Limited
2. Rohne Coal Company Private Limited
3. Gourangdih Coal Limited
4. JSW MI Steel Service Center Limited (Consolidated)
5. JSW Severfield Structures Limited
6. JSW Structural Metal Decking Limited
7. Creixent Special Steels Limited (Consolidated)
8. JSW One Platforms Limited (formerly known JSW Retail Limited) (Consolidated)

Associates:

JSW Renewable Energy (Vijayanagar) Limited (w.e.f. April 9, 2022)

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JSW Steel Limited

Registered Office : JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai- 400051
CIN: L27102MH1994PLC152925

Statement of Unaudited Consolidated Financial Results for the quarter and half year ended 30 September 2022

(Rs. in Crores)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	**Revenue from operations**						
	a) Gross sales	41,122	37,500	31,909	78,622	60,341	143,829
	b) Other operating income	656	586	594	1,242	1,064	2,542
	Total Revenue from operations	**41,778**	**38,086**	**32,503**	**79,864**	**61,405**	**146,371**
II	Other Income (refer note 3)	188	189	946	377	1,144	1,531
III	**Total Income (I+II)**	**41,966**	**38,275**	**33,449**	**80,241**	**62,549**	**147,902**
IV	**Expenses**						
	a) Cost of materials consumed	23,757	25,597	12,329	49,354	23,160	62,337
	b) Purchases of stock-in-trade	506	325	74	831	129	534
	c) Changes in inventories of finished and semi-finished goods, work-in-progress and stock-in-trade	3,473	(6,315)	(435)	(2,842)	(4,709)	(3,601)
	d) Mining premium and royalties	828	2,115	2,492	2,943	7,841	13,894
	e) Employee benefits expense	964	925	786	1,889	1,556	3,493
	f) Finance costs	1,523	1,422	936	2,945	1,929	4,968
	g) Depreciation and amortisation expense	1,805	1,778	1,239	3,583	2,422	6,001
	h) Power and fuel	4,602	4,433	2,361	9,035	4,371	11,289
	i) Other expenses	5,896	6,697	4,479	12,593	8,366	19,418
	Total expenses (IV)	**43,354**	**36,977**	**24,261**	**80,331**	**45,065**	**118,333**
V	**Profit/(loss) before share of profit/(loss) of joint ventures and associates (net) (III-IV)**	**(1,388)**	**1,298**	**9,188**	**(90)**	**17,484**	**29,569**
VI	Share of profit/(loss) of joint ventures and associates (net)	(56)	(17)	603	(73)	926	917
VII	**Profit/(loss) before exceptional items and tax (V+VI)**	**(1,444)**	**1,281**	**9,791**	**(163)**	**18,410**	**30,486**
VIII	Exceptional items (refer note 2)	(591)	-	-	(591)	-	741
IX	**Profit/(loss) before tax (VII-VIII)**	**(853)**	**1,281**	**9,791**	**428**	**18,410**	**29,745**
X	**Tax expense / (credit)**						
	a) Current tax	21	414	1,517	435	3,109	4,974
	b) Deferred tax	41	28	1,095	69	2,222	3,833
	Total tax expenses / (credit)	**62**	**442**	**2,612**	**504**	**5,331**	**8,807**
XI	**Net Profit/(loss) for the period / year (IX-X)**	**(915)**	**839**	**7,179**	**(76)**	**13,079**	**20,938**
XII	**Other comprehensive income (OCI)**						
	(A) (i) Items that will not be reclassified to profit or loss	894	(958)	2,190	(64)	2,998	2,352
	(ii) Income tax relating to items that will not be reclassified to profit or	(94)	111	(240)	17	(333)	(284)
	(B) (i) Items that will be reclassified to profit or loss	(1,106)	(348)	126	(1,454)	(54)	(157)
	(ii) Income tax relating to items that will be reclassified to profit or loss	153	47	(34)	200	3	5
	Total other comprehensive income/(loss)	**(153)**	**(1,148)**	**2,042**	**(1,301)**	**2,614**	**1,916**
XIII	**Total comprehensive income / (loss) for the period / year (Comprising Profit / (loss) and Other comprehensive income / (loss) for the period/year) (XI+XII)**	**(1,068)**	**(309)**	**9,221**	**(1,377)**	**15,693**	**22,854**
XIV	**Net Profit / (loss) for the period/year attributable to:**						
	-Owners of the Company	(848)	838	7,170	(10)	13,074	20,665
	-Non-controlling interests	(67)	1	9	(66)	5	273
		(915)	**839**	**7,179**	**(76)**	**13,079**	**20,938**
XV	**Other comprehensive income / (loss) attributable to:**						
	-Owners of the Company	(131)	(1,118)	2,041	(1,249)	2,621	1,937
	-Non-controlling interests	(22)	(30)	1	(52)	(7)	(21)
		(153)	**(1,148)**	**2,042**	**(1,301)**	**2,614**	**1,916**
XVI	**Total comprehensive income / (loss) for the period/year attributable to:**						
	-Owners of the Company	(979)	(280)	9,211	(1,259)	15,695	22,602
	-Non-controlling interests	(89)	(29)	10	(118)	(2)	252
		(1,068)	**(309)**	**9,221**	**(1,377)**	**15,693**	**22,854**
XVII	Earnings per equity share (not annualised)						
	Basic (Rs.)	(3.53)	3.49	29.79	(0.05)	54.32	85.96
	Diluted (Rs.)	(3.53)	3.46	29.67	(0.05)	54.09	85.49

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JSW STEEL LIMITED

JSW Steel Limited

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES:

(Rs. in crores)

	Particulars	As at 30.09.2022 Unaudited	As at 31.03.2022 Audited
A	**ASSETS**		
1	**Non-current assets**		
	(a) Property, plant and equipment	94,388	92,952
	(b) Capital work-in-progress	18,907	16,756
	(c) Investment property	164	180
	(d) Right-of-use assets	4,711	4,715
	(e) Goodwill	128	119
	(f) Others intangible assets	1,861	1,914
	(g) Intangible assets under development	170	149
	(h) Investments in joint ventures	474	367
	(i) Financial assets		
	(i) Investments	4,608	4,565
	(ii) Loans	129	125
	(iii) Derivative assets	84	24
	(iv) Others financial assets	4,761	4,084
	(j) Current tax assets (net)	583	528
	(k) Other non-current assets	5,256	4,633
	Total Non-current assets	**136,224**	**131,111**
2	**Current assets**		
	(a) Inventories	32,501	33,787
	(b) Financial assets		
	(i) Investments	5	8
	(ii) Trade receivables	6,827	7,457
	(iii) Cash and cash equivalents	8,786	8,808
	(iv) Bank balances other than (iii) above	4,499	8,575
	(v) Loans	722	759
	(vi) Derivative assets	732	426
	(vii) Other financial assets	1,464	1,289
	(c) Current tax assets (net)	6	7
	(d) Other current assets	4,707	4,250
	(e) Assets classified as held for sale	6	8
	Total Current assets	**60,255**	**65,374**
	TOTAL ASSETS	**196,479**	**196,485**
B	**EQUITY AND LIABILITIES**		
1	**Equity**		
	(a) Equity share capital	301	301
	(b) Other equity	61,706	66,996
	Equity attributable to owners of the Company	**62,007**	**67,297**
	Non controlling interests	1,288	1,238
	Total Equity	**63,295**	**68,535**
2	**Non-current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	66,220	57,929
	(ia) Lease liabilities	1,604	1,582
	(ii) Derivative liabilities	22	7
	(iii) Other financial liabilities	1,149	699
	(b) Provisions	1,373	1,481
	(c) Deferred tax liabilities (net)	7,471	7,621
	(d) Other non-current liabilities	557	1,080
	Total Non-current liabilities	**78,396**	**70,399**
3	**Current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	9,339	12,046
	(ia) Lease liabilities	574	680
	(ii) Trade payables		
	(a) Total outstanding, dues of micro and small enterprises	532	497
	(b) Total outstanding, dues of creditors other than micro and small enterprises	31,397	30,392
	(iii) Derivative liabilities	193	115
	(iv) Other financial liabilities	6,785	8,415
	(b) Other current liabilities	5,146	4,759
	(c) Provisions	237	256
	(d) Current tax liabilities (net)	585	391
	Total Current liabilities	**54,788**	**57,551**
	TOTAL EQUITY AND LIABILITIES	**196,479**	**196,485**

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JSW Steel Limited

CONSOLIDATED STATEMENT OF CASH FLOWS

(Rs. in crores)

Particulars	Half year ended			
	30.09.2022 Unaudited		30.09.2021 Unaudited	
A. Cash flow from operating activities				
Profit before tax		428		18,410
Adjustments for :				
Depreciation and amortization expenses	3,583		2,422	
Loss / (profit) on sale of property, plant & equipment (net)	@		35	
Gain on sale of financial investments designated as Fair value through profit & loss account ('FVTPL')	@		(2)	
Export obligation deferred income amortization	(39)		(222)	
Interest income	(273)		(318)	
Dividend income	(20)		(20)	
Interest expense	2,850		1,769	
Unrealised exchange (gain) / loss (net)	946		208	
Gain on finanical instruments designated as FVTPL	(3)		(704)	
Unwinding of interest on financial assets carried at amortised cost	(50)		(29)	
Excpetional items (refer note 2)	(591)		-	
Share based payment expense	112		40	
Share of (profit) / loss of joint ventures (net)	73		(926)	
Allowance for doubtful receivable and advances	5		5	
Gain on sale of Investment property	-		(22)	
		6,593		2,236
Operating profit before working capital changes		7,021		20,646
Adjustments for :				
Decrease / (Increase) in inventories	1,335		(8,430)	
Decrease / (Increase) in trade receivables	594		(2,040)	
(Increase) in other assets	(1,942)		(1,566)	
(Decrease) / Increase in trade payable and other liabilities	(431)		1,366	
(Decrease) / Increase in provisions	(162)		37	
		(606)		(10,633)
Cash flow from operations		6,415		10,013
Income taxes paid (net of refund received)		(293)		(2,553)
Net cash generated from operating activities (A)		6,122		7,460
B. Cash flow from investing activities				
Purchase of property, plant and equipment, intangibles assets (including under development and capital advances)		(5,894)		(5,309)
Refund of capital advance		260		-
Proceeds from sale of property, plant and equipment and intangibles assets		24		25
Proceeds from sale of Investment property		10		53
Cashflow on acquisition/disposal of a subsidiary / acquisition of NCI (net)		@		(20)
Investment in joint ventures		(136)		(27)
Equity investment in other related parties		(100)		(300)
Inter corporate deposits		-		(52)
Purchase of current investments		-		(2,600)
Sale of current investments		4		2,603
Bank deposits not considered as cash and cash equivalents (net)		4,076		(683)
Interest received		256		110
Dividend received		20		20
Net cash used in investing activities (B)		(1,480)		(6,180)
C. Cash flow from financing activities				
Proceeds of sale of treasury shares		35		39
Payment for purchase of treasury shares		-		(301)
Proceeds from non-current borrowings		10,392		11,211
Repayment of non-current borrowings		(7,419)		(5,254)
Proceeds from / (repayment) of current borrowings (net)		(11)		(1,896)
Repayment of lease liabilities		(256)		(199)
Interest paid		(3,198)		(1,799)
Dividend paid		(4,194)		(1,571)
Net cash (used in) / generated from financing activities (C)		(4,651)		230
Net (decrease) / increase in cash and cash equivalents(A+B+C)		(9)		1,510
Cash and cash equivalents at the beginning of the year		8,808		11,943
Add: Translation adjustment in cash and cash equivalents		(13)		(4)
Less: Cash and cash equivalents upon loss of control of subsidiaries		@		-
Cash and cash equivalents at the end of the year		8,786		13,449

@ less than 0.50 crores

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JSW STEEL LIMITED

JSW Steel Limited

Additional information pursuant to Regulation 52(4) and Regulation 54 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended as at and for the quarter and half year ended 30 September 2022

Sr. No.	Particulars	Quarter Ended			Half year Ended		Year Ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Debt Equity Ratio** *(Total Borrowings / Total Equity)*	1.19	1.07	1.14	1.19	1.14	1.02
2	**Debt service coverage ratio (not annualised)**	0.61	0.69	4.16	0.67	4.34	3.56
	Debt service coverage ratio (trailing twelve months) *(Profit before Tax, Exceptional Items, Depreciation , Net Finance Charges / (Net Finance Charges + Long Term Borrowings scheduled 'principal repayments (excluding prepayments/ refinancing) 'during the period) (Net Finance Charges : Finance Costs - Interest Income - Net Gain /(Loss) on sale of current investments)*	1.64	2.31	3.43	1.64	3.43	3.56
3	**Interest service coverage ratio (not annualised)**	1.26	3.36	15.23	2.28	13.95	9.33
	Interest service coverage ratio (trailing twelve months) *(Profit before Tax, Exceptional Items, Depreciation, Net Finance Charges/ Net Finance Charges)*	4.51	7.14	11.05	4.51	11.05	9.33
4	**Current Ratio** *(Current Assets/ Current Liabilities)*	1.10	1.18	1.06	1.10	1.06	1.14
5	**Long term debt to working capital** *(Non-current borrowings + Current maturities of long term borrowings)/ (Current Assets - (Current liabilities - Current maturities of long term borrowings))*	5.73	4.05	4.45	5.73	4.45	3.80
6	**Bad debts to Accounts receivable ratio** *(Bad debts/ Trade receivables)*	-	-	-	-	-	-
7	**Current liability ratio** *(Current Liabilities/ Total Liabilities)*	0.41	0.44	0.42	0.41	0.42	0.45
8	**Total debts to total assets** *(Total borrowings/ Total Assets)*	0.38	0.36	0.40	0.38	0.40	0.36
9	**Trade receivable turnover (no. of days)** *(Average Trade receivables/ Gross Sales * No. of days)*	17	19	19	17	17	15
10	**Inventory Turnover (no. of days)** *(Average inventory / (Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories + Mining premium and royalties + Power and fuel + Stores & spares consumed + Repairs & Maintenance + Job work charges + Labour charges + Mining & development cost) * No. of days)*	97	121	102	94	98	94
11	**Operating EBIDTA Margin (%)** *(Profit before depreciation, Interest, Tax and exceptional items less Other income/ Revenue from operations)*	4.19%	11.31%	32.05%	7.59%	33.70%	26.65%
12	**Net Profit / (loss) Margin (%)** *((Net profit for the period/ year)/ Revenue from operations))*	-2.19%	2.20%	22.09%	-0.10%	21.30%	14.30%
13	**Paid up Equity Share Capital** (face value of Re.1 per share)	240	240	240	240	240	240
14	**Other Equity excluding Revaluation Reserves**	61,706	66,788	60,531	61,706	60,531	66,996
15	**Capital Redemption Reserve**	774	774	774	774	774	774
16	**Networth** *(As per Companies Act 2013)*	55,286	60,267	51,910	55,286	51,910	59,357
17	**Securites Premium**	5,417	5,417	5,417	5,417	5,417	5,417
18	**Paid up Debt capital**	12,170	12,170	10,180	12,170	10,180	12,170

19 **Security Coverage Ratio (in times)**

(Asset Coverage Ratio : Specific assets given as security for NCDs/ Secured borrowings for those specific assets)

Particulars	Outstanding as on 30.09.2022	30.09.2022	31.03.2022
8.50% Non-Convertible Debentures of Rs 4,000 crores	4,000	1.68	1.58
10.02% Non-Convertible Debentures of Rs 1,000 crores	1,000	1.68	1.50
10.34% Non-Convertible Debentures of Rs 1,000 crores	670	6.67	6.63
8.90% Non-Convertible Debentures of Rs 1,000 crores	1,000	1.76	1.76
8.79% Non-Convertible Debentures of Rs 2,000 crores	2,000	1.77	2.04
8.76% Non-Convertible Debentures of Rs 1,000 crores	1,000	1.77	2.04
9% Non-Convertible Debentures of Rs 2,500 crores	2,500	3.43	3.39
	12,170		

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JSW STEEL LIMITED

Notes

1. The Board of Directors of the Company at their meeting held on 27 May 2022 considered and approved the Scheme of Amalgamation pursuant to Section 230-232 and other applicable provisions of the Companies Act 2013, providing for amalgamation of its Joint Venture Creixent Special Steels Limited ("CSSL") and CSSL's subsidiary JSW Ispat Special Products Limited with the Company. Pursuant to the Board approval, the Scheme has been filed with the concerned Stock Exchanges and Competition Commission of India for requisite approvals. The Competition Commission of India has approved the proposed amalgamation vide its order dated 29 September 2022.The requisite regulatory and other approvals are awaited. Accordingly, no impact is given on account of this in the Statement of Unaudited Consolidated Financial Results for the quarter ended and half year ended 30 September 2022.

2. Exceptional items for the quarter and half year ended 30 September 2022 comprises of the following:

   a) Income recognized amounting to Rs 256 crores in relation to compensation received / receivable in accordance with provisions of Coal Mines (Special Provisions) Act, 2015, against a subsidiary's claim pertaining to expenditure incurred on deallocated coal mine vide Supreme Court order dated 24 September 2014.

   b) Net gain amounting to Rs 335 crores pursuant to sale of entire 70% stake in Santa Fe Mining ("SFM") in Chile by a wholly owned subsidiary of the Company, primarily pertaining to Foreign Currency Translation Reserve (FCTR) balances recycled to statement of profit and loss and de-recognition of non-controlling interests carried in the consolidated financial results as on the date of disposal of subsidiary.

3. Other Income for the quarter and half year ended 30 September 2021 and year ended 31 March 2022 includes Rs. 702 crores which represents fair valuation gain on re-measurement of OFCDs held by the Company in one of its joint ventures.

4. The Group is majorly in the business of manufacturing steel products and hence has only one reportable operating segment as per IND AS 108 - Operating Segments.

5. Previous period/year figures have been regrouped /reclassified wherever necessary.

6. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 20 October 2022 and 21 October 2022 respectively. The statutory auditors have carried out a Limited Review of the results for the quarter and half year ended 30 September 2022.

For JSW Steel Limited

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Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
21 October 2022

JSW STEEL LIMITED
JSW

Independent Auditor's Report

To the Members of JSW Steel Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of JSW Steel Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report.

We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Recoverability of investments in and loans / advances given to certain subsidiaries and joint ventures and financial guarantees given on behalf of certain subsidiaries (as described in note 48 of the standalone financial statements)	
The Company has investments in certain subsidiaries and joint ventures with a carrying value of Rs 2,391 crores. Further, the Company has also provided loans and/or guarantees to or on behalf of these subsidiaries and the joint venture amounting to Rs 14,767 crores. These subsidiaries and joint venture have either been incurring losses or the investments made by them in the step-down subsidiaries have been making losses. The Company has also recognised impairment allowance of Rs 722 crores during the year ended March 31, 2022 in respect of investments, loans / advances given to certain overseas subsidiaries, as described in note 57 of the standalone financial statements. Further, the Company has not recognised interest income of Rs 127 crores during the year from some of its subsidiaries due to uncertainty of recoverability of such income. Assessment of the recoverable amount of the investments in and loans/advances including interest thereon given to these subsidiaries and joint ventures and financial guarantees given on behalf of these subsidiaries has been identified as a key audit matter due to: • Significance of the carrying amount of these balances. • The assessment requires management to make significant estimates concerning the estimated future cash flows, qualitative assessments of the status of the project and its future depending on balance work to be performed or approvals to be received, associated discount rates and growth rates based on management's view of future business prospects. • Changes to any of these assumptions could lead to material changes in the estimated recoverable amount, impacting both potential impairment charges and potential reversals of impairment taken in prior years.	Our audit procedures included the following: • We obtained and read management's assessment for impairment. • We performed test of controls over impairment process through inspection of evidence of performance of these controls. • We assessed the impairment model prepared by the management and the assumptions used, with particular attention to the following: - benchmarking or assessing key assumptions used in the impairment models, including discount rates, risk free rate of return, long term growth rate and other key assumptions against external and internal data; - assessing the cash flow forecasts including possible impact on account of global pandemic through analysis of actual past performance, and comparison to previous forecasts; - testing the mathematical accuracy and performing sensitivity analyses of the models; and - understanding the commercial prospects of the assets/projects and comparison of assumptions with external data sources; • We assessed the competence, capabilities and objectivity of the experts used by management in the process of evaluating impairment models. • We assessed the conclusions reached by management and those charged with governance on account of various estimates and judgements. • We assessed the compliance of the disclosures made in note 48 of the standalone financial statements with the accounting standards.
Capital Expenditure in respect of property, plant and equipment and capital work in progress (as described in notes 4 and 5 of the standalone financial statements)	
The Company has incurred significant expenditure on capital projects, as reflected by the total value of additions in property plant and equipment and capital work in progress in notes 4 and 5 of the standalone financial statements. The Company is in the process of executing various projects for expansions of existing capacity across the locations. These projects take a substantial period of time to get ready for intended use. We considered Capital expenditure as a Key audit matter due to: • Significance of amount incurred on such items during the year ended March 31, 2022. • Judgement and estimate required by management in assessing assets meeting the /capitalisation criteria set out in Ind AS 16 Property, Plant and Equipment. • Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalisation as per the criteria set out in Ind AS 16 Property, Plant and Equipment.	Our audit procedures included the following: • We obtained an understanding of the Company's capitalisation policy and assessed for compliance with the relevant accounting standards. • We obtained understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalisation of assets. • We performed substantive testing on a sample basis for each element of capitalised costs including inventory issued to contractors for the purpose of these projects and physical verification performed by management alongwith reconciliation and directly attributable cost, including verification of underlying supporting evidence and understanding nature of the costs capitalised. • We have obtained componentisation reports issued by 3rd party management experts for capitalisations carried out during the year and have assessed appropriateness of basis of componentisation and estimates of useful life. • In relation to borrowing costs we obtained the supporting calculations, verified the inputs to the calculation and tested the arithmetical accuracy of the model. • We assessed accounting for costs incurred when projects are suspended or delayed for any reasons including the global pandemic. • We obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.

Key audit matters	How our audit addressed the key audit matter
Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI (LODR) 2015') (as described in note 44 of the standalone financial statements)	
We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the standalone financial statements as a key audit matter due to: • the significance of transactions with related parties during the year ended March 31, 2022. • Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.	Our audit procedures in relation to the disclosure of related party transactions included the following: • We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to capturing of related party transactions and management's process pf ensuring all transactions and balances with related parties have been disclosed in the standalone financial statements. • We obtained an understanding of the Company's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. • We agreed the amounts disclosed with underlying documentation and read relevant agreements, evaluation of arms-length by management, on a sample basis, as part of our evaluation of the disclosure. • We assessed management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015. • We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.
Claims and exposures relating to taxation and litigation (as described in note 45 of the standalone financial statements)	
The Company has disclosed in note 45 of the standalone financial statements, contingent liabilities of Rs 3,899 crores in respect of disputed claims/ levies under various tax and legal matters and Rs 3,710 crores towards Claims related to Forest development tax/ fee. In addition, the Company has assessed several claims as 'Remote' and hence are not required to be disclosed as contingent liabilities. Taxation and litigation exposures have been identified as a key audit matter due to: • Significance of these amounts and large number of disputed matters with various authorities. • Significant judgement and assumptions required by management in assessing the exposure of each case to evaluate whether there is a need to set up a provision and measurement of exposures as well as the disclosure of contingent liabilities. We focused on this matter because of the potential financial impact on the standalone financial statements. Additionally, the treatment of taxation and litigation cases require significant judgement due to the complexity of the cases, timescales for resolution and involvement of various authorities.	Our audit procedures included the following: • We obtained understanding, evaluated the design, and tested the operating effectiveness of the controls related to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities. • We obtained details of legal and tax disputed matters and evaluation made by the management and assessed management's position through discussions on both the probability of success in significant cases, and the magnitude of any potential loss. • We read external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. • We involved tax specialists to assist us in evaluating tax positions taken by management. • We assessed the relevant disclosures made in the standalone financial statements for compliance in accordance with the requirements of Ind AS 37.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

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

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

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

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

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 45 to the standalone financial statements;

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

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, except for one instance, as fully described in Note 60 the standalone financial statements, amounting to Rs. 2.94 crores which has been transferred subsequent to the year-end;

      iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 59 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 61 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

per **Vikram Mehta**
Partner

Membership Number: 105938
UDIN No: 22105938AJRYOV5465

Place of Signature: Mumbai
Date: May 27, 2022

Annexure 1

referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date Re: JSW Steel Limited ("the Company")

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in note 4 to the standalone financial statements included in property, plant and equipment are held in the name of the Company except immovable properties as indicated in the below mentioned cases:

(Rs in crores)

Description of Property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Leasehold land at Karnataka	67	Government of Karnataka	No	Mar 2007	Approval for Proposal for Excecution of Absolute Sale deed is pending with Cabinet (State Government)
	18	Government of Karnataka	No	May 2011	Application Submitted to lessor for execution of Absolute Sale deed on 30.06.2021
	7	Bhuwalka Pipes Private Limited	No	Dec 2011	Extension of Lease deed is under process
Freehold Land at Maharashtra	6	Nippon Denro Ispat Limited	No	March 2000	Title deed is under dispute
	3	Ispat Metallics India Limited	No	March 2000	Title deed is under dispute
Land & Building	27	Loha Ispat Limited	No	March 2002	Liquidator is under process to take approvals for the transfer of title deed

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2022 and discrepancies were not noticed in respect of such confirmations. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect of such physical verification.

(b) As disclosed in note 25 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements including clarifications provided by the banks, the quarterly returns / statements along with subsequent revisions filed by the Company with the banks are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
Subsidiaries	3,027	-	2,247	-
Joint Ventures	-	-	-	-
Others	-	-	71	-
Balance outstanding as at balance sheet date in respect of above cases				
Subsidiaries	3,027	-	2,201	-
Joint Ventures	-	-	-	-
Others	-	-	87	-

(b) During the year the investments made, guarantees provided and the terms and conditions of the grant of all loans, investments and guarantees to companies are not prejudicial to the Company's interest. The Company has not provided security or granted advances in the nature of loans to companies, firms, limited liability partnerships or any other parties.

(c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. The Company has not granted advances in the nature of loans to companies, firms, limited liability partnerships or any other parties.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) During the year, the Company has renewed loans given to certain parties which have fallen due during the year. The aggregate amount of such renewed loans and the percentage of the aggregate to the total loans granted during the year is Rs 2,817 crores and 122% respectively.

(Rs in crores)

Name of Parties	Aggregate amount of overdues of existing loans extended	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Subsidiaries		
Acero Junction Holdings, Inc	875	38%
Inversiones Eurosh Limited	847	37%
JSW Steel (Netherlands) B.V.	724	31%
JSW Steel Coated Products Limited	282	12%
Joint Ventures		
JSW Ispat Special Products Limited	89	4%

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ('the Act') are applicable have been complied with by the Company.

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

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of its products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

(Rs in crores)

Name of statue	Nature of Dues	Amount*	Period	Forum
The Central Excise Act, 1944	Excise Duty	97	2000-2015	High Court
		384	1997-2018	Central Excise Service Tax Appellate Tribunal (CESTAT)
		73	1995-2017	Commissioner / Joint Commissioner / Asst. Commissioner
The Custom Act, 1962	Custom Duty	225	2002-2016	High Court
		358	1995-2018	Central Excise Service Tax Appellate Tribunal (CESTAT)
		39	2000-2017	Commissioner (Appeals) / Joint Commissioner
Karnataka VAT, 2003	VAT	2	2006-2008	Joint Commissioner
The Central Sales Tax Act, 1956	CST	29	2011-2012	High Court
		1	2004-2018	Commissioner / Joint Commissioner
Karnataka Tax on Entry of Goods Act, 1979	Entry Tax	1	2005-2017	High Court
Maharashtra Value Added Tax, 2002	VAT	153	2003-2018	Commissioner (Appeals)/ Joint Commissioner /Asst. Commissioner / Assessing Officer
Chapter V of the Finance Act, 1994	Service Tax	32	2003-2022	High Court
		64	1998-2017	Central Excise Service Tax Appellate Tribunal (CESTAT)
		56	2006-2017	Commissioner, Additional Commissioner
Income Tax Act, 1961	Income Tax	734	1995-2018	CIT/ITAT
Karnataka Forest Act, 1963	Forest Development Tax	378	2008-2016	Supreme Court of India
	Forest Development Fee	2,412	2016-2022	Supreme Court of India
The Goa Rural Improvement Welfare Cess Act, 2000	Goa Rural Cess	969	2006-2021	High Court
	Goa Green Cess	292	2011-2021	High Court
The Bombay Electricity Duty Act	Electricity Duty	150	2013-2019	Supreme Court of India
		636	2013-2019	High Court
Goods & Service Tax	Goods & Service Tax	2,678	2020-2022	High Court
		14	2017-2018	Commissioner/ Joint Commissioner
Maharashtra Stamp	Stamp duty	51	2013-2014	Revenue Department
Mines & Minerals (Development & regulation) Act	Mining premium	696	2020-2021	High Court
Orissa Minerals (PSIMR) Rules 2007	Mining premium and royalties	375	2020-2021	Joint Director of Mines, Orissa

* Net of amounts paid under protest.

The above table doesn't include cases decided in favour of the Company for which the department has preferred an appeal at higher levels amounting to Rs 785 crores (net of amount paid under protest) and matters remanded back amounting to Rs 228 crores (net of amount paid under protest).

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

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

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

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) Monies raised during the year by the Company by way of debt instruments in the nature of foreign currency bonds, non-convertible debentures and commercial papers were applied for the purposes for which they were raised, though idle/surplus funds which were not required for immediate utilization have been gainfully invested in fixed deposits. The Company has not raised any money way of initial public offer / further public offer and hence not commented upon.

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

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

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

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

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

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

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

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

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

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

(d) We have been informed by the management that as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and three CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter group.

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

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

(xix) On the basis of the financial ratios disclosed in note 58 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36 (b) to the standalone financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act. This matter has been disclosed in note 36 (b) to the standalone financial statements.

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

per **Vikram Mehta**
Partner

Membership Number: 105938
UDIN No: 22105938AJRYOV5465

Place of Signature: Mumbai
Date: May 27, 2022

Annexure 2

to the Independent Auditor's Report of even date on the standalone financial statements of JSW Steel Limited

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

We have audited the internal financial controls with reference to standalone financial statements of JSW Steel Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone 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 standalone 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 Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

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

per **Vikram Mehta**
Partner

Membership Number: 105938
UDIN No: 22105938AJRYOV5465

Place of Signature: Mumbai
Date: May 27, 2022

Standalone Balance Sheet

As at 31 March, 2022

₹ in crores

	Notes	As at 31 March, 2022	As at 31 March, 2021
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	65,862	46,167
(b) Capital work-in-progress	5	12,459	28,914
(c) Right-of-use assets	6	3,905	4,161
(d) Intangible assets	7	1,879	1,614
(e) Intangible assets under development	7	140	128
(f) Investments in subsidiaries, associates and joint ventures	8	13,522	6,676
(g) Financial assets			
(i) Investments	9	4,506	5,782
(ii) Loans	10	5,763	4,872
(iii) Derivative assets	17	24	110
(iv) Other financial assets	11	3,534	2,481
(h) Current tax assets (net)		318	230
(i) Other non-current assets	12	3,473	2,394
Total non-current assets		**1,15,385**	**1,03,529**
Current assets			
(a) Inventories	13	21,028	10,692
(b) Financial assets			
(i) Trade receivables	14	6,146	3,333
(ii) Cash and cash equivalents	15	7,670	11,121
(iii) Bank balances other than (ii) above	16	7,857	625
(iv) Loans	10	265	602
(v) Derivative assets	17	403	86
(vi) Other financial assets	11	1,151	1,479
(c) Other current assets	12	2,965	1,765
Total current assets		**47,485**	**29,703**
Total assets		**1,62,870**	**1,33,232**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	301	302
(b) Other equity	19	63,200	46,675
Total equity		**63,501**	**46,977**
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	41,176	39,551
(ia) Lease liabilities	6	1,767	2,413
(ii) Derivative liabilities	27	7	57
(iii) Other financial liabilities	21	1,035	1,310
(b) Provisions	22	1,292	753
(c) Deferred tax liabilities (net)	23	6,935	3,095
(d) Other non-current liabilities	24	1,023	2,036
Total non-current liabilities		**53,235**	**49,215**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	9,259	12,073
(ia) Lease liabilities	6	984	925
(ii) Trade payables	26		
(a) Total outstanding, dues of micro and small enterprises		330	205
(b) Total outstanding, dues of creditors other than micro and small enterprises		23,998	11,945
(iii) Derivative liabilities	27	105	96
(iv) Other financial liabilities	28	6,693	7,762
(b) Provisions	22	227	243
(c) Other current liabilities	29	4,153	3,254
(d) Current tax liabilities (net)		385	537
Total current liabilities		**46,134**	**37,040**
Total liabilities		**99,369**	**86,255**
Total equity and liabilities		**1,62,870**	**1,33,232**

See accompanying notes to the Standalone Financial Statements

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

For and on behalf of the Board of Directors

per VIKRAM MEHTA
Partner
Membership No.:105938
Place: Mumbai
Date : 27 May, 2022

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date : 27 May, 2022

SESHAGIRI RAO M.V.S
Jt.Managing Director & Group CFO
DIN 00029136

Standalone Statement of Profit and Loss

For the year ended 31 March, 2022

₹ in crores

		Notes	For the year ended 31 March, 2022	For the year ended 31 March, 2021
I	**Revenue from operations**	30	1,18,820	70,727
II	Other income	31	1,929	669
III	**Total income (I + II)**		**1,20,749**	**71,396**
IV	**Expenses:**			
	Cost of materials consumed		51,457	28,743
	Purchases of stock-in-trade		234	199
	Changes in inventories of finished and semi-finished goods, work-in-progress and stock-in-trade	32	(3,112)	(872)
	Mining premium and royalties (refer note 54)		13,894	6,972
	Employee benefits expense	33	1,870	1,501
	Finance costs	34	3,849	3,565
	Depreciation and amortisation expense	35	4,511	3,781
	Other expenses	36	22,609	14,925
	Total expenses		**95,312**	**58,814**
V	**Profit before exceptional items and tax (III-IV)**		**25,437**	**12,582**
VI	Exceptional items	57	722	386
VII	**Profit before tax (V-VI)**		**24,715**	**12,196**
VIII	**Tax expense:**	23		
	Current tax		4,411	2,162
	Deferred tax		3,602	1,641
			8,013	**3,803**
IX	**Profit for the year (VII-VIII)**		**16,702**	**8,393**
X	**Other comprehensive income**			
A	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		(75)	27
	(b) Equity instruments through other comprehensive income		2,083	385
	ii) Income tax relating to items that will not be reclassified to profit or loss		(246)	(10)
	Total (A)		**1,762**	**402**
B	i) Items that will be reclassified to profit or loss			
	(a) The effective portion of gains and loss on hedging instruments		(22)	369
	ii) Income tax relating to items that will be reclassified to profit or loss		8	(129)
	Total (B)		**(14)**	**240**
	Total Other comprehensive income / (loss) (A+B)		**1,748**	**642**
XI	**Total comprehensive income (IX + X)**		**18,450**	**9,035**
XII	**Earnings per equity share of ₹ 1 each**	38		
	Basic (in ₹)		69.48	34.92
	Diluted (in ₹)		69.10	34.72

See accompanying notes to the Standalone Financial Statements

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

For and on behalf of the Board of Directors

per VIKRAM MEHTA
Partner
Membership No.:105938
Place: Mumbai
Date : 27 May, 2022

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date : 27 May, 2022

SESHAGIRI RAO M.V.S
Jt.Managing Director & Group CFO
DIN 00029136

Standalone Statement of Changes in Equity

For the year ended 31 March, 2022

A. Equity share capital

₹ in crores

Particulars	Amount
As at 31.03.2020	**301**
Movement during the year	@
As at 31.03.2021	**302**
Movement during the year	(1)
As at 31.03.2022	**301**

@ = ₹ 0.34 crore

B. Other equity

₹ in crores

Particulars	Reserves and surplus						Items of Other Comprehensive Income/(Loss) (OCI)		Total
	Capital reserve	Securities premium reserve	Capital redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	
Opening balance as at 1 April, 2020	**4,359**	**5,439**	**774**	**17,709**	**122**	**9,944**	**148**	**(434)**	**38,061**
Profit for the year	-	-	-	8,393	-	-	-	-	8,393
Other comprehensive income for the year, net of income tax	-	-	-	17	-	-	385	240	642
Dividend	-	-	-	(483)	-	-	-	-	(483)
Impact of ESOP trust consolidation	-	-	-	42	-	-	-	-	42
Recognition of share-based payments	-	-	-	-	20	-	-	-	20
Transfer to general reserve after excerise of options	-	-	-	-	(25)	25	-		-
Closing balance as at 31 March, 2021	**4,359**	**5,439**	**774**	**25,678**	**117**	**9,969**	**533**	**(194)**	**46,675**
Profit for the year	-	-	-	16,702	-	-	-	-	16,702
Other comprehensive income for the year, net of income tax	-	-	-	(49)	-	-	1,811	(14)	1,748
Dividend	-	-	-	(1,571)	-	-	-	-	(1,571)
Impact of ESOP trust consolidation	-	-	-	(515)	-	-	-	-	(515)
Recognition of share-based payments	-	-	-	-	161	-	-	-	161
Transfer to general reserve after excerise of options	-	-	-	-	(37)	37	-	-	-
Closing balance As at 31 March, 2022	**4,359**	**5,439**	**774**	**40,245**	**241**	**10,006**	**2,344**	**(208)**	**63,200**

See accompanying notes to the Standalone Financial Statements

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

For and on behalf of the Board of Directors

per VIKRAM MEHTA
Partner
Membership No.:105938
Place: Mumbai
Date : 27 May, 2022

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date : 27 May, 2022

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

SESHAGIRI RAO M.V.S
Jt.Managing Director & Group CFO
DIN 00029136

Standalone Statement of Cash Flows

For the year ended 31 March, 2022

₹ in crores

	For the year ended 31 March, 2022		For the year ended 31 March, 2021	
Cash flow from operating activities				
Profit before tax		24,715		12,196
Adjustments for :				
Depreciation and amortisation expenses	4,511		3,781	
Loss on sale of property, plant & equipment (net)	61		30	
Gain on sale of financial investments designated as Fair value through profit & loss account ('FVTPL')	(11)		(6)	
Interest income	(932)		(593)	
Gain arising of financial instruments designated as FVTPL	(799)		(6)	
Unwinding of interest on financial assets carried at amortised cost	(69)		(51)	
Dividend income	(17)		(9)	
Interest expense	3,466		3,410	
Share based payment expense	161		20	
Export obligation deferred income amortisation	(462)		(239)	
Unrealised exchange (gain) /loss (net)	273		(415)	
Allowance for doubtful debts, loans, advances and others	41		58	
Loss arising from financial instruments designated as FVTPL	6		19	
Exceptional Items	722		386	
		6,951		**6,385**
Operating profit before working capital changes		**31,666**		**18,581**
Adjustments for :				
(Increase) in inventories	(10,336)		(1,069)	
(Increase) in trade receivables	(2,842)		(183)	
(Increase) in other assets	(2,801)		(398)	
Increase/ (Decrease) in trade payable	12,006		(1,203)	
Increase in other liabilities	233		3,296	
Increase in provisions	61		193	
		(3,679)		**636**
Cash flow from operations		**27,987**		**19,217**
Income taxes paid (net of refund received)		(4,652)		(1,660)
Net cash generated from operating activities (A)		**23,335**		**17,557**
Cash flow from investing activities				
Purchase of property, plant & equipment, intangible assets (including under development and capital advances)		(7,462)		(7,865)
Proceeds from sale of property, plant & equipment		33		13
Investment in subsidiaries, joint ventures and others including advances		(2,612)		(5,785)
Purchase of current investments		(4,140)		(600)
Sale of current investments		4,151		606
Bank deposits not considered as cash and cash equivalents (net)		(7,232)		7,427
Loans to related parties		(2,318)		(4,277)
Loans repaid by related parties		902		6,181
Interest received		1,009		532
Dividend received		17		9
Net cash used in investing activities (B)		**(17,652)**		**(3,759)**

Standalone Statement of Cash Flows

For the year ended 31 March, 2022

₹ in crores

	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Cash flow from financing activities		
Proceeds from sale of treasury shares	72	39
Payment for purchase of treasury shares	(591)	-
Proceeds from non-current borrowings	16,052	9,365
Repayment of non-current borrowings	(13,753)	(6,053)
Proceeds from/ Repayment of current borrowings (net)	(4,505)	(4,192)
Repayment of lease liabilities	(948)	(776)
Interest paid	(3,890)	(4,015)
Dividend paid	(1,571)	(483)
Net cash used in financing activities (C)	**(9,134)**	**(6,115)**
Net increase/ (decrease) in cash and cash equivalents(A+B+C)	**(3,451)**	**7,683**
Cash and cash equivalents - opening balances	**11,121**	**3,438**
Cash and cash equivalents - closing balances (note 15)	**7,670**	**11,121**

Reconciliations part of cash flows

₹ in crores

Particulars	1 April, 2021	Cash flows(net)	Foreign exchange (Gain)/Loss	New leases	Other	31 March, 2022
Borrowings (including Current maturities of long term borrowing included in current borrowings note 25)	46,470	2,299	871	-	74#	49,714
Lease liabilities (including Current maturities)	3,339	(948)	-	360	-	2,751
Borrowings (Current) (excluding current maturities of long term borrowing)	5,154	(4,505)	72	-	-	721

₹ in crores

Particulars	1 April, 2020	Cash flows(net)	Foreign exchange (Gain)/Loss	Changes in fair values	New leases	Other	31 March, 2021
Borrowings (including Current maturities of long term borrowing included in current borrowings note 25)	44,356	3,312	(555)	(692)	-	49#	46,470
Lease liabilities (including Current maturities)	3,489	(776)	-	-	625	-	3,338
Borrowings (Current) (excluding current maturities of long term borrowing)	9,301	(4,192)	45	-	-	-	5,154

#Other comprises of Upfront Fees Amortisation and Interest Cost accrual on deferred sales tax loan

Notes:

1. The cash flow statement is prepared using the "indirect method" set out in IND AS 7 – Statement of Cash Flows.

See accompanying notes to the Standalone Financial Statements

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

per VIKRAM MEHTA
Partner
Membership No.:105938
Place: Mumbai
Date : 27 May, 2022

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date : 27 May, 2022

SESHAGIRI RAO M.V.S
Jt.Managing Director & Group CFO
DIN 00029136

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

1. General Information

JSW Steel Limited ("the Company") is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Company is an integrated manufacturer of diverse range of steel products with its manufacturing facilities located at Vijaynagar Works in Karnataka, Dolvi Works in Maharashtra and Salem works in Tamil Nadu. The Company also has a Plate and Coil mill Division in Anjar, Gujarat. The Company has entered into long term lease arrangements of iron ore mines located at Odisha and Karnataka.

JSW Steel Limited is a public limited company incorporated in India on 15 March, 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

2. Significant Accounting policies

I. Statement of compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statement.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

The Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III to the Companies Act, 2013 which is applicable from 1 April, 2021 and accordingly the presentation for line items in balance sheet is based on the amended schedule III and corresponding numbers as at 31 March, 2021 have been regrouped/reclassified.

These financial statements are approved for issue by the Board of Directors on 27 May, 2022.

II. Basis of preparation and presentation

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

Fair value is the price 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 price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, fair value of plan assets within scope the of Ind AS 19 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Financial Statement is presented in INR and all values are rounded to the nearest crores except when otherwise stated.

Current and non-current classification

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

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

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

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

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

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

III. Revenue recognition

A. Sale of Goods

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

The Company has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

Contract balances

i) **Contract assets**

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

ii) **Trade receivables**

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

iii) **Contract liabilities**

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

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are recognised as revenue when the Company performs under the contract including Advance received from Customer

iv) **Refund liabilities**

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

B. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

IV. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term is as follows.

Class of assets	Years
Leasehold land	99 Years
Buildings	3 to 30 years
Plant & Machinery	3 to 15 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

The Company accounts for sale and lease back transaction, recognising right-of-use assets and lease liability, measured in the same way as other right-of-use assets and lease liability. Gain or loss on the sale transaction is recognised in statement of profit and loss.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

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In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below ₹ 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

V. Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (XVIII) (C) (c));

VI. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

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

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

VII. Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

The benefit of a government loan at a below-market rate of interest and effect of this favorable interest is treated as a government grant. The

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Loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the Statement of profit and loss immediately on fulfillment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

VIII. Employee benefits

Retirement benefit costs and termination benefits

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

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

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

The Company presents the first two components of defined benefit costs in Statement of profit and loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

Short-term and other long-term employee benefits

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

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

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

IX. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 38.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under

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the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shared held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

X. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

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 recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an deferred tax asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

XI. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and

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maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

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

Class of assets	Years
Plant and equipment	8 to 40 years
Work-rolls (shown under Plant and equipment)	1 - 5 years

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

Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

XII. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

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Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Computer Software & Licenses	3-5 years

Mining assets are amortised using unit of production method over the entire lease term.

The Company has elected to continue with carrying value of all its intangible assets recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XIII. Mining Assets

Acquisition Costs

The cost of Mining Assets capitalised includes costs associated with acquisition of licenses and rights to explore, stamp duty, registration fees and other such costs.

Bid premium and royalties payable with respect to mining operations is contractual obligation. The said obligations are variable and linked to market prices. The Company has accounted for the same as expenditure on accrual basis as and when related liability arises as per respective agreements/ statute.

Exploration and evaluation

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The Company measures its exploration and evaluation assets at cost and classifies as Property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.

Costs of exploration drilling and equipping exploration - Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

Stripping cost

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

Other production stripping cost incurred are expensed in the statement of profit and loss.

Developmental stripping costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

Site restoration, rehabilitation and environmental costs:

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning

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liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to profit and loss over the life of the asset through amortisation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements are reviewed periodically

The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology. Details of such provisions are set out in note 22.

XIV. Impairment of Non-financial assets

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

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

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

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

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

XV. Inventories

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

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of semi-finished /finished goods and work in progress include cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of iron ore inventory includes cost of mining, bid premium, royalties and other manufacturing overheads. Cost of traded goods include purchase cost and inward freight.

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

XVI. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. However, before a separate provision for an onerous contract is established, the Company recognises any write down that has occurred on assets dedicated to that contract. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

XVII. Investment in subsidiaries, associates and joint ventures

Investment in subsidiaries, associates and joint ventures are shown at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

The Company has elected to continue with carrying value of all its investment in affiliates recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XVIII. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in

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OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) **Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

d) **Impairment**

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

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

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

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

date and thus, are not cash shortfalls that are predicted over the next 12 months.

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

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

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

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

e) **Effective interest method**

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

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

B. Financial liabilities and equity instruments

a) **Classification as debt or equity**

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

b) **Equity instruments**

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

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

c) **Financial liabilities**

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

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Financial liabilities at FVTPL:

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

A financial liability is classified as held for trading if:

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

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

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

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI.

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

Other financial liabilities:

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as borrowings. Interest borne by the company on such arrangements is accounted as finance cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

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

C. Derivative Instruments and Hedge Accounting

a) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts, commodity forward

Notes

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contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge item.

b) **Embedded derivatives**

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit and loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss, unless designated as effective hedging instruments.

c) **Hedge accounting**

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) **Fair value hedges**

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

The Company designates only the spot component for derivative instruments in fair value Hedging relationship. The Company defers changes in the forward element of such instruments in hedging reserve and the same is amortised over the period of the contract.

When the Company designates only the intrinsic value of the option as the hedging instrument, it account for the changes in the time value in OCI. This amount is be removed from OCI and recognised in P&L, either over the period of the hedge if the hedge is time related, or when the hedged transaction affects P&L if the hedge is transaction related.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. For fair value hedges relating to items carried

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at amortised cost, the fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit and loss from that date.

(ii) **Cash flow hedges**

The effective portion of changes in fair value of derivatives and non-derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in Statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit and loss in the years when the hedged item affects profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit and loss.

XIX. Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

XX. Cash and cash equivalents:

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above.

XXI. Earnings per share:

Basic earnings per share is computed by dividing the profit and loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XXII. Business Combination

Acquisition of business has been accounted for using the acquisition method. The consideration transferred in business combination is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Company to the former owners of the acquiree and consideration paid by the Company in exchange for control of the acquiree.

Acquisition related costs are recognised in the statement of profit and loss.

3. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

A) Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

ii) Impairment of investments in subsidiaries, joint-ventures and associates

Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capacity utilisation of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies as more fully described in note 48. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

iii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the Company are not disclosed.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

iv) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

v) Provision for site restoration

Provision for site restoration are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Management reviews all assumptions annually and any changes is accounted accordingly.

vi) Taxes

Pursuant to the announcement of the changes in the corporate tax regime, the Companies have an option to either opt for the new tax regime or continue to pay taxes as per the old applicable tax structure together with the other benefits available to the Companies including utilisation of the MAT credit available. This requires significant estimation in determining in which year the company would migrate to the new tax regime basis future year's taxable profits including the impact of ongoing expansion plans of the Company and consequential utilisation of available MAT credit. Accordingly, in accordance with IND AS 12 - Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

During FY 19-20, the Company has assessed the outstanding deferred tax liability, and written back an amount to the extent of ₹ 2,150 crores to the Statement of Profit and loss. This is arising from the re-measurement of deferred tax liability that is expected to reverse in future when the Company would migrate to the new tax regime. During the year, the Company has re-assessed

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the impact of the Ordinance and there is no significant change in the measurement arising of the said assessment.

B) Critical accounting judgements

i) Control over JSW Realty & Infrastructure Private Limited (RIPL)

RIPL has developed a residential township in Vijayanagar, Karnataka on the land taken on lease from the Company for a period of 30 years and provides individual housing units on rent to the employees of the Company or other group companies. RIPL is not allowed to sub-let or assign its rights under the arrangement without prior written consent of the Company. Though the Company does not hold any ownership interest in RIPL, the Company has concluded that the Company has practical ability to direct the relevant activities of RIPL unilaterally, considering RIPL's dependency on the Company for funding significant portion of its operation through subscription to 76.27% of preference share capital amounting to ₹ 355 crore issued by RIPL and significant portion of RIPL's activities.

ii) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

iii) Joint control over JSW Ispat Special Products Limited (Formerly known as 'Monnet Ispat and Energy Limited')

The consortium of JSW Steel Limited and AION Investments Private II Limited completed the acquisition of JSW Ispat Special Products Limited ('JSWISPL') through their jointly controlled entity Creixent Special Steels Limited ("CSSL") on 31 August, 2018. The Company has made an investment in the year 2018-19 of ₹ 375 crores through equity and redeemable preference shares in CSSL to acquire joint control in JSWISPL and have an effective shareholding of 23.1% in JSWISPL.

As per the Shareholding agreement, all the relevant activities of CSSL that affect the Company's variable returns from its involvement with CSSL/ JSWISPL have to be decided unanimously by a Steering Committee on which the Company has representation and thus the Company has concluded that it has joint control over CSSL.

iv) Joint control over JSW One Platforms Limited (Formerly known as 'JSW Retail Limited')

Pursuant to the Shareholder's agreement, JSW Steel Limited, JSW Paints Limited and JSW Cement Limited will jointly control JSW One Platform Limited ('JSWOPL') (formerly known as 'JSW Retail Limited'). The Company has made an investment in the year 2021-22 of ₹ 32 crores through equity shares having an effective shareholding of 75% in JSWOPL.

As per the agreement, all the relevant activities of JSWOPL that affect the Company's variable returns have to be decided unanimously by the representatives of each of the shareholders' and thus the Company has concluded that it has joint control over JSWOPL.

v) Incentives under the State Industrial Policy

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds historically. The Company currently recognises income for such government grants based on the State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the

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State of Karnataka post implementation of Goods & Services Tax (GST).

a) The Company is eligible for claiming incentives for investments made under the Industrial Policy of the Government of Maharashtra under PSI Scheme 2007 & PSI 2013 Scheme. The Company completed the Phase 1 expansion of 3.3 MTPA to 5 MTPA at Dolvi, Maharashtra in May 2016 and has also received the eligibility certificate for the same basis which it has started availing incentives under the PSI 2007 since then. Further, the Company completed the second phase of expansion from 5 MTPA to 10 MTPA at Dolvi Maharashtra during the financial year 2021-22. The Company is in the process of submitting required documents with the State Government for issuance of the Eligibility Certificate for the second phase and believes that all conditions with respect to the same are met by the Company and hence there are no uncertainties attached in recognising the grant income. Accordingly, the Company has recognised the cumulative grant income amounting to ₹ 571 crores for the year ended 31 March, 2022.

b) The State Government of Maharashtra (GOM) vide its Government Resolution (GR) dated 20 December, 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

vi) **Commitment under MDPA arrangement**

The Mine Development and Production Agreement ('MDPA') signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

During the year, the State Government issued a show cause notice alleging shortfall of minimum production quantity and issued a demand notice dated 13 August, 2021 raising a demand of ₹ 697 crores (including penalty) as prescribed in the MDPA. The Company has filed a writ petition with the High Court of Odisha (High Court) contesting the demand and the High court has granted stay on the above matter vide its order dated 27 September, 2021. Based on a legal evaluation, the Company believes that the MDPA would get rectified for the minimum production quantity. As a prudence, the demand has been disclosed under contingent liabilities as at 31 March, 2022.

C) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April, 2022 as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and

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liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The Company does not expect the amendments to have any significant impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Interbank Offered Rate (IBOR) reform: Ind AS 109 "Financial Instruments" and Ind AS 107 "Financial Instruments: Disclosures"

In view of the recent amendments in IFRS, and in order to keep the Ind AS converged with IFRS, the Ministry Corporate Affairs (MCA) has issued similar amendments to Ind AS 109, and Ind AS 107. The key relief provided by the amendments include a practical expedient for modifications in the financial instrument that result directly from IBOR reform and temporary exceptions from applying specific hedge accounting requirement. The amendments do not have significant impact on the financial statements. The disclosures required by the amendments are provided in note 43.5.

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4. Property, Plant and Equipment

₹ in crores

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles and aircrafts	Office equipment	Tangibles Total
Cost/deemed cost							
At 31 March, 2020	**1,043**	**7,398**	**50,807**	**125**	**152**	**91**	**59,616**
Additions	39	278	1,897	10	11	17	2,252
Additions pursuant to business combination	40	95	715	-	-	-	850
Deductions	-	5	449	-	7	1	462
Other adjustments (refer note b)	-	-	58	-	-	-	58
At 31 March, 2021	**1,122**	**7,766**	**53,028**	**135**	**156**	**107**	**62,314**
Additions	44	2,093	19,307	8	47	20	21,519
Deductions	-	17	262	-	12	-	291
Other adjustments (refer note b)	-	147	1,859	-	-	-	2,006
At 31 March, 2022	**1,166**	**9,989**	**73,932**	**143**	**191**	**127**	**85,548**
Accumulated depreciation							
At 31 March, 2020	**-**	**1,468**	**11,856**	**63**	**57**	**55**	**13,499**
Depreciation	-	316	2,705	12	15	15	3,063
Deductions	-	5	405	-	4	1	415
At 31 March, 2021	**-**	**1,779**	**14,156**	**75**	**68**	**69**	**16,147**
Depreciation	-	349	3,344	12	16	15	3,736
Deductions	-	4	186	-	7	-	197
At 31 March, 2022	**-**	**2,124**	**17,314**	**87**	**77**	**84**	**19,686**
Net book value							
At 31 March, 2022	**1,166**	**7,865**	**56,618**	**56**	**114**	**43**	**65,862**
At 31 March, 2021	**1,122**	**5,987**	**38,872**	**60**	**88**	**38**	**46,167**

Notes:

₹in crores

Description			As at 31 March, 2022	As at 31 March, 2021
a)	Freehold land and buildings which has been/agreed to be hypothecated/mortgaged to lenders of related parties	Deemed cost	267	267
b)	Other adjustments comprises:			
	Borrowing cost	₹ in Crores	1,352	43
	Foreign exchange loss / (gain) (including regarded as an adjustment to borrowing costs)	₹ in Crores	654	15

c) Title deeds of immovable properties not held in the name of the Company:

Relevant line item in the balance sheet	Description of item of property	Gross carrying value	Title deeds in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property Plant & Equipment	Land	**-** 40	Welspun Corp Limited	No	31-Mar-21	Transaction was executed on 31 March, 2021, the title deed has been transferred in the Company's name in FY 2022
Property Plant & Equipment	Land	**6** 6	Nippon Denro Ispat Limited	No	31-Mar-00	Under dispute
Property Plant & Equipment	Land & Building	**27** -	Loha Ispat Limited	No	28-Jan-21	Liquidator is under process to take approvals for the transfer of title deed.
Property Plant & Equipment	Land	**3** 3	Ispat Metallics India Limited	No	31-Mar-00	Under dispute
Right of Use	Land	**67** 67	Government of Karnataka	No	31-Mar-07	Approval for Proposal for Excecution of Absolute Sale deed is pending with Cabinet (State Government)
Right of Use	Land	**18** -	Government of Karnataka	No	19-May-11	Application Submitted to lessor for execution of Absolute Sale deed on 30 June, 2021
Right of Use	Land	**7** -	Bhuwalka Pipes Private Limited	No	15-Dec-11	Extention of Lease deed is under process

*bold figures represents current year figures

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d) Assets given on operating lease:

(i) The Company has entered into lease arrangements, for renting the following:

Category of Asset	Area	Period
Land at Vijayanagar*	1,357 acres	5 years to 30 years
Land at Dolvi along with certain buildings	178 acres	15 years to 20 years
Land at Palwal	6 acres	15 years
Office Premises at Mittal Tower	1,885 sq. feet	24 months
Office Premises at CBD Belapur	33,930 sq. feet	5 years
Houses at Vijayanagar Township	14,11,027 sq. feet (2,279 Houses)	120 months
Building for Vijayanagar Sports Institute	1,96,647 sq. feet	10 years
Hospital premises at Vijayanagar	81,500 sq. feet	20 years
Office Premises at Grand Palladium	30,784 sq. feet	1 year

*includes 1,043 acres of land classified as right-of-use assets in note 6.

The agreements are renewable & cancellable by mutual consent of both parties. The rent paid on above is based on mutually agreed rates.

(ii) Disclosure in respect of assets given on operating lease included in following heads:

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Land		
Cost/Deemed cost*	136	130
Building		
Cost/Deemed cost	288	233
Accumulated depreciation	44	31
Depreciation for the year	8	7

*includes ₹ 22 crores of land classified as right-of-use assets in note 6.

e) Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 20 and Note 25.

f) Property, plant and equipment includes proportionate share (50%) of assets under joint operation as below:

₹ in crores

Particulars	Buildings	Plant and Equipment
Cost/deemed cost		
At 1 April, 2020	**476**	**7**
Additions	-	-
At 31 March, 2021	**476**	**7**
Additions	6	-
At 31 March, 2022	**482**	**7**
Accumulated depreciation		
At 1 April, 2020	**80**	**3**
Depreciation	16	1
At 31 March, 2021	**96**	**4**
Depreciation	16	1
At 31 March, 2022	**112**	**5**
Net book value		
At 31 March, 2022	**370**	**2**
At 31 March, 2021	380	3

g. The Company is required to incur expenses towards Corporate Environment Responsibility ('CER') as an underlying condition for obtaining Environmental Clearance for 5-10 MTPA expansion project at Dolvi Works. The Company has accordingly incurred and capitalised ₹ 117 crores towards the same as on 31 March, 2022.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

5. Capital work in progress includes exchange fluctuation loss (including regarded as an adjustment to borrowing costs) of ₹ 208 crores (previous year ₹ 46 crores) and borrowing cost (net off interest income) of ₹ 546 crores (previous year ₹ 720 crores) capitalised during the year.

CWIP ageing schedule:

As at 31 March, 2022

₹ in crores

Particulars	Amount in CWIP for a period of				Total
	Less than 1year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6,087	3,040	2,302	1,030	**12,459**
Projects temporarily suspended	-	-	-	-	-

Projects has been grouped into various heads basis nature of the projects.

For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as below:

₹ in crores

Particulars	To be completed in			
	Less than 1year	1-2 years	2-3 years	More than 3 years
Expansion Projects				
- 5 to 10 MTPA at Dolvi Works	1,368	-	-	-
- Blast furnance III Upgradation at Vijaynagar Works	-		737	
- 13 MTPA expansion at Vijaynagar Works	708	-	-	-
- Others	827	-	97	-
Cost Reduction Projects				
- Coke Oven 5 & Pellet Plant 3	1,507	1,507	-	-
- 175 MW & 60 MW Power Plant	797	-	-	-
- Others	908	-	-	-
Total	**6,115**	**1,507**	**834**	**-**

As at 31 March, 2021

₹ in crores

Particulars	Amount in CWIP for a period of				Total
	Less than 1year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8,201	13,693	5,943	1,077	**28,914**
Projects temporarily suspended	-	-	-	-	-

₹ in crores

Particulars	To be completed in			
	Less than 1year	1-2 years	2-3 years	More than 3 years
Expansion Projects				
- 5 to 10 MTPA at Dolvi Works	13,954	-	-	-
- Cold Rolling Mill 1 expansion	1,746	-	-	-
- Blast furnance III upgradation at Vijaynagar Works	-	-	727	-
- 13 MTPA expansion at Vijaynagar Works	-	-	1,304	-
- Others	178	-	-	-
Cost Reduction Projects				
- Coke Oven for 5 to 10 MTPA expansion	1,960	-	-	-
- Coke Oven 5 & Pellet Plant 3	-	3,881	-	-
- 175 MW & 60 MW Power Plant	703	-	-	-
- Others	303	224	-	-
Total	**18,844**	**4,105**	**2,031**	**-**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

6. Right-of-use assets and Lease liability

₹ in crores

Particulars	Land	Buildings	Plant and equipment	Total
At 1 April, 2020	**433**	**105**	**3,564**	**4,102**
Additions	-	-	629	629
Depreciation expense	4	17	549	570
At 31 March, 2021	**429**	**88**	**3,644**	**4,161**
Additions	-	-	371	371
Deductions	-	-	-	-
Depreciation expense	4	5	618	627
At 31 March, 2022	**425**	**83**	**3,397**	**3,905**

Leasehold land aggregating to ₹ 85 crores wherein the lease deed has expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.

Lease Liabilities

Particulars	₹ in crores
At 1 April, 2020	**3,489**
Additions	625
Interest accrued	351
Lease principal payments	(776)
Lease interest payments	(351)
At 31 March, 2021	**3,338**
Additions	361
Interest accrued	336
Lease principal payments	(948)
Lease interest payments	(336)
At 31 March, 2022	**2,751**

Breakup of lease liabilities:

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current	984	925
Non-current	1,767	2,413
Total lease liabilities	**2,751**	**3,338**

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March, 2022 on an undiscounted basis:

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Less than 1 year	1,315	1,240
1-5 years	1,429	2,138
More than 5 years	1,075	1,177
	3,819	**4,555**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company has lease contracts for machinery that contains variable payments amounting to ₹ 1,088 crores (₹ 452 crores in 31 March, 2021) shown under cost of material consumed/ other expenses.

The Company has recognised ₹ 15 crores as rent expenses during the year which pertains to short term lease/ low value asset which was not recognised as part of right of use asset.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

7. Intangible assets

₹ in crores

Particulars	Computer software	License fees	Mining Assets	Total
Cost/deemed Cost				
At 31 March, 2020	154	26	277	457
Additions (refer note i)	26	-	1,413	1,439
At 31 March, 2021	**180**	**26**	**1,690**	**1,896**
Additions (refer note i)	22	-	391	413
At 31 March, 2022	**202**	**26**	**2,081**	**2,309**
Accumulated amortisation				
At 31 March, 2020	**88**	**24**	**22**	**134**
Amortisation	26	1	121	148
At 31 March, 2021	**114**	**25**	**143**	**282**
Amortisation	23	-	125	148
At 31 March, 2022	**137**	**25**	**268**	**430**
Net book value				
At 31 March, 2022	**65**	**1**	**1,813**	**1,879**
At 31 March, 2021	66	1	1,547	1,614

Note:

(i) The Company acquired mining blocks vis: -Nuagaon, Narayanposhi, Jajang and Ganua in the Auctions held by the Government of Odisha in February 2020. The Company has signed the Mine Development and Production agreement(s) for all the four blocks and executed the lease deed(s) with Government of Odisha after complying with all regulatory aspects. Acquisition cost incurred for these mines such as stamp duty, registration fees and other such costs amounting to ₹ 817 crores have been capitalised as Intangible Assets. The Company had started mining operations at all the above said blocks since 1 July, 2020. The Company has also recognised restoration liability and capitalised ₹ 443 crores during the previous year. During the current year, the Company reestimated the restoration liability through a mining expert and accordingly recognised an additional assest and corresponding liability of ₹ 387 crores.

(ii) Intangible assets under development include expenditure incurred on development of mining rights and other related costs for mines which are yet to be made operational.

Intangible assets under development ageing schedule is as below:

At 31 March, 2022

₹ in crores

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1year	1-2 years	2-3 years	More than 3 years	
Projects in progress	28	5	16	91	**140**
Projects temporarily suspended	-	-	-	-	-

Projects has been grouped into various heads basis nature of the projects.

For Intangibles under development, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as below:

₹ in crores

Particulars	To be completed in				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
Mining Assets	118	-	-	-	118

At 31 March, 2021

₹ in crores

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1year	1-2 years	2-3 years	More than 3 years	
Projects in progress	16	5	16	91	128
Projects temporarily suspended	-	-	-	-	-

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

For Intangibles under development, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as below:

₹ in crores

Particulars	To be completed in				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
Mining Assets	112	-	-	-	112

8. Investments in subsidiaries, associates and joint ventures

Particulars	Paid up value	As at 31 March, 2022		As at 31 March, 2021	
		No. of shares	₹ in crores	No. of shares	₹ in crores
A Investment in equity instruments					
Unquoted					
Subsidiaries (at cost or deemed cost)					
Amba River Coke Limited (refer note a)	₹ 10 each	99,44,01,170	1,082	93,18,98,670	932
JSW Bengal Steel Limited	₹ 10 each	47,74,05,000	512	47,74,05,000	512
JSW Jharkhand Steel Limited	₹ 10 each	9,90,29,423	99	9,63,96,423	96
JSW Natural Resources Limited	USD 10 each	13,65,500	4	13,65,500	4
JSW Steel(Netherlands) B.V.	Euro 1 each	7,07,625	4	7,07,625	4
Periama Holdings, LLC	0.1% interest in members' capital	NA	&	NA	&
JSW Steel Coated Products Limited	₹ 10 each	80,00,50,000	2,064	80,00,50,000	2,064
Arima Holdings Limited (refer note 53)	USD 100 each	-	-	50,390	***
Erebus Limited (refer note 53)	USD 100 each	-	-	2,15,420	$$$
Nippon Ispat Singapore (Pte) Limited	SGD 1 each	7,84,502	-	7,84,502	-
Peddar Realty Private Limited	₹ 10 each	10,000	57	10,000	57
Lakeland Securities Limited (refer note 53)	USD 100 each	-	-	351	@@
JSW Global Trade Corp (Pte) Limited	USD 10 each	1,470	*	-	-
JSW Steel UK Limited	GBP 1 each	5,55,200	3	5,55,200	3
JSW Industrial Gases Private Limited	₹ 10 each	9,20,83,826	267	9,20,83,826	267
JSW Utkal Steel Limited	₹ 10 each	21,44,26,900	214	9,68,94,400	97
Acero Junction Holdings, Inc.	USD 0.001 each	100	536	100	536
JSW Steel Italy Piombino S.p.A. (Formerly known as Acciaierie e Ferriere di Piombino S.p.A.)	Euro 1 each	93,600	^^	93,600	^^
GSI Lucchini S.p.A	Euro 1 each	2,736	&&	2,736	&&
JSW One Platforms Limited (formerly known as JSW Retail Limited)	₹ 10 each	-	-	10,000	^
JSW Retail & Distribution Limited	₹ 10 each	10,000	**	-	-
Vardhman Industries Limited	₹ 10 each	45,00,000	5	45,00,000	5
JSW Vallabh Tinplate Private Limited	₹ 10 each	3,82,56,827	65	3,82,56,827	65
Piombino Steel Limited (refer note b & 50)	₹ 10 each	5,08,00,00,000	5,919	-	-
JSW Vijayanagar Metallics Limited	₹ 10 each	158,09,21,000	1,581	49,71,000	5
Neotrex Steel Private Limited	₹ 10 each	19,600	$	-	-
Joint ventures (at cost or deemed cost)					
Gourangdih Coal Limited	₹ 10 each	24,50,000	2	24,50,000	2
JSW MI Steel Service Centre Private Limited	₹ 10 each	13,06,15,385	150	6,65,00,000	67
JSW Severfield Structures Limited	₹ 10 each	19,79,37,940	198	19,79,37,940	198
Rohne Coal Company Private Limited	₹ 10 each	4,90,000	""	4,90,000	""
Creixent Special Steels Limited	₹ 10 each	48,00,000	25	48,00,000	25
JSW Ispat Special Products Limited (Formerly known as 'Monnet Ispat and Energy Limited')	₹ 10 each	399	&&&	399	&&&
Vijayanagar Minerals Private Limited	₹ 10 each	4,000	@	4,000	@
Piombino Steel Limited (refer note b & 50)	₹ 10 each	-	-	98,00,00,000	1,117
JSW One Platforms Limited (formerly known as JSW Retail Limited)	₹ 10 each	2,54,394	32	-	-

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Particulars		Paid up value	As at 31 March, 2022		As at 31 March, 2021	
			No. of shares	₹ in crores	No. of shares	₹ in crores
B	**Investment in limited liability partnership firm**					
	Unquoted subsidiary (at cost or deemed cost)					
	Inversiones Eurosh Limitada	5% Equity Interest in the capital	NA	^^^	NA	^^^
C	**Investments in debentures of subsidiary companies at cost (Unquoted)**					
	JSW Steel Coated Products Limited	0.1% compulsorily convertible debentures of ₹ 52 each	12,50,00,000	650	12,50,00,000	650
	Neotrex Steel Private Limited	Zero coupon compulsorily convertible debentures of ₹ 52 each	8,33,16,200	83	-	-
D	**Investment in share warrants of Joint Venture**					
	Piombino Steel Limited	Share warrants of ₹ 0.02 each exercisable within 5 years for 1 equity share against 1 warrant	3,50,00,00,000	7	3,50,00,00,000	7
	Total			**13,559**		**6,714**
	Less: Aggregate amount of provision for impairment in the value of investments			(37)		(38)
				13,522		**6,676**
	Unquoted					
	Aggregate carrying value			13,522		6,676

*** ₹ 0.25 Crore $$$ ₹ 0.27 Crore   @@ ₹ 0.22 Crore   "" ₹ 0.49 Crore   ^^^ ₹ 0.01 Crore   @ ₹ 40,000 & $1   @@@ ₹ 0.50 Crore   ^ ₹ 0.01 Crore
^^ ₹ 0.19 Crore   && ₹ 0.19 Crore $$ ₹ 0.01 Crore   &&& ₹ 3,990   * ₹ 0.11 crore   ** ₹ 0.01 crore $ ₹ 0.02 crore

Note:

a) NIL shares (as at 31 March, 2021 30,43,73,882 shares) are pledged to the Amba River & Coke Limited (ARCL)'s banker.

b) 98,00,00,000 shares (as at 31 March, 2021 98,00,00,000 shares) are pledged to the Piombino Steel Limited's banker.

9. Investments (non-current)

Particulars		Paid up value	As at 31 March, 2022		As at 31 March, 2021	
			No. of shares	₹ in crores	No. of shares	₹ in crores
A	**Investment in equity instruments**					
	Quoted-Others (at fair value through OCI)					
	JSW Energy Limited	₹ 10 each	8,53,63,090	2,580	8,53,63,090	750
	Others (at fair value through OCI)					
	JSW Paints Private Limited	₹ 10 each	16,216,215	554	-	-
	Toshiba JSW Power Systems Private Limited	₹ 10 each	1,10,00,000	-	1,10,00,000	-
	MJSJ Coal Limited	₹ 10 each	1,04,61,000	9	1,04,61,000	9
	SICOM Limited	₹ 10 each	6,00,000	5	6,00,000	5
	Kalyani Mukand Limited	₹ 1 each	4,80,000	$	4,80,000	$
	Ispat Profiles India Limited	₹ 1 each	15,00,000	$	15,00,000	$
		Terms		3,148		764
B	**Investments in preference shares and Debentures**					
	Unquoted- (at fair value through profit and loss)					
	Subsidiaries					
	JSW Steel(Netherlands) B.V.	5% redeemable, non-cumulative of Euro 1 each	3,99,00,250	217	3,99,00,250	217
	JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each	1,99,15,000	111	1,99,15,000	103
	JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each(Series 1)	50,00,000	43	50,00,000	39

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Particulars	Paid up value	As at 31 March, 2022		As at 31 March, 2021	
		No. of shares	₹ in crores	No. of shares	₹ in crores
JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each(Series 2)	53,00,000	33	53,00,000	30
JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each	2,14,000	**	2,14,000	**
JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each (Series 3)	8,68,000	3	8,68,000	2
JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each (Series 3)	41,50,747	8	-	-
Vardhman Industries Limited	10% p.a. Compulsorily convertible Debentures of ₹ 10 each	5,90,00,000	141	5,90,00,000	59
Joint ventures					
Rohne Coal Company Private Limited	1% non-cumulative of ₹ 10 each	2,36,42,580	-	2,36,42,580	-
Rohne Coal Company Private Limited	1% Series-A non-cumulative of ₹ 10 each	71,52,530	$$	71,52,530	$$
Rohne Coal Company Private Limited	1% Series-B non-cumulative of ₹ 10 each	19,94,686	2	19,94,686	2
Piombino Steel Limited (refer note 50)	6% optionally fully convertible, non-cumulative of ₹ 10 each for a term of 10 years	-	-	4,10,00,00,000	4,100
			558		**4,553**
C Investments in preference shares and debentures					
Unquoted- (at amortised cost)					
Joint ventures					
Creixent Special Steels Limited	0.01% redeemable, cumulative of ₹ 10 each	17,19,69,200	260	17,19,69,200	232
Creixent Special Steels Limited	0.01% redeemable, cumulative of ₹ 10 each	19,83,00,410	259	19,83,00,410	233
Crexient Special Steels Limited (refer note a)	0.01% redeemable, cumulative debentures of ₹ 10,00,000 each	1,863	282	-	-
JSW Ispat Special Products Limited (Formerly known as 'Monnet Ispat and Energy Limited')	0.01% compulsorily convertible, non-cumulative of ₹ 10 each	601	@	601	@
			800		**465**
D Investments in Government securities (unquoted- Others) (at amortised cost)					
National Savings Certificates			^^		^^
(Pledged with commercial tax department)					
Total (A+B+C+D)			**4,506**		**5,782**
Quoted					
Aggregate book value			2,580		750
Aggregate market value			2,580		750
Unquoted					
Aggregate carrying value			1,926		5,032
Investment at amortised cost			800		465
Investment at fair value through other comprehensive income			3,148		764
Investment at fair value through profit and loss			558		4,553

^^ ₹ 0.07 crore $ ₹ 1 @ ₹ 6,010 **₹ 0.49 crore $$ ₹ 0.05 crore

Notes

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a. The Company has purchased non-convertible debentures amounting to ₹ 269 crores issued by Crexient Special Steels Limited ('CSSL') from open market hence not disclosed as part of related party transactions.

10. Loans (Unsecured)

₹ in crores

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non-current	Current	Non-current	Current
Loans				
to related parties*	8,370	265	6,478	602
to other body corporate	9	-	9	-
Less : Allowance for doubtful loans (Considered doubtful)	(2,616)	-	(1,615)	-
Total	**5,763**	**265**	**4,872**	**602**
Note :				
Considered good	5,763	265	4,872	602
Loans which have significant increase in Credit Risk	-	-	-	-
Loans which are credit impaired	-	-	-	-
Loans and advances to other body corporate	9	-	9	-
Loans and advances to related parties	2,607	-	1,606	-

*Loans are given for business purpose. Refer note 44 for terms of Loans

The Company has no loans and advances which are either repayable on demand or are without specifying any terms or period of repayment.

Movement in Allowance for doubtful loans

	₹ in crores
As at 01 April, 2020	**1,021**
Provision made during the year (refer note 57)	330
Provision transferred from guarantee towards incremental loan (refer note a)	264
As at 31 March, 2021	**1,615**
Provision made during the year (refer note 57)	724
Provision transferred from guarantee towards incremental loan (refer note a)	280
Reclassifed to other financial assets	(3)
As at 31 March, 2022	**2,616**

Note:

(a) The Company had recognised financial guarantee obligation in the earlier years towards lenders of a subsidiary, against which incremental loans have been advanced to the subsidiary during the current year. Consequently, the financial guarantee obligation has been released and basis of the recoverability of the said loans provision for doubtful allowances has been recognised, resulting in NIL impact in Statement of profit & loss.

Notes

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Details of loans and advances in the nature of loans to related parties:

₹ in crores

Name of Company	As at 31 March, 2022		As at 31 March, 2021	
	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year	Amount outstanding
JSW Steel (Netherlands) B.V.	1,631	1,630	1,128	1,073
JSW Natural Resources Limited	147	147	146	142
Inversiones Eurosh Limitada	809	809	807	807
Periama Holdings, LLC	2,390	2,199	6,939	1,796
JSW Steel UK Limited	18	18	16	16
Acero Junction Holdings, Inc.	3,142	2,973	2,291	2,256
JSW Steel Italy Piombino S.p.A. (Formerly known as Acciaierie e Ferriere di Piombino S.p.A.)	90	85	92	88
Arima Holding Limited (refer note 53)	-	-	#	#
Lakeland Securities Limited (refer note 53)	-	-	#	#
Erebus Limited (refer note 53)	-	-	#	#
JSW Ispat Special Products Limited (Formerly known as 'Monnet Ispat and Energy Limited')	215	215	215	215
JSW Global Business Solutions Limited	10	-	13	10
JSW Steel Coated Products Limited	500	81	900	500
Creixent Special Steels Limited	4	4	3	3
JSW Realty & Infrastructure Private Limited	87	87	60	31
Bhushan Power & Steel Limited (Erstwhile Makler Private Limited merged with Bhushan Power & Steel Limited)	134	134	134	134
JSW Steel USA Inc	3	3	3	3
Piombino Steel Limited	56	56	-	-
Vallabh Tinplate Private Limited	105	105	-	-
Amba River & Coke Limited	156	89	-	-

represents amounts below ₹ 0.50 crore

11. Others financial assets (Unsecured)

₹ in crores

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non-current	Current	Non-current	Current
Security deposits	671	160	510	131
Export benefits and entitlements	1	152	1	140
Advance towards equity share capital / preference shares	1	-	4	-
Bank balances with maturity more than 12 months (Margin money)	107	-	-	-
Government grant income receivable	2,342	600	1,489	1,021
Interest receivable on				
- from related parties	169	347	238	761
- Others	-	-	-	8
Indirect tax balances refund due	-	22	-	22
Others	246	85	239	45
Less: Allowance for doubtful receivables	(3)	(215)	-	(649)
Total	**3,534**	**1,151**	**2,481**	**1,479**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Movement in Allowance for doubtful receivables

	₹ in crores
At 1 April, 2020	**590**
Additional provision for Interest receivable from related party (refer note 57)	60
Provision written back	(1)
At 31 March, 2021	**649**
Provision written back (refer note 36c)	(434)
Reclassed from loans	3
At 31 March, 2022	**218**

12. Other assets

₹ in crores

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non-current	Current	Non-current	Current
Capital advances	796	-	598	-
Less : Allowance for doubtful advances	(2)	-	(7)	-
Other Advances				
Advance to suppliers	259	1,310	271	937
Export benefits and entitlements	56	16	56	127
Security deposits	34	74	35	25
Indirect tax balances/recoverable/credits (refer note a)	2,516	1,254	1,649	509
Prepayments and others	72	326	62	182
Less : Allowance for doubtful advances	(258)	(15)	(270)	(15)
Total	**3,473**	**2,965**	**2,394**	**1,765**
Other Assets constitute:				
Capital advances				
Considered good	794	-	591	-
Considered doubtful, provided	2	-	7	-
Others				
Considered good	2,679	2,965	1,803	1,765
Considered doubtful, provided	258	15	270	15
Advances to suppliers	248	-	260	-
Prepayment and others	7	15	7	15
Indirect tax balances/recoverable/credits	3	-	3	-

Note:

a. Maharashtra Electricity Regulation Commission (MERC) had approved levy of additional surcharge of ₹ 1.25/kWh w.e.f. 1 September, 2018 to all the consumers sourcing power from Captive power plants. Company had contested the demand and got a favorable judgement from Appellate tribunal for Electricity ('APTEL') in March 2019. MERC subsequently filed special leave petition ('SLP') in the Honourable Supreme Court against APTEL's decision. The Honourable Supreme Court has passed an order in favour of the Company on 10 December, 2021 confirming that the captive users are not liable to pay the additional surcharge leviable under Section 42(4) of the Electricity Act, 2003. Hence, the commission has proposed to adjust the amount paid under dispute towards 50% of the monthly transmission charges payable by the Company.

Accordingly, ₹ 72 crores has been classified as current and remaining ₹ 581 crores has been classified as non-current assets.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

13. Inventories

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Raw materials (at cost)	10,848	4,372
Work-in-progress (at cost)	578	539
Semi-finished/ finished goods (at cost or net realisable value)	7,185	4,112
Production consumables and stores and spares (at cost)	2,416	1,668
Others	1	1
Total	**21,028**	**10,692**

Value of inventories above is stated after write down to net realisable value of ₹123 crores (31 March, 2021 – ₹ 113 crores). These were recognised as an expense during the year and included in changes in inventories of finished goods, and semi finished, work-in-progress and stock-in-trade.

Inventories have been pledged as security against certain bank borrowings, details relating to which has been described in note 20 and note 25.

Details of Stock-in-transit

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Raw materials	5,228	968
Production consumables and stores and spares	240	131
Total	**5,468**	**1,099**

14. Trade receivables

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	6,136	3,318
Trade Receivables which have significant increase in Credit Risk	158	158
Less: Allowance for doubtful debts	(148)	(143)
Trade Receivables – credit impaired	70	49
Less: Allowance for doubtful debts	(70)	(49)
Total	**6,146**	**3,333**

Ageing as at 31 March, 2022:

₹ in crores

Particulars	Not yet due	Outstanding for following periods from due date of payment					
		Less than 6months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	5,171	918	25	11	6	5	6,136
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	4	3	4	5	22	38
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	158	158
Disputed trade receivables - credit impaired	-	-	-	1	21	10	32
Less: Allowance for doubtful debts	-	(4)	(3)	(5)	(26)	(180)	(218)
Total	**5,171**	**918**	**25**	**11**	**6**	**15**	**6,146**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Ageing as at 31 March, 2021:

₹ in crores

Particulars	Not yet due	Outstanding for following periods from due date of payment					
		Less than 6months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	2,729	544	9	13	15	8	3,318
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	#	14	-	22	36
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	158	158
Disputed trade receivables - credit impaired	-	#	#	5	-	7	13
Less: Allowance for doubtful debts	-	#	(1)	(19)	-	(172)	(192)
Total	**2,729**	**544**	**9**	**13**	**15**	**23**	**3,333**

represents less than ₹ 0.50 crore

The credit period on sales of goods ranges from 7 to 120 days with or without security.

Before accepting any new customer, the Company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

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

Trade receivables have been given as collateral towards borrowings details relating to which has been described in note 20 and note 25.

Credit risk management regarding trade receivables has been described in note 43.7.

Trade receivables from related parties' details has been described in note 44.

Trade receivables does not include any receivables from directors and officers of the company.

15. Cash and cash equivalents

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balances with Banks		
In current accounts	1,347	695
In term deposit Accounts with maturity less than 3 months at inception	6,248	10,425
Cheques in hand	74	1
Cash on hand	1	-
Total	**7,670**	**11,121**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

16. Bank balance other than cash and cash equivalents

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Earmarked balances in current accounts		
- in current accounts	48	35
Balances with Banks		
In term deposit accounts		
with maturity more than 3 months but less than 12 months at inception	7,027	467
with maturity more than 12 months at inception	-	32
In margin money	782	91
Total	**7,857**	**625**

Earmarked bank balances are restricted in use and it relates to unclaimed dividend and balances with banks held as margin money for security against the guarantees.

17. Derivative Assets

₹ in crores

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non-current	Current	Non-current	Current
Commodity contract	-	58	-	-
Forward contract	-	137	-	84
Interest rate swap	24	-	-	1
Currency option	-	208	110	1
Total	**24**	**403**	**110**	**86**

18. Equity share capital

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 31 March, 2022	As at 31 March, 2021
	Number of Shares		Amount (₹ in crores)	
Share Capital				
(a) Authorised :				
Equity shares of the par value of ₹ 1 each	60,150,000,000	60,150,000,000	6,015	6,015
(b) Issued and subscribed				
(i) Outstanding at the beginning of the year, fully paid-up	2,417,220,440	2,417,220,440	242	242
(ii) Less: Treasury shares held under ESOP Trust (refer note below)	(16,716,857)	(11,454,094)	(2)	(1)
(iii) Outstanding at the end of the year, fully paid-up	2,40,05,03,583	2,405,766,346	240	241
(c) Equity shares forfeited (amount originally paid-up)			61	61
Total			**301**	**302**

a) Note for Shares held Under ESOP Trust:

The Company has created an Employee Stock Ownership Plan (ESOP) for providing share-based payment to its employees.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its subsidiaries in India. For the purpose of the scheme, the Company purchases shares from the open market under ESOP trust. The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares.

For the details of shares reserved for issue under the Employee Stock Ownership Plan (ESOP) of the Company refer note 39.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Movement in treasury shares

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 31 March, 2022	As at 31 March, 2021
Shares of ₹ 1 each fully paid-up held under ESOP Trust	Number of Shares		Amount (₹ in crores)	
Equity shares as at 1 April	11,454,094	14,816,254	1	2
Changes during the year	52,62,763	(3,362,160)	1	@
Equity shares as at 31 March	1,67,16,857	11,454,094	2	1

@ ₹ (0.34) Crore

b) Rights, Preferences and Restrictions Attached to Equity Shares

The Company has a single class of equity shares having par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shareholders Holding More than 5% Share in the Company are Set Out Below

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	No of shares	% of shares	No of shares	% of shares
Equity shares				
JFE Steel International Europe BV	36,25,83,070	15.00%	362,583,070	15.00%
JSW Techno Projects Management Ltd	26,45,96,120	10.95%	26,44,54,220	10.94%
JSW Holdings Limited	18,14,02,230	7.50%	18,14,02,230	7.50%
Life Insurance Corporation of India	14,64,13,832	6.06%	11,60,57,427	4.80%
Vividh Finvest Private Limited	14,33,70,690	5.93%	14,33,70,690	5.93%

d) Promoters' shareholding

Promoter Name	As at 31 March, 2022		As at 31 March, 2021		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
JSW Techno Projects Management Limited	26,45,96,120	10.95%	26,44,54,220	10.94%	0.00%
JSW Holdings Limited	18,14,02,230	7.50%	18,14,02,230	7.50%	0.00%
Vividh Finvest Private Limited	14,33,70,690	5.93%	14,33,70,690	5.93%	0.00%
Sahyog Holdings Private Limited	11,20,67,860	4.64%	11,20,67,860	4.64%	0.00%
Siddeshwari Tradex Private Limited	8,45,50,760	3.50%	8,45,50,760	3.50%	0.00%
JSW Energy Limited	7,00,38,350	2.90%	7,00,38,350	2.90%	0.00%
Jtpm Metal Traders Private Limited	6,40,79,700	2.65%	4,20,79,700	1.74%	1.00%
Virtuous Tradecorp Private Limited	6,03,68,250	2.50%	6,03,68,250	2.50%	0.00%
Nalwa Sons Investments Ltd	4,54,86,370	1.88%	4,54,86,370	1.88%	0.00%
JSL Overseas Limited	2,10,26,090	0.87%	2,10,26,090	0.87%	0.00%
Karnataka State Industrial And Infrastructure Development	90,79,520	0.38%	90,79,520	0.38%	0.00%
Tarini Jindal Handa	49,93,890	0.21%	49,13,890	0.20%	0.00%
Tanvi Shete	49,63,630	0.21%	48,83,630	0.20%	0.00%
Beaufield Holdings Limited	42,27,970	0.17%	42,27,970	0.17%	0.00%
Mendeza Holdings Limited	42,18,090	0.17%	42,18,090	0.17%	0.00%
Nacho Investments Limited	42,07,380	0.17%	42,07,380	0.17%	0.00%
Estrela Investment Company Limited	41,60,070	0.17%	41,60,070	0.17%	0.00%
Parth Jindal	18,20,000	0.08%	18,20,000	0.08%	0.00%
Seema Jajodia	17,65,000	0.07%	17,50,000	0.07%	0.00%
Urmila Bhuwalka	2,90,000	0.01%	2,45,000	0.01%	0.00%
Saroj Bhartia	2,37,110	0.01%	-	0.00%	0.00%
Arti Jindal	2,27,550	0.01%	2,27,550	0.01%	0.00%
Nirmala Goel	1,71,900	0.01%	1,12,000	0.00%	0.00%

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Promoter Name	As at 31 March, 2022		As at 31 March, 2021		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Deepika Jindal	1,48,650	0.01%	1,48,650	0.01%	0.00%
Prithavi Raj Jindal	84,580	0.00%	84,580	0.00%	0.00%
Savitri Devi Jindal	75,300	0.00%	75,300	0.00%	0.00%
S K Jindal And Sons HUF	58,000	0.00%	58,000	0.00%	0.00%
Sminu Jindal	55,970	0.00%	55,970	0.00%	0.00%
Sarika Jhunjhnuwala	55,000	0.00%	10,000	0.00%	0.00%
Tripti Jindal	50,660	0.00%	50,660	0.00%	0.00%
P R Jindal HUF	45,550	0.00%	45,550	0.00%	0.00%
Sajjan Jindal	31,000	0.00%	1,000	0.00%	0.00%
Naveen Jindal	27,200	0.00%	27,200	0.00%	0.00%
Naveen Jindal HUF	27,790	0.00%	27,790	0.00%	0.00%
JSW Projects Limited	21,300	0.00%	1,000	0.00%	0.00%
Hexa Tradex Limited	13,620	0.00%	13,620	0.00%	0.00%
Aiyush Bhuwalka	10,000	0.00%	10,000	0.00%	0.00%
JSW Investments Private Limited	1,000	0.00%	1,000	0.00%	0.00%
Reynold Traders Private Limited	1,000	0.00%	1,000	0.00%	0.00%
Sangita Jindal	1,000	0.00%	1,000	0.00%	0.00%
South West Mining Limited	1,000	0.00%	-	0.00%	0.00%
Parth Jindal Family Trust	100	0.00%	100	0.00%	0.00%
Sajjan Jindal Family Trust	100	0.00%	100	0.00%	0.00%
Sajjan Jindal Lineage Trust	100	0.00%	100	0.00%	0.00%
Sangita Jindal Family Trust	100	0.00%	100	0.00%	0.00%
Tanvi Jindal Family Trust	100	0.00%	100	0.00%	0.00%
Tarini Jindal Family Trust	100	0.00%	100	0.00%	0.00%
Total	**1,08,80,57,750**	**45.01%**	**1,06,53,02,540**	**44.07%**	**0.94%**

e) Shares Alloted as Fully Paid-Up Pursuant to Contracts Without Payment Being Received in Cash During the Year of Five Years Immediately Preceding the Date of The Balance Sheet are as Under:

NIL

f) The Company has 3,00,00,00,000 authorised preference shares of ₹ 10 each amounting to ₹ 3,000 crores as on 31 March, 2022 (₹ 3,000 crores in 31 March, 2021).

19. Other equity

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
General reserve	10,006	9,969
Retained Earnings	40,245	25,678
Other Comprehensive Income:		
Equity instruments through other comprehensive income	2,344	533
Effective portion of cash flow hedges	(208)	(194)
Other Reserves		
Equity settled share based payment reserve	241	117
Capital reserve	4,359	4,359
Capital redemption reserve	774	774
Securities premium reserve	5,439	5,439
Total	**63,200**	**46,675**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

(i) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year.

Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit and loss to the General reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(ii) Retained Earnings

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

(iii) Equity Instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(iv) Effective portion of cash flow hedges

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit and loss only when the hedged transaction affects the profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

(v) Equity settled share based payment reserve

The Company offers ESOP, under which options to subscribe for the Company's share have been granted to certain employees and senior management of JSW Steel and its subsidiaries. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

(vi) Capital reserve

Reserve is primarily created on amalgamation as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(vii) Capital redemption reserve

Reserve is created for redemption of preference shares as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(viii) Securities Premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

20. Borrowings (at amortised cost)

₹ in crores

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non-current	Current	Non-current	Current
Bonds (unsecured)	14,403	3,790	10,291	-
Debentures (secured)	9,340	330	8,670	330
Debentures (unsecured)	-	-	-	1,000
Term loans				
Secured	5,953	1,882	9,837	2,716
Unsecured	11,088	1,434	9,421	2,550
Acceptance for Capital Projects more than 1 year				
Secured	-	585	576	66
Unsecured	2	601	596	345
Deferred government loans	623	2	373	3
	41,409	**8,624**	**39,764**	**7,010**
Unamortised upfront fees on borrowing	(230)	(86)	(213)	(91)
Fair value hedge adjustment (refer note 43.5)	(3)	-	-	-
	41,176	**8,538**	**39,551**	**6,919**
Less: Amount clubbed under short term borrowings (note 25)	-	(8,538)	-	(6,919)
Total	**41,176**	**-**	**39,551**	**-**

₹ in crores

As at 31 March, 2022		As at 31 March, 2021		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
A. Bonds/Debentures					
Bonds (Unsecured)					
3,790	-	-	-	5.05% Repayable on 05.04.2032	
3,790	-	-	-	3.95% Repayable on 05.04.2027	
3,033	-	2,941	-	5.375% Repayable on 04.04.2025	
3,790	-	3,675	-	5.95% Repayable on 18.04.2024	
-	3,790	3,675	-	5.25% Repayable on 13.04.2022	
14,403	**3,790**	**10,291**	**-**		
Debentures (Unsecured)					
1000	-	-	-	8.76% secureed NCD of ₹ 10,00,000 each redeemable in bullet payment on 03.05.2031	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).
1000	-	1000	-	8.90% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a. ₹ 250 crores on 23.01.2027 b. ₹ 250 crores on 23.01.2028 c. ₹ 250 crores on 23.01.2029 and d. ₹ 250 crores on 23.01.2030.	First pari passu charge on property, plant and equipments related to Cold Rolling Mill 1 and 2 complex located at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/ machinery procured out of proceeds of ECA/ECB/FCL), both present and future.
2000	-	2000	-	8.79% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a. ₹ 500 crores on 18.10.2026 b. ₹ 500 crores on 18.10.2027 c. ₹ 500 crores on 18.10.2028 and d. ₹ 500 crores on 18.10.2029.	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL), both present and future.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

₹ in crores

As at 31 March, 2022		As at 31 March, 2021		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
4000	-	4000	-	8.5% secureed NCD of ₹ 10,00,000 each redeemable in bullet payment on 12.10.2027, with provision of put/call option on 10.10.2025	First pari passu charge on property, plant and equipment of the following: - Salem Works, both present and future - secured value upto ₹ 1,000 crores - Cold Rolling Mill #1 & #2 complex situated at Vijayanagar Works, Karnataka both present and future - secured value upto ₹ 1,000 crores - Upto 3.8 MTPA upstream assets situated at Vijayanagar Works, Karnataka, both present and future - secured value upto ₹ 2,000 crores (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL)
340	330	670	330	10.34% secured NCDs of ₹ 10,00,000 each are redeemable in two tranches a. ₹ 330 crores on 18.01.2023 b. ₹ 340 crores on 18.01.2024	First pari passu charge on property, plant and equipments related to 2.8 MTPA capacity situated at Vijayanagar Works, Karnataka, (other than specifically carved out and excluding equipment/ machinery procured out of proceeds of ECA/ECB/ FCL) both present and future and a flat at Vasind, Maharashtra
1000	-	1000	-	10.02% secured NCDs of ₹ 10,00,000 each are redeemable in two tranches a. ₹ 500 crores on 20.05.2023 b. ₹ 500 crores on 19.07.2023	First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL) and a flat situated at Vasind, Maharashtra.
9,340	**330**	**8,670**	**330**		
Debentures (Unsecured)					
-	-	-	1,000	Bullet payment on 03.09.2021 with put/call option on 15.06.2021 - repaid in June 2021	
-	**-**	**-**	**1,000**		
B. Term Loans					
Rupee Term Loans From Banks (Secured)				**Weighted Average Interest cost as on 31 March, 2022 is 7.66%**	
500	-	-	-	16 quarterly installments of ₹ 12.5 crores each from 30.06.2025 - 31.03.2029 12 quarterly installments of ₹ 25 crores each from 30.06.2029 - 31.03.2032	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).
250	-	-	-	16 quarterly installments of ₹ 6.25 crores each from 30.06.2025 - 31.03.2029 12 quarterly installments of ₹ 12.5 crores each from 30.06.2029 - 31.03.2032	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).
1,000	-	-	-	23 quarterly installments of ₹ 41.67 crores each from 30.06.2024-31.12.2029 1 quarterly installments of ₹ 41.59 crores on 31.03.2030	First pari passu charge on property, plant and equipments related to Cold Rolling Mill 1 and 2 complex located at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/ machinery procured out of proceeds of ECA/ECB/FCL).

Notes

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₹ in crores

As at 31 March, 2022		As at 31 March, 2021		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
218	16	-	-	29 quarterly installments of ₹ 8.07 crores each from 31.12.2022-31.12.2029	First pari passu charge on the movable and immoavble properties of the Project assets (other than specifically carved out and excluding equipment/ machinery procured out of proceeds of ECA/ECB/FCL), both present and future. Project assets vis. i) Upgradation of existing steel making facilities by 1 MTPA, from 12 MTPA to 13 MTPA at Vijayanagar works, Karnataka; ii) Installation of Pellet plant with a production capacity of 6.5 MTPA, at Vijayanagar works, Karnataka; iii) Installation of Coke over plant with a capacity of 1.5 MTPA along with common infrastructure and allied facilities for 3 MTPA. , at Vijayanagar works, Karnataka;
250	-	-	-	16 quarterly installments of ₹ 15.63 crores each from 01.07.2025 - 01.04.2029	First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL), both present and future.
225	-	-	-	20 quarterly installments of ₹ 11.25 crores each from 31.03.2024-31.12.2028	First pari passu charge on property, plant and equipments related to new 5 MTPA Hot Strip Mill (HSM-2) situated at Vijayanagar Works, Karnataka.
-	-	2,961	156	12 quarterly installments of ₹ 38.96 crores each from 30.06.2021-31.03.2024 04 quarterly installments of ₹ 194.8 crores each from 30.06.2024-31.03.2025 08 quarterly installments of ₹ 233.77 crores each from 30.06.2025 - 31.03.2027 - repaid in Mar 2022	First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL), both present and future.
-	-	187	42	21 Quarterly installments of ₹ 10.41 Crore each from 30.06.2021 - 31.03.2026 and last installment of ₹ 10.57 crore on 30.06.2026 - repaid in Jun 2021	First pari passu charge on property, plant and equipments related to new 5 MTPA Hot Strip Mill (HSM-2) situated at Vijayanagar Works, Karnataka.
366	32	-	-	4 quarterly installments of ₹ 15.92 crores each from 30.11.2022-30.08.2023 12 quarterly installments of ₹ 27.86 crores each from 30.11.2023-30.08.2026	First pari passu charge on property, plant and equipments situated at Salem Works, Tamil Nadu.
268	86	354	86	16 equal quarterly installments of ₹ 21.43 Crore each from 30.06.2022 to 31.3.2026 and last installment of ₹ 11.06 Crore on 30.06.2026	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. First pari-passu charge on property, plant and equipments related to 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) situated at Dolvi Works, Maharashtra, both present and future.
375	75	225	25	4 quarterly installments of ₹ 18.75 crores each from 30.06.2022-31.03.2023 4 quarterly installments of ₹ 25 crores each from 30.06.2023-31.03.2024 4 quarterly installments of ₹ 31.25 crores each from 30.06.2024-31.03.2025 4 quarterly installments of ₹ 37.50 crores each from 30.06.2025-31.03.2026	First pari passu charge on property, plant and equipments (other than specifically carved out) related to new 5 MTPA Hot Strip Mill (HSM-2) situated at Vijayanagar Works, Karnataka.
225	94	319	75	1 quarterly installments of ₹ 18.75 crores on 30.06.2022 12 quarterly installments of ₹ 25 crores each from 30.09.2022-30.06.2025	First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL)

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

₹ in crores

As at 31 March, 2022		As at 31 March, 2021		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
200	100	300	100	12 quarterly installments of ₹ 25 crores each from 30.06.2022-31.03.2025	First pari passu charge on property, plant and equipments related to new 5 MTPA Hot Strip Mill (HSM-2) situated at Vijayanagar Works, Karnataka.
260	120	380	120	8 quarterly installments of ₹ 30 crores each from 30.06.2022 to 31.03.2024 4 quarterly installments of ₹ 35 crores each from 30.06.2024 to 31.03.2025	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. First charge on property plant and equipments situated at Salav works (erstwhile JSW Steel Salav Limited), Maharashtra.
200	100	300	100	12 quarterly installments of ₹ 25 crores each from 15.05.2022-15.02.2025	First pari passu charge on property, plant and equipments situated at Salem Works, Tamil Nadu.
358	256	614	192	9 quarterly instalments of ₹ 64 crores each from 30.06.2022 - 30.06.2024 1 quarterly instalment of ₹ 38.35 crores on 30.09.2024.	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).
125	100	225	94	9 quarterly installments of ₹ 25 crores each from 30.06.2022-30.06.2024	First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL)
375	375	750	250	8 quarterly instalments of ₹ 93.75 Crores each from 30.04.2022 - 31.01.2024	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).
419	169	588	149	1 quarterly instalments of ₹ 37.5 crores on 30.06.2022 4 quarterly instalments of ₹ 43.75 crores each from 30.09.2022 - 30.06.2023 2 quarterly instalments of ₹ 187.5 crores each from 30.09.2023 - 31.12.2023	First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL)
-	-	88	49	11 Quarterly instalments of ₹ 12.5 Crores each from 30.06.2021 - 31.12.2023 - repaid in Jan 2022	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).
-	-	150	100	LTMR+0.30% : 10 quarterly installments of ₹ 25 crores each from 01.06.2021-01.09.2023 - repaid in May 2021	First charge on 3.2 MTPA expansion property, plant and equipments situated at Vijayanagar Works Karnataka
-	-	699	463	1 quarterly instalment on 30.6.2021 of 113.65 crore 3 quarterly installments of ₹ 116.40 crores each from 30.09.2021-31.03.2022 4 quarterly installments of ₹ 174.60 crores each from 30.06.2022-31.03.2023 - repaid in Dec 2021	First pari passu charge on the mining rights/assets proposed to be acquired for the 4 iron ore blocks acquired in the State of Odisha.
-	-	950	350	2 Quarterly instalments of ₹ 50 Crore each from 30.06.2021 - 30.09.2021 4 Quarterly installments of ₹ 125 Crore each from 31.12.2021 - 30.09.2022 2 Quarterly installments of ₹ 350 Crore each from 31.12.2022- 31.03.2023 - repaid in Mar 2022	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).
-	263	262	163	2 quarterly instalments of ₹ 43.75 crores each from 30.06.2022 - 30.09.2022 2 quarterly instalments of ₹ 87.5 crores each from 31.12.2022 - 31.03.2023.	First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL)

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

₹ in crores

As at 31 March, 2022		As at 31 March, 2021		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
-	-	62	63	8 quarterly installments of ₹ 15.625 crores each from 30.06.2021-31.03.2023 - repaid in May 2021	First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL)
-	-	-	45	1 quarterly instalments of ₹ 45 crores on 30.06.2021 - repaid in Jun 2021	First charge on 3.2 MTPA expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka
5,614	**1,786**	**9,414**	**2,622**		
Foreign Currency Term Loans From Banks (Secured)				**Weighted Average Interest cost as on 31 March, 2022 is 4.46%**	
339	96	423	94	16 equal quarterly installments of ₹ 24.36 Crores each from 30.06.2022 to 31.03.2026. 1 installment of ₹ 46.42 Crores on 30.06.2026.	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. First pari-passu charge on property, plant and equipments related to 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) situated at Dolvi Works, Maharashtra.
339	**96**	**423**	**94**		
Total Term Loan-Secured					
5,953	**1,882**	**9,837**	**2,716**		
Rupee Term Loans From Banks (Unsecured)				**Weighted Average Interest cost as on 31 March, 2022 is 7.75%**	
300	-	300	-	3 quarterly instalments of ₹ 100 crores each from 28.06.2023 to 28.12.2023	
-	-	-	75	2 quarterly instalments of ₹ 25 crores each from 20.06.2021 to 20.09.2021 01 quarterly instalment of ₹ 25 crores on 20.11.2021 - repaid in Nov 2021	
-	-	-	750	1 instalment of ₹ 250 crores on 05.04.2021 and 1 installment of ₹ 500 crore on 05.09.2021 - repaid in Sep 2021	
300	**-**	**300**	**825**		
Foreign Currency Term Loans From Banks (Unsecured)				**Weighted Average Interest cost as on 31 March, 2022 is 2.87%**	
568	-	-	-	16 half yearly instalments of ₹ 35.5 crores each from 01.11.2023 to 01.05.2031	
256	34	290	34	17 equal semi-annual installment of ₹ 17.06 crores from 31.08.2022 to 31.08.2030	
191	27	199	25	16 equal semi-annual installment of ₹ 13.65 crores from 31.08.2022 to 28.02.2030	
148	22	170	21	16 equal semi-annual installment of ₹ 10.60 crores from 30.06.2022 to 31.12.2029	
341	52	342	46	15 equal semi-annual installment of ₹ 26.22 crores from 30.06.2022 to 30.06.2029	
140	22	151	22	14 equal semi-annual instalment of ₹ 5.82 crores from 25.06.2022 to 25.12.2028 and 1 installment of ₹ 4.09 crores on 25.06.2029 14 equal semi-annual installment of ₹ 5.23 crores from 25.06.2022 to 25.12.2028 and 1 installment of ₹ 3.46 crores on 25.06.2029	
276	51	301	50	13 equal semi-annual installment of ₹ 12.12 crores from 27.09.2022 to 27.09.2028 and 1 installment of ₹ 3.7 crore on 25.03.2029. 13 equal semi-annual installment of ₹ 12.32 crores from 27.09.2022 to 27.09.2028 and 1 installment of ₹ 6.06 crores on 25.03.2029.	

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

₹ in crores

As at 31 March, 2022		As at 31 March, 2021		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
205	37	209	37	12 equal semi-annual installment of ₹ 18.74 crores from 08.08.2022 to 07.02.2028 1 installment of ₹ 16.93 crores on 08.08.2028	
37	9	47	9	10 semi annual installments of ₹4.62 crores each from 31.07.2022 to 31.01.2027	
142	33	149	32	10 equal semi-annual installment of ₹ 16.51 crores from 25.06.2022 to 25.12.2026 and 1 installment of ₹ 9.62 crores on 25.06.2027	
683	-	-	-	Repayable on 15.02.2027	
985	-	-	-	2 equal annual installments of ₹ 328.46 crores 30.07.2024 to 30.07.2025 and 1 annual installment of ₹ 328.56 on 30.07.2026	
48	21	69	21	4 half yearly instalments of ₹ 3.42 crores each from 31.07.2022 to 31.01.2024. 5 half yearly instalments of ₹ 1.38 crores each from 30.04.2022 to 30.04.2024 8 semi annual installments of ₹ 1.99 crores from 25.09.2022 to 25.3.2026. 8 semi annual installments of ₹ 2.28 crores each from 25.09.2022 to 25.03.2026 each 9 semi annual installments of ₹ 1.60 crores each from 25.06.2022 to 25.06.2026.	
1,895	-	1,838	-	2 annual installments of ₹ 631.66 crores from 19.03.2024 to 19.03.2025 and 1 installment of ₹ 631.85 crores on 19.03.2026	
42	14	54	13	8 semi annual installments of ₹ 4.74 crores each from 23.07.2022 to 23.01.2026 8 semi annual installments of ₹2.22 crores each from 06.08.2022 to 07.02.2026	
896	-	875	-	1 installment of ₹ 278.01 crores on 28.12.2023 2 annual installments of ₹ 277.93 crores from 28.12.2024 to 28.12.2025 for USD Loans 1 installment of ₹ 20.75 crores on 22.01.2024 and 2 annual installments of ₹ 20.74 crores from 22.01.2025 to 22.01.2026 for JPY loans	
426	142	551	-	4 equal annual installment of ₹ 142.1 crores from 19.10.2022 to 19.10.2025	
711	237	919	-	4 equal annual installments of ₹ 236.9 crores from 16.07.2022 to 16.07.2025	
227	76	294	-	4 equal annual installments of ₹ 75.80 crores from 12.07.2022 to 12.07.2025	
758	-	-	-	2 equal annual installments of ₹ 379.03 crores from 29.04.2024 and 29.04.2025	
21	10	30	108	5 equal semi annual instalments of ₹3.47 crores each from 25.09.2022 to 25.09.2024 and 1 installment of ₹ 2.92 crores on 25.03.2025 6 equal semi annual instalments of ₹ 1.71 crores from 25.09.2022 till 25.03.2025	

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

₹ in crores

As at 31 March, 2022		As at 31 March, 2021		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
71	37	108	37	5 equal semi annual instalments of ₹ 5.65 crores each from 09.07.2022 to 09.07.2024 and 1 semi annual instalment of ₹ 4.98 crores on 09.01.2025 5 equal semi annual instalments of ₹ 13.08 crores each from 09.07.2022 to 09.07.2024 and 1 semi annual instalment of ₹ 9.48 crores on 09.01.2025	
796	398	1,158	386	3 annual installments of ₹ 397.99 crores from 12.10.2022 to 12.10.2024	
759	-	735	-	Repayable on 05.04.2024	
52	**93**	**141**	**90**		
-	-	-	-	3 equal semi annual instalments of ₹ 40.29 crores each from 29.04.2022 to 29.04.2023	
-	-	-	-	4 equal semi annual instalments of ₹ 6.13 crores each from 18.09.2022 to 18.03.2024.	
14	15	28	14	4 half yearly instalments of ₹ 7.26 crores each from 30.09.2022 to 31.03.2024	
15	14	28	14	4 half yearly instalments of ₹ 7.22 crores each from 30.08.2022 to 28.02.2024	
75	80	157	81	4 equal half yearly instalments of ₹ 16.09 crores each from 19.07.2022 to 19.01.2024. 3 half yearly instalments of ₹ 24.15 crores each from 19.07.2022 to 19.07.2023 and 1 half yearly instalment of ₹ 18.35 crores on 19.01.2024.	
10	10	21	10	4 equal semi annual installments of ₹ 5.06 crores each from 15.06.2022 to 15.12.2023.	
-	-	257	405	Repayable in three tranches a. ₹ 367.52. crores on 21.2.2022 - repaid in Feb 2022 b. ₹ 36.75 crores on 06.03.2022 - repaid in Feb 2022 c. ₹ 257.27 crores on 03.07.2022 - repaid in Feb 2022	
-	-	-	270	Repayable of ₹ 270 crores on 27.4.2021 - repaid in Apr 2021	
10,788	**1,434**	**9,121**	**1,725**		
Total Term Loan-Unsecured					
11,088	**1,434**	**9,421**	**2,550**		
C. Acceptance for Capital Projects more than 1 year					
Acceptance - Secured					
-	585	567	56	Repayment of 78 cases 2022-23 - ₹ 584.73 crores on various dates	First pari-passu charge on movable fixed assets of 1.5 MTPA Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
-	-	-	10	Repayment of 04 cases in 2021-22 - ₹ 10.45 crores on various dates. Repaid in FY 21-22	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out) .
-	-	9	-	Repayment of ₹ 9.45 crores on 01.08.2022. Repaid in FY 21-22	First pari-passu charge on movable fixed assets of 1.5 MTPA Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
-	**585**	**576**	**66**		

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

₹ in crores

As at 31 March, 2022		As at 31 March, 2021		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
Acceptance - Unsecured					
-	127	132	147	Repayment of 23 cases in 2022-23 - ₹ 126.76 crores on various dates	
2	474	464	198	Repayment of 120 cases in 2022-23 - ₹ 474.05 crores on various dates Repayment of 02 cases in 2023-24 - ₹ 2.28 crores on various dates	
2	**601**	**596**	**345**		
D. Deferred Payment Liabilities					
Deferred Government Loan (Unsecured)					
623	-	373	-	Interest free loan Payable after 14 years by 31.03.2032 - 31-03.2036.	
-	2	-	3	Interest free loan and payable in 42 varying monthly instalments starting from 12.04.2018 to 12.09.2022	
623	**2**	**373**	**3**		
E. Unamortised Upfront Fees on Borrowing					
(230)	(86)	(213)	(91)		
F. Fair value hedge adjustment					
(3)	-	-	-		
Total Amount					
41,176	**8,538**	**39,551**	**6,919**		

21. Other financial liabilities (Non-current, at amortised cost)

₹ in crores

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non -current	Current	Non -current	Current
Rent and other deposits	57	141	33	53
Retention money for capital projects	590	959	535	1,192
Deferred guarantee commission	50	-	137	
Allowance for financial guarantees	338	-	605	-
	1,035	**1,100**	**1,310**	**1,245**
Less: Amount clubbed under Other financial liabilities(note 28)	-	(1,100)	-	(1,245)
Total	**1,035**	**-**	**1,310**	**-**

Movements in allowances for financial guarantees

₹ in crores

Particulars	Amount
As at 1 April, 2020	**873**
Release of financial guarantees towards incremental loan (refer note 10)	(264)
Exchange fluctuations	(4)
As at 31 March, 2021	**605**
Release of financial guarantees towards incremental loan (refer note 10)	(280)
Exchange fluctuations	13
As at 31 March, 2022	**338**

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

22. Provisions

₹ in crores

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non -current	Current	Non -current	Current
Provision for employee benefits				
Provision for compensated absences (refer note 41)	176	49	139	36
Provision for gratuity (refer note 41)	266	41	167	38
Provision for long service award (refer note 41)	10	2	13	2
Provision for Covid Assistance	8	3	-	-
Other provisions				
Restoration liabilities (refer note a)	832	49	434	41
Provision for onerous contracts (refer note b)	-	83	-	126
Total	**1,292**	**227**	**753**	**243**

Note:

a) Movement of restoration liabilities provision during the year

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening Balance	475	18
Additions during the year (refer note 7)	387	455
Unwinding of discount and changes in the discount rate	20	2
Closing Balance	**882**	**475**

Site restoration expenditure is incurred on an ongoing basis until the closure of the site. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

b) Movement of onerous contract provision during the year

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening Balance	126	-
Additions during the year	82	126
Utilisation/ reversal of provision during the year	(126)	-
Closing Balance	**82**	**126**

23. Income tax

Indian companies are subject to Indian income tax on a standalone basis. For each fiscal year, the entity profit and loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Statutory income tax is charged at 30% plus a surcharge and education cess.

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2021-22 is charged at 15% plus a surcharge and education cess. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

A. Income tax expense

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Current tax :		
Current tax (MAT) (including earlier years reversal/ adjustments)	4,411	2,162
	4,411	**2,162**
Deferred tax :		
Deferred tax	1,457	244
MAT credit utilisation	2,103	1,488
(Restoration)/reversal of MAT credit entitlement relating to earlier years on finalisation of income tax returns	10	172
Deferred tax provision/(reversal) for earlier years on finalisation of income tax returns	32	(263)
Total deferred tax	**3,602**	**1,641**
Total tax expense	**8,013**	**3,803**

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Profit before tax	24,715	12,196
Enacted tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	8,635	4,261
Tax holiday and depreciation allowances	(631)	(481)
Income exempt from taxation/taxable separately	(154)	(5)
Expenses not deductible in determining taxable profit	86	194
Tax provision/(reversal) for earlier years on finalisation of income tax returns	47	(137)
Others	30	(29)
Tax expense for the year	**8,013**	**3,803**
Effective income tax rate	**32.42%**	**31.18%**

Wherever the Company has a present obligation and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation, such amounts have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 45).

B. Deferred tax liabilities (net)

Significant components of deferred tax assets/(liabilities) recognised in the financial statements are as follows:

₹ in crores

Deferred tax balance in relation to	As at 31-Mar-21	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31-Mar-22
Property, plant and equipment	(8,553)	(1,284)	-	(9,837)
Cash flow hedges	106	-	8	114
Provisions for employee benefit / loans and advances and guarantees	1,465	373	26	1,864
Lease liabilities	1,167	(206)	-	961
Fair value of financial instruments	1	(130)	(272)	(401)
Others	183	(243)	-	(60)
MAT credit entitlement	2,536	(2,112)	-	424
Total	**(3,095)**	**(3,602)**	**(238)**	**(6,935)**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

₹ in crores

Deferred tax balance in relation to	As at 31-Mar-20	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31-Mar-21
Property, plant and equipment	(8,210)	(343)	-	(8,553)
Cash flow hedges	235	-	(129)	106
Provisions for employee benefit / loans and advances and guarantees	1,146	329	(10)	1,465
Lease liabilities	1,219	(52)	-	1,167
Others	99	85	-	184
MAT credit entitlement	4,196	(1,660)	-	2,536
Total	**(1,315)**	**(1,641)**	**(139)**	**(3,095)**

Deferred tax asset on long term capital losses of ₹ 2,025 crores expiring in fiscal year 2024-25 has not been recognised in the absence of probable future taxable capital gains.

Deferred tax asset on short term capital losses of ₹ 654 crores expiring in fiscal year 2024-25 has not been recognised in the absence of probable future taxable capital gains.

24. Other liabilities (Non-current)

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Advances from customer	1,022	2,033
Others	1	3
Total	**1,023**	**2,036**

Advance from customer pertains to amount outstanding relating to a five year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. for supply of Steel Products. In March 2018, Duferco S.A had provided an interest bearing advance amount of US $ 700 million under this agreement. The advance and interest will be adjusted by export of steel products to Duferco S.A . Current portion of ₹ 1,010 crores (31 March, 2021 ₹ 1,010 crores) has been included in note 29.

25. Borrowings (current, at amortised cost)

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Working capital loans from banks (secured)		
Rupee loan	541	785
Rupee loans from banks (unsecured)	-	500
Acceptances relating to capital projects		
- Secured	-	1,277
- Unsecured	180	2,592
Current maturities of long term borrowings (refer note 20)	8,538	6,919
Total	**9,259**	**12,073**

Borrowing have been drawn at following rate of interest

Particulars	Rates of interest
Rupee term loan from banks	6.70% p.a. to 8.55% p.a.
Commercial Papers	3.60% p.a. to 3.80% p.a.

a. Working capital loans from banks of ₹ 541 crores (31 March, 2021 ₹ 785 crores) are secured by:

i) pari passu first charge by way of hypothecation of stocks of raw materials, finished goods, work-in-process, consumables (stores and spares) and book debts / receivables of the Company, both present and future.

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ii) pari passu second charge on movable properties and immovable properties forming part of the property, plant and equipment of the Company, both present and future except such properties as may be specifically excluded.

b. The quarterly returns/ statements read with subsequent revisions filed by the Company with the banks are in agreement with the books of accounts.

26. Trade payables

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Total outstanding, dues of micro and small enterprises	330	205

Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company):

₹ in crores

Description	As at 31 March, 2022	As at 31 March, 2021
Principal amount outstanding as at end of year (refer note i)	499	243
Principal amount overdue more than 45 days	12	18
Interest due and unpaid as at end of year	1	#
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	70	443
Interest due and payable for the period of delay	1	7
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

#less than ₹ 0.50 crore

i. It includes vendors classified as part of other financial liabilities in note 28 relating to payable for capital projects amounting to ₹ 169 crores in 31 March, 2022 (₹ 38 crores in 31 March, 2021).

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Total outstanding, dues of creditors other than micro and small enterprises		
Acceptances	14,137	7,137
Other than acceptances	9,861	4,808
Total	**23,998**	**11,945**

Ageing:

At 31 March, 2022

₹ in crores

Particulars	Unbilled Dues*	Not yet due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Acceptances	-	14,137	-	-	-	-	14,137
Other than acceptances:	-	-	-	-	-	-	-
MSME	114	199	17	-	-	-	330
Others	7,085	1,497	916	20	16	18	9,552
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	309	-	-	-	-	-	309

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

At 31 March, 2021

₹ in crores

Particulars	Unbilled Dues*	Not yet due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Acceptances	-	7,137	-	-	-	-	7,137
Other than acceptances:	-	-	-	-	-	-	-
MSME	45	135	24	-	-	1	205
Others	2,299	1,014	1,260	14	28	25	4,640
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	168	-	-	-	-	-	168

*includes liabilities towards stock in transit

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

Payables Other than acceptances are normally settled within 180 days.

Trade payables from related parties' details has been described in note 44.

27. Derivative Liabilities

₹ in crores

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non-current	Current	Non-current	Current
Forward Contract	-	102	-	60
Commodity Contract	-	-	-	1
Interest Rate Swap	7	3	57	28
Currency Option	-	-	-	7
Total	**7**	**105**	**57**	**96**

28. Other financial liabilities (Current, at amortised cost)

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current dues of other long-term liabilities (refer note 21)	1,100	1,245
Payables for capital projects	891	894
Interest accrued but not due on borrowings	823	721
Payables to employees	290	271
Unclaimed matured debentures and accrued interest thereon	*	*
Unclaimed dividends	45	32
Unclaimed amount of sale proceeds of fractional shares	3	3
Payable for mining premium and royalty	2,498	2,944
Payable to Welspun Corp Limited pursuant to business combination	-	811
Refund liabilities (refer note 30)	991	783
Others	52	58
Total	**6,693**	**7,762**

*less than 0.50 crore

29. Other current liabilities

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Advances from customers (refer note a)	1,887	2,072
Statutory liabilities	2,177	763
Export obligation deferred income (refer note b)	89	419
Total	**4,153**	**3,254**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Note:

a. Advance from customers includes ₹ 1,010 crores (31 March, 2021 ₹ 1,010 crores) relating to current portion of APSA. Refer note 24.

b. Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and accounted in revenue on fulfillment of export obligation.

30. Revenue from operations

₹ in crores

Particulars		For the year ended 31 March, 2022	For the year ended 31 March, 2021
Sale of products			
Domestic turnover		92,229	54,732
Export turnover		24,699	14,726
	A	**1,16,928**	**69,458**
Other operating revenues			
Government grant income			
Grant income recognised under PSI 2007 and PSI 2013 scheme (refer note a)		571	220
Deferred Income GST government		424	242
Export obligation deferred income amortisation		462	239
Export benefits and entitlements income		240	370
Unclaimed liabilities written back		86	62
Miscellaneous income*		109	136
	B	**1,892**	**1,269**
Total Revenue from operations	**A+B**	**1,18,820**	**70,727**

*includes income from scrap sales etc.

Note:

a. The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds historically. The Company currently recognises income for such government grants based on the State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST).

i) The Company is eligible for claiming incentives for investments made under the Industrial Policy of the Government of Maharashtra under PSI Scheme 2007 & PSI 2013 Scheme. The Company completed the Phase 1 expansion of 3.3 MTPA to 5 MTPA at Dolvi, Maharashtra in May 2016 and has also received the eligibility certificate for the same basis which it has started availing incentives under the PSI 2007 since then. Further, the Company completed the second phase of expansion from 5 MTPA to 10 MTPA at Dolvi Maharashtra during the financial year 2021-22. The Company is in the process of submitting required documents with the State Government for issuance of the Eligibility Certificate for the second phase and believes that all conditions with respect to the same are met by the Company and hence there are no uncertainties attached in recognising the grant income. Accordingly, the Company has recognised the cumulative grant income amounting to ₹ 571 crores for the year ended 31 March, 2022.

ii) The State Government of Maharashtra (GOM) vide its Government Resolution (GR) dated 20 December, 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Product-wise turnover

Particulars	For the year ended 31-Mar-22		For the year ended 31-Mar-21	
	Tonnes	₹ in crores	Tonnes	₹ in crores
MS slabs	1,61,652	1,047	75,020	238
Hot rolled coils/steel plates/sheets	94,34,927	62,272	9,044,252	38,601
Galvanised coils/sheets	6,48,194	5,540	493,366	2,741
Cold rolled coils/sheets	19,80,059	16,247	1,461,853	7,495
Steel billets & blooms	4,19,711	3,088	654,608	2,236
Long rolled products	38,75,032	22,167	3,148,095	13,935
Iron ores	1,18,67,227	3,894	4,672,224	2,188
Others	-	2,673	-	2,024
Total		**1,16,928**		**69,458**

Ind AS 115 Revenue from Contracts with Customers

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

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 40):

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Revenue from contracts with customer - Sale of products (including shipping services)	1,16,928	69,458
Other operating revenue	1,892	1,269
Total revenue from operations	**1,18,820**	**70,727**
India	94,121	56,001
Outside India	24,699	14,726
Total revenue from operations	**1,18,820**	**70,727**
Timing of revenue recognition		
At a point in time	1,18,820	70,727
Total revenue from operations	**1,18,820**	**70,727**

Contract Balances

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade Receivables (refer note 14)	6,146	3,333
Contract liabilities		
Advance from customers (refer note 24 and 29)	2,910	4,105

The credit period on sales of goods ranges from 7 to 120 days with or without security.

As at 31 March, 2022 ₹ 218 crores (previous ₹ 192 crores) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include long term and short term advances received for sale of goods. The outstanding balances of these accounts decreased in due to adjustment against receivable balances. Long term advances are detailed in note 24.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹ 2,072 crores (previous year ₹ 1,487 crores) and performance obligations satisfied in previous years ₹ NIL (previous year ₹ NIL).

Out of the total contract liabilities outstanding as on 31 March, 2022, ₹ 1,887 crores (previous ₹ 2,072 crores) will be recognised by 31 March, 2023 and remaining thereafter.

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Refund liabilities

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Arising from volume rebates and discount (included in Other Financial Liabilities- note 28)	991	783

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

31. Other income

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Interest Income earned on financial assets designated as amortised cost		
From related parties	634	231
Bank deposits	269	290
Other Interest income	23	67
Interest Income earned on financial assets that are designated as FVTPL	6	6
Gain on sale of current investments designated as FVTPL	11	6
Fair value gain arising from financial instruments designated as FVTPL (refer note a)	799	6
Unwinding of interest on financial assets carried at amortised cost	69	51
Guarantees/Standby letter of credit commission	101	3
Dividend income from non-current investments	17	9
Total	**1,929**	**669**

Note:

a. Includes ₹ 702 crores fair value gain on Optionally Fully Convertible Debentures of Piombino Steel Limited (refer note 50) and ₹ 82 crores on fair valuation of investment in compulsory convertible debentures of Vardhaman Industries Limited.

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

₹ in crores

Particulars		For the year ended 31 March, 2022	For the year ended 31 March, 2021
Opening stock :			
Semi finished /finished goods		4,112	3,365
Work-in-progress		539	414
	A	**4,651**	**3,779**
Closing stock :			
Semi finished /finished goods		7,185	4,112
Work-in-progress		578	539
	B	**7,763**	**4,651**
	A-B	**(3,112)**	**(872)**

33. Employee benefits expense

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Salaries and wages (net)	1,552	1,326
Contribution to provident and other funds (refer note 41)	105	92
Expenses on employees stock ownership plan	131	20
Staff welfare expenses	82	63
Total	**1,870**	**1,501**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

The Company in FY 2020 launched a one-time scheme ('Samruddhi') applicable only for certain permanent employees (Eligible Employee) of the Company. The Eligible Employee can purchase the Equity Shares from the open market by availing a loan provided by a bank / non-banking financial institution ("Lending Agency") identified by the Company to facilitate acquisition of Equity Shares by the Eligible Employees under the Plan. The plan provides that the Company shall service 75% of the total interest liability owed to the Lending Agency and the balance 25% will be borne by the Eligible Employee. The interest expense recognised in the financial statements during the year was ₹ 4 crores. (₹ 11 crores in 31 March, 2021). The scheme has been completed in September 2021.

34. Finance costs

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Interest:		
Bonds and Debentures	1,453	1,036
Others	1,424	1,978
Interest on lease liabilities	336	351
Unwinding of interest on financial liabilities carried at amortised cost	88	45
Exchange differences regarded as an adjustment to borrowing costs	378	7
Other borrowing costs	156	95
Interest on Income Tax	14	53
Total	**3,849**	**3,565**

35. Depreciation and amortisation expense

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Depreciation of property, plant and equipment	3,736	3,063
Amortisation of intangible assets	148	148
Depreciation of Right of use assets	627	570
Total	**4,511**	**3,781**

36. Other expenses

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Stores and spares consumed	3,428	2,606
Power and fuel	8,930	5,210
Rent	15	7
Repairs and maintenance		
Plant and machinery	1,200	979
Buildings	47	50
Others	21	12
Insurance	169	142
Rates and taxes	33	60
Carriage and freight	5,334	3,621
Jobwork and processing charges	712	545
Commission on sales	59	28
Net loss/ (gain) on foreign currency transactions and translation	391	(41)
Donations and contributions	#	-
CSR Expenditure (refer note b)	200	165
Fair value Loss arising from Financial instruments designated as FVTPL	6	19
Mining and development cost	551	251
Allowances for doubtful debts, loans and advances (net)	41	55
Loss on sale of property, plant and equipment (net)	61	30
Writeoff of interest receivables (refer note c)	432	-
Less :- Provision for impairment/loss allowances recognised in earlier years	(432)	-
Miscellaneous expenses	1,411	1,186
Total	**22,609**	**14,925**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Note :

a) Auditors remuneration (excluding tax) included in miscellaneous expenses:

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Statutory audit fees (including limited reviews)	8	7
Tax audit fees	#	#
Fees for capital market transactions and other certifications	3	3
Other services	#	#
Out of pocket expenses	#	#
Total	**12**	**10**

#represents amounts below ₹ 0.50 crore

b) Corporate Social Responsibility (CSR)

The Company has incurred an amount of ₹ 200 crores (31 March, 2021 ₹ 165 crores) towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses

₹ in crores

Particulars	For the year ended 31 March, 2022		For the year ended 31 March, 2021	
	In- Cash	Yet to be Paid in Cash	In- Cash	Yet to be Paid in Cash
(a) Gross amount required to be spent by the Company during the year	199		165	
(b) Amount spent on:				
(i) Construction / acquisition of assets	-	-	-	-
(ii) On purposes other than (i) above (for CSR projects)	158	42	67	98
(c) Details of related party transactions	Amount paid to JSW Foundation, a related party in relation to CSR expenditure (refer note 44)			
(d) Nature of CSR activities	1. COVID 19 Support & rehabilitation program 2. Educational infrastructure & systems strengthening 3. Enhance Skills & rural livelihoods through nurturing of supportive ecosystems & innovations 4. General community infrastructure support & welfare initiatives 5. Integrated water resources management 6. Nurture women entrepreneurship & employability 7. Nurturing aquatic & terrestrial ecosystems for better environment & reduced emissions 8. Promotion & preservation of art, culture & heritage 9. Public health infrastructure, capacity building & support programs 10. Sports promotion & institution building 11. Waste management & sanitation initiatives 12. Project Management Cost			

There was no amount unspent for the year ended 31 March, 2022. In respect of the unspent amount of ₹ 86 crores for FY 2021, the Company has spent an amount of ₹ 73 crores in the current financial year.

c) The Company had applied with Reserve Bank of India ("RBI") for waiver of outstanding interest on intercompany loan given to Periama Holding LLC (subsidiary) upto 31 December, 2020 aggregating to USD 224 million. Of this USD 57.22 mio (₹ 430 crores) was recognised and provided for in the books of account in earlier years and balance USD 166.78 mio was not recognised due to uncertainty involved in its collectability. RBI has provided its approval for waiver of the interest for the period upto 31 December, 2020 in November 2021 subject to fulfillment of certain conditions. The Company on fulfillment of the conditions has written off interest accrued of USD 57.22 mio (₹ 430 crores) and waived interest of USD 166.78 mio (₹1,234 crores) aggregating to USD 224 mio.

37. Research and development activities

Details of expenditure incurred in respect of research and development activities undertaken during the year is as follows

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Manufacturing and other expenditure	34	27
Depreciation expense	14	17
Capital expenditure (including capital work in progress)	5	10

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38. Earnings per share (EPS)

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Profit attributable to equity shareholders (₹ in crores) (A)	16,702	8,393
Weighted average number of equity shares for basic EPS (B)	**2,40,39,42,787**	**2,40,38,12,821**
Effect of dilution :		
Weighted average number of treasury shares held through ESOP trust	1,32,77,653	1,34,07,619
Weighted average number of equity shares adjusted for the effect of dilution (C)	**2,41,72,20,440**	**2,41,72,20,440**
Basic EPS (Amount in ₹) (A/B)	69.48	34.92
Diluted EPS (Amount in ₹) (A/C)	69.10	34.72

For details regarding treasury shares held through ESOP trust (refer note 18(a))

39. Employee share based payment plans

ESOP Scheme 2016

The Board of Directors of the Company at its meeting held on 29 January, 2016, formulated the JSWSL EMPLOYEES STOCK OWNERSHIP PLAN 2016 ("ESOP Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its' subsidiaries in India.

Three grants would be made under ESOP plan 2016 to eligible employees on the rolls of the Company as at 1 April, 2016, 1 April, 2017 and 1 April, 2018.

During the previous year the Company has made supplementary grants under the JSWSL Employee stock ownership Plan 2016 to its permanent employees who are on the rolls of the Company and its Indian subsidiaries as on 5 December, 2019 and the same was approved by the ESOP committee in its meeting held on 5 December, 2019.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 50% of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the fourth year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price is determined by the ESOP committee at a certain discount to the primary market price on the date of grant.

A total of 2,86,87,000 options are available for grant to the eligible employees of the Company and a total of 31,63,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

The outstanding position as at 31 March, 2022 is summarised below:

Particulars	ESOP 2016		
	1st Grant	2nd Grant	3rd Grant
Date of grant -original grant -supplementary grant	 17 May, 2016 5 December, 2019	 16 May, 2017 5 December, 2019	 14 May, 2018 5 December, 2019
Share Price on date of grant -original grant -supplementary grant	 129.56 259.80	 201.70 259.80	 329.05 259.80
Average fair value on date of grant -original grant -supplementary grant	 67.48 91.07	 104.04 92.55	 167.15 98.63
Outstanding as on 1 April, 2020	**51,76,445**	**42,83,313**	**29,13,919**
Transfer in	12,360	8,394	6,108
Transfer Out	29,100	23,247	16,284

Notes

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Particulars	ESOP 2016		
	1st Grant	2nd Grant	3rd Grant
Forfeited during the period	64,225	46,219	67,460
Lapsed during the period	-	-	-
Exercised during the period	22,00,900	6,61,064	9,303
Outstanding as on 31 March, 2021	**28,94,580**	**35,61,177**	**28,26,980**
Transfer in	-	-	-
Transfer Out	3,01,941	2,06,332	1,56,054
Forfeited during the period	-	-	-
Lapsed during the period	-	-	2,776
Exercised during the period	7,20,352	14,40,247	5,91,808
Outstanding as on 31 March, 2022			
- vested outstanding options	**18,72,287**	**19,14,598**	**20,76,342**
- unvested outstanding options	-	-	-
Vesting Period - Original	17 May, 2016 till 31 March, 2019 (for 50% of the grant) and 17 May, 2016 to 31 March, 2020 (for remaining 50% of the grant)	16 May, 2017 till 31 March, 2020 (for 50% of the grant) and 16 May, 2017 to 31 March, 2021 (for remaining 50% of the grant)	14 May, 2018/ 5 December, 2019 till 31 March, 2021 (for 50% of the grant) and 14 May, 2018/ 5 December, 2019 to 31 March, 2022 (for remaining 50% of the grant)
- Supplementary	5 December, 2019 to 6 December, 2020 for the subsequent grants	5 December, 2019 to 6th December 2020 for 50% of the options granted and upto 31 March, 2021 for remaining 50% of the options granted	
Exercise Period	4 years from vesting date	4 years from vesting date	4 years from vesting date
Weighted average remaining contract life – original grant - Supplementary grant	 18 months 33 months	 30 months 35 months	 42 months 42 months
Exercise price -Original grants -Supplementary grants	 103.65 207.84	 161.36 207.84	 263.24 207.84
Weighted average share price for shares exercised during the year	696.17	696.17	696.17
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:
Expected volatility	Volatility was calculated using standard deviation of daily change in stock price.	Volatility was calculated using standard deviation of daily change in stock price.	Volatility was calculated using standard deviation of daily change in stock price.
Original grants	The volatility used for valuation is 39.23 % for options with 3 year vesting and 39.62 % with 4 years vesting	The volatility used for valuation is 33.76 % for options with 3 year vesting and 37.43 % with 4 years vesting	The volatility used for valuation is 33.23 % for options with 3 year vesting and 33.28 % with 4 years vesting
Supplementary grants	The volatility used for valuation is 32.30 % for options with 1 year vesting	The volatility used for valuation is 32.30 % for options with 1 year vesting and 32.10% with 1.32 years vesting	The volatility used for valuation is 32.10 % for options with 1.32 year vesting and 32.21% with 2.32 years vesting
Expected option life	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Particulars	ESOP 2016		
	1st Grant	2nd Grant	3rd Grant
Expected dividends -Original grants -Supplementary grants	 ₹ 1.10 per share ₹ 4.10 per share	 ₹ 0.75 per share ₹ 4.10 per share	 ₹ 2.25 per share ₹ 4.10 per share
Risk-free interest rate	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option
Original grants	The rate used for calculation is 7.36% (for 3 years vesting) & 7.44% (for 4 years vesting)	The rate used for calculation is 6.87% (for 3 years vesting) & 6.96% (for 4 years vesting)	The rate used for calculation is 7.85% (for 3 years vesting) & 7.92% (for 4 years vesting)
Supplementary grants	The rate used for calculation is 5.67% (for 1 years vesting)	The rate used for calculation is 5.67% (for 1 years vesting) & 5.76% (for 1.32 years vesting)	The rate used for calculation is 5.76% (for 1.32 years vesting) & 6.02% (for 2.32 years vesting)
The method used and the assumptions made to incorporate the effects of expected early exercise	Black-Scholes Options pricing model	Black-Scholes Options pricing model	Black-Scholes Options pricing model
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield		
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition			

ESOP Plan 2021

The Board of Directors of the Company at its meeting held on 21 May, 2021, formulated the Shri OP Jindal Employees Stock Ownership Plan ("OPJ ESOP Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its' subsidiaries in India.

Three grants would be made under OPJ ESOP plan 2021 to eligible present and future employees on the rolls of the Company as at date of the grant.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 25% of the grant would vest at the end of the first year, 25% of the grant would vest at the end of the second year and 50% of the grant would vest at the end of the third year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price is determined by the ESOP committee at ₹ 1 per share.

A total of 47,00,000 options are available for grant to the eligible employees of the Company and a total of 3,00,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

Samruddhi Plan 2021

The Board of Directors of the Company at its meeting held on 21 May, 2021, formulated the Shri OP Jindal Samruddhi Plan ("OPJ Samruddhi Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

Samruddhi plan is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its' subsidiaries in India.

Single grants would be made under OPJ ESOP plan 2021 to eligible employees on the rolls of the Company as at date of the grant.

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The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 25% of the grant would vest at the end of the second year, 25% of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the forth year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price is determined by the ESOP committee at ₹ 1 per share.

A total of 67,00,000 options are available for grant to the eligible employees of the Company and a total of 13,00,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

The outstanding position as at 31 March, 2022 is summarised below:

Particulars	OPJ Samruddhi Plan 2021	OPJ ESOP Plan 2021
Date of grant	7 August, 2021	7 August, 2021
Share Price on date of grant	751	751
Average fair value on date of grant	716	723
Granted during the year	64,58,450	12,10,663
Transfer In	1,500	-
Transfer Out	1,10,500	55,670
Forfeited during the period	2,73,400	15,850
Outstanding as on 31 March, 2022	**60,76,050**	**11,39,143**
of above - vested outstanding options	6,250	3,300
of above - unvested outstanding options	60,69,800	11,35,843
Vesting Period	The vesting schedule is 25% at the end of 2nd year (first tranche), 25% at the end of 3rd year (second tranche) and the remaining 50% at the end of 4th year (third tranche) from the date of grant respectively.	The vesting schedule is 25% at the end of 1 year (first tranche), 25% at the end of 2nd year (second tranche) and the remaining 50% at the end of 3rd year (third tranche) from the date of grant respectively.
Exercise Period	4 years from the date of vesting.	4 years from the date of vesting.
Weighted average remaining contract life	4 years from the date of vesting.	4 years from the date of vesting.
Exercise price	Re.1	Re.1
Weighted average share price for shares exercised during the year	Not Applicable	Not Applicable
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:
Expected volatility	Volatility has been calculated using standard deviation of daily change in stock price for the expected life of the option for each tranche. The volatility used for vesting year 2nd Year -39.17% 3rd Year -37.47% 4th Year -36.72%	Volatility has been calculated using standard deviation of daily change in stock price for the expected life of the option for each tranche The volatility used for year wise 1st Year -41.99% 2nd Year -39.17% 3rd Year -37.47%
Expected option life	The expected option life is assumed to be mid-way between the option vesting and expiry. Accordingly, expected option life is calculated as Year to Vesting + (Exercise Period) / 2. Based on vesting and exercise schedule, expected option term for first tranche is 4 years, second tranche is 5 years, and third tranche is 6 years.	The expected option life is assumed to be mid-way between the option vesting and expiry. Accordingly, expected option life is calculated as Year to Vesting + (Exercise Period) / 2. Based on vesting and exercise schedule, expected option term for first tranche is 3 years, second tranche is 4 years, and third tranche is 5 years
Expected dividends	₹ 6.50 per share	
Risk-free interest rate	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	
The method used and the assumptions made to incorporate the effects of expected early exercise	Black-Scholes Options pricing model	

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How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	

40. Segment reporting

The Company is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker ('CODM') for assessment of Company's performance and resource allocation.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below

a) Revenue from operations

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Domestic	94,121	56,001
Export	24,699	14,726
Total	**1,18,820**	**70,727**

Revenue from operations have been allocated on the basis of location of customers.

b) Non-current assets

All non-current assets other than financial instruments of the Company are located in India.

c) Customer contributing more than 10% of Revenue

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
JSW Steel Coated Products Limited (net of GST and cess)	17,552	8,464

41. Employee benefits

a) Defined contribution plan

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

Company's contribution to provident fund & family pension scheme recognised in statement of profit and loss of ₹ 56 crores (31 March, 2021: ₹ 46 crores) (included in note 33).

b) Defined benefit plans

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

The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days' salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

The fund is managed by JSW Steel limited Employee Gratuity Trust and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.

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The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in Government securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March, 2022 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(i) Gratuity:

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
	Funded	Funded
a) Liability recognised in the balance sheet		
i) Present value of obligation		
Opening balance	**279**	**286**
Service cost	22	19
Interest cost	19	20
Actuarial loss on obligation	74	(27)
Benefits paid	(18)	(21)
Liability in	-	2
Liability transfer	-	#
Closing balance	**376**	**279**
Less:		
ii) Fair value of plan assets		
Opening balance	74	75
Interest Income	5	6
Actuarial (loss)/gain on plan assets	(1)	#
Employers' contribution	1	7
Benefits paid	(10)	(14)
Closing balance	**69**	**74**
Amount recognised in balance sheet(refer note 22)	**307**	**205**
b) Expenses recognised in statement of profit and loss		
Service cost	22	19
Interest cost	19	20
Expected return on plan assets	(5)	(6)
Component of defined benefit cost recognised in statement of profit and loss	**36**	**33**
Remeasurement of net defined benefit liability		
-Actuarial (gain)/loss on defined benefit obligation	74	(27)
-Return on plan assets (excluding interest income)	1	#
Component of defined benefit cost recognised in other comprehensive income	**75**	**(27)**
Transferred to preoperative expenses	-	(1)
Total	**111**	**5**

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₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
	Funded	Funded
c) Actual return on plan assets	**4**	**5**
d) Break up of plan assets:		
(i) ICICI Prudential Life Insurance Co. Limited (ICICI)		
Balanced fund	3	3
Debt fund	4	3
Short term debt fund	#	#
Group Short Term Debt Fund III	-	-
(ii) HDFC Standard Life Insurance Co. Limited (HDFC)		
Defensive managed fund	8	7
Secure managed fund	8	8
Stable managed fund	-	-
(iii) SBI Life Insurance Co. Limited – Cap assured fund (SBI)	31	37
(iv) LIC of India – Insurer managed fund (LIC)	14	16
(v) PNB Metlife	1	-
Total	**69**	**74**

represents amounts below ₹ 0.5 crores

During the year, entire unfunded liabilities have been funded.

e) Principal actuarial assumptions :

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
	Funded	Funded
Discount rate	6.98%	6.80%
Expected rate(s) of salary increase	8.80%	5.10%
Expected return on plan assets	6.98%	6.80%
Attrition rate	7.00%	3.70%
Mortality rate during employment	Indian assured lives mortality (2012-2014)	Indian assured lives mortality (2006-2008)

f) Experience adjustments:

₹ in crores

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Defined benefit obligation	376	279	286	243	196
Plan assets	69	74	75	77	65
Surplus / (deficit)	(307)	(205)	(211)	(166)	(131)
Experience adjustments on plan liabilities – Loss/(gain)	74	(27)	19	15	3
Experience adjustments on plan assets – Gain/(loss)	(1)	#	#	#	#

represents amounts below ₹ 0.50 crore

g) The Company expects to contribute ₹ 41 crores (previous year ₹ 38 crores) to its gratuity plan for the next year.

h) The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years (31 March, 2021: 8 years)

i) Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

j) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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k) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plan is as follows:

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Defined benefit obligation	376	279
Plan assets	69	74
-net liability/(asset) arising from defined benefit obligation	**307**	**205**

Sensitivity Analysis:

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

₹ in crores

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(22)	25	(18)	20
Future salary growth (1% movement)	24	(22)	20	(18)
Attrition rate (1% movement)	(3)	3	2	(3)

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

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Fund Allocation

Particulars	SBI	HDFC	ICICI	LIC	PNB
As on 31 March, 2022	45.09%	22.72%	10.25%	20.38%	1.55%
As on 31 March, 2021	50.22%	20.14%	8.69%	20.95%	-

Category of assets average percentage allocation fund wise as on 31 March, 2022

Particulars	SBI	HDFC	ICICI	LIC	PNB
Government securities	-	48.88%	37.85%	20%	40%
Debt	87.70%	35.51%	36.59%	Balance invested in approved investments as specified in schedule 1 of IRDA guidelines	26.20%
Equity	6.87%	10.97%	9.91%		29.90%
Others	5.43%	4.65%	15.65%		3.90%

Maturity analysis of projected benefit obligation

₹ in crores

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31 March, 2022				
Projected benefit payable	54	138	460	652
As at 31 March, 2021				
Projected benefit payable	40	91	363	494

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Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

ii) **Other long term benefits:**

a. **Compensated Absences**

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

b. **Long Service Award**

The Company has a policy to recognise the long service rendered by employees and celebrate their long association with the Company. This scheme is called - Long Association of Motivation, Harmony & Excitement(LAMHE). The award is paid at milestone service completion years of 10, 15, 20 and 25 years.

42. Financial Instruments

42.1 Capital risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Long term borrowings	41,176	39,551
Current maturities of long term debt	8,538	6,919
Short term borrowings	721	5,155
Less: Cash and cash equivalent	(7,670)	(11,121)
Less: Bank balances other than cash and cash equivalents	(7,857)	(625)
Net debt	**34,908**	**39,879**
Total equity	**63,501**	**46,977**
Gearing ratio	0.55	0.85

i. Equity includes all capital and reserves of the Company that are managed as capital.

ii. Debt is defined as long and short term borrowings (excluding derivatives and financial guarantee contracts), as described in notes 20 and 25.

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42.2 Categories of financial instruments

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

As at 31 March, 2022

₹ in crores

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relationship	Total carrying value	Total fair value
Financial assets						
Investments	800	3,148	558		4,506	4,519
Trade receivables	6,146	-	-		6,146	6,146
Cash and cash equivalents	7,670	-	-		7,670	7,670
Bank balances other than cash and cash equivalents	7,857	-	-		7,857	7,857
Loans	6,028	-	-		6,028	6,028
Derivative Assets	-	-	94	333	427	427
Other financial assets	4,684	-	-		4,684	4,684
Total	**33,185**	**3,148**	**652**	**333**	**37,318**	**37,331**
Financial liabilities						
Long term Borrowings #	49,714	-	-		49,714	49,639
Lease Liabilities	2,751				2,751	2,900
Short term Borrowings	721	-	-		721	721
Trade payables	24,328	-	-		24,328	24,328
Derivative liabilities	-	-	11	101	112	112
Other financial liabilities	7,728	-	-		7,728	7,728
Total	**85,242**	**-**	**11**	**101**	**85,354**	**85,428**

As at 31 March, 2021

₹ in crores

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relationship	Total carrying value	Total fair value
Financial assets						
Investments	465	764	4,553		5,782	5,793
Trade receivables	3,333	-	-		3,333	3,333
Cash and cash equivalents	11,121	-	-		11,121	11,121
Bank balances other than cash and cash equivalents	625	-	-		625	625
Loans	5,474	-	-		5,474	5,474
Derivative Assets	-	-	11	185	196	196
Other financial assets	3,960	-	-		3,960	3,960
Total	**24,978**	**764**	**4,564**	**185**	**30,491**	**30,502**
Financial liabilities						
Long term Borrowings #	46,470	-	-		46,470	46,610
Lease Liabilities	3,338				3,338	3,523
Short term Borrowings	5,154	-	-		5,154	5,154
Trade payables	12,150	-	-		12,150	12,150
Derivative liabilities	-	-	14	139	153	153
Other financial liabilities	9,072	-	-		9,072	9,072
Total	**76,184**	**-**	**14**	**139**	**76,337**	**76,662**

including current maturities of long term debt

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43. Fair value hierarchy of financial instruments

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

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

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021	Level	Valuation techniques and key inputs
Quoted investments in equity shares measured at FVTOCI	2,580	750	1	Quoted bid prices in an active market
Unquoted investments in equity shares measured at FVTOCI	9	9	3	Net Asset value of share arrived has been considered as fair value
Unquoted investments in equity shares measured at FVTOCI	5	5	3	Cost is approximate estimate of fair value
Unquoted investments in equity shares measured at FVTOCI	554	-	3	Discounted cash flow - Future cash flows are based on projections discounted at a rate that reflects market risks Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Non-current investments in unquoted compulsory convertible debentures measured at FVTPL	141	59	3	Discounted cash flow - Future cash flows are based on terms of debentures discounted at a rate that reflects market risks
Non-current investments in unquoted optionally fully convertible debentures measured at FVTPL	-	4,100	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Non-current investments in unquoted preference shares measured at FVTPL	417	394	3	Discounted cash flow - Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks
Derivative Assets	428	196	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Derivative Liabilities	111	153		

Sensitivity Analysis of Level 3:

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate of 8.85%	0.50%	0.50% Increase (decrease) in the discount would decrease (increase) the fair value by ₹ 5 crores (₹ 5 crores)
Investments in unquoted equity shares	DCF and CCM method	Discounting Rate of 25%	0.50%	0.50% Increase (decrease) in the discount would decrease (increase) the fair value by ₹ 4 crores (₹ 4 crores)
Investments in unquoted compulsory convertible debentures	DCF method	Discounting Rate of 10.00 %	0.50%	0.50% Increase (decrease) in the discount would decrease (increase) the fair value by ₹ 6 crores (₹ 6 crores)
Investments in unquoted equity shares	NAV method	Cost is approximate estimate of fair value	-	No sensitivity in the fair value of the investments.

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Reconciliation of Level 3 fair value measurement

₹ in crores

Particulars	Amount
Balance as at 1 April, 2020	**461**
Additions made during the period	2
Allowance for loss	(2)
Gain recognised in the statement of profit and loss	6
Balance as at 31 March, 2021	**467**
Additions made during the period	341
Allowance for loss	(33)
Gain recognised in the statement of profit and loss	351
Balance as at 31 March, 2022	**1,126**

Details of Financial assets/ liabilities measured at amortised cost but fair value disclosed in category wise

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021	Level	Valuation techniques and key inputs
Loans				Discounted cash flow on observable Future cash flows are based on terms of loans discounted at a rate that reflects market risks
Carrying value	6,028	5,474	2	
Fair value	6,028	5,474		
Investments				Discounted cash flow on observable Future cash flows are based on terms of investments discounted at a rate that reflects market risks
Carrying value	800	465	2	
Fair value	813	476		
Long Term Borrowings#				Discounted cash flow on observable Future cash flows are based on terms of borrowings discounted at a rate that reflects market risks
Carrying value	49,714	46,470	2	
Fair value	49,639	46,610		

includes current maturities of long term borrowings

There have been no transfers between Level 1 and Level 2 during the period.

The Asset and Liability position of various outstanding derivative financial instruments is given below:

₹ in crores

Particulars	Underlying	Nature of Risk being Hedged	31 March, 2022			31 March, 2021		
			Asset	Liability	Net Fair Value	Asset	Liability	Net Fair Value
Cash Flow Hedges								
Designated & Effective Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	10	(13)	(3)	30	(5)	25
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate Risk	24	(8)	16	1	(85)	(84)
Commodity Contract	Purchase of Natural gases	Price Risk	52	-	52	-	-	-
Options contract	Long-term Foreign currency borrowings	Exchange rate movement risk	161	-	161	110	-	110
Designated & Ineffective hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	62	(5)	57	22	(2)	20
Fair Value Hedges								
Forwards Currency Contracts	Trade payables & Acceptance	Exchange rate movement risk	24	(75)	(51)	14	(39)	(25)
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	-	-	-	8	(8)	-
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate Risk	-	(1)	(1)	-	-	-

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₹ in crores

Particulars	Underlying	Nature of Risk being Hedged	31 March, 2022			31 March, 2021		
			Asset	Liability	Net Fair Value	Asset	Liability	Net Fair Value
Non-Designated Hedges								
Forwards Currency Contracts	Trade payables & Acceptance	Exchange rate movement risk	-	(2)	(2)	-	(1)	(1)
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	-	-	-	-	(1)	(1)
Options Contract	Trade payables & Acceptance	Exchange rate movement risk	24	-	24	-	(6)	(6)
Options Contract	Long-term Foreign currency borrowings	Exchange rate movement risk	23	-	23	-	-	-
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	-	-	-	-	(1)	(1)
			380	**(104)**	**276**	**185**	**(148)**	**37**
Receivable/ payable from cancelled/ settled derivative contracts			48	(8)	40	11	(5)	6
Total			**428**	**(112)**	**316**	**196**	**(153)**	**43**

Details of non-derivative financial instruments designated as hedging instruments outstanding as at:

Cash Flow hedges	31 March, 2022		31 March, 2021	
	USD Mio	Fair Value ₹ in crores	USD Mio	Fair Value ₹ in crores
Long term borrowings	558	(317)	625	(221)
Acceptances	138	(53)	191	(25)
	696	**(370)**	**816**	**(246)**

Movement in cash flow hedge:

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening Balance	**300**	**668**
FX recongnised in other comprehensive Income	(20)	(271)
Hedge ineffectiveness recognised in P&L	24	54
Amount Reclassified to P&L during the year	17	(151)
Closing balance	**321**	**300**

43.1 Financial risk management

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk
- Equity price risk

43.2 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Company seeks to minimise the effects of these risks by using derivative and non-derivative financial instruments to hedge risk exposures. The use of financial derivatives and non-derivative financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk,

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interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

43.3 Foreign currency risk management

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

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency.

In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts, options and other non-derivative financial instruments like long-term foreign currency borrowings and acceptances. At any point in time, the Company hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months using derivative instruments. Forecasted sales beyond the period of 6 months are hedged using non-derivative financial instruments basis the tenure of the specific long term foreign currency borrowings. In respect of imports and other payables, the Company hedges its payables as when the exposure arises. Short term exposures are hedged progressively based on their maturity.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company continues to believe that there is no impact on effectiveness of its hedges.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting year are as follows:

Currency exposure as at 31 March, 2022

₹ in crores

Particulars	USD	EURO	INR	JPY	Other	Total
Financial assets						
Non-current investments	-	217	4,289	-	-	4,506
Loans	5,154	85	771	-	18	6,028
Trade receivables	343	1,041	4,762	-	-	6,146
Cash and cash equivalents	-	-	7,670	-	-	7,670
Bank balances other than cash and cash equivalents	-	-	7,857	-	-	7,857
Derivative assets	427	-	-	-	-	427
Other financial assets	63	9	4,613	-	-	4,685
Total financial assets	**5,987**	**1,352**	**29,962**	**-**	**18**	**37,319**
Financial liabilities						
Long term borrowings	24,385	616	15,842	333	-	41,176
Lease liabilities	-	-	2,751	-	-	2,751
Short term borrowings	6,266	243	2,666	84	-	9,259
Trade payables	18,801	53	5,436	38	-	24,328
Derivative liabilities	111	-	1	-	-	112
Other financial liabilities	935	287	6,439	53	14	7,728
Total financial liabilities	**50,498**	**1,199**	**33,135**	**508**	**14**	**85,354**

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Currency exposure as at 31 March, 2021

₹ in crores

Particulars	USD	EURO	INR	JPY	Other	Total
Financial assets						
Non-current investments	-	217	5,565	-	-	5,782
Loans	4,474	88	896	-	16	5,474
Trade receivables	632	199	2,502	-	-	3,333
Cash and cash equivalents	-	-	11,121	-	-	11,121
Bank balances other than cash and cash equivalents	-	-	625	-	-	625
Derivative assets	196	-	-	-	-	196
Other financial assets	263	-	3,697	-	-	3,960
Total financial assets	**5,565**	**504**	**24,406**	**-**	**16**	**30,491**
Financial liabilities						
Long term borrowings	19,613	835	18,693	410	-	39,551
Lease liabilities	-	-	3,338	-	-	3,338
Short term borrowings	3,908	1,790	6,249	127	-	12,074
Trade payables	7,665	66	4,402	13	4	12,150
Derivative liabilities	148	3	-	2	-	153
Other financial liabilities	1,047	551	7,358	87	28	9,071
Total financial liabilities	**32,381**	**3,245**	**40,040**	**639**	**32**	**76,337**

The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

₹ in crores

Particulars	Increase (strengthening of INR)		Decrease (weakening of INR)	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Receivable				
USD/INR	(67)	(57)	67	57
Payable				
USD/INR	272	227	(272)	(227)

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

As at	Nature	No. of Contracts	Type	US$ Equivalent (Millions)	INR Equivalent (crores)	MTM (₹ in crores)
31 March, 2022	Assets	36	Buy	611	4,628	24
		43	Sell	647	4,906	72
	Liabilities	88	Buy	1,255	9,515	(76)
		34	Sell	541	4,097	(18)
31 March, 2021	Assets	84	Buy	352	2,585	18
		54	Sell	461	3,390	52
	Liabilities	111	Buy	513	3,772	(46)
		16	Sell	201	1,480	(7)

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Currency options to hedge against fluctuations in changes in exchange rate:

As at	Nature	No. of Contracts	US$ equivalent(Million)	INR equivalent (Crores)	MTM of Option (₹ in crores)
31 March, 2022	Assets	63	1,354	10,264	208
	Liabilities	1	20	152	#
31 March, 2021	Assets	14	545	4,006	110
	Liabilities	16	307	2,257	(7)

represents less than ₹ 0.50 crore

Unhedged currency risk position:

I) **Amounts receivable in foreign currency**

	As at 31 March, 2022		As at 31 March, 2021	
	US$ equivalent (Millions)	INR Equivalent (crores)	US$ equivalent (Millions)	INR Equivalent (crores)
Trade receivables	183	1,384	113	831
Balances with banks	-	-	-	-
- in Fixed deposit account	-	-	-	-
- in Current account	-	-	-	-
Advances/Loans to subsidiaries	703	5,331	659	4,842

II) **Amounts payable in foreign currency**

	As at 31 March, 2022		As at 31 March, 2021	
	US$ equivalent (Millions)	INR Equivalent (crores)	US$ equivalent (Millions)	INR Equivalent (crores)
Loans payable	3,351	25,405	2,901	21,325
Trade payables and acceptances	148	1,124	95	702
Payable for capital projects	65	491	118	869
Interest accrued but not due on borrowings	61	461	33	239
Other provisions	45	338	82	603

43.4 Commodity price risk:

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company is subject to fluctuations in prices for the purchase of iron ore, coking coal, ferro alloys, zinc, scrap and other raw material inputs. The Company purchased primarily all of its iron ore and coal requirements at prevailing market rates during the year ended 31 March, 2022.

The Company aims to sell the products at prevailing market prices. Similarly, the Company procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

Commodity hedging is used primarily as a risk management tool to secure the future cash flows in case of volatility by entering into commodity forward contracts.

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Hedging commodity is based on its procurement schedule and price risk. Commodity hedging is undertaken as a risk offsetting exercise and, depending upon market conditions hedges, may extend beyond the financial year. The Company is presently hedging maximum up to 100% of its consumption.

The following table details the Company's sensitivity to a 5% movement in the input price of iron ore and coking coal. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5% and vice-versa.

₹ in crores

Commodity	Increase for the year ended		Decrease for the year ended	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Iron ore lumps/fines	1,043	601	(1,043)	(601)
Coal/Coke	1,450	701	(1,450)	(701)

The commodity forward contracts entered into by the Company and outstanding at the year-end are as under:

As at	Nature	No. of Contracts	Commodity Name	Quantity Natural Gases - BTMU	US$ Equivalent of notional value (Millions)	INR equivalent (Crores)	MTM of Commodity contract (₹ in crores)
31-Mar-22	Assets	7	Natural Gas	37,95,000	14	108	52
	Liabilities	-	-	-	-	-	-
31-Mar-21	Assets	-	-	-	-	-	-
	Liabilities	-	-	-	-	-	-

43.5 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The company hedges up to 20% of interest risk in US dollars. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Fixed rate borrowings	31,468	25,621
Floating rate borrowings	18,564	21,153
Total gross borrowings	**50,032**	**46,774**
Less: Upfront fees	(316)	(304)
Total borrowings (refer note 20)	**49,716**	**46,470**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March, 2022 would decrease / increase by ₹ 186 crores (for the year ended 31 March, 2021: decrease / increase by ₹ 212 crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings

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The following table details the nominal amounts and remaining terms of interest rate swap contracts outstanding at the year-end.

As at	Nature	No. of Contracts	US$ Equivalent of notional value (Millions)	MTM of IRS (₹ in crores)
31-Mar-22	Assets	7	110	24
	Liabilities	10	110	(8)
31-Mar-21	Assets	2	50	1
	Liabilities	22	335	(85)

The following table details the nominal amounts and remaining terms of interest rate swap contracts to hedge against fluctuations in fair value of borrowing outstanding at the year-end.

As at	Nature	No. of Contracts	Notional value (₹ in crores)	MTM of IRS (₹ in crores)
31-Mar-22	Assets	1	25	#
	Liabilities	6	575	(1)
31-Mar-21	Assets	-	-	-
	Liabilities	-	-	-

less than ₹ 0.50 crore

Interest rate benchmark reform

The company is exposed to LIBORs through various financial instrument including borrowings and derivatives. Existing LIBOR-referencing contracts that mature beyond their respective LIBOR cessation dates are generally expected to be transitioned to Alternative Reference Rates (ARRs). The company is closely monitoring the market and managing the transition to new benchmark interest rates.

Progress towards implementation of alternative benchmark interest rates:

As a part of the company's risk management policy for transition, the following measures have been initiated:

- New contracts/facilities are being linked to the relevant ARRs or other benchmarks like EURIBOR that are not expected to cease.
- The existing facilities/ contracts are a mix of fixed and floating rates denominated in USD, EUR and JPY.

1. The Company's USD floating rate exposure is primarily linked to USD 6 month LIBOR and these exposures are proposed to be transitioned to SOFR (the ARR recommended for USD exposures) for contracts/ facilities that mature beyond 30 June, 2023 (cessation date for the 6 month USD LIBOR).
2. The JPY facility was linked to JPY LIBOR and has already been transitioned to Tokyo Term Risk Free Rate (TORF), the term RFR applicable for JPY currency.
3. The EUR facilities are linked to EURIBOR, which is presently not expected to be phased out.

- Derivative contract: Interest rate swap linked to LIBOR 3 months' Derivative contract will be transition as per International Swaps and Derivatives Association ("ISDA") protocol.

The tables below show the company's exposure to significant IBORs subject to reform that have yet to transition to RFRs as at 31 March 2022.

Amount in Rs. crores

Interest Rate Benchmark	Carrying value as at 31 March 2022			
	Non-derivative financial assets	Non-derivative financial liabilities	Derivative financial assets	Derivative financial liabilities
USD LIBOR (6 Months)				
Loans given to subsidiary	6,076	-		-
External Commercial Borrowings / Loans	-	10,564		-
USD LIBOR (1 Months)				
Advance Payment and Supply Agreement	-	756		-
USD LIBOR (3 months)				
Interest Rate Swap	-	-	24	5

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43.6 Equity Price risk:

The Company is exposed to equity price risk arising from equity investments (other than subsidiairies and joint ventures, which are carried at cost).

Equity price sensitivity analysis:

The sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period.

If equity prices of the investments increase/ decrease by 5%, other comprehensive income for the year ended 31 March, 2022 would increase/ decrease by ₹ 157 crores (₹ 37 crores in 31 March, 2021).

43.7 Credit risk management:

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets, financial guarantees and derivative financial instruments.

Moreover, given the diverse nature of the Company's business trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer (other than the Group Companies) accounted for 10% or more of the trade receivables in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties. The assessment is carried out considering the segment of customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable. Basis this assessment, the allowance for doubtful trade receivables as at 31 March, 2022 is considered adequate.

Movements in allowances for bad and doubtful debts

₹ in crores

Particulars	Amount
As at 1 April, 2020	**153**
Additional Allowance	40
Reversal during the year	(1)
As at 31 March, 2021	**192**
Additional Allowance	25
As at 31 March, 2022	**217**

For current investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for Company's mutual fund and bond investments. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 37,317 crores as at 31 March, 2022 and ₹ 30,491 crores as at 31 March, 2021, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Company based on past experiences does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss ('ECL').

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/ contract assets. The solvency of the debtor and their ability to repay the receivable

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is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

43.8 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has acceptances in line with supplier's financing arrangements which might invoke liquidity risk as a result of liabilities being concentrated with few financial institutions instead of a diverse group of suppliers. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment Years and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting year. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Liquidity exposure as at 31 March, 2022

₹ in crores

Particulars	‹ 1 year	1-5 years	› 5 years	Total
Financial assets				
Non-current investments	-	129	4,377	4,506
Loans	265	5,676	87	6,028
Trade receivables	6,146	-	-	6,146
Cash and cash equivalents	7,670	-	-	7,670
Bank balances other than cash and cash equivalents	7,857	-	-	7,857
Derivative assets	404	24	-	428
Other financial assets	1,151	3,527	6	4,684
Total financial assets	**23,493**	**9,356**	**4,470**	**37,319**
Financial liabilities				
Long term borrowings	-	27,584	13,592	41,176
Lease liabilities	984	1,000	767	2,751
Short term borrowings	9,259	-	-	9,259
Trade payables	24,328	-	-	24,328
Derivative liabilities	105	7	-	112
Other financial liabilities	6,693	1,028	7	7,728
Total financial liabilities	**41,369**	**29,619**	**14,366**	**85,354**
Interest payout liability	1,710	6,471	2,504	10,685

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Liquidity exposure as at 31 March, 2021

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Non-current investments	-	94	5,688	5,782
Loans	602	4,870	2	5,474
Trade receivables	3,333	-	-	3,333
Cash and cash equivalents	11,121	-	-	11,121
Bank balances other than cash and cash equivalents	625	-	-	625
Derivative assets	86	110	-	196
Other financial assets	1,479	2,199	282	3,960
Total financial assets	**17,246**	**7,273**	**5,972**	**30,491**
Financial liabilities				
Long term borrowings	-	31,345	8,206	39,551
Lease liabilities	925	1,561	852	3,338
Short term borrowings	12,073	-	-	12,073
Trade payables	12,150	-	-	12,150
Derivative liabilities	96	57	-	153
Other financial liabilities	7,762	1,302	8	9,072
Total financial liabilities	33,006	34,265	9,066	76,337
Interest payout liability	**2,208**	**5,071**	**1,206**	**8,485**

The amount of guarantees/standby letter of credit given on behalf of subsidiaries included in Note 46 represents the maximum amount the Company could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting year, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

Collateral

The Company has pledged part of its trade receivables, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered. (Refer note 20 and 25).

44. Related party disclosures as per Ind AS 24:

A	Name of related parties
1	**Subsidiaries**
	JSW Steel (Netherlands) B.V.
	JSW Steel (UK) Limited
	JSW Steel (USA), Inc.
	Periama Holdings, LLC
	Purest Energy, LLC
	Meadow Creek Minerals, LLC
	Hutchinson Minerals, LLC
	R.C. Minerals, LLC (merged with Purest Energy, LLC with effect from 2 December, 2021)
	Keenan Minerals, LLC (merged with Purest Energy, LLC with effect from 2 December, 2021)
	Peace Leasing, LLC (merged with Purest Energy, LLC with effect from 2 December, 2021)
	Prime Coal, LLC (merged with Periama Holdings, LLC with effect from 2 December, 2021)
	Planck Holdings, LLC
	Rolling S Augering, LLC (merged with Planck Holdings, LLC with effect from 2 December, 2021)
	Periama Handling, LLC (merged with Planck Holdings, LLC with effect from 2 December, 2021)
	Lower Hutchinson Minerals, LLC
	Caretta Minerals, LLC
	JSW Panama Holdings Corporation
	Inversiones Eurosh Limitada
	Santa Fe Mining
	Santa Fe Puerto S.A.
	JSW Natural Resources Limited
	JSW Natural Resources Mozambique Limitada
	JSW ADMS Carvao Limitada

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A	Name of related parties
	Nippon Ispat Singapore (PTE) Limited
	Erebus Limited (liquidated with effect from 15 March, 2022)
	Arima Holdings Limited (liquidated with effect from 15 March, 2022)
	Lakeland Securities Limited (liquidated with effect from 15 March, 2022)
	JSW Bengal Steel Limited
	JSW Natural Resources India Limited
	JSW Energy (Bengal) Limited
	JSW Natural Resource Bengal Limited
	JSW Jharkhand Steel Limited
	Amba River Coke Limited
	JSW Steel Coated Products Limited
	Peddar Realty Private Limited
	JSW Industrial Gases Private Limited
	JSW Realty & Infrastructure Private Limited
	JSW Steel Italy S.r.l.
	JSW Utkal Steel Limited
	Hasaud Steel Limited
	Acero Junction Holdings, Inc.
	JSW Steel USA Ohio, Inc.
	JSW Steel Italy Piombino S.p.A.
	Piombino Logistics S.p.A.- A JSW Enterprise
	GSI Lucchini S.p.A.
	JSW One Platforms Limited (formerly known as JSW Retail Limited) (upto 31 January, 2022)
	Makler Private Limited (with effect from 6 June, 2019,upto 25 March, 2021)
	Piombino Steel Limited (with effect from 1 October, 2021)
	JSW Vijayanagar Metallics Limited
	Vardhman Industries Limited
	JSW Vallabh Tinplate Private Limited
	Asian Color Coated Ispat Limited (with effect from 27 October, 2020)
	JSW Retail and Distribution Limited (with effect from 15 March, 2021)
	West Waves Maritime & Allied Services Private Limited (with effect from 24 November, 2021, upto 30 November, 2021) (merged with Piombino Steel Limited with effect from 1 December, 2021)
	Bhushan Power & Steel Limited (with effect from 1 October, 2021)
	Neotrex Steel Private Limited (with effect from 1 October, 2021)
	JSW One Distribution Limited (with effect from 22 November, 2021, upto 31 January, 2022)
	JSW Steel Global Trade Pte. Limited (with effect from 27 January, 2022)
2	**Joint ventures**
	Vijayanagar Minerals Private Limited
	Rohne Coal Company Private Limited
	JSW Severfield Structures Limited
	Gourangdih Coal Limited
	JSW Structural Metal Decking Limited
	JSW MI Steel Service Center Private Limited
	JSW MI Chennai Steel Service Center Private Limited (with effect from 24 May, 2021)
	Creixent Special Steels Limited
	JSW Ispat Special Products Limited (formerly known as Monnet Ispat & Energy Limited)
	Piombino Steel Limited (with effect from 27 March, 2021, upto 30 September, 2021)
	Bhushan Power & Steel Limited (with effect from 27 March, 2021, upto 30 September, 2021)
	JSW One Platforms Limited (with effect from 1 February, 2022)
	JSW One Distribution Limited (with effect from 1 February, 2022)
3	**Key management personnel**
	Mr. Sajjan Jindal (Non-Independent Executive Director)
	Mr. Seshagiri Rao M V S (Non-Independent Executive Director)
	Dr. Vinod Nowal (Non-Independent Executive Director)
	Mr. Jayant Acharya (Non-Independent Executive Director)
	Mr. Rajeev Pai (Chief Financial Officer)
	Mr. Lancy Varghese (Company Secretary)

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To the Standalone Financial Statements as at and for the year ended 31 March, 2022

A	Name of related parties
4	**Independent non-executive directors**
	Dr. M.R.Ravi, IAS - Nominee Director, KSIIDC (with effect from 21 January, 2022)
	Mr. K.P. Mohan Raj, IAS - Nominee Director, KSIIDC (with effect from 21 October, 2021, upto 21 January, 2022)
	Dr. V. Ram Prasath Manohar, IAS - Nominee Director, KSIIDC (with effect from 21 May, 2021, upto 21 October, 2021)
	Mr. M.S.Srikar, IAS - Nominee Director, KSIIDC (upto 21 May, 2021)
	Mr. Hiroyuki Ogawa - Nominee Director, JFE Steel Corporation
	Dr. (Mrs.) Punita Kumar Sinha
	Mr. Malay Mukherjee (upto 29 January, 2022)
	Mr. Haigreve Khaitan
	Mr. Seturaman Mahalingam
	Mrs. Nirupama Rao
	Mr. Harsh Charandas Mariwala
5	**Relatives of key management personnel**
	Mrs. Savitri Devi Jindal
	Mr. Prithvi Raj Jindal
	Mr. Naveen Jindal
	Mrs. Nirmala Goyal
	Mrs. Urmila Bhuwalka
	Mrs. Seema Jajodia
	Mrs. Sarika Jhunjhnuwala
	Mrs. Saroj Bhartia
	Mrs. Sangita Jindal
	Mrs. Tarini Jindal Handa
	Mrs. Tanvi Shete
	Mr. Parth Jindal
	Mrs. Shanti Acharya
	Mrs. Esther Varghese
6	**Other related parties**
	JSW Energy Limited
	JSW Energy (Barmer) Limited
	JSW Power Trading Company Limited
	JSW Hydro Energy Limited
	JSW Energy (Kutehr) Limited
	JSW Future Energy Limited
	JSW Renewable Energy (Vijayanagar) Limited
	Jindal Stainless Limited
	Jindal Stainless (Hisar) Limited
	Jindal Stainless Steelway Limited
	Jindal Saw Limited
	JITF Urban Infrastructure Limited
	JITF Commodity Tradex Limited
	Jindal Urban Waste Management (Visakhapatnam) Limited
	Jindal Urban Waste Management (Guntur) Limited
	Jindal Rail Infrastructure Limited
	Jindal Steel & Power Limited
	India Flysafe Aviation Limited
	Sapphire Airlines Private Limited
	JSW Infrastructure Limited
	JSW Jaigarh Port Limited
	South West Port Limited
	JSW Dharamtar Port Private Limited
	JSW Paradip Terminal Private Limited
	Mangalore Coal Terminal Private Limited
	Jaigarh Digni Rail Limited
	JSW Cement Limited
	JSW Cement, FZE
	South West Mining Limited

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

A	Name of related parties
	JSW Projects Limited
	BMM Ispat Limited (with effect from 27 October, 2020)
	JSW IP Holdings Private Limited
	Reynold Traders Private Limited
	JSW Techno Projects Management Limited
	JSW Global Business Solutions Limited
	Everbest Consultancy Services Private Limited
	Jindal Industries Private Limited
	JSW Foundation
	Inspire Institute of Sports
	Jindal Technologies & Management Services Private Limited
	Epsilon Carbon Private Limited
	JSW Living Private Limited
	JSW International Tradecorp Pte. Limited
	JSW Paints Private Limited
	Toshiba JSW Power System Private Limited
	MJSJ Coal Limited
	JSW Shipping & Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)
	Neotrex Steel Private Limited (upto 30 September, 2021)
	JSW Minerals Trading Private Limited
	Khaitan & Company
	Eurokids International Private Limited
	J Sagar Associates
	Shiva Cement Limited
	Tehkhand Waste to Electricity Projects Limited
	Encorp Powertrans Private Limited
	Nourish Organic Foods Private Limited
	Brahmani River Pellets Limited
	Danta Enterprises Private Limited
	Glebe Trading Private Limited
	JSW Holdings Limited
	JSW Investments Private Limited
	JSW Logistics Infrastructure Private Limited
	JTPM Metal Traders Private Limited
	Sahyog Holdings Private Limited
	Virtuous Tradecorp Private Limited
	S K Jindal and Sons HUF
	P R Jindal HUF
	JSW GMR Cricket Private Limited
	OPJ Trading Private Limited
	Jindal Coke Limited
	Ennore Coal Terminal Private Limited
	IUP Jindal Metals & Alloys Limited
7	**Post-employment benefit entities**
	JSW Steel EPF Trust (ceased with effect from 31 December, 2020)
	JSW Steel Group Gratuity Trust
	JSW Steel Limited Employee Gratuity Fund
	JSW Steel (Salav) Limited Employees Group Gratuity Trust

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

B. Transactions with related parties for year ended

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties^		Total	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Purchase of goods/power & fuel/services/branding expenses								
Amba River Coke Limited	6,636	3,587	-	-	-	-	6,636	3,587
JSW International Tradecorp Pte. Limited	-	-	-	-	28,027	10,803	28,027	10,803
Others	975	413	608	206	5,358	3,736	6,941	4,355
Total	**7,611**	**4,000**	**608**	**206**	**33,385**	**14,539**	**41,604**	**18,745**
Reimbursement of expenses incurred on our behalf by								
JSW One Platforms Limited	-	11	*	-	-	-	*	11
Amba River Coke Limited	*	10	-	-	-	-	*	10
Bhushan Power & Steel Limited	2	-	-	-	-	-	2	-
JSW Retail & Distribution Limited	8	-	-	-	-	-	8	-
JSW Energy Limited	-	-	-	-	4	1	4	1
JSW Cement Limited	-	-	-	-	1	4	1	4
Others	*	1	*	-	*	1	*	2
Total	**10**	**22**	*****	**-**	**5**	**6**	**15**	**28**
Sales of goods/power & fuel/services/assets								
JSW Steel Coated Products Limited	20,919	10,017	-	-	-	-	20,919	10,017
Asian Color Coated Ispat Limited	4,374	1,775	-	-	-	-	4,374	1,775
Others	6,233	1,656	3,143	1,176	4,431	3,116	13,807	5,948
Total	**31,526**	**13,448**	**3,143**	**1,176**	**4,431**	**3,116**	**39,100**	**17,740**
Other income/interest income/dividend income								
Amba River Coke Limited	65	34	-	-	-	-	65	34
Acero Junction Holdings, Inc.	172	117	-	-	-	-	172	117
Piombino Steel Limited	-	2	123	3	-	-	123	5
Periama Holdings, LLC	131	-	-	-	-	-	131	-
Others@	81	35	35	30	71	59	187	124
Total	**449**	**188**	**158**	**33**	**71**	**59**	**678**	**280**
Purchase of assets								
JSW Severfield Structures Limited	-	-	114	228	-	-	114	228
Jindal Steel & Power Limited	-	-	-	-	136	87	136	87
Jindal Saw Limited	-	-	-	-	94	55	94	55
JSW Cement Limited	-	-	-	-	194	157	194	157
Others	96	14	-	*	3	4	99	18
Total	**96**	**14**	**114**	**228**	**427**	**303**	**637**	**545**
Capital/revenue advances given								
Amba River Coke Limited	-	238	-	-	-	-	-	238
JSW Energy Limited	-	-	-	-	-	81	-	81
Total	**-**	**238**	**-**	**-**	**-**	**81**	**-**	**319**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties^		Total	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Security deposits given/(received back)								
JSW Shipping & Logistics Private Limited	-	-	-	-	53	71	53	71
India Flysafe Aviation Limited	-	-	-	-	(11)	(10)	(11)	(10)
Sapphire Airlines Private Limited	-	-	-	-	147	-	147	-
Total	**-**	**-**	**-**	**-**	**189**	**61**	**189**	**61**
Security deposit taken								
JSW Cement Limited	-	-	-	-	92	-	92	-
Total	**-**	**-**	**-**	**-**	**92**	**-**	**92**	**-**
Donation/ CSR expenses								
JSW Foundation	-	-	-	-	250	73	250	73
Total	**-**	**-**	**-**	**-**	**250**	**73**	**250**	**73**
Recovery of expenses incurred by us on their behalf								
JSW Steel Coated Products Limited	124	88	-	-	-	-	124	88
JSW Cement Limited	-	-	-	-	94	70	94	70
JSW International Tradecorp Pte. Limited	-	-	-	-	149	68	149	68
Others@	73	10	2	6	60	53	135	69
Total	**197**	**98**	**2**	**6**	**303**	**191**	**502**	**295**
Investments/share application money given								
JSW Steel Coated Products Limited	-	650	-	-	-	-	-	650
Piombino Steel Limited	-	5079	-	137	-	-	-	5,216
JSW Vijayanagar Metallics Limited	1576	5	-	-	-	-	1,576	5
JSW Paints Private Limited	-	-	-	-	300	-	300	-
Others	375	15	92	*	-	-	467	15
Total	**1,951**	**5,749**	**92**	**137**	**300**	**-**	**2,343**	**5,886**
Interest expenses								
JSW Steel Coated Products Limited	5	37	-	-	-	-	5	37
Amba River Coke Limited	-	1	-	-	-	-	-	1
Total	**5**	**38**	**-**	**-**	**-**	**-**	**5**	**38**
Guarantees and collaterals provided by the company on behalf								
Periama Holdings, LLC	-	6,890	-	-	-	-	-	6,890
JSW Steel (USA) Inc.	1,926	-	-	-	-	-	1,926	-
Acero Junction Holdings, Inc.	760	150	-	-	-	-	760	150
JSW Steel Italy Piombino S.p.A.	341	22	-	-	-	-	341	22
Makler Private Limited	-	10,800	-	-	-	-	-	10,800
Total	**3,027**	**17,862**	**-**	**-**	**-**	**-**	**3,027**	**17,862**
Guarantees and collaterals released								
JSW Steel (USA) Inc.	977	147	-	-	-	-	977	147
Periama Holdings, LLC	-	2,978	-	-	-	-	-	2,978
JSW Steel (Netherlands) B.V.	265	-	-	-	-	-	265	-

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties^		Total	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Acero Junction Holdings, Inc.	500	-	-	-	-	-	500	-
JSW Italy Piombino S.p.A.	255	180	-	-	-	-	255	180
Total	**1,997**	**3,305**	**-**	**-**	**-**	**-**	**1,997**	**3,305**
Provision for loans & advances written back to profit & loss								
Periama Holdings, LLC	430	-	-	-	-	-	430	-
Others	4	-	-	-	-	-	4	-
Total	**434**	**-**	**-**	**-**	**-**	**-**	**434**	**-**
Provision for loans & advances/interest receivable								
Periama Holdings, LLC	722	309	-	-	-	-	722	309
JSW Steel (Netherlands) B.V.	-	77	-	-	-	-	-	77
Others	2	4	-	-	-	-	2	4
Total	**724**	**390**	**-**	**-**	**-**	**-**	**724**	**390**
Adjustment of receivable/(payable)								
JSW Steel Coated Products Limited	166	1,079	-	-	-	-	166	1,079
Bhushan Power & Steel Limited	-	-	(166)	-	-	-	(166)	-
Total	**166**	**1,079**	**(166)**	**-**	**-**	**-**	**-**	**1,079**
Lease interest cost								
Amba River Coke Limited	70	101	-	-	-	-	70	101
JSW Projects Limited	-	-	-	-	75	105	75	105
JSW Techno Projects Management Limited	-	-	-	-	118	95	118	95
Others	13	15	-	-	44	19	57	34
Total	**83**	**116**	**-**	**-**	**237**	**219**	**320**	**335**
Lease liabilities repayments								
Amba River Coke Limited	502	424	-	-	-	-	502	424
JSW Projects Limited	-	-	-	-	285	255	285	255
Others	32	29	-	-	92	28	124	57
Total	**534**	**453**	**-**	**-**	**377**	**283**	**911**	**736**
Loans given								
JSW Steel (Netherlands) B.V.	539	866	-	-	-	-	539	866
Periama Holdings, LLC	558	1,547	-	-	-	-	558	1,547
Acero Junction Holdings, Inc.	828	780	-	-	-	-	828	780
JSW Steel Coated Products Limited	-	900	-	-	-	-	-	900
Others@	387	182	5	2	-	-	392	184
Total	**2,312**	**4,275**	**5**	**2**	**-**	**-**	**2,317**	**4,277**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties^		Total	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Dividend paid								
JSW Holdings Limited	-	-	-	-	118	36	118	36
JSW Techno Projects Management Limited	-	-	-	-	172	51	172	51
Sahyog Holdings Private Limited	-	-	-	-	73	22	73	22
Others	-	-	-	-	121	51	121	51
Total	**-**	**-**	**-**	**-**	**484**	**160**	**484**	**160**
Loans given received back								
Acero Junction Holdings, Inc.	196	-	-	-	-	-	196	-
Periama Holdings, LLC	211	5,725	-	-	-	-	211	5,725
JSW Steel Coated Products Limited	419	400	-	-	-	-	419	400
Others	67	53	-	-	10	3	77	56
Total	**893**	**6,178**	**-**	**-**	**10**	**3**	**903**	**6,181**
Contribution to post-employment benefits entities								
JSW Steel EPF Trust	-	-	-	-	-	16	-	16
JSW Steel Group Gratuity Trust	-	-	-	-	3	7	3	7
Total	**-**	**-**	**-**	**-**	**3**	**23**	**3**	**23**

*Less than 0.50 crores, @ includes transactions with Makler Private Limited which was merged with Bhushan Power & Steel Limited on 26 March, 2021, ^ Includes relatives of key management personnel and post-employment benefit entities.

Notes:

1. The transactions are inclusive of taxes wherever applicable.
2. The transactions are disclosed under various relationships (i.e. subsidiary, joint ventures and other related parties) based on the status of related parties on the date of transactions.
3. The Company gives or receives trade advances during normal course of business. The transactions against those trade advances are part of above-mentioned purchases or sales and accordingly, such trade advances have not been shown separately.
4. In view of the uncertainty involved in collectability, revenue as interest income of ₹ 127 crores (previous year ₹ 368 crores) have not been recognised on loan provided to certain overseas subsidiaries. Further during the year, the Company has recognized interest income of ₹ 21 crores pertaining to previous years relating to Periama Holdings, LLC.
5. During the year, the Company has transferred hospital (including land) to JSW Foundation by way of a gift amounting to ₹ 73 crores for no consideration.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Compensation to key management personnel:

₹ in crores

Nature of Transaction	FY 2021-22	FY 2020-21
Short-term employee benefits	153	88
Post-employment benefits	1	1
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total Compensation to key management personnel	**154**	**89**

Notes:

1. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
2. The Company has recognised an expenses of ₹ 2 crores (previous year ₹ 2 crores) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
3. Dividend paid to key management personnel is ₹ 0.28 crores (previous year 0.09 crores), not included above.
4. The Independent Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable to the Non-Executive Directors (in case of Nominee Director, the commission is paid to the respective institution to which the Nominee Director represents) is based on the number of meetings of the Board attended by them and their Chairmanship/Membership of Audit Committee during the year, subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹ 20,000 for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during current year is ₹ 3 crores (previous year ₹ 3 crores), which is not included above.

Terms and conditions

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31 March, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Loans to overseas subsidiaries:

The Company had given loans to subsidiaries for general corporate purposes. The loan balance as on 31 March, 2022 was ₹ 7,864 crores (As on 31 March, 2021: ₹ 6,178 crores). These loans are unsecured and carry an interest rate ranging from LIBOR + 375-615 basis points and repayable within a period of one to five years.

Guarantees to subsidiaries/joint venture:

Guarantees provided to the lenders of the subsidiaries/joint venture are for availing term loans and working capital facilities from the lender banks.

The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

C. Amount due to/ from related parties

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Party's Name								
Trade payables (including capex payables)								
JSW International Tradecorp Pte. Limited	-	-	-	-	4,119	1,060	4,119	1,060
Others	58	74	179	33	941	379	1,178	486
Total	**58**	**74**	**179**	**33**	**5,060**	**1,439**	**5,297**	**1,546**
Advance received from customers								
JSW Steel Coated Products Limited	110	354	-	-	-	-	110	354
Others	-	*	4	1	15	24	19	25
Total	**110**	**354**	**4**	**1**	**15**	**24**	**129**	**379**
Lease & other deposits received								
JSW Severfield Structures Limited	-	-	13	13	-	-	13	13
JSW Energy Limited	-	-	-	-	11	11	11	11
JSW Cement Limited	-	-	-	-	11	11	11	11
Others	13	13	-	-	17	17	30	30
Total	**13**	**13**	**13**	**13**	**39**	**39**	**65**	**65**
Trade receivables								
Peddar Realty Private Limited	-	97	-	-	-	-	-	97
Asian Color Coated Ispat Limited	30	56	-	-	-	-	30	56
JSW Steel Italy Piombino S.p.A.	747	-	-	-	-	-	747	-
Piombino Steel Limited	461	-	-	-	-	-	461	-
Epsilon Carbon Private Limited	-	-	-	-	113	92	113	92
JSW Energy Limited	-	-	-	-	-	147	-	147
Others	819	53	89	79	75	8	983	140
Total	**2,057**	**206**	**89**	**79**	**188**	**247**	**2,334**	**532**
Share application money given								
JSW Utkal Steel Limited	-	2	-	-	-	-	-	2
JSW One Platforms Limited	-	1	-	-	-	-	-	1
Gourangdih Coal Limited	-	-	1	1	-	-	1	1
Total	**-**	**3**	**1**	**1**	**-**	**-**	**1**	**4**
Capital/revenue advances (including other receivables)								
Amba River Coke Limited	233	248	-	-	-	-	233	248
JSW Dharamatar Port Private Limited	-	-	-	-	200	200	200	200
Others@	8	59	32	30	60	58	100	147
Total	**241**	**307**	**32**	**30**	**260**	**258**	**533**	**595**
Loan and advances given								
Inversiones Eurosh Limitada	809	807	-	-	-	-	809	807
Periama Holdings, LLC	2,199	1,796	-	-	-	-	2,199	1,796
JSW Steel (Netherlands) B.V.	1,630	1,073	-	-	-	-	1,630	1,073
Acero Junction Holdings, Inc.	2,973	2,254	-	-	-	-	2,973	2,254
Others	806	748	218	352	-	10	1,024	1,110
Total	**8,417**	**6,678**	**218**	**352**	**-**	**10**	**8,635**	**7,040**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Interest receivable								
Inversiones Eurosh Limitada	209	209	-	-	-	-	209	209
Periama Holdings, LLC	16	431	-	-	-	-	16	431
Acero Junction Holdings, Inc.	20	230	-	-	-	-	20	230
Piombino Steel Limited	116	-	-	5	-	-	116	5
JSW Ispat Special Products Limited	-	-	68	45	-	-	68	45
Others	56	49	*	*	30	30	87	80
Total	**417**	**919**	**69**	**51**	**30**	**30**	**516**	**1000**
Allowances for loans & advances given/interest receivable								
JSW Steel (Netherlands) B.V.	823	546	-	-	-	-	823	546
Periama Holdings, LLC	978	686	-	-	-	-	978	686
Inversiones Eurosh Limitada	1,017	1,017	-	-	-	-	1,017	1,017
Others	3	4	-	-	-	-	3	4
Total	**2,821**	**2,253**	**-**	**-**	**-**	**-**	**2,821**	**2,253**
Security & other deposits given								
JSW Shipping & Logistics Private Limited	-	-	-	-	300	247	300	247
India Flysafe Aviation Limited	-	-	-	-	171	183	171	183
Sapphire Airlines Private Limited	-	-	-	-	147	-	147	-
Total	**-**	**-**	**-**	**-**	**618**	**430**	**618**	**430**
Security & other deposits taken								
JSW Cement Limited	-	-	-	-	92	-	92	-
Total	**-**	**-**	**-**	**-**	**92**	**-**	**92**	**-**
Lease liabilities								
Amba River Coke Limited	438	940	-	-	-	-	438	940
JSW Projects Limited	-	-	-	-	512	797	512	797
JSW Techno Projects Management Limited	-	-	-	-	946	997	946	997
JSW Shipping & Logistics Private Limited	-	-	-	-	298	137	298	137
Others	123	155	-	-	239	176	362	331
Total	**561**	**1,095**	**-**	**-**	**1,995**	**2,107**	**2,556**	**3,202**
Guarantees and collaterals provided by the company on behalf								
Periama Holdings, LLC	7,107	6,891	-	-	-	-	7,107	6,891
Bhushan Power & Steel Limited	10,800	-	-	10,800	-	-	10,800	10,800
Others	6,733	5,750	-	-	-	-	6,733	5,750
Less : Loss allowance against aforesaid	(338)	(605)	-	-	-	-	(338)	(605)
Total	**24,302**	**12,036**	**-**	**10,800**	**-**	**-**	**24,302**	**22,836**

*Less than ₹ 0.50 crore

Notes:

1. The closing balance of guarantees and collaterals provided by the Company on behalf of subsidiaries/joint venture represent the gross amount. Please refer note 46 for net exposure of the Company related to financial guarantees. The differential amount represents loans not drawn or repayments made to the lenders.
2. The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). As on 31 March, 2022, the fair value of plan assets was as ₹ 69 crores. (As at 31 March, 2021: ₹ 74 crores)

Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

45. Contingent liabilities:

(i) Disputed claims/levies (excluding interest, if any) in respect of:

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Excise Duty	472	463
Custom Duty	469	469
Income Tax	128	32
Sales Tax / VAT / Special Entry tax/ Electricity duty	1,652	1,526
Service Tax/ Goods & Service tax	301	631
Levies by local authorities – Statutory	79	73
Levies relating to Energy / Power Obligations	31	408
Claims by suppliers, other parties and Government	767	73
Total	**3,899**	**3,675**

a) Excise duty cases includes disputes pertaining to availment of CENVAT credit, valuation methodologies, classification of gases under different chapter heading.

b) Custom duty cases includes disputes pertaining to import of Iron ore fines and lumps under different chapter headings, utilisation of SHIS licences for clearance of imported equipment, payment of customs duty Steam Coal through Krishnapatnam Port and anti-dumping duty on Met Coke used in Corex.

c) Sales Tax/ VAT/ Special Entry tax cases includes disputes pertaining to demand of special entry tax in Karnataka and demand of cess by department of transport in Goa.

d) Service Tax/ Goods & Service tax cases includes disputes pertaining to availment of service tax credit on ineligible services, denial of credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents.

e) Income Tax cases includes disputes pertaining to transfer pricing and other matters.

f) Levies by local authorities - Statutory cases includes disputes pertaining to payment of water charges and enhanced compensation.

g) Levies relating to Energy / Power Obligations cases includes disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., belated payment surcharge, claims for the set off of renewable power obligations against the power generated in its captive power plants and dues relating to additional surcharge imposed on captive consumption by Maharashtra State Electricity Distribution Company Ltd.

h) Claims by Suppliers, other parties and Government includes quality/ shortfall claims issues raised by suppliers and others. Refer note 47(e) for demand relating to MDPA shortfall.

i) There are several other cases which has been determined as remote by the Company and hence not been disclosed above.

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j) The Deputy Commissioner of GST State Tax (Enforcement Unit, Orissa) had issued show cause notice (SCN) alleging that the Company has wrongfully and illegally transferred the unutilised Input Tax Credit to the Company's ISD registration in Mumbai. The Company filed its reply to the SCN, however, the GST Authorities (Department) raised demand for tax of ₹ 2,539 crores including interest and penalty thereon. The Company filed a Writ Petition challenging the tax demand in October 2021 before the Honourable High Court of Odisha (Odisha High Court) which set aside the order issued by the Department and directed the Department for holding fresh adjudication. The Department issued fresh Orders dated 28 March, 2022 ('impugned orders') confirming demand of tax, interest and penalty for ₹ 2,678 crores. The Company again filed Writ Petitions, dated 19 April, 2022 against the impugned orders before the Odisha High Court. The Odisha High Court vide interim orders dated 17 May, 2022 issued notices directing the revenue to file counter affidavits. However, no stay was granted to the Company. Aggrieved by the interim order of the Odisha High Court, the Company has filed Special Leave Petition before the Honourable Supreme Court on 23 May, 2022, wherein hearing is awaited. The Company basis the legal opinion obtained has evaluated the matter and concluded that the outflow of resources is remote (Interest of ₹ 200 crores has been disclosed as contingent liabilities) and accordingly, no provision is made in the financial statement as on 31 March, 2022.

k) The Company has received a show cause cum demand notice ('SCN') for additional bid premium and royalty to be paid arising out of grade variation on the iron ore sold by the Company, basis joint sample collected before dispatch amounting to ₹ 375 crores. The Company has contested the SCN as the iron ore grade is determined on the basis of the analysis report issued by the Deputy Director Chemical Analysis Government Laboratory. Accordingly, the Company believes that the outflow of resources is remote and no provision is made in the financial statements as on 31 March, 2022.

(ii) Forest Development Tax/Fee:

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Claims related to Forest Development Tax/Fee	3,710	3,035
Amount paid under protest	920	920

In response to a petition filed by the iron ore mine owners and purchasers (including the Company) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated 3 December, 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognised provision for FDT of ₹ 1,043 crores (including paid under protest – ₹ 665 crores) and treated it as a contingent liability.

The State of Karnataka on 27 July, 2016, has amended Section 98-A of the Forest Act retrospectively substituting the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the Company and others, the Honourable High Court of Karnataka has vide its order dated 4 October, 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the SCI, and based on merits of the case duly supported by a legal opinion and a favorable order from the High Court, the Company has not recognised provision for FDF amount of ₹ 2,667 crores (including paid under protest - ₹255 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.

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46. Financial guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by its group companies. Guarantees given have a markup over and above the loan amount whereas it is recognised only to the extent of outstanding loans.

Refer below for details of exposure towards financial guarantees issued:

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Guarantees (refer note a)	13,920	20,318
Standby letter of credit facility	-	14
Less: Loss allowance against aforesaid	(338)	(605)
Total	**13,582**	**19,727**

Note:

a. The Company has issued a corporate guarantee dated 24 March, 2021 in favour of trustee for the benefit of the Lenders for the financial assistance availed by Makler Private Limited (merged with Bhushan Power and Steel Limited) for a sum of ₹ 10,800 crores out of which ₹ 4,500 crores is outstanding as on 31 March, 2022 to part finance the cost of implementation of the Resolution Plan of Bhushan Power and Steel Limited.

47. Commitments

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	7,577	6,438

Other commitments:

(a) The Company from time to time provides need based support to subsidiaries and joint ventures entity towards capital and other requirements.

(b) In March 2018, the Company has entered into a five-year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. ("DSA") for supply of Steel Products. Duferco S.A has provided an interest bearing advance amount of US $700 million under this agreement, secured by committed export of steel products to Duferco S.A. Out of this US $296 million is pending towards fulfilment.

(c) The Company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated year. Such export obligations at year end aggregate to

₹ in crores

Particulars	As at 31 March, 2022	As at 31 March, 2021
Export promotion capital goods scheme	1,825	19,126

(d) The Company has given guarantees aggregating ₹ 127 crores (previous year ₹ 127 crores) on behalf of subsidiaries to Commissioner of Customs in respect of goods imported.

(e) In The MDPA signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

Notes

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During the year, the State Government issued a show cause notice alleging shortfall of minimum production quantity and issued a demand notice dated 13 August, 2021 raising a demand of ₹ 697 crores (including penalty) as prescribed in the MDPA. The Company has filed a writ petition with the High Court of Odisha (High Court) contesting the demand and the High court has granted stay on the above matter vide its order dated 27 September, 2021. As a prudence, the demand has been disclosed under contingent liabilities as at 31 March, 2022.

48. In assessing the carrying amounts of Investments in and loans / advances (net of impairment loss / loss allowance) to certain subsidiaries and a joint ventures and financial guarantees to certain subsidiaries (listed below), the Company considered various factors as detailed there against and concluded they are recoverable.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

(a) Investment, Loans and Financials guarantees as per table below:

₹ in crores

As at 31 March, 2022	JSW Steel (Netherlands) B.V ("NBV")	Periama Holdings, LLC ("PHL")	Acero Junction Holdings, Inc. ("Acero")	JSW Steel Italy Piombino S.p.A. ("JSIP")	GSI Lucchini S.p.A. ("GSI")
Investments	221	-	536	*	*
Loans (including interest accrued)	810	1,236	2,993	92	-
Financial Guarantees	659	6,087	1,420	909	7

₹ in crores

As at 31 March, 2021	JSW Steel (Netherlands) B.V ("NBV")	Periama Holdings, LLC ("PHL")	Acero Junction Holdings, Inc. ("Acero")	JSW Steel Italy Piombino S.p.A. ("JSIP")	GSI Lucchini S.p.A. ("GSI")
Investments	221	-	536	*	*
Loans (including interest accrued)	533	1,540	2,484	93	-
Financial Guarantees	719	5,847	1,428	915	18

*represents ₹ 0.19 crores

Estimate of values of the businesses and assets by independent external values based on cash flow projections/ implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to discount rate, future margins, increase in operational performance on account of committed capital expenditure and significant improvement in capacity utilisation and margins based on forecasts of demand in local markets and availability of infrastructure facilities for mines.

(b) Equity shares of JSW Bengal Steel Limited, a subsidiary (carrying amount of investments: ₹ 508 crores as at 31 March, 2022 ₹ 508 crores as at 31 March, 2021) - Evaluation of the status of its integrated Steel Complex (including power plant) to be implemented in phases at Salboni of district Paschim Medinipur in West Bengal by the said subsidiary and the plans for commencing construction of the said complex.

(c) Equity shares of JSW Jharkhand Steel Limited, a subsidiary (carrying amount: ₹ 99 crores as at 31 March, 2022; ₹ 96 crores as at 31 March, 2021) - Evaluation of the status of its integrated Steel Complex to be implemented in phases at Ranchi, Jharkhand by the said subsidiary and the plans for commencing construction of the said complex.

(d) Investment of ₹ 4 crores (₹ 4 crores as at 31 March, 2021) and loan of ₹ 172 crores (₹ 167 crores as at 31 March, 2021) relating to JSW Natural Resources Mozambique Limitada and JSW ADMS Carvo Limitada (step down subsidiaries) - Assessment of minable reserves by independent experts based on the plans to commence operations after mining lease arrangements are in place for which application has been submitted to regulatory authorities, and infrastructure is developed.

(e) Preference shares of JSW Realty & Infrastructure Private Limited, a subsidiary (carrying amount: ₹ 198 crores as at 31 March, 2022; ₹ 175 crores as at 31 March, 2021 and loans of ₹ 95 crores as at 31 March, 2022; ₹ 31 crores as at 31 March, 2021) - Estimates of value of business based on the cash flow projections approved by the Management. The assessments include significant assumptions relating to operational performance, expansion, rentals and other charges, inflation and terminal value.

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(f) Equity and Preference shares of, Creixent Special Steels Limited, a joint venture, (carrying amount: ₹ 825 crores as at 31 March, 2022; ₹ 490 crores as at 31 March, 2021) and loans and interest receivable (including of JSW Ispat Special Products Limited) of ₹ 286 crores (previous year ₹ 262 crores) – Valuation of property plant & equipment by an independent expert.

49. The Board of Directors of the Company at their meeting held on 27 May, 2022 considered and approved the Scheme of Amalgamation pursuant to Section 230-232 and other applicable provisions of the Companies Act 2013, providing for amalgamation of its Joint Venture Creixent Special Steels Limited ("CSSL") and CSSL's subsidiary JSW Ispat Special Products Limited with the Company. The amalgamation is subject to regulatory and other approvals.

50. Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for Bhushan Power and Steel Limited ('BPSL') was approved by the Hon'ble National Company Law Tribunal (NCLT) vide order dated 5 September, 2019 and subsequently an appeal preferred by the Company has been allowed by the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 17 February, 2020. The erstwhile promoters of BPSL, certain operational creditors and the Directorate of Enforcement ('ED') preferred an appeal before the Hon'ble Supreme Court against the NCLAT Order which are pending for adjudication.

On 26 March, 2021 the Company has completed the acquisition of BPSL by implementing the resolution plan approved under IBC Code basis an agreement entered with erstwhile committee of creditors that provides an option/right to the Company to unwind the transaction in case of unfavorable ruling on certain specified matters by Hon'ble Supreme Court.

On Implementation of Resolution Plan, the Company has also entered an arrangement with JSW Shipping & Logistics Private Limited ('JSLPL') through which the Company and JSLPL holds equity of Piombino Steel Limited ('PSL') in the ratio of 49% and 51% respectively giving joint control of PSL to the Company and JSLPL.

The Company has invested ₹ 980 crores, ₹ 4,100 crores and ₹ 7 crores in equity shares, Optionally Fully Convertible Debentures (OFCD) and share warrants respectively. PSL has received additional equity contribution from JSLPL amounting to ₹ 1,027 crores (including share warrants) and raised further debt. PSL has invested ₹ 8,550 crores in Makler Private Limited ('Makler') and Makler has raised further debt and paid ₹ 19,350 crores to the financial creditors of BPSL in accordance with approved Resolution Plan. Pursuant to merger of Makler with BPSL in accordance with Resolution Plan, BPSL had become wholly owned subsidiary of PSL. Post this transaction, Piombino Steel Limited had become joint venture of the Company in the previous year.

Pursuant to the Subscription and Shareholders agreement between the Company, with JSW Shipping & Logistics Private Limited ('JSLPL') and Piombino Steel Limited ('PSL'), the Company had subscribed to certain Optionally Fully Convertible Debentures ('OFCDs') of PSL. As per the terms of OFCDs, including revisions, the Company had the option to convert the OFCDs into equity shares at any time at the option of the Company. Accordingly, the Company has exercised the option of conversion of 410,00,00,000 OFCDs held by the Company in PSL into 410,00,00,000 equity shares of PSL of face value of ₹ 10/- each on 1 October, 2021. Pursuant to the conversion, the Company holds 83.28% equity in PSL and JSLPL holds 16.72% equity in PSL.

Consequent to the aforesaid conversion, PSL has become a Subsidiary of the Company and the Company is controlling and managing Bhushan Power & Steel Limited ('BPSL') through PSL w.e.f. 1 October, 2021.

BPSL operates a 2.5 MTPA integrated steel plant located at Jharsuguda, Odisha and also have downstream manufacturing facilities at Kolkata, West Bengal and Chandigarh, Punjab.

51. On 1 October, 2021, the Company acquired 80% shareholding in Neotrex Steel Private Limited ('NSPL') by way of acquisition of equity shares and Zero Coupon Compulsory Convertible Debentures ('CCDs') from Everbest Consultancy Services Private Limited and its wholly owned subsidiary Neotrex Steel Wires Private Limited at a value of ₹ 11.45 crores and infused a further sum of ₹ 32.55 crores in NSPL towards subscription money and has been allotted, Equity Shares and Zero-Coupon CCDs of NSPL at par value.

Consequent to the aforesaid acquisition, NSPL is a subsidiary of the Company w.e.f. 1 October, 2021.

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52. In accordance with the Share Subscription agreement entered into with JSW Paints Private Limited on 23 July, 2021, the Company has agreed to invest ₹ 750 crores in JSW Paints Private Limited. During the year, the Company has invested ₹ 300 crores and has been allotted 16,216,215 equity shares which approximates to 7.5% of the issued and paid-up equity capital of JSW Paints Private Limited. The Investment has been fair valued at ₹ 554 crores as on 31 March, 2022.

53. During the year, as part of the overall exercise to simplify the group structure three wholly owned overseas subsidiaries of the Company domiciled in the Republic of Mauritius namely Arima Holdings Limited, Erebus Limited and Lakeland Securities Limited have undergone winding up and have liquidated effective 15 March, 2022. There is no material of such liquidation on the standalone financial statement of the Company.

54. The Indian Bureau of Mines (IBM) had carried out upward revision of already published average selling price of iron ore for the month of September and October 2021. Based on a legal opinion obtained, the Company believes that the methodology used by IBM for arriving at such revised average selling price by excluding certain bona fide sale transactions of iron ore by the Company is not in accordance with the provisions of Mineral Conservation and Development Rules, 2017. Accordingly, the Company contested the same before the Honourable High Court of Odisha. The Honourable High Court of Odisha in its order dated 16 March, 2022 has held that fixation of average selling prices of iron ore by IBM is in accordance with the Minerals (other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016.

Accordingly, the Company has recognised the expenditure towards Mining Premium and Royalties payable based on such revised average selling prices published by IBM.

55. The Company does not have material transactions with the struck off companies during the current & previous years.

56. Previous year figures have been re-grouped /re-classified wherever necessary including those as required in keeping with revised Schedule III amendments.

57. Exceptional Items:

₹ in crores

Particulars	JSW Netherlands B.V. (NBV)	Periama Holdings LLC ("PHL")	Total
31-Mar-2022			
Allowance on doubtful loans	-	722	722
	-	**722**	**722**
31-Mar-2021			
Allowance on doubtful loans	70	256	326
Allowance on doubtful interest receivables	7	53	60
	77	**309**	**386**

Subsequent to the year end, a subsidiary company in USA received a final arbitration order on its dispute with the lessors of coking coal mining lease and Plant lease and consequential notice of termination of lease. Accordingly, an impairment provision of ₹ 722 crores is recorded towards the value of the loans given to overseas subsidiary.

Exceptional items for the year ended 31 March, 2021 represents impairment provision of ₹ 386 crores on loans and interest receivables from an overseas subsidiary in USA and Netherlands based on the assessment of recoverable value of the US operations. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, mining production and future margins on the said operations.

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58. Ratios:

Ratios	Numerator	Denominator	FY 21-22	FY 20-21	Variance	Reasons for Variance
Current Ratio	Current Assets	Current Liabilities	1.03	0.80	28.4%	Current ratio has improved to 1.03 primarily on account of increase in value of inventories and trade receivables
Debt Equity Ratio	Total Borrowings	Total Equity	0.79	1.10	-27.7%	Debt equity ratio has improved to 0.79 mainly due to increase in equity on account of current year's profit
Debt service coverage ratio	Profit before Tax, Exceptional Items, Depreciation , Net Finance Charges	Net Finance Charges + Long Term Borrowings scheduled 'principal repayments (excluding prepayments/ refinancing) 'during the year) (Net Finance Charges : Finance Costs - Interest Income - Net Gain /(Loss) on sale of current investments	3.78	2.60	45.7%	Debt service coverage ratio has improved to 3.78 mainly due to increase in current year's profit
Return on Equity	Profit after tax	Average Shareholder's equity	30.24%	19.67%	53.7%	Return on equity has increased mainly due to increase in current year's profit
Inventory Turnover (no. of days)	Average inventory	Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories + Mining premium and royalties + Power and fuel + Stores & spares consumed + Repairs & Maintenance + Job work charges + Labour charges + MDO cost	75	83	-9.8%	
Trade receivables turnover (no. of days)	Average trade receivables	Sale of products	15	17	-13.4%	
Trade payables turnover (no. of days)	Average trade payables	Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories	137	166	-17.4%	
Net capital turnover	Net Sales	Current assets - Current liabilities	86.55	-9.47	-1014.2%	Increase is primarily on account of increase in sales in the current year
Net Profit Margin (%)	Profit after tax	Revenue from operations	14.06%	11.87%	18.5%	
Return on capital employed	Profit before Tax after Exceptional Items, Finance cost	Tangible Net Worth + Total Debt + Deferred Tax Liability	24.03%	15.77%	52.4%	Increase is primarily on account of increase in profit in the current year
Return on Investment	Profit on sale of investments	Cost of Investments	0.26%	1.08%	-75.8%	Lower mainly due lower holding period of investments

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59. Below are the details of the funds loaned to related parties 'Intermediaries' which has been further advanced to another related parties who is the 'Ultimate Beneficiaries':

₹ in crores

Intermediaries					Ultimate beneficiaries				
Name of party	**Relationship**	**Registered Address**	**Date**	**Amount**	**Name of party**	**Relationship**	**Registered Address**	**Date**	**Amount**
Acero Junction Holdings, Inc	Subsidiary	1500 Commercial St, Mingo Junction, OH 43938-1096, United States	7-Apr-21	77	JSW Steel USA Ohio, Inc	Subsidiary	1500 Commercial Ave, Mingo Junction, OH 43938, United States	7-Apr-21	77
			15-Apr-21	58				15-Apr-21	58
			20-Apr-21	37				20-Apr-21	37
			23-Apr-21	4				23-Apr-21	4
			7-May-21	85				7-May-21	85
			12-May-21	125				12-May-21	125
			19-May-21	25				19-May-21	25
			25-May-21	18				25-May-21	18
			2-Jun-21	12				7-Jun-21	12
			19-Jul-21	55				23-Jul-21	55
			18-Aug-21	186				26-Aug-21	318
			18-Aug-21	132					
			25-Aug-21	16				31-Aug-21	16
Inversioua E Limitada	Subsidiary	Juan Franciscvo Gonzalez 562, Sector Placilla, Morales Copiapo, Chile	19-Apr-21	#	Santa Fe Mining S.A.	Subsidiary	Juan Franciscvo Gonzalez 562, Sector Placilla, Morales Copiapo, Chile	20-Apr-21	#
			9-Sep-21	#				10-Sep-21	#
			29-Sep-21	#				1-Oct-21	#
			22-Dec-21	#				23-Dec-21	#
			4-Jan-22	#				11-Jan-22	#
			31-Jan-22	#				31-Jan-22	#
			3-Mar-22	#				4-Mar-22	#
JSW Steel (Netherlands) B.V.	Subsidiary	Hoogoorddreef, 15,1101, BA, Amsterdam	6-Apr-21	9	Piombino Logistics S.P.A	Subsidiary	Largo Caduti Sul Lavoro 21 Piombino (LI), 57025, Italy	7-Apr-21	9
			26-Jul-21	22				27-Jul-21	22
			15-Dec-21	129	JSW Steel Italy Piombino S.P.A	Subsidiary	Largo Caduti Sul Lavoro 21 Piombino (LI), 57025, Italy	16-Dec-21	129

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Intermediaries					Ultimate beneficiaries				₹ in crores
Name of party	Relationship	Registered Address	Date	Amount	Name of party	Relationship	Registered Address	Date	Amount
Periama Holdings LLC	Subsidiary	2711, Centreville Road, Suite 400, City of Wilminton Country of New Castle Delaware 19808	23-Apr-21	7	Planck Holdings, LLC	Subsidiary	407 Prosperity Road, Prosperity, WV, 25909	23-Apr-21	7
			14-May-21	12	JSW Steel (USA) Inc.		5200 E, Mckinney Road, Baytown , Texas 77523	14-May-21	12
			25-May-21	41	JSW Steel (USA) Inc.		5200 E, Mckinney Road, Baytown , Texas 77523	25-May-21	36
					Planck Holdings, LLC		407 Prosperity Road, Prosperity, WV, 25909	26-May-21	4
			28-Jul-21	8	JSW Steel (USA) Inc.		5200 E, Mckinney Road, Baytown , Texas 77523	28-Jul-21	8
			30-Jul-21	1	Planck Holdings, LLC		407 Prosperity Road, Prosperity, WV, 25909	30-Jul-21	1
			30-Aug-21	2	Planck Holdings, LLC			30-Aug-21	2
			8-Sep-21	1	Planck Holdings, LLC			8-Sep-21	1
			29-Sep-21	149	JSW Steel (USA) Inc.		5200 E, Mckinney Road, Baytown , Texas 77523	29-Sep-21	149
			14-Oct-21	168	JSW Steel (USA) Inc.			14-Oct-21	168
			14-Oct-21	1	Planck Holdings, LLC		407 Prosperity Road, Prosperity, WV, 25909	22-Oct-21	1

represents amount less than ₹ 0.50 crore

No borrowed funds has been loaned/ invested in intermediaries which has been passed on to the ultimate beneficiaries during the year.

60. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company, except for an instance of transfer of Sale proceeds of fractional shares arising out of a composite Scheme of Arrangement and Amalgamation amongst JSW ISPAT Steel Limited, JSW Building Systems Limited, Maharashtra Sponge Iron Limited, JSW Steel Limited , their respective shareholders and creditors, amounting to ₹ 2.94 crores and were required to be transferred during F.Y. 2020-21. The said amount was subsequently transferred to IEPF.

Further, amounts aggregating to 0.11 crore, is held in abeyance due to dispute/ pending legal cases.

61. Events occurring after balance sheet:

On 27 May, 2022 the board of directors recommended a final dividend of ₹ 17.35 per equity share be paid to shareholders for financial year 2021-22, which is subject to approval by the shareholders at the Annual General Meeting to be held on 20 July, 2022. If approved, the dividend would result in a cash outflow of ₹ 4,194 crores.

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62. Additional information

A) C.I.F. value of imports:

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2022
Capital goods	713	1,734
Raw materials (including power and fuel)	30,208	12,975
Stores & spare parts	967	564

B) Expenditure in foreign currency:

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2022
Interest and finance charges	1,330	1,012
Ocean freight	1,619	604
Technical know-how	83	72
Commission on sales	35	16
Legal & professional fees	41	37
Others	41	40

C) Earnings in foreign currency:

₹ in crores

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2022
F.O.B. value of exports	23,238	14,205
Interest Income	305	122

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

For and on behalf of the Board of Directors

per VIKRAM MEHTA
Partner
Membership No.:105938
Place: Mumbai
Date : 27 May, 2022

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date : 27 May, 2022

SESHAGIRI RAO M.V.S
Jt.Managing Director & Group CFO
DIN 00029136

Independent Auditor's Report

To the Members of JSW Steel Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Recoverability of investments in and loans / advances given to certain subsidiaries and joint ventures and financial guarantees given on behalf of certain subsidiaries (as described in note 48 of the standalone Ind AS financial statements)</td></tr>
<tr><td>The Company has investments in certain subsidiaries and joint ventures with a carrying value of ₹ 2,056 crores. Further, the Company has also provided loans and/or guarantees to or on behalf of these subsidiaries and the joint venture amounting to ₹ 14,133 crores. These subsidiaries and joint venture have either been incurring losses or the investments made by them in the step down subsidiaries have been making losses.

The Company has also recognised impairment allowance of ₹ 386 crores during the year ended March 31, 2021 in respect of investments, loans / advances given to certain overseas subsidiaries, as described in note 50 of the standalone Ind AS financial statements.

Further, the Company has not recognised interest income of ₹ 368 crores during the year from some of its subsidiaries due to uncertainty of recoverability of such income.

Assessment of the recoverable amount of the investments in and loans/advances including interest thereon given to these subsidiaries and joint ventures and financial guarantees given on behalf of these subsidiaries has been identified as a key audit matter due to:

• Significance of the carrying amount of these balances.

• The assessment requires management to make significant estimates concerning the estimated future cash flows, qualitative assessments of the status of the project and its future depending on balance work to be performed or approvals to be received, associated discount rates and growth rates based on management's view of future business prospects including any possible impact arising out of the pandemic on these estimates.

• Changes to any of these assumptions could lead to material changes in the estimated recoverable amount, impacting both potential impairment charges and potential reversals of impairment taken in prior years.</td><td>Our audit procedures included the following:

• We obtained and read management's assessment for impairment.

• We performed test of controls over impairment process through inspection of evidence of performance of these controls.

• We assessed the impairment model prepared by the management and the assumptions used, with particular attention to the following:

– Benchmarking or assessing key assumptions used in the impairment models, including discount rates, risk free rate of return, long term growth rate and other key assumptions against external and internal data;

– assessing the cash flow forecasts including possible impact on account of global pandemic through analysis of actual past performance, and comparison to previous forecasts;

– testing the mathematical accuracy and performing sensitivity analyses of the models; and

– understanding the commercial prospects of the assets/ projects and comparison of assumptions with external data sources;

• We assessed the competence, capabilities and objectivity of the experts used by management in the process of evaluating impairment models.

• We assessed the conclusions reached by management and those charged with governance on account of various estimates and judgements including possible impact of pandemic.

• We assessed the compliance of the disclosures made in note 48 of the standalone Ind AS financial statements with the accounting standards.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
Recoverability of VAT deferral / refunds under the GST regime (as described in note 30 of the standalone Ind AS financial statements)	
The Company's units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible and have been availing interest free VAT deferral loan / Net VAT refunds as an incentive under the incentive schemes notified by the State of Maharashtra and Karnataka. The Company has recognised income in relation these grants being the difference between the net present value of these interest free loans granted to the Company and the nominal value of such loans to the extent of SGST collected by the Company in respect of sales eligible for such grants, eligible incentive of Net SGST paid, as applicable in accordance with the industrial promotion subsidy schemes and notifications issued by the State of Maharashtra and Karnataka. The amount of incentive recognised during the year amounts to ₹ 462 crores and cumulative balance of these receivables amount to ₹ 2,510 crores. We considered VAT deferral / refund incentive as a Key audit matter due to: • Significance of amount accrued during the year and carrying amount of these receivables as at March 31, 2021. • Significant judgement involved in assessment of the eligibility of incentive under the new GST regime.	Our audit procedures included the following: • We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the recognition and measurement of government grants and income accruing therefrom. • We read eligibility certificates in respect of VAT deferral / refund incentives available to the Company. • We read the notification issued by the Government of Maharashtra (GoM) and Government of Karnataka (GoK) in respect of eligibility of VAT deferral / refund under the GST regime, guidelines for certification of the eligible incentive amount, modalities for sanction and disbursement of incentives. • We read letter dated October 18, 2019 issued by Director of Industries of Maharashtra for in-principle approval for issuance of eligibility certificate and letter dated March 19, 2021 by the Company for submission of appraisal report to Director of Industries of Maharashtra for availing incentive under PSI 2007 scheme. • We read the legal opinion obtained by the management for assessing the impact of new eligibility conditions and formula for determination of incentives based on latest Government Resolution issued by GoM including assessing the amounts withheld by the GoM on eligibility of certain duties which were refundable in the erstwhile VAT regime but have been denied in the new GST regime. • We involved specialists to assist us in reviewing and evaluating the management's assessment of latest Government Resolution issued by GoM. • We tested the calculation of incentives accrued for the year ended March 31, 2021.
Capital Expenditure in respect of property, plant and equipment and capital work in progress (as described in notes 4 and 5 of the standalone Ind AS financial statements)	
The Company has incurred significant expenditure on capital projects, as reflected by the total value of additions in property plant and equipment and capital work in progress in notes 4 and 5 of the standalone Ind AS financial statements. The Company is in the process of executing various projects for expansions of existing capacity across the locations. These projects take a substantial period of time to get ready for intended use. We considered Capital expenditure as a Key audit matter due to: • Significance of amount incurred on such items during the year ended March 31, 2021. • Judgement and estimate required by management in assessing assets meeting the capitalisation criteria set out in Ind AS 16 Property, Plant and Equipment. • Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalisation as per the criteria set out in Ind AS 16 Property, Plant and Equipment	Our audit procedures included the following: • We obtained an understanding of the Company's capitalisation policy and assessed for compliance with the relevant accounting standards. • We obtained understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalisation of assets. • We performed substantive testing on a sample basis for each element of capitalised costs including inventory issued to contractors for the purpose of these projects and physical verification performed by management alongwith reconciliation and directly attributable cost, including verification of underlying supporting evidence and understanding nature of the costs capitalised. • In relation to borrowing costs we obtained the supporting calculations, verified the inputs to the calculation and tested the arithmetical accuracy of the model. • We assessed accounting for costs incurred when projects are suspended or delayed for any reasons including the global pandemic. • We obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.

Key audit matters	How our audit addressed the key audit matter
Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI (LODR) 2015') (as described in note 44 of the standalone Ind AS financial statements)	
We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the standalone Ind AS financial statements as a key audit matter due to: • the significance of transactions with related parties during the year ended March 31, 2021. • Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.	Our audit procedures in relation to the disclosure of related party transactions included the following: • We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to capturing of related party transactions and management's process of ensuring all transactions and balances with related parties have been disclosed in the standalone Ind AS financial statements. • We obtained an understanding of the Company's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. • We agreed the amounts disclosed with underlying documentation and read relevant agreements, evaluation of arms-length by management, on a sample basis, as part of our evaluation of the disclosure. • We assessed management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015. • We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.
Claims and exposures relating to taxation and litigation (as described in note 45 of the standalone Ind AS financial statements)	
The Company has disclosed in note 45 of the standalone Ind AS financial statements contingent liabilities of ₹ 3,675 crores in respect of disputed claims/ levies under various tax and legal matters and ₹ 3,035 crores towards Claims related to Forest development tax/ fee. In addition, the Company has assessed several claims as 'Remote' and hence are not required to be disclosed as contingent liabilities. Taxation and litigation exposures have been identified as a key audit matter due to: • Significance of these amounts and large number of disputed matters with various authorities. • Significant judgement and assumptions required by management in assessing the exposure of each case to evaluate whether there is a need to set up a provision and measurement of exposures as well as the disclosure of contingent liabilities. We focused on this matter because of the potential financial impact on the standalone Ind AS financial statements. Additionally, the treatment of taxation and litigation cases require significant judgement due to the complexity of the cases, timescales for resolution and involvement of various authorities.	Our audit procedures included the following: • We obtained understanding, evaluated the design, and tested the operating effectiveness of the controls related to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities. • We obtained details of legal and tax disputed matters and evaluation made by the management and assessed management's position through discussions on both the probability of success in significant cases, and the magnitude of any potential loss. • We read external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. • We involved tax specialists to assist us in evaluating tax positions taken by management. • We assessed the relevant disclosures made in the standalone Ind AS financial statements for compliance in accordance with the requirements of Ind AS 37.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

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

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

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 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 these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 45 to the standalone financial statements;

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

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

per **Vikram Mehta**
Partner
Membership Number: 105938
UDIN No: 21105938AAAACT7376

Place of Signature: Mumbai
Date: May 21, 2021

Annexure 1

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

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties, included in property, plant and equipment and right of use assets are held in the name of the Company except for

(i) leasehold land aggregating to ₹ 67 crores wherein the lease deed has expired. As explained to us, the Company is in the process of converting the title into freehold as per the lease cum sale agreement.

(ii) freehold land aggregating to ₹ 9 crores as noted below for which title deeds were not available with the Company and hence, we are unable to comment on the **same**

Nature of immovable Property	Total Number of Cases	As at March 31, 2021 (₹ in crores)	
		Gross Block	Net Block
Land located at Maharashtra	12	9	9

(iii) freehold land aggregating to ₹ 40 crores acquired pursuant to acquisition of Welspun PCMD business on March 31, 2021 the registration of title deeds is in progress.

ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them and no material discrepancies were noticed in respect of such confirmations.

iii. According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of its products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales- tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of Statue	Nature of Dues	Amount (₹ in crores) *	Period	Forum
The Central Excise Act, 1944	Excise Duty	97	2012-2015	High Court
		377	2001-2018	Central Excise Service Tax Appellate Tribunal (CESTAT)
		30	1998-2017	Commissioner/Joint Commissioner/Asst. Commissioner
The Custom Act, 1962	Custom Duty	225	2002-2012	High Court
		281	1995-2018	Central Excise Service Tax Appellate Tribunal (CESTAT)
		86	2000-2017	Commissioner (Appeals) / Joint Commissioner

Name of Statue	Nature of Dues	Amount (₹ in crores) *	Period	Forum
Karnataka VAT, 2003	VAT	2	2006-2008	Joint Commissioner
The Central Sales Tax Act, 1956	CST	29	2011-2012	High Court
		40	2012-2013	Commissioner/Joint Commissioner
Karnataka Tax on Entry of Goods Act, 1979	Entry Tax	1	2016-2017	Commissioner
Maharashtra Value Added Tax, 2002	VAT	153	2011-2017	Commissioner (Appeals)/Joint Commissioner/Asst. Commissioner / Assessing Officer
Chapter V of the Finance Act, 1994	Service Tax	0.09	2006-2012	High Court
		98	1998-2016	Central Excise Service Tax Appellate Tribunal (CESTAT)
		57	2013-2017	Commissioner/Joint Commissioner
Income Tax Act, 1961	Income Tax	14	2014-2015	Commissioner (Appeals)

* Net of amounts paid under protest.

The above table doesn't include cases decided in favour of the Company for which the department has preferred an appeal at higher levels amounting to ₹ 745 crores (net of amount paid under protest) and matters remanded back amounting to ₹ 227 crores (net of amount paid under protest).

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

ix. In our opinion and according to the information and explanations given by the management and audit procedures performed by us, monies raised by the company by way of debt instruments in the nature of non-convertible debentures, commercial papers and term loans were applied for the purposes for which they were raised, though idle/surplus funds which were not required for immediate utilisation have been gainfully invested in fixed deposits. According to the information and explanations given by the management and audit procedures performed by us, the Company has not raised any money way of initial public offer / further public offer and hence not commented upon.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

xv. According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per **Vikram Mehta**
Partner
Membership Number: 105938
UDIN No: 21105938AAAACT7376

Place of Signature: Mumbai
Date: May 21, 2021

Annexure 2

To the Independent Auditor's Report of even date on the standalone financial statements of JSW Steel Limited

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

We have audited the internal financial controls with reference to standalone financial statements of JSW Steel Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone 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 standalone 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 Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone 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 issued by the ICAI.

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

per **Vikram Mehta**
Partner
Membership Number: 105938
UDIN No: 21105938AAAACT7376

Place of Signature: Mumbai
Date: May 21, 2021

Standalone Balance Sheet

As at 31 March 2021

₹ in crores

		Notes	As at 31 March 2021	As at 31 March 2020
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	4	46,167	46,117
	(b) Capital work-in-progress	5	28,914	23,810
	(c) Right-of-use assets	6	4,161	4,102
	(d) Intangible assets	7	1,614	323
	(e) Intangible assets under development	7	128	331
	(f) Investments in subsidiaries, associates and joint ventures	8	6,676	4,757
	(g) Financial assets			
	(i) Investments	9	5,782	1,242
	(ii) Loans	10	5,382	8,705
	(iii) Derivative assets	17	110	-
	(iv) Other financial assets	11	1,971	562
	(h) Current tax assets (net)		230	340
	(i) Other non-current assets	12	2,394	2,378
	Total non-current assets		**103,529**	**92,667**
	Current assets			
	(a) Inventories	13	10,692	9,623
	(b) Financial assets			
	(i) Trade receivables	14	3,333	3,166
	(ii) Cash and cash equivalents	15	11,121	3,438
	(iii) Bank balances other than (ii) above	16	625	7,963
	(iv) Loans	10	733	321
	(v) Derivative assets	17	86	275
	(vi) Other financial assets	11	1,348	2,794
	(c) Other current assets	12	1,765	1,795
	Total current assets		**29,703**	**29,375**
	Total assets		**133,232**	**122,042**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	18	302	301
	(b) Other equity	19	46,675	38,061
	Total equity		**46,977**	**38,362**
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	39,551	39,247
	(ii) Lease liabilities	6	2,413	2,716
	(iii) Derivative liabilities	27	57	130
	(iv) Other financial liabilities	21	1,173	1,308
	(b) Provisions	22	753	322
	(c) Deferred tax liabilities(net)	23	3,095	1,315
	(d) Other non-current liabilities	24	2,173	3,048
	Total non-current liabilities		**49,215**	**48,086**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	25	1,285	6,813
	(ii) Trade payables	26		
	(a) Total outstanding, dues of micro and small enterprises		205	56
	(b) Total outstanding, dues of creditors other than micro and small enterprises		11,945	13,298
	(iii) Derivative liabilities	27	96	189
	(iv) Lease liabilities	6	925	773
	(v) Other financial liabilities	28	18,550	11,980
	(b) Provisions	22	243	64
	(c) Other current liabilities	29	3,254	2,302
	(d) Current tax liabilities(net)		537	119
	Total current liabilities		**37,040**	**35,594**
	Total liabilities		**86,255**	**83,680**
	Total equity and liabilities		**133,232**	**122,042**

See accompanying notes to the Standalone Financial Statements

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

per **VIKRAM MEHTA**
Partner
Membership No.:105938

Place: Mumbai
Date: 21 May 2021

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

SESHAGIRI RAO M.V.S
Jt.Managing Director & Group CFO
DIN 00029136

Place: Mumbai
Date: 21 May 2021

Standalone Statement of Profit and Loss

For the year ended 31 March 2021

₹ in crores

		Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
I	**Revenue from operations**		70,727	63,546
	Fees for assignment of procurement contract		-	250
	Government grant income – VAT/GST incentive relating to earlier years		-	466
	Total revenue from operations	30	**70,727**	**64,262**
II	**Other income**	31	669	628
III	**Total income (I + II)**		**71,396**	**64,890**
IV	**Expenses:**			
	Cost of materials consumed		28,743	33,073
	Purchases of stock-in-trade		199	420
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	(872)	(27)
	Mining premium and royalties		6,972	651
	Employee benefits expense	33	1,501	1,496
	Finance costs	34	3,565	4,022
	Depreciation and amortisation expense	35	3,781	3,522
	Other expenses	36	14,925	16,132
	Total expenses		**58,814**	**59,289**
V	**Profit before exceptional items and tax (III-IV)**		**12,582**	**5,601**
VI	**Exceptional items**	53	386	1,309
VII	**Profit before tax (V-VI)**		**12,196**	**4,292**
VIII	**Tax expense/(credit):**	23		
	Current tax		2,162	789
	Deferred tax		1,641	(1,788)
			3,803	**(999)**
IX	**Profit for the year (VII-VIII)**		**8,393**	**5,291**
X	**Other comprehensive income**			
A	i) Items that will not be reclassified to profit or loss			
	(a) Re-measurements of the defined benefit plans		27	(19)
	(b) Equity instruments through other comprehensive income		385	(255)
	ii) Income tax relating to items that will not be reclassified to profit or loss		(10)	6
	Total (A)		**402**	**(268)**
B	i) Items that will be reclassified to profit or loss			
	(a) The effective portion of gains and loss on hedging instruments		369	(719)
	(b) Changes in Foreign Currency Monetary Item translation difference account (FCMITDA)		-	87
	ii) Income tax relating to items that will be reclassified to profit or loss		(129)	221
	Total (B)		**240**	**(411)**
	Total Other comprehensive income / (loss) (A+B)		**642**	**(679)**
XI	**Total comprehensive income (IX + X)**		**9,035**	**4,612**
XII	**Earnings per equity share of ₹ 1 each**	38		
	Basic (in ₹)		34.92	22.03
	Diluted (in ₹)		34.72	21.89

See accompanying notes to the Standalone Financial Statements

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

For and on behalf of the Board of Directors

per **VIKRAM MEHTA**
Partner
Membership No.:105938

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

Place: Mumbai
Date: 21 May 2021

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

SESHAGIRI RAO M.V.S
Jt.Managing Director & Group CFO
DIN 00029136

Place: Mumbai
Date: 21 May 2021

Standalone Statement of Changes In Equity

For the year ended 31 March 2021

A. Equity share capital

₹ in crores

Particulars	Amount
As at 31.03.2019	301
Movement during the year	@
As at 31 March 2020	301
Movement during the year	@@
As at 31 March 2021	302

@ = ₹ 0.07 crores

@@ = ₹ 0.34 crores

B. Other equity

₹ in crores

Particulars	Reserves and surplus							Items of Other Comprehensive Income/(Loss) (OCI)			Total
	Capital reserve	Securities premium reserve	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	FCMITDA	
Opening balance as at 1 April 2019	**4,359**	**5,439**	**532**	**285**	**13,611**	**91**	**9,895**	**403**	**33**	**(56)**	**34,592**
Profit for the year	-	-	-	-	5,291	-	-	-	-	-	5,291
Other comprehensive income for the year, net of income tax	-	-	-	-	(13)	-	-	(255)	(467)	56	(679)
Dividend including dividend distribution tax	-	-	-	-	(1,190)	-	-	-	-	-	(1,190)
Impact of ESOP trust consolidation	-	-	-	-	10	-	-	-	-	-	10
Recognition of share-based payments	-	-	-	-	-	37	-	-	-	-	37
Transfer to Capital redemption reserve	-	-	242	-	-	-	(242)	-	-	-	-
Transfer from Debenture redemption reserve	-	-	-	(285)	-	-	285	-	-	-	-
Transfer to general reserve after exercise of options	-	-	-	-	-	(6)	6	-	-	-	-
Closing balance as at 31 March 2020	**4,359**	**5,439**	**774**	**-**	**17,709**	**122**	**9,944**	**148**	**(434)**	**-**	**38,061**
Profit for the year	-	-	-	-	8,393	-	-	-	-	-	8,393
Other comprehensive income for the year, net of income tax	-	-	-	-	17	-	-	385	240	-	642
Dividend including dividend distribution tax	-	-	-	-	(483)	-	-	-	-	-	(483)
Impact of ESOP trust consolidation	-	-	-	-	42	-	-	-	-	-	42
Recognition of share-based payments	-	-	-	-	-	20	-	-	-	-	20
Transfer to general reserve after exercise of options	-	-	-	-	-	(25)	25	-	-	-	-
Closing balance As at 31 March 2021	**4,359**	**5,439**	**774**	**-**	**25,678**	**117**	**9,969**	**533**	**(194)**	**-**	**46,675**

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

per **VIKRAM MEHTA**
Partner
Membership No.:105938

Place: Mumbai
Date: 21 May 2021

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

SESHAGIRI RAO M.V.S
Jt.Managing Director & Group CFO
DIN 00029136

Place: Mumbai
Date: 21 May 2021

Standalone Statement of Cash Flows

For the year ended 31 March 2021

₹ in crores

	For the year ended			
	31 March 2021		31 March 2020	
Cash flow from operating activities				
Net profit before tax		12,196		4,292
Adjustments for :				
Depreciation and amortisation expenses	3,781		3,522	
Loss on sale of property, plant & equipment (net)	30		29	
Gain on sale of financial investments designated as FVTPL	(6)		(4)	
Interest income	(593)		(528)	
Gain arising of financial instruments designated as FVTPL	(6)		(16)	
Unwinding of interest on financial assets carried at amortised cost	(51)		(45)	
Dividend income	(9)		(31)	
Interest expense	3,410		3,831	
Share based payment expense	20		37	
Export obligation deferred income amortisation	(239)		(140)	
Unrealised exchange gain/(loss)	(415)		566	
Allowance for doubtful debts, loans, advances and others	58		96	
Loss arising from Financial instruments designated as FVTPL	19		17	
Non-cash expenditure	-		14	
Exceptional Items	386		1,309	
		6,385		**8,657**
Operating profit before working capital changes		**18,581**		**12,949**
Adjustments for :				
(Increase) / Decrease in inventories	(1,069)		1,192	
(Increase) / Decrease in trade receivables	(183)		3,514	
(Increase) in other assets	(178)		(1,393)	
(Decrease) in trade payable	(1,203)		(373)	
(Decrease)/ Increase in other liabilities	3,252		(873)	
Increase in provisions	193		80	
		812		**2,147**
Cash flow from operations		**19,393**		**15,096**
Income taxes paid (net of refund received)		(1,660)		(986)
Net cash generated from operating activities (A)		**17,733**		**14,110**
Cash flow from investing activities				
Purchase of property, plant & equipment, intangible assets (including under development and capital advances)		(6,715)		(10,740)
Proceeds from sale of property, plant & equipment		13		41
Investment in subsidiaries and joint ventures including advances, preference shares and optionally fully convertible debentures		(5,785)		(939)
Loans to related parties		(4,277)		(1,623)
Loans repaid by related parties		6,181		1,236
Purchase of current investments		(600)		(762)
Sale of current investments		606		765
Bank deposits not considered as cash and cash equivalents (net)		7,427		(7,524)
Interest received		532		423
Dividend received		9		31
Net cash used in investing activities (B)		**(2,609)**		**(19,092)**

Standalone Statement of Cash Flows

For the year ended 31 March 2021 (Continued)

₹ in crores

	For the year ended	
	31 March 2021	31 March 2020
Cash flow from financing activities		
Proceeds from sale of treasury shares	39	107
Payment for purchase of treasury shares	-	(101)
Proceeds from non-current borrowings	9,365	18,561
Repayment of non-current borrowings	(6,053)	(10,320)
Proceeds from/Repayment of current borrowings (net)	(5,528)	1,443
Repayment of lease liabilities	(776)	(503)
Interest paid	(4,005)	(4,371)
Dividend paid (including corporate dividend tax)	(483)	(1,190)
Premium paid on redemption of debentures	-	(572)
Net cash used in financing activities (C)	**(7,441)**	**3,054**
Net increase in cash and cash equivalents(A+B+C)	**7,683**	**(1,928)**
Cash and cash equivalents - opening balances	3,438	5,366
Cash and cash equivalents - closing balances (note 15)	**11,121**	**3,438**

Reconciliations part of cash flows

₹ in crores

Particulars	1 April 20	Cash flows(net)	Foreign exchange (Gain)/Loss	Changes in fair values	New leases	Other	31 March 21
Borrowings (including Current maturities of long term borrowing included in other financial liabilities note 28)	44,356	3,312	(555)	(692)	-	49#	46,470
Lease liabilities (including Current maturities)	3,489	(776)	-	-	626	-	3,339
Borrowings (Current)	6,813	(5,528)	-	-	-	-	1,285

₹ in crores

Particulars	1 April 19	Cash flows(net)	Foreign exchange (Gain)/Loss	Changes in fair values	New leases	Other	31 March 20
Borrowings (including Current maturities of long term borrowing included in other financial liabilities note 28)	34,343	8,241	1,976	(113)	-	(91)#	44,356
Lease liabilities (including Current maturities)	3,990	(503)	-	-	481	(479)	3,489
Borrowings (Current)	5,371	1,443	-	-	-	(1)	6,813

#Other comprises of Upfront Fees Amortisation, Interest Cost accrual on deferred sales tax loan and preference shares

Notes:

1. The cash flow statement is prepared using the "indirect method" set out in IND AS 7 – Statement of Cash Flows.

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

For and on behalf of the Board of Directors

per **VIKRAM MEHTA**
Partner
Membership No.:105938

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

Place: Mumbai
Date: 21 May 2021

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 21 May 2021

SESHAGIRI RAO M.V.S
Jt.Managing Director & Group CFO
DIN 00029136

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

1. General Information

JSW Steel Limited ("the Company") is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Company is an integrated manufacturer of diverse range of steel products with its manufacturing facilities located at Vijaynagar Works in Karnataka, Dolvi Works in Maharashtra and Salem works in Tamil Nadu. The Company has entered into long term lease arrangements of iron ore mines located at Odisha and Karnataka.

JSW Steel Limited is a public limited company incorporated in India on March 15, 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

2. Significant Accounting policies

I. Statement of compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statement.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2021, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

These financial statements are approved for issue by the Board of Directors on 21 May, 2021.

II. Basis of preparation and presentation

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

Fair value is the price 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 price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Financial Statement is presented in INR and all values are rounded to the nearest crores except when otherwise stated.

Current and non-current classification

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

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

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

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

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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

III. Revenue recognition

A. Sale of Goods

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

The Company has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

Contract balances

i) **Contract assets**
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

ii) **Trade receivables**
A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

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

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

B. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

IV. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term and the lease term is as follows.

Class of assets	Years
Leasehold land	99 Years
Buildings	3 to 30 years
Plant & Machinery	3 to 15 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

The Company accounts for sale and lease back transaction, recognising right-of-use assets and lease liability, measured in the same way as other right-of-use assets and lease liability. Gain or loss on the sale transaction is recognised in statement of profit and loss.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered

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of low value (i.e., below ₹ 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

V. Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (XVIII) (B) (f));
- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognised in the financial statements for the year ended 31 March, 2016 prepared under previous GAAP, are capitalised as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity year / upto the date of settlement of such monetary item, whichever is earlier, but not beyond 31 March 2020 and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable.

VI. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

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

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

VII. Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

The benefit of a government loan at a below-market rate of interest and effect of this favorable interest is treated as a government grant. The Loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the Statement of profit and loss immediately on fulfillment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

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VIII. Employee benefits

Retirement benefit costs and termination benefits

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

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

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

The Company presents the first two components of defined benefit costs in Statement of profit and loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

Short-term and other long-term employee benefits

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

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

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

IX. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 38.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shared held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

X. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

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Current tax

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

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 recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an deferred tax asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

XI. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

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Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

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

Class of assets	Years
Plant and equipment	8 to 40 years
Work-rolls (shown under Plant and equipment)	1 - 5 years

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

Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

The Company has applied Ind AS 116 w.e.f. 1 April 2019 and all lease are covered under Right of use assets.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

XII. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Computer Software & Licenses	3-5 years

Mining assets are amortised using unit of production method over the entire lease term.

The Company has elected to continue with carrying value of all its intangible assets recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XIII. Mining Assets

Acquisition Costs

The cost of Mining Assets capitalised includes costs associated with acquisition of licenses and rights to explore, stamp duty, registration fees and other such costs.

Bid premium and royalties payable with respect to mining operations is contractual obligation. The said obligations are variable and linked to market prices. The Company has accounted for the same as expenditure on accrual basis as and when related liability arises as per respective agreements/ statute.

Exploration and evaluation

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The Company measures its exploration and evaluation assets at cost and classifies as Property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.

Costs of exploration drilling and equipping exploration - Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

Stripping cost

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

Other production stripping cost incurred are expensed in the statement of profit and loss.

Developmental stripping costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

Site restoration, rehabilitation and environmental costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to profit and loss over the life of the asset through amortisation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements are reviewed periodically

The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology. Details of such provisions are set out in note 22.

XIV. Impairment of Non-financial assets

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

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate

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that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

XV. Inventories

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

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of iron ore inventory includes cost of mining, bid premium, royalties and other manufacturing overheads. Cost of traded goods include purchase cost and inward freight.

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

XVI. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. However, before a separate provision for an onerous contract is established, the Company recognises any write down that has occurred on assets dedicated to that contract. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

XVII. Investment in subsidiaries, associates and joint ventures

Investment in subsidiaries, associates and joint ventures are shown at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

The Company has elected to continue with carrying value of all its investment in affiliates recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XVIII. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) **Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

d) **Impairment**

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

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

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

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

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the

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loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

e) **Effective interest method**

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

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

B. Financial liabilities and equity instruments

a) **Classification as debt or equity**

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

b) **Equity instruments**

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

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

c) **Financial liabilities**

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

Financial liabilities at FVTPL:

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

A financial liability is classified as held for trading if:

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

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

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

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/losses attributable to

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changes in own credit risk are recognised in OCI.

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

Other financial liabilities:
The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne by the company on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

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

C. Derivative Instruments and Hedge Accounting

a) Derivative financial instruments
The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts, commodity forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge item.

b) Embedded derivatives
An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit and loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss, unless designated as effective hedging instruments.

c) **Hedge accounting**

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) **Fair value hedges**

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

The Company designates only the spot component for derivative instruments in fair value Hedging relationship. The Company defers changes in the forward element of such instruments in hedging reserve and the same is amortised over the period of the contract.

When the Company designates only the intrinsic value of the option as the hedging instrument, it account for the changes in the time value in OCI. This amount is be removed from OCI and recognised in P&L, either over the period of the hedge if the hedge is time related, or when the hedged transaction affects P&L if the hedge is transaction related.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. For fair value hedges relating to items carried at amortised cost, the fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit and loss from that date.

(ii) **Cash flow hedges**

The effective portion of changes in fair value of derivatives and non-derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in Statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit and loss in the years when the hedged item affects profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

accumulated in equity is recognised immediately in profit and loss.

XIX. Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

XX. Cash and cash equivalents:

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XXI. Earnings per share:

Basic earnings per share is computed by dividing the profit and loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XXII. Business Combination

Acquisition of business has been accounted for using the acquisition method. The consideration transferred in business combination is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Company to the former owners of the acquiree and consideration paid by the Company in exchange for control of the acquiree.

Acquisition related costs are recognised in the statement of profit and loss.

3. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

A) Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

ii) Impairment of investments in subsidiaries, joint- ventures and associates

Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capacity utilisation of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies as more fully described in note 51. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

iii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the Company are not disclosed.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

iv) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

v) Provision for site restoration

Provision for site restoration are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Management reviews all assumptions annually and any changes is accounted accordingly.

vi) Taxes

Pursuant to the announcement of the changes in the corporate tax regime, the Companies have an option to either opt for the new tax regime or continue to pay taxes as per the old applicable tax structure together with the other benefits available to the Companies including utilisation of the MAT credit available. This requires significant estimation in determining in which year the company would migrate to the new tax regime basis future year's taxable profits including the impact of ongoing expansion plans of the Company and consequential utilisation of available MAT credit. Accordingly, in accordance with IND AS 12 - Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

During the previous year, the Company has assessed the outstanding deferred tax liability, and written back an amount to the extent of ₹ 2,150 crores to the Statement of Profit and loss. This is arising from the re-measurement of deferred tax liability that is expected to reverse in future when the Company would migrate to the new tax regime. During the year, the Company has re-assessed the impact of the Ordinance and there is no significant change in the measurement arising of the said assessment.

vii) Relating to the global health pandemic from COVID-19

The Company has assessed the possible impact of COVID-19 in assessing the recoverability of carrying amounts of Company's assets such as property, plant & equipment, investments and other assets etc., considering the various internal and external information up to the date of approval of these financial results and concluded that they are recoverable based on the estimate of values of the businesses and assets by independent external valuers which was based on cash flow projections, fair values and implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to operational performance including significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, and capacity expansion/ availability of infrastructure facilities for mines. The Company continues to monitor any material changes to the future economic conditions.

B) Critical accounting judgements

i) Control over JSW Realty & Infrastructure Private Limited (RIPL)

RIPL has developed a residential township in Vijayanagar, Karnataka on the land taken on lease from the Company for a period of 30 years and provides individual housing units on rent to the employees of the Company or other group companies. RIPL is not allowed to sub-let or assign its rights under the arrangement without prior written consent of the Company. Though the Company does not hold any ownership interest in RIPL, the Company has concluded that the Company has practical ability to direct the relevant activities of RIPL unilaterally, considering RIPL's dependency on the Company for funding significant portion of its operation through subscription to 73.94% of preference share capital amounting to ₹ 313 crore issued by RIPL and significant portion of RIPL's activities.

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ii) **Determining the lease term of contracts with renewal and termination options – Company as lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

iii) **Joint control over JSW Ispat Special Products Limited (Formerly known as Monnet Ispat and Energy Limited)**

The consortium of JSW Steel Limited and AION Investments Private II Limited completed the acquisition of JSW Ispat Special Products Limited ('JSWISPL') through their jointly controlled entity Creixent Special Steels Limited ("CSSL") on 31 August 2018. The Company has made an investment in the year 2018-19 of ₹ 375 crores through equity and redeemable preference shares in CSSL to acquire joint control in JSWISPL and have an effective shareholding of 23.1% in JSWISPL.

As per the Shareholding agreement, all the relevant activities of CSSL that affect the Company's variable returns from its involvement with CSSL/ JSWISPL have to be decided unanimously by a Steering Committee on which the Company has representation and thus the Company has concluded that it has joint control over CSSL.

iv) **Joint control over Bhushan Power and Steel Limited**

The Company along with JSW Shipping and Logistics Private Limited ("JSLPL") completed the acquisition of BPSL through their jointly controlled entity Piombino Steel Limited ("PSL") on 26 March 2021. The Company has made an investment of ₹ 5,087 crores through equity and optionally convertible instruments in PSL to acquire joint control in BPSL and holds 49% equity in BPSL.

As per the Shareholding agreement, all the relevant activities of PSL that affect the Company's variable returns from its involvement with PSL/BPSL have to be decided unanimously by a Steering Committee on which the Company has representation and thus the Company has concluded that it has joint control over PSL.

v) **Incentives under the State Industrial Policy**

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds.

The State Government of Maharashtra ('GOM') vide its Government Resolution (GR) issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company including denying incentives in certain cases.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

Accordingly, the Company has recognised grant income without giving effect to the above restrictions and the cumulative amount receivable towards the same is considered to be good and recoverable.

vi) **Commitment under MDPA arrangement**

The Mine development and production agreement ('MDPA')signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two

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years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

Based on legal evaluation, the Company believes that MDPA would get rectified and after considering the expected production quantities in the remaining period, there would not be any shortfall in minimum production as required under MDPA. Accordingly, no provision has been recognised in financial statements as at 31 March 2021.

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4. Property, Plant and Equipment

₹ in crores

Particulars	Freehold land	Leasehold land	Buildings (Owned)	Buildings (On finance lease)	Plant and equipment (Owned)	Plant and equipment (On finance lease)	Furniture and fixtures	Vehicles and aircrafts	Office equipment	Tangibles Total
Cost/deemed cost										
At 31 March 2019	**1,033**	**456**	**7,167**	**190**	**49,087**	**5,255**	**119**	**144**	**70**	**63,521**
Transfer Out to Right of use Assets	-	456	-	190	14	5,255	-	-	-	5,915
Additions	24	-	233	-	1,614	-	7	17	21	1,916
Deductions	14	-	2	-	178	-	1	9	-	204
Other adjustments (refer note c)	-	-	-	-	298	-	-	-	-	298
At 31 March 2020	**1,043**	**-**	**7,398**	**-**	**50,807**	**-**	**125**	**152**	**91**	**59,616**
Additions	39	-	278	-	1,897	-	10	11	17	2,252
Additions pursuant to business combination (refer note 50)	40	-	95	-	715	-	-	-	-	850
Deductions	-	-	5	-	449	-	-	7	1	462
Other adjustments (refer note c)	-	-	-	-	58	-	-	-	-	58
At 31 March 2021	**1,122**	**-**	**7,766**	**-**	**53,028**	**-**	**135**	**156**	**107**	**62,314**
Accumulated depreciation										
At 31 March 2019	**-**	**19**	**1,147**	**94**	**9,297**	**1,228**	**52**	**46**	**38**	**11,921**
Transfer Out to Right of use Assets	-	19	-	94	8	1,228	-	-	-	1,349
Depreciation	-	-	318	-	2,636	-	12	16	17	2,999
Impairment	-	-	3	-	77	-	-	-	-	80
Deductions	-	-	-	-	146	-	1	5	-	152
At 31 March 2020	**-**	**-**	**1,468**	**-**	**11,856**	**-**	**63**	**57**	**55**	**13,499**
Depreciation	-	-	316	-	2,705	-	12	15	15	3,063
Deductions	-	-	5	-	405	-	-	4	1	415
At 31 March 2021	**-**	**-**	**1,779**	**-**	**14,156**	**-**	**75**	**68**	**69**	**16,147**
Net book value										
At 31 March 2021	**1,122**	**-**	**5,987**	**-**	**38,872**	**-**	**60**	**88**	**38**	**46,167**
At 31 March 2020	1,043	-	5,930	-	38,951	-	62	95	36	46,117

Notes:

₹ in crores

Description		As at 31 March 2021	As at 31 March 2020
a) Freehold land which is yet to be registered in the Company's name*	Acre	147	19
	Deemed cost	49	9
b) Freehold land and buildings which has been/agreed to be hypothecated/mortgaged to lenders of related parties	Deemed cost	267	275
c) Other adjustments comprises:			
Borrowing cost	₹ in crores	43	2
Foreign exchange loss / (gain) (including regarded as an adjustment to borrowing costs)	₹ in crores	15	296

*includes land acquired pursuant to business combination from Welspun Corp Limited on 31 March 2021 (refer note 50)

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d) Assets given on operating lease:

(i) The Company has entered into lease arrangements, for renting the following:

Category of Asset	Area	Period
Land at Vijayanagar*	754 acres	5 years to 30 years
Land at Dolvi along with certain buildings	178 acres	15 years to 20 years
Land at Palwal	6 acres	15 years
Office Premises at Mittal Tower	1,885 sq. feet	24 months
Office Premises at CBD Belapur	33,930 sq. feet	5 years
Houses at Vijayanagar Township	14,11,027 sq. feet (2,279 Houses)	120 months
Building for Vijayanagar Sports Institute	1,96,647 sq. feet	10 years
Hospital premises at Vijayanagar	81,500 sq. feet	20 years

*includes 440 acres of land classified as right-of-use assets in note 6.

The agreements are renewable & cancellable by mutual consent of both parties. The rent paid on above is based on mutually agreed rates.

(ii) Disclosure in respect of assets given on operating lease included in following heads:

Particulars	As at 31 March 2021	As at 31 March 2020
Land		
Cost/Deemed cost*	130	138
Building		
Cost/Deemed cost	233	233
Accumulated depreciation	31	24
Depreciation for the year	7	6

*includes ₹ 16 crores of land classified as right-of-use assets in note 6.

e) Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 20 and Note 25.

f) Property, plant and equipment includes proportionate share (50%) of assets under joint operation as below:

₹ in crores

Particulars	Buildings (Owned)	Plant and Equipment (Owned)
Cost/deemed cost		
At 1 April 2019	**476**	**7**
Additions	-	-
At 31 March 2020	**476**	**7**
Additions	-	-
At 31 March 2021	**476**	**7**
Accumulated depreciation		
At 1 April 2019	**64**	**2**
Depreciation	16	1
At 31 March 2020	**80**	**3**
Depreciation	16	1
At 31 March 2021	**96**	**4**
Net book value		
At 31 March 2021	**380**	**3**
At 31 March 2020	396	4

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5. Capital work in progress includes exchange fluctuation loss (including regarded as an adjustment to borrowing costs) of ₹ 46 crores (previous year ₹ 881 crores) and borrowing cost (net off interest income) of ₹ 720 crores (previous year ₹ 574 crores) capitalised during the year.

6. Right-of-Use assets and Lease liability

₹ In crores

Particulars	Land	Buildings	Plant and equipment	Total
Transfer In Right of use Assets				
Gross block	456	190	5,255	5,901
Accumulated depreciation	(19)	(94)	(1,228)	(1,341)
Additions (recognised in pursuant to Ind AS 116 adoption)	-	26	444	470
Right-of-use assets on initial recognition as on 1 April 2019	**437**	**122**	**4,471**	**5,030**
Additions	-	-	10	10
Deductions	-	-	451	451
Depreciation expense	4	17	466	487
At 31 March 2020	**433**	**105**	**3,564**	**4,102**
Additions	-	-	629	629
Deductions	-	-	-	-
Depreciation expense	4	17	549	570
At 31 March 2021	**429**	**88**	**3,644**	**4,161**

Leasehold land aggregating to ₹ 67 crores wherein the lease deed has expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.

Lease Liabilities

Particulars	₹ in crores
At 1 April 2019 (Transferred from finance lease obligation)	**3,990**
Additional leases (recognised pursuant to Ind AS 116 adoption)	463
Lease liabilities on initial recognition as on 1 April 2019	**4,453**
Additions	18
Interest accrued	472
Lease principal payments	(503)
Lease interest payments	(472)
Reversal	(479)
At 31 March 2020	**3,489**
Additions	625
Interest accrued	351
Lease principal payments	(776)
Lease interest payments	(351)
At 31 March 2021	**3,338**

Breakup of lease liabilities:

₹ in crores

Particulars	At 31 March 2021	At 31 March 2020
Current	925	773
Non-current	2,413	2,716
Total lease liabilities	**3,338**	**3,489**

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The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Less than 1 year	1,240	1,105
1-5 years	2,138	2,761
More than 5 years	1,177	883
	4,555	**4,749**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company has lease contracts for machinery that contains variable payments amounting to ₹ 452 crores (₹ 436 crores in 31 March 2020) shown under cost of material consumed/ other expenses.

The Company has recognised ₹ 7 crores as rent expenses during the year which pertains to short term lease/ low value asset which was not recognised as part of right of use asset and also recognised a gain of ₹ 1 crore on sale & leaseback transaction entered during the year. Both of amounts are being recognised as part of other expenses.

The leases that the Company has entered with lessors are generally long-term in nature and no changes in terms of those leases are expected due to the COVID-19.

7. Intangible assets

₹ in crores

Particulars	Computer software	License fees	Mining Assets	Total
Cost/deemed Cost				
At 31 March 2019	**121**	**26**	**123**	**270**
Additions	33	-	154	187
At 31 March 2020	**154**	**26**	**277**	**457**
Additions (refer note i)	26	-	1,413	1,439
At 31 March 2021	**180**	**26**	**1,690**	**1,896**
Accumulated amortisation				
At 31 March 2019	**71**	**19**	**8**	**98**
Amortisation	17	5	14	36
At 31 March 2020	**88**	**24**	**22**	**134**
Amortisation	26	1	121	148
At 31 March 2021	**114**	**25**	**143**	**282**
Net book value				
At 31 March 2021	**66**	**1**	**1,547**	**1,614**
At 31 March 2020	66	2	255	323

(i) The Company acquired mining blocks viz: -Nuagaon, Narayanposhi, Jajang and Ganua in the Auctions held by the Government of Odisha in February 2020. The Company has signed the Mine Development and Production agreement(s) for all the four blocks and executed the lease deed(s) with Government of Odisha after complying with all regulatory aspects. Acquisition cost incurred for these mines such as stamp duty, registration fees and other such costs amounting to ₹ 817 crores have been capitalised as Intangible Assets. Further, the Company had also paid upfront premium payment amounting to ₹ 1,290 crores which was subsequently adjusted against the premium payment due to the Government. The Company had started mining operations at all the above said blocks since 1 July 2020. The Company has also recognised restoration liability and capitalised ₹ 443 crores during the year.

(ii) Intangible assets under development include expenditure incurred on development of mining rights and other related costs for mines which are yet to be made operational.

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8. Investments in subsidiaries, associates and joint ventures

Particulars		Paid up value	As at 31 March 2021		As at 31 March 2020	
			No. of shares	₹ in crores	No. of shares	₹ in crores
A	**Investment in equity instruments**					
	Unquoted					
	Subsidiaries (at cost or deemed cost)					
	Amba River Coke Limited (refer note a)	₹ 10 each	93,18,98,670	932	93,18,98,670	932
	JSW Bengal Steel Limited	₹ 10 each	47,74,05,000	512	45,22,05,000	449
	JSW Jharkhand Steel Limited	₹ 10 each	9,63,96,423	96	9,30,33,853	93
	JSW Natural Resources Limited	USD 10 each	13,65,500	4	13,65,500	4
	JSW Steel(Netherlands) B.V.	Euro 1 each	7,07,625	4	7,07,625	4
	Periama Holdings, LLC	0.1% interest in members' capital	NA	&	NA	&
	JSW Steel Coated Products Limited	₹ 10 each	80,00,50,000	2,064	80,00,50,000	2,064
	Arima Holdings Limited	USD 100 each	50,390	***	50,390	***
	Erebus Limited	USD 100 each	2,15,420	$$$	2,15,420	$$$
	Nippon Ispat Singapore (Pte) Limited	SGD 1 each	7,84,502	-	7,84,502	-
	Peddar Realty Private Limited	₹ 10 each	10,000	57	10,000	57
	Lakeland Securities Limited	USD 100 each	351	@@	351	@@
	JSW Steel UK Limited	GBP 1 each	5,55,200	3	5,55,200	3
	JSW Industrial Gases Private Limited	₹ 10 each	9,20,83,826	267	9,20,83,826	267
	JSW Utkal Steel Limited	₹ 10 each	9,34,64,400	97	4,97,49,000	50
	Acero Junction Holdings, Inc.	USD 0.001 each	100	536	100	536
	JSW Steel Italy Piombino S.p.A. (Formerly known as Acciaierie e Ferriere di Piombino S.p.A.)	Euro 1 each	93,600	^^	93,600	^^
	GSI Lucchini S.p.A	Euro 1 each	2,736	&&	2,736	&&
	JSW One Platforms Limited (formerly known as JSW Retail Limited)	₹ 10 each	10,000	^	10,000	^
	Vardhman Industries Limited	₹ 10 each	45,00,000	5	45,00,000	5
	JSW Vallabh Tinplate Private Limited	₹ 10 each	3,82,56,827	65	2,50,19,600	30
	Piombino Steel Limited (refer note 49)	₹ 10 each	-	-	77,95,786	8
	JSW Vijayanagar Metallics Limited	₹ 10 each	49,71,000	5	10,000	^
	Joint ventures (at cost or deemed cost)					
	Gourangdih Coal Limited	₹ 10 each	24,50,000	2	24,50,000	2
	JSW MI Steel Service Centre Private Limited	₹ 10 each	6,65,00,000	67	6,65,00,000	67
	JSW Severfield Structures Limited	₹ 10 each	19,79,37,940	198	19,79,37,940	198
	Rohne Coal Company Private Limited	₹ 10 each	4,90,000	""	4,90,000	""
	Creixent Special Steels Limited	₹ 10 each	48,00,000	25	48,00,000	25
	JSW Ispat Special Products Limited (Formerly known as 'Monnet Ispat and Energy Limited')	₹ 10 each	399	&&&	399	&&&
	Vijayanagar Minerals Private Limited	₹ 10 each	4,000	@	4,000	@
	Piombino Steel Limited (refer note b & 49)	₹ 10 each	98,00,00,000	1,117	-	-
B	**Investment in limited liability partnership firm**					
	Unquoted subsidiary (at cost or deemed cost)					
	Inversiones Eurosh Limitada (unquoted)	5% Equity Interest in the capital	NA	^^^	NA	^^^

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Particulars		Paid up value	As at 31 March 2021		As at 31 March 2020	
			No. of shares	₹ in crores	No. of shares	₹ in crores
C	**Investments in debentures of subsidiary companies at cost**					
	JSW Steel Coated Products Limited	0.1% compulsorily convertible debentures of ₹ 52 each	12,50,00,000	650	-	-
D	**Investment in share warrants of Joint Venture**					
	Piombino Steel Limited (refer note 49)	Share warrants of ₹ 0.02 each exercisable within 5 years for 1 equity share against 1 warrant	3,50,00,00,000	7	-	-
	Total			**6,714**		**4,794**
	Less: Aggregate amount of provision for impairment in the value of investments			(38)		(37)
				6,676		**4,757**
	Unquoted					
	Aggregate carrying value			6,676		4,757

*** ₹ 0.25 crores $$$ ₹ 0.27 crores @@ ₹ 0.22 crores "" ₹ 0.49 crores ^^^ ₹ 0.01 crores @ ₹ 40,000 & $1 @@@ ₹ 0.50 crores ^ ₹ 0.01 crores ^^ ₹ 0.19 crores && ₹ 0.19 crores $$ ₹ 0.01 crores &&& ₹ 3,990

Note:

a) 30,43,73,882 shares (as at 31 March 2020 30,43,73,882 shares) are pledged to the Amba River & Coke Limited (ARCL)'s banker.

b) 98,00,00,000 shares (as at 31 March 2020 NIL shares) are pledged to the Piombino Steel Limited's banker.

9. Investments (non-current)

Particulars		Paid up value	As at 31 March 2021		As at 31 March 2020	
			No. of shares	₹ in crores	No. of shares	₹ in crores
A	**Investment in equity instruments**					
	Quoted-Others (at fair value through OCI)					
	Fully paid up					
	JSW Energy Limited	₹ 10 each	8,53,63,090	750	8,53,63,090	364
	Unquoted					
	Others (at fair value through OCI)					
	Toshiba JSW Power Systems Private Limited	₹ 10 each	1,10,00,000	-	1,10,00,000	-
	MJSJ Coal Limited	₹ 10 each	1,04,61,000	9	1,04,61,000	9
	SICOM Limited	₹ 10 each	6,00,000	5	6,00,000	5
	Kalyani Mukand Limited	₹ 1 each	4,80,000	$	4,80,000	$
	Ispat Profiles India Limited	₹ 1 each	15,00,000	$	15,00,000	$
				764		**378**
B	**Investments in preference shares and Debentures**	**Terms**				
	Unquoted- (at fair value through profit and loss)					
	Subsidiaries					
	JSW Steel(Netherlands) B.V.	5% redeemable, non-cumulative of Euro 1 each	3,99,00,250	217	3,99,00,250	217
	JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each	1,99,15,000	103	1,99,15,000	99
	JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each(Series 1)	50,00,000	39	50,00,000	37

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

	Particulars	Paid up value	As at 31 March 2021		As at 31 March 2020	
			No. of shares	₹ in crores	No. of shares	₹ in crores
	JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each(Series 2)	53,00,000	30	53,00,000	29
	JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each	2,14,000	**	2,14,000	1
	JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each (Series 3)	8,68,000	2	-	-
	Vardhman Industries Limited	10% p.a. Compulsorily convertible Debentures	5,90,00,000	59	5,90,00,000	59
	Joint ventures					
	Rohne Coal Company Private Limited	1% non-cumulative of ₹ 10 each	2,36,42,580	-	2,36,42,580	-
	Rohne Coal Company Private Limited	1% Series-A non-cumulative of ₹ 10 each	71,52,530	$$	71,52,530	3
	Rohne Coal Company Private Limited	1% Series-B non-cumulative of ₹ 10 each	19,94,686	2	16,61,686	2
	Piombino Steel Limited (refer note 49)	6% optionally fully convertible, non-cumulative of ₹ 10 each for a term of 10 years	4,10,00,00,000	4,100	-	-
				4,553		**447**
C	**Investments in preference shares**	**Terms**				
	Unquoted- (at amortised cost)					
	Joint ventures					
	Creixent Special Steels Limited	0.01% redeemable, cumulative of ₹ 10 each	17,19,69,200	232	17,19,69,200	206
	Creixent Special Steels Limited	0.01% redeemable, cumulative of ₹ 10 each	19,83,00,410	233	19,83,00,410	211
	JSW Ispat Special Products Limited (Formerly known as 'Monnet Ispat and Energy Limited')	0.01% compulsorily convertible, non-cumulative of ₹ 10 each	601	@	601	@
				465		**417**
D	**Investments in Government securities (unquoted- Others) (at amortised cost)**					
	National Savings Certificates			^^		^^
	(Pledged with commercial tax department)					
	Total (A+B+C+D)			**5,782**		**1,242**
	Quoted					
	Aggregate book value			**750**		**364**
	Aggregate market value			**750**		**364**
	Unquoted					
	Aggregate carrying value			**5,032**		**878**
	Investment at amortised cost			465		417
	Investment at fair value through other comprehensive income			764		378
	Investment at fair value through profit and loss			4,553		447

^^ ₹ 0.07 crore $ ₹ 1 @ ₹ 6,010 ** ₹ 0.49 crore $$ ₹ 0.05 crore

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

10. Loans (Unsecured)

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Loans				
to related parties*	6,478	602	9,108	100
to other body corporate	9	-	9	-
Security deposits	510	131	609	221
Less : Allowance for doubtful loans (Considered doubtful)	(1,615)	-	(1,021)	-
Total	**5,382**	**733**	**8,705**	**321**
Note :				
Considered good	5,382	733	8,705	321
Loans which have significant increase in Credit Risk	-	-	-	-
Loans which are credit impaired	-	-	-	-
Loans and advances to other body corporate	9	-	9	-
Loans and advances to related parties	1,606	-	1,012	-

*Loans are given for business purpose. Refer note 44 for terms of Loan

Movement in Allowance for doubtful loans

	₹ in crores
As at 1 April 2019	685
Provision written back due to repayment of loan	(326)
Additional provision made during the year (refer note 53)	605
Additional provision transferred from guarantee towards incremental loan (refer note a)	57
As at 31 March 2020	**1,021**
Additional provision made during the year (refer note 53)	330
Additional provision transferred from guarantee towards incremental loan (refer note a)	264
As at 31 March 2021	**1,615**

(a) The Company had recognised financial guarantee obligation in the earlier years towards lenders of a subsidiary, against which incremental loans have been advanced to the subsidiary during the current year. Consequently, the financial guarantee obligation has been released and basis of the recoverability of the said loans provision for doubtful allowances has been recognised, resulting in NIL impact in Statement of Statement of profit & loss.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Details of loans and advances in the nature of loans to related parties:

₹ in crores

Name of Company	As at 31 March 2021		As at 31 March 2020	
	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year	Amount outstanding
JSW Steel (Netherlands) B.V.	1,128	1,073	1,326	267
JSW Natural Resources Limited	146	142	138	138
Inversiones Eurosh Limitada	807	807	803	803
Periama Holdings, LLC	6,939	1,796	6,134	6,134
JSW Steel UK Limited	16	16	13	13
Arima Holding Limited	#	#	#	#
Lakeland Securities Limited	#	#	#	#
Erebus Limited	#	#	#	#
Acero Junction Holdings, Inc.	2,291	2,256	1,511	1,511
JSW Ispat Special Products Limited (Formerly known as 'Monnet Ispat and Energy Limited')	215	215	215	215
JSW Global Business Solutions Limited	13	10	16	13
JSW Steel Italy Piombino S.p.A. (Formerly known as Acciaierie e Ferriere di Piombino S.p.A.)	92	88	85	85
JSW Steel Coated Products Limited	900	500	-	-
Nippon Ispat Singapore (Pte) Limited	3	3	3	3
Creixent Special Steels Limited	3	3	1	1
Bhushan Power & Steel Limited (Erstwhile Makler Private Limited merged with Bhushan Power & Steel Limited)	134	134	-	-
JSW Realty & Infrastructure Private Limited	60	31	16	16
Sante Fe Mining	2	2	2	2
JSW Steel (USA), Inc	3	3	3	3
JSW Bengal Steel Limited	1	#	1	1
JSW Severfield Structures Limited	#	#	#	#
JSW Jharkhand Steel Limited	#	#	#	#
Gourangdih Coal Limited	#	#	#	#

represents amounts below ₹ 0.50 crore

11. Others financial assets (Unsecured)

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Export benefits and entitlements	1	140	1	78
Advance towards equity share capital / preference shares	4	-	101	-
Government grant income receivable (refer note 30a)	1,489	1,021	326	2,414
Interest receivable on				
- Loans to related parties	238	761	118	685
- Others	-	8	-	115
Indirect tax balances refund due	-	22	-	22
Others	239	45	16	70
Less: Allowance for doubtful receivables	-	(649)	-	(590)
Total	**1,971**	**1,348**	**562**	**2,794**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Movement in Allowance for doubtful receivables

	₹ in crores
At 1 April 2019	-
Additional provision for Interest receivable from related party (refer note 53)	586
Additional provision for export incentives	4
At 31 March 2020	**590**
Provision written back	(1)
Additional provision for Interest receivable from related party (refer note 53)	60
At 31 March 2021	**649**

12. Other assets

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Capital advances	598	-	843	-
Less : Allowance for doubtful advances	(7)	-	(7)	-
Other Advances				
Advance to suppliers	271	937	271	1,042
Export benefits and entitlements	56	127	56	75
Security deposits	35	25	37	37
Indirect tax balances/recoverable/credits (refer note a)	1,649	509	1,381	449
Prepayments and others	62	182	59	198
Less : Allowance for doubtful advances	(270)	(15)	(262)	(6)
Total	**2,394**	**1,765**	**2,378**	**1,795**
Other Assets constitute:				
Capital advances				
Considered good	591	-	836	-
Considered doubtful, provided	7	-	7	-
Others				
Considered good	1,803	1,765	1,543	1,795
Considered doubtful, provided	270	15	262	6
Advances to suppliers	260	-	252	-
Prepayment and others	7	15	7	6
Indirect tax balances/recoverable/credits	3	-	3	-

a. Maharashtra Electricity Regulation Commission (MERC) has approved levy of additional surcharge of ₹ 1.25/kWh w.e.f. 1 September 2018 to all the consumers sourcing power from Captive power plants. The Company had appealed against the levy in Appellate Tribunal for electricity (APTEL) and the APTEL passed an order in favour of the Company. However, the State Government has filed Special Leave Petition before the Honorable Supreme Court of India (SC),. The SC has vide their order dated 1 July 2019, granted stay against the order of the Appellate authority and the matter is pending before the SC.

The amounts paid in dispute amounting to ₹ 482 crores towards the additional surcharge has been disclosed as part of other non-current assets.

13. Inventories

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Raw materials (at cost)	4,372	4,110
Work-in-progress (at cost)	539	414
Semi-finished/ finished goods (at cost or net realisable value)	4,112	3,343
Production consumables and stores and spares (at cost)	1,668	1,734
Others	1	22
Total	**10,692**	**9,623**

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

Value of inventories above is stated after write down to net realisable value of ₹113 crores (31 March 2020 – NIL). These were recognised as an expense during the year and included in changes in inventories of finished goods, work-in-progress and stock-in-trade.

Inventories have been pledged as security against certain bank borrowings, details relating to which has been described in note 20 and note 25

Details of Stock-in-transit

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Raw materials	968	1,222
Production consumables and stores and spares	131	190
Total	**1,099**	**1,412**

14. Trade receivables

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	3,316	3,149
Trade Receivables which have significant increase in Credit Risk	160	160
Less: Allowance for doubtful debts	(143)	(143)
Trade Receivables – credit impaired	49	10
Less: Allowance for doubtful debts	(49)	(10)
Total	**3,333**	**3,166**

The credit period on sales of goods ranges from 7 to 90 days with or without security.

Before accepting any new customer, the Company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

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

Trade receivables have been given as collateral towards borrowings details relating to which has been described in note 20 and note 25.

Credit risk management regarding trade receivables has been described in note 43.6.

Trade receivables from related parties' details has been described in note 44.

Trade receivables does not include any receivables from directors and officers of the company.

15. Cash and cash equivalents

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with Banks		
In current accounts	695	1,613
In term deposit Accounts with maturity less than 3 months at inception	10,425	1,824
Cheques in hand	1	-
Cash on hand	-	1
Total	**11,121**	**3,438**

Notes

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16. Bank balance other than cash and cash equivalents

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Earmarked balances in current accounts		
- in current accounts	35	35
- in term deposits	-	14
Balances with Banks		
In term deposit accounts		
with maturity more than 3 months but less than 12 months at inception	467	7,790
with maturity more than 12 months at inception	32	122
In margin money	91	2
Total	**625**	**7,963**

Earmarked bank balances are restricted in use and it relates to unclaimed dividend and balances with banks held as margin money for security against the guarantees.

17. Derivative Assets

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Forward contract	-	84	-	259
Interest rate swap	-	1	-	1
Currency option	110	1	-	15
Total	**110**	**86**	**-**	**275**

18. Equity share capital

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Number of Shares		Amount (₹ in crores)	
Share Capital				
(a) Authorised :				
Equity shares of the par value of ₹ 1 each	60,150,000,000	60,150,000,000	6,015	6,015
(b) Issued and subscribed				
(i) Outstanding at the beginning of the year, fully paid-up	2,417,220,440	2,417,220,440	242	242
(ii) Less: Treasury shares held under ESOP Trust (refer note below)	(11,454,094)	(14,816,254)	(1)	(2)
(iii) Outstanding at the end of the year, fully paid-up	2,405,766,346	2,402,404,186	241	240
(c) Equity shares forfeited (amount originally paid-up)			61	61
Total			**302**	**301**

a) NOTE FOR SHARES HELD UNDER ESOP TRUST:

The Company has created an Employee Stock Ownership Plan (ESOP) for providing share-based payment to its employees.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its subsidiaries in India. For the purpose of the scheme, the Company purchases shares from the open market under ESOP trust. The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares.

For the details of shares reserved for issue under the Employee Stock Ownership Plan (ESOP) of the Company refer note 39.

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Movement in treasury shares

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Number of shares		Amount (₹ in crores)	
Shares of ₹ 1 each fully paid-up held under ESOP Trust				
Equity shares as at 1 April	14,816,254	15,508,976	2	2
Changes during the year	(3,362,160)	(692,722)	*	@
Equity shares as at 31 March	11,454,094	14,816,254	1	2

@ ₹ (0.07) crores * ₹ (0.34) crores

b) RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO EQUITY SHARES

The Company has a single class of equity shares having par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) SHAREHOLDERS HOLDING MORE THAN 5% SHARE IN THE COMPANY ARE SET OUT BELOW

Particulars	As at 31 March 2021		As at 31 March 2020	
	No of shares	% of shares	No of shares	% of shares
Equity shares				
JFE Steel International Europe BV	362,583,070	15.00%	36.25,83,070	15.00%
JSW Techno Projects Management Ltd	26,44,54,220	10.94%	25,70,51,220	10.63%
JSW Holdings Limited	18,14,02,230	7.50%	18,14,02,230	7.50%
Vividh Finvest Private Limited	143,370,690	5.93%	14,33,70,690	5.93%

d) SHARES ALLOTTED AS FULLY PAID-UP PURSUANT TO CONTRACTS WITHOUT PAYMENT BEING RECEIVED IN CASH DURING THE YEAR OF FIVE YEARS IMMEDIATELY PRECEDING THE DATE OF THE BALANCE SHEET ARE AS UNDER:

NIL

e) The Company has 3,00,00,00,000 authorised preference shares of ₹ 10 each amounting to ₹ 3,000 crores as on 31 March 2021 (₹ 3,000 crores in 31 March 2020).

19. Other equity

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
General reserve	9,969	9,944
Retained Earnings	25,678	17,709
Other Comprehensive Income:		
Equity instruments through other comprehensive income	533	148
Effective portion of cash flow hedges	(194)	(434)
Other Reserves		
Equity settled share based payment reserve	117	122
Capital reserve	4,359	4,359
Capital redemption reserve	774	774
Securities premium reserve	5,439	5,439
Total	**46,675**	**38,061**

(i) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year.

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Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit and loss to the General reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(ii) Retained Earnings

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

(iii) Equity Instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(iv) Effective portion of cash flow hedges

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit and loss only when the hedged transaction affects the profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

(v) Equity settled share based payment reserve

The Company offers ESOP, under which options to subscribe for the Company's share have been granted to certain employees and senior management of JSW Steel and its subsidiaries. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

(vi) Capital reserve

Reserve is primarily created on amalgamation as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(vii) Capital redemption reserve

Reserve is created for redemption of preference shares as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(viii) Securities Premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

Notes

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20. Borrowings (at amortised cost)

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Bonds (unsecured)	10,291	-	10,554	-
Debentures (secured)	8,670	330	5,000	-
Debentures (unsecured)	-	1,000	-	-
Term loans				
Secured	9,837	2,716	10,743	2,468
Unsecured	9,421	2,550	11,464	2,525
Acceptance for Capital Projects more than 1 year				
Secured	576	66	650	61
Unsecured	596	345	929	115
Deferred government loans	373	3	135	25
	39,764	**7,010**	**39,475**	**5,194**
Unamortised upfront fees on borrowing	(213)	(91)	(228)	(85)
	39,551	**6,919**	**39,247**	**5,109**
Less: Amount clubbed under Other financial liabilities (note 28)	-	(6,919)	-	(5,109)
Total	**39,551**	**-**	**39,247**	**-**

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
A. Bonds/Debentures					
Bonds (Unsecured)					
2,941	-	3,016	-	5.375% Repayable on 04.04.2025	
3,675	-	3,769	-	5.95% Repayable on 18.04.2024	
3,675	-	3,769	-	5.25% Repayable on 13.04.2022	-
10,291	**-**	**10,554**	**-**		
Debentures(secured)					
1,000	-	1,000	-	8.90% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a. ₹ 250 crores on 23.01.2027 b. ₹ 250 crores on 23.01.2028 c. ₹ 250 crores on 23.01.2029 and d. ₹ 250 crores on 23.01.2030.	First pari passu charge on property, plant and equipments related to Cold Rolling Mill 1 and 2 complex located at Vijayanagar Works, Karnataka (other than specifically carved out).
2,000	-	2,000	-	8.79% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a. ₹ 500 crores on 18.10.2026 b. ₹ 500 crores on 18.10.2027 c. ₹ 500 crores on 18.10.2028 and d. ₹ 500 crores on 18.10.2029.	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out).
4,000	-	-	-	8.5% secured NCD of ₹ 10,00,000 each redeemable in bullet payment on 12.10.2027, with provision of put/call option on 10.10.2025	First Pari Passu Charge on moveable and immoveable fixed assets of the following: - Salem Works - Cold Rolling Mill #1 & #2 at Vijayanagar Works, Karnataka - Upto 3.8 MTPA Steel Plant" at Vijayanagar Works, Karnataka
670	330	1,000	-	10.34% secured NCDs of ₹ 10,00,000 each are redeemable in three tranches a.₹ 330 crores on 18.1.2022 b.₹ 330 crores on 18.1.2023 c.₹ 340 crores on 18.1.2024	First pari passu charge on property, plant and equipments related to 2.8 MTPA expansion project located at Vijayanagar Works, Karnataka and a flat at Vasind, Maharashtra.
1,000	-	1,000	-	10.02% secured NCDs of ₹ 10,00,000 each are redeemable in two tranches a.₹ 500 crores on 20.05.2023 b. ₹ 500 crores on 19.07.2023	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
8,670	**330**	**5,000**	**-**		

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
Debentures (Unsecured)					
-	1,000	-	-	Bullet payment on 03.09.2021 with put/call option on 15.06.2021	
-	**1,000**	**-**	**-**		
B. Term Loans					
Rupee Term Loans From Banks (Secured)				**Weighted average interest cost as on 31 March 2021 is 8.03%**	
2,961	156	709	-	12 quarterly installments of ₹ 38.96 crores each from 30.06.2021-31.03.2024 04 quarterly installments of ₹ 194.8 crores each from 30.06.2024-31.03.2025 08 quarterly installments of ₹ 233.77 crores each from 30.06.2025 - 31.03.2027	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out) .
187	42	219	31	21 Quarterly installments of ₹ 10.41 crores each from 30.06.2021 - 30.06.2026 and last installment of ₹ 10.57 crore on 30.09.2026.	First pari passu charge on property, plant and equipments related to new 5 MTPA Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
354	86	418	86	20 equal quarterly installments of ₹ 21.43 crores each from 30.06.2021 to 31.3.2026 and last installment of ₹ 11.06 crores on 30.06.2026	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. First pari-passu charge on property, plant and equipments of 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) at Dolvi Works, Maharashtra
225	25	-	-	4 quarterly installments of ₹ 6.25 crores each from 30.06.2021-31.03.2022 4 quarterly installments of ₹ 9.37 crores each from 30.06.2022-31.03.2023 4 quarterly installments of ₹ 12.50 crores each from 30.06.2023-31.03.2024 4 quarterly installments of ₹ 15.62 crores each from 30.06.2024-31.03.2025 4 quarterly installments of ₹ 18.75 crores each from 30.06.2025-31.03.2026	First charge on 5 MTPA Hot Strip Mill at Vijayanagar Works in Karnataka
319	75	393	66	5 quarterly installments of ₹ 18.75 crores each from 30.06.2021-30.06.2022 12 quarterly installments of ₹ 25 crores each from 30.09.2022-30.06.2025	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
300	100	400	100	16 quarterly installments of ₹ 25 crores each from 30.06.2021-31.03.2025	First pari passu charge on property, plant and equipments related to new 5 MTPA Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
380	120	470	105	12 quarterly installments of ₹ 30 crores each from 30.06.2021 to 31.03.2024 4 quarterly installments of ₹ 35 crores each from 30.06.2024 to 31.03.2025	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. First charge on entire immovable and movable fixed assets located at Salav works (erstwhile JSW Steel Salav Limited), Maharashtra.
300	100	375	100	16 quarterly installments of ₹ 25 crores each from 30.06.2021-31.03.2025	First pari passu charge on property, plant and equipments situated at Salem Works, Tamil Nadu.
-	-	563	75	02 Quarterly instalments of ₹ 18.75 crores each from 27.07.2020 - 27.10.2020 16 Quarterly instalments of ₹ 37.50 crores each from 27.01.2021 - 27.10.2024 - repaid in Oct 2020	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
614	192	758	192	4 quarterly instalments of ₹ 48 crores each from 30.06.2021 - 31.03.2022 9 quarterly instalments of ₹ 64 crores each from 30.06.2022 - 30.06.2024 1 quarterly instalment of ₹ 38.35 crores on 30.09.2024.	First charge on entire movable and immovable property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (excluding those specifically charged and equipment/machinery procured out of proceeds of ECA/ECB/FCL) both present and future.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
225	94	319	75	1 quarterly installments of ₹ 18.75 crores on 30.06.2021 12 quarterly installments of ₹ 25 crores each from 30.09.2021-30.06.2024	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
-	-	600	200	16 Quarterly instalment of ₹ 50 crores each from 30.06.2020 - 31.03.2024 - repaid in Oct 2020	First charge on 3.2 MTPA expansion property, plant and equipments situated at Vijayanagar Works Karnataka
750	250	938	93	04 Quarterly instalments of ₹ 62.50 crores each from 30.04.2021 - 31.01.2022 08 Quarterly instalments of ₹ 93.75 crores each from 31.04.2022 - 31.1.2024	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
588	149	700	150	5 quarterly installments of ₹ 37.5 crores each from 30.06.2021 - 30.06.2022 4 quarterly installments of ₹ 43.75 crores each from 30.09.2022 - 30.06.2023 2 quarterly installments of ₹ 187.5 crores each from 30.09.2023 - 31.12.2023	First pari passu charge on 3.8 MTPA upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
88	49	125	50	11 Quarterly instalments of ₹ 12.5 crores each from 30.06.2021 - 31.12.2023.	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
150	100	225	100	LTMR+0.30% : 10 quarterly installments of ₹ 25 crores each from 01.06.2021-01.09.2023	First charge on 3.2 MTPA expansion property, plant and equipments situated at Vijayanagar Works Karnataka
699	463	1,164	-	1 quarterly instalment on 30.6.2021 of 113.65 crore 3 quarterly installments of ₹ 116.40 crores each from 30.09.2021-31.03.2022 4 quarterly installments of ₹ 174.60 crores each from 30.06.2022-31.03.2023	First pari passu charge on the mining rights/ assets proposed to be acquired for the 4 iron ore blocks acquired in the State of Odisha.
950	350	1,250	200	2 Quarterly installments of ₹ 50 crores each from 30.06.2021 - 30.09.2021 4 Quarterly installments of ₹ 125 crores each from 31.12.2021 - 30.09.2022 2 Quarterly installments of ₹ 350 crores each from 31.12.2022- 31.03.2023.	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
262	163	388	150	2 quarterly installments of ₹ 37.5 crores each from 30.06.2021 - 30.09.2021 4 quarterly installments of ₹ 43.75 crores each from 31.12.2021 - 30.09.2022 2 quarterly installments of ₹ 87.5 crores each from 31.12.2022 - 31.03.2023.	First pari passu charge on 3.8MTPA upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
62	63	109	63	08 quarterly installments of ₹ 15.625 crores each from 30.06.2021-31.03.2023	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
-	45	90	160	1 quarterly installments of ₹ 45 crores on 30.06.2021	First charge on 3.2 MTPA expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka
-	-	-	375	2 quarterly installments of ₹ 37.50 crores each from 30.06.2020-30.09.2020 2 quarterly installments of ₹ 150 crores each from 31.12.2020-31.03.2021	First charge on 3.2 MTPA expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka
9,414	**2,622**	**10,213**	**2,371**		

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
Foreign Currency Term Loans From Banks (Secured)				**Weighted average interest cost as on 31 March 2021 is 3.66%**	
423	94	530	97	20 equal quarterly installments of ₹ 23.62 crores each from 30.06.2021 to 31.03.2026. 1 installment of ₹ 44.95 crores on 30.06.2026.	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. First pari-passu charge on property, plant and equipments of 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) at Dolvi Works, Maharashtra
423	**94**	**530**	**97**		
Total Term Loan-Secured					
9,837	**2,716**	**10,743**	**2,468**		
Rupee Term Loans From Banks (Unsecured)				**Weighted average interest cost as on 31 March 2021 is 7.41%**	
300	-	-	-	3 quarterly instalments of ₹ 100 crores each from 28.06.2023 to 28.12.2023	
-	75	30	120	2 quarterly instalments of ₹ 25 crores each from 20.06.2021 to 20.09.2021 01 quarterly instalment of ₹ 25 crores on 20.11.2021	
-	750	750	-	1 instalment of ₹ 250 crores on 05.04.2021 and 1 installment of ₹ 500 crore on 05.09.2021	
-	-	-	250	1 instalment of ₹ 250 crores each on 20.05.2020	
300	**825**	**780**	**370**		
Foreign Currency Term Loans From Banks (Unsecured)				**Weighted average interest cost as on 31 March 2021 is 2.63%**	
290	34	286	15	19 equal semi-annual installment of ₹ 17.06 crores from 31.08.2021 to 31.08.2030	
199	25	176	20	18 equal semi-annual installment of ₹ 12.44 crores from 31.08.2021 to 28.02.2030	
170	21	142	16	18 equal semi-annual installment of ₹ 10.63 crores from 30.06.2021 to 31.12.2029	
342	46	294	34	17 equal semi-annual installment of ₹ 22.83 crores from 30.06.2021 to 30.06.2029	
151	22	181	23	15 equal semi-annual installments of ₹ 6.21 crores from 25.06.2021 to 25.06.2028 and 1 installment of ₹ 2.56 crores on 25.12.2028 15 equal semi-annual installment of ₹ 5.07 crores from 25.06.2021 to 25.06.2028 and 1 installment of ₹ 1.76 crores on 25.12.2028	
301	50	364	52	14 equal semi-annual installments of ₹ 12.92 crores from 27.09.2021 to 25.03.2028 and 1 installment of ₹ 0.23 crore on 25.09.2028. 14 equal semi-annual installment of ₹ 11.95 crores from 27.09.2021 to 25.03.2028 and 1 installment of ₹ 2.57 crores on 25.09.2028.	
209	37	116	37	13 equal semi-annual installments of ₹ 18.17 crores from 08.08.2021 to 08.08.2027 and 1 installment of ₹ 9.38 crores on 06.02.2028	
47	9	54	9	12 semi annual installments of ₹4.70 crores each from 31.07.2021 to 31.01.2027	-
149	32	186	33	11 equal semi-annual installments of ₹ 16.01 crores from 25.06.2021 to 25.06.2026 and 1 installment of ₹ 5.14 crores on 25.12.2026	

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
69	21	91	21	6 half yearly instalments of ₹ 3.32 crores each from 31.07.2021 to 31.01.2024. 7 half yearly instalments of ₹ 1.34 crores each from 30.04.2021 to 30.04.2024 10 semi annual installments of ₹2.12 crores each from 25.06.2021 to 25.03.2026 10 semi annual installments of ₹2.21 crores each from 25.06.2021 to 25.3.2026. 11 semi annual installments of ₹1.56 crores each from 25.06.2021 to 25.06.2026.	
1,838	-	1,885	-	2 annual installments of ₹ 612.48 crores from 19.03.2024 to 19.03.2025 and 1 installment of ₹ 612.66 crores on 19.03.2026	
54	13	69	14	10 semi annual installments of ₹ 4.60 crores each from 23.07.2021 to 23.01.2026 10 semi annual installments of ₹2.15 crores each from 06.08.2021 to 07.02.2026	
875	-	786	-	1 installment of ₹ 269.57 crores on 28.12.2023 2 annual installments of ₹ 269.49 crores from 28.12.2024 to 28.12.2025 for USD Loans 1 installment of ₹ 22.12 crores on 22.01.2024 and 2 annual installments of ₹ 22.11 crores from 22.01.2025 to 22.01.2026 for JPY loans	
551	-	565	-	4 equal installment of ₹ 137.82 crores from 19.10.2022 to 19.10.2025	
919	-	942	-	4 annual installments of ₹ 229.70 crores from 16.07.2022 to 16.07.2025	
294	-	302	-	4 annual installments of ₹ 73.50 crores from 12.07.2022 to 12.07.2025	
30	108	141	111	Repayable ₹98 crores on 13.8.2021 7 equal semi annual instalments of ₹5.02 crores each from 27.09.2021 to 25.09.2024 and 1 semi annual instalment of ₹ 4.49 crores on 25.03.2025	
108	37	150	39	7 equal semi annual instalments of ₹ 6.03 crores each from 09.07.2021 to 09.07.2024 and 1 semi annual instalment of ₹ 5.31 crores on 09.01.2025 7 equal semi annual instalments of ₹ 12.68 crores each from 09.07.2021 to 09.07.2024 and 1 semi annual instalment of ₹ 9.19 crores on 09.01.2025	
1,158	386	1,583	-	4 annual installments of ₹ 385.90 crores from 12.10.2021 to 12.10.2024	
735	-	754	-	Repayable on 05.04.2024	
141	90	300	218	5 half yearly instalments of ₹ 39.07 crores each from 30.04.2021 to 30.04.2023 6 half yearly instalments of ₹ 5.95 crores each from 18.09.2021 to 18.03.2024.	
28	14	43	14	6 half yearly instalments of ₹ 7.04 crores each from 30.09.2021 to 31.03.2024	
28	14	43	14	6 half yearly instalments of ₹ 7 crores each from 26.08.2021 to 28.02.2024	

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
157	81	246	84	6 half yearly instalments of ₹ 17.15 crores each from 19.07.2021 to 19.01.2024. 5 half yearly instalments of ₹ 23.42 crores each from 19.07.2021 to 19.07.2023 and 1 half yearly instalment of ₹ 17.79 crores on 19.01.2024.	
21	10	30	10	6 equal semi annual installments of ₹5.15 crores each from 15.06.2021 to 15.12.2023.	
257	405	678	-	Repayable in three tranches a. ₹367.52. crores on 21.2.2022 b. ₹36.75 crores on 06.03.2022 c. ₹257.27 crores on 03.07.2022	
-	270	277	260	Repayable of ₹270 crores on 27.4.2021	
-	-	-	1,131	3 Repayable of ₹ 365.27 crores on 21.3.2021	
9,121	**1,725**	**10,684**	**2,155**		
Total Term Loan-Unsecured					
9,421	**2,550**	**11,464**	**2,525**		
C. Acceptance for Capital Projects more than 1 year					
Acceptance – Secured					
567	56	633	-	Repayment of 10 cases 2021-22 - ₹ 55.53 crores on various dates. Repayment of 78 cases 2022-23 - ₹ 566.97 crores on various dates	First pari-passu charge on movable fixed assets of 1.5 MTPA Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
-	10	8	61	Repayment of 04 cases in 2021-22 - ₹ 10.45 crores on various dates.	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out)
9	-	9	-	Repayment of ₹ 9.45 crores on 01.08.2022	First pari-passu charge on movable fixed assets of 1.5 MTPA Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
576	**66**	**650**	**61**		
Acceptance – Unsecured					
132	147	268	101	Repayment of 39 cases in 2021-22 - ₹ 147.44 crores on various dates Repayment of 24 cases in 2022-23 - ₹ 132.43 crores on various dates	
464	198	661	14	Repayment of 59 cases in 2021-22 - ₹ 197.97 crores on various dates Repayment of 121 cases in 2022-23 - ₹ 461.74 crores on various dates Repayment of 02 cases in 2023-24 - ₹ 2.28 crores on various dates	
596	**345**	**929**	**115**		

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
D. Deferred Payment Liabilities					
Deferred Sales Tax Loan (Unsecured)					
373	-	134	-	Interest free loan Payable after 14 years by 31.3.2032 – 31.3.2035	
-	3	1	25	Interest free loan and payable in 42 varying monthly instalments starting from 12.4.2018 to 12.9.2021.	
373	**3**	**135**	**25**		
E. Unamortised Upfront Fees on Borrowing					
(213)	(91)	(228)	(85)		
Total Amount in ₹ crores					
39,551	**6,919**	**39,247**	**5,109**		

21. Other financial liabilities (Non-current, at amortised cost)

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non -current	Current	Non -current	Current
Rent and other deposits	33	53	32	52
Retention money for capital projects	535	1,192	403	1,072
Allowance for financial guarantees	605	-	873	-
	1,173	**1,245**	**1,308**	**1,124**
Less: Amount clubbed under Other financial liabilities(note 28)	-	(1,245)	-	(1,124)
Total	**1,173**	**-**	**1,308**	**-**

Movements in allowances for financial guarantees

₹ in crores

Particulars	Amount
As at 1 April 2019	**516**
Additional provision created during the year	376
Release of financial guarantees	(57)
Exchange fluctuations	38
As at 31 March 2020	**873**
Release of financial guarantees (refer note 10)	(264)
Exchange fluctuations	(4)
As at 31 March 2021	**605**

22. Provisions

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non -current	Current	Non -current	Current
Provision for employee benefits				
Provision for compensated absences (refer note 41)	139	36	120	18
Provision for gratuity (refer note 41)	167	38	172	39
Provision for long service award	13	2	12	2
Provision for PF (refer note 41)	-	-	-	5
Other provisions				
Restoration liabilities (refer note a)	434	41	18	-
Provision for onerous contracts (refer note b)	-	126	-	-
Total	**753**	**243**	**322**	**64**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

a) Movement of restoration liabilities provision during the year

₹ in crores

	As at 31 March 2021	As at 31 March 2020
Opening Balance	18	8
Additions during the year	455	9
Unwinding of discount and changes in the discount rate	2	1
Closing Balance	**475**	**18**

Site restoration expenditure is incurred on an ongoing basis until the closure of the site. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

b) Movement of onerous contract provision during the year

₹ in crores

	As at 31 March 2021	As at 31 March 2020
Opening Balance	-	-
Additions during the year	126	-
Utilisation/ reversal of provision during the year	-	-
Closing Balance	**126**	**-**

23. Income tax

Indian companies are subject to Indian income tax on a standalone basis. For each fiscal year, the entity profit and loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Statutory income tax is charged at 30% plus a surcharge and education cess.

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2020-21 is charged at 15% plus a surcharge and education cess. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

A. Income tax expense

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax :		
Current tax (MAT) (including earlier years reversal/ adjustments)	2,162	789
	2,162	**789**
Deferred tax :		
Deferred tax	244	81
MAT credit entitlement	1,488	198
(Restoration)/reversal of MAT credit entitlement relating to earlier years on finalisation of income tax returns	172	22
Reversal of DTL on measurement due to change in tax rate (Refer note below)	-	(2,150)
Deferred tax provision/(reversal) for earlier years on finalisation of income tax returns	(263)	61
Total deferred tax	**1,641**	**(1,788)**
Total tax expense	**3,803**	**(999)**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before tax	12,196	4,292
Enacted tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	**4,261**	**1,500**
Reversal of DTL on measurement due to change in tax rate (Refer note below)	-	(2,150)
Expenses not deductible in determining taxable profit	194	226
Income exempt from taxation/taxable separately	(5)	(103)
Tax holiday and allowances	(516)	(382)
Tax provision/(reversal) for earlier years on finalisation of income tax returns	(137)	(67)
Others	6	(23)
Tax expense for the year	**3,803**	**(999)**
Effective income tax rate	**31.18%**	**(23.28)%**

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions.

During the previous year ended 31 March 2020, Company had made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit. Based on the detailed assessment carried out the management, deferred tax liabilities on temporary differences expected to reverse during the period in which the Company would be under the new tax regime and accordingly applied the new rate for measuring the said deferred tax liabilities in accordance with the requirements of IND AS 12 - 'Income Taxes". This had resulted in reversal of deferred tax liabilities amounting to ₹2150 crores in FY 2019-20. During the year, the Company has re-assessed the impact of the Ordinance and there is no significant change.

There are certain income-tax related legal proceedings which are pending against the company. Potential liabilities, if any have been adequately provided for, and the company does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 45).

B. Deferred tax liabilities (net)

Significant components of deferred tax assets/(liabilities) recognised in the financial statements are as follows:

₹ in crores

Deferred tax balance in relation to	As at 31-Mar-20	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31-Mar-21
Property, plant and equipment	(8,210)	(343)	-	(8,553)
Cash flow hedges	235	-	(129)	106
Provisions for employee benefit / loans and advances and guarantees	1,146	329	(10)	1,465
Lease liabilities	1,219	(52)	-	1,167
Others	99	85	-	184
MAT credit entitlement	4,196	(1,660)	-	2,536
Total	**(1,315)**	**(1,641)**	**(139)**	**(3,095)**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

₹ in crores

Deferred tax balance in relation to	As at 31-Mar-19	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31-Mar-20
Property, plant and equipment	(10,253)	2,043	-	(8,210)
Carried forward business loss/ unabsorbed depreciation	391	(391)	-	-
Cash flow hedges / FCMITDA	14	-	221	235
Provisions for employee benefit/ loans and advances and guarantees	629	511	6	1,146
Lease liabilities	1,393	(174)	-	1,219
Others	79	20	-	99
MAT credit entitlement	4,416	(220)	-	4,196
Total	**(3,331)**	**1,788**	**227**	**(1,315)**

Deferred tax asset on long term capital losses of ₹ 203 crores and ₹ 2,025 crores expiring in fiscal year 2021-22 and 2024-25 respectively has not been recognised in the absence of probable future taxable capital gains.

Deferred tax asset on short term capital losses of ₹ 665 crores expiring in fiscal year 2024-25 has not been recognised in the absence of probable future taxable capital gains.

24. Other liabilities (Non-current)

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Advances from customer	2,033	3,044
Others	140	4
Total	**2,173**	**3,048**

Advance from customer includes amount outstanding relating to a five year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. for supply of Steel Products. In March 2018, Duferco S.A had provided an interest bearing advance amount of US $ 700 million under this agreement. The advance and interest will be adjusted by export of steel products to Duferco S.A . Current portion of ₹ 1,010 crores (31 March 2020 ₹ 1,010 crores) has been included in note 29.

25. Borrowings (current, at amortised cost)

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Working capital loans from banks (secured)		
Rupee loan	785	2,930
Rupee loans from banks (unsecured)	500	-
Commercial papers (unsecured)	-	3,883
Total	**1,285**	**6,813**

Borrowing have been drawn at following rate of interest

Particulars	Rates of interest
Rupee term loan from banks	7.30% p.a. to 9.40% p.a.
Commercial Papers (CP)	5.25% p.a. to 8.05% p.a.

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Working capital loans from banks of ₹ 785 crores (31 March 2020 ₹ 2,930 crores) are secured by:

i) pari passu first charge by way of hypothecation of stocks of raw materials, finished goods, work-in-process, consumables (stores and spares) and book debts / receivables of the Company, both present and future.

ii) pari passu second charge on movable properties and immovable properties forming part of the property, plant and equipment of the Company, both present and future except such properties as may be specifically excluded.

26. Trade payables

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
(a) Total outstanding, dues of micro and small enterprises	205	56

Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company):

₹ in crores

Description	As at 31 March 2021	As at 31 March 2020
Principal amount outstanding as at end of year (refer note i)	243	56
Principal amount overdue more than 45 days	18	-
Interest due and unpaid as at end of year	#	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	443	*
Interest due and payable for the period of delay	7	*
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

*under legal evaluation #less than ₹ 0.50 crore

i. It includes vendors classified as part of other financial liabilities in note 28 relating to payable for capital projects amounting to ₹ 38 crores in 31 March 2021 (Nil 31 March 2020).

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
(b) Total outstanding, dues of creditors other than micro and small enterprises		
Acceptances	7,137	8,056
Other than acceptances	4,808	5,242
Total	**11,945**	**13,298**

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

Payables Other than acceptances are normally settled within 180 days.

Trade payables from related parties' details has been described in note 44.

27. Derivative Liabilities

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Forward Contract	-	60	-	125
Commodity Contract	-	1	-	61
Interest Rate Swap	57	28	130	-
Currency Option	-	7	-	3
Total	**57**	**96**	**130**	**189**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

28. Other financial liabilities (Current, at amortised cost)

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturities of long-term borrowings (refer note 20)	6,919	5,109
Current dues of other long-term liabilities (refer note 21)	1,245	1,124
Payables for capital projects		
Acceptances	3,905	2,511
Other than Acceptances	894	2,002
Interest accrued but not due on borrowings	685	633
Payables to employees	271	218
Unclaimed matured debentures and accrued interest thereon	*	*
Unclaimed dividends	32	32
Unclaimed amount of sale proceeds of fractional shares	3	3
Payable for bid premium and royalty	2,944	-
Payable to Welspun pursuant to business combination (refer note 50)	811	-
Others	841	348
Total	**18,550**	**11,980**

*less than 0.50 crore

Acceptances above includes credit availed by the Company from Banks for payment to suppliers for capital items.

The arrangements are interest-bearing and are payable within one year.

29. Other current liabilities

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Advances from customers	2,072	1,487
Statutory liabilities	763	342
Export obligation deferred income	419	473
Total	**3,254**	**2,302**

Advance from customers includes ₹ 1,010 crores (31 March 2020 ₹ 1,010 crores) relating to current portion of APSA. Refer note 24.

Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and accounted in revenue on fulfillment of export obligation.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

30. Revenue from operations

₹ in crores

Particulars		For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products			
Domestic turnover		54,732	52,326
Export turnover		14,726	9,989
	A	**69,458**	**62,315**
Other operating revenues			
Government grant income			
Grant income recognised under PSI 2007 scheme (refer note a)		220	87
Deferred Income GST government/ Sales Tax Loan		242	496
Export obligation deferred income amortisation		239	140
Export benefits and entitlements income		370	297
Unclaimed liabilities written back		62	144
Miscellaneous income*		136	67
	B	1,269	1,231
	A+B	**70,727**	**63,546**
Government grant Income -VAT/ GST Incentive relating to earlier years (refer note a)		-	466
Fees for assignment of procurement contract (refer note b)		-	250
Total Revenue from operations		**70,727**	**64,262**

*includes income from scrap sales, CST incentive etc.

Product-wise turnover

Particulars	For the year ended 31-Mar-21		For the year ended 31-Mar-20	
	Tonnes	₹ in crores	Tonnes	₹ in crores
MS slabs	75,020	238	2,28,336	756
Hot rolled coils/steel plates/sheets	9,044,252	38,601	86,52,886	32,995
Galvanised coils/sheets	493,366	2,741	4,28,848	2,129
Cold rolled coils/sheets	1,461,853	7,495	18,42,608	8,328
Steel billets & blooms	654,608	2,236	4,02,306	1,553
Long rolled products	3,148,095	13,935	35,20,862	14,011
Iron ores	4,672,224	2,188	-	-
Others	-	2,024	-	2,543
Total		**69,458**		**62,315**

Notes:

a) **Incentives under the State Industrial Policy**

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds historically. The Company currently recognises income for such government grants based on the State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST).

During October 2019, the Company has received an in-principle approval for eligibility from the Government of Maharashtra in response to the application filed by the Company for incentive under PSI Scheme 2007 on its investment for expansion from 3.3 MTPA to 5 MTPA at Dolvi unit for the period beginning May 2016 onwards. The Company has submitted the required documentation with the State Government for issuance of the Eligibility Certificate and expects to receive the same basis the modalities declared by the Government. Accordingly, the Company has recognised grant income amounting to ₹ 220 crores for the year ended 31 March 2021. The cumulative amount receivable towards the same is ₹ 772 crores as at 31 March 2021.

Accordingly, during the previous year Company had recognised grant income amounting to ₹ 466 crores in relation to earlier years.

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The State Government of Maharashtra (GOM) vide its Government Resolution (GR) dated 20 December 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

b) During the previous year, the Company received an amount of ₹ 250 crores as consideration from a vendor for assignment of its long term supply contract in favor of a third party with same terms and conditions over the remaining term of the contract and have accordingly recognised one-time income in relation to the same.

c) **Ind AS 115 Revenue from Contracts with Customers**
The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 40):

₹ in crores

Particulars	For the year ended	
	31 March 2021	31 March 2020
Revenue from contracts with customer - Sale of products (including shipping services)	69,458	62,315
Other operating revenue	1,269	1,947
Total revenue from operations	**70,727**	**64,262**
India	56,001	54,273
Outside India	14,726	9,989
Total revenue from operations	**70,727**	**64,262**
Timing of revenue recognition		
At a point in time	70,727	64,262
Total revenue from operations	**70,727**	**64,262**

Contract Balances

Particulars	As at 31 March 2021	As at 31 March 2020
Trade Receivables (refer note 14)	3,333	3,166
Contract liabilities		
Advance from customers (refer note 24 and 29)	4,105	4,531

The credit period on sales of goods ranges from 7 to 90 days with or without security.

As at 31 March 2021 ₹ 192 crores (previous ₹ 153 crores) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include long term and short term advances received for sale of goods. The outstanding balances of these accounts decreased in due to adjustment against receivable balances. Long term advances are detailed in note 24.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹ 1,487 crores (previous year ₹990 crores) and performance obligations satisfied in previous years ₹ NIL (previous year ₹ NIL).

Out of the total contract liabilities outstanding as on 31 March 2021, ₹ 2,072 crores (previous ₹ 1,487 crores) will be recognised by 31 March 2022 and remaining thereafter.

Notes

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Refund liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Arising from volume rebates and discount (included in Other Financial Liabilities- note 28)	783	305

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

31. Other income

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest Income earned on financial assets that are not designated as FVTPL		
Loans to related parties	237	180
Bank deposits	290	305
Other Interest income	67	44
Gain on sale of current investments designated as FVTPL	6	4
Fair value gain arising from financial instruments designated as FVTPL	6	16
Unwinding of interest on financial assets carried at amortised cost	51	45
Guarantees/Standby letter of credit commission	3	3
Dividend income from subsidiaries, associates and joint ventures	9	31
Others	-	*
Total	**669**	**628**

*₹ 0.40 crore

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

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening stock :		
Semi finished /finished goods	3,365	3,274
Work-in-progress	414	478
A	3,779	3,752
Closing stock :		
Semi finished /finished goods	4,112	3,365
Work-in-progress	539	414
B	4,651	3,779
(A-B)	**(872)**	**(27)**

33. Employee benefits expense

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries and wages (net)	1,326	1,282
Contribution to provident and other funds (refer note 41)	92	110
Expenses on employees stock ownership plan	20	30
Staff welfare expenses	63	74
Total	**1,501**	**1,496**

The Company in the previous year launched a one-time scheme ('Samruddhi') applicable only for certain permanent employees (Eligible Employee) of the Company. The Eligible Employee can purchase the Equity Shares from the open market by availing a loan provided by a bank / non-banking financial institution ("Lending Agency") identified by the Company to facilitate acquisition of Equity Shares by the Eligible Employees under the Plan. The plan provides that the Company shall service 75% of the total interest liability owed to the Lending Agency and the balance 25% will be borne by the Eligible Employee. The interest expense recognised in the financial statements during the year was ₹ 11 crores. (₹ 6 crores in 31 March 2020).

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

34. Finance costs

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest:		
Bonds and Debentures	1,036	727
Others	1,978	2,593
Dividend on redeemable preference shares	-	12
Interest on lease liabilities	351	472
Unwinding of interest on financial liabilities carried at amortised cost	45	27
Exchange differences regarded as an adjustment to borrowing costs	7	89
Other borrowing costs	95	98
Interest on Income Tax	53	4
Total	**3,565**	**4,022**

35. Depreciation and amortisation expense

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment	3,063	2,999
Amortisation of intangible assets	148	36
Depreciation of Right to use assets	570	487
Total	**3,781**	**3,522**

36. Other expenses

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Stores and spares consumed	2,606	3,098
Power and fuel	5,210	5,533
Rent	7	3
Repairs and maintenance		
Plant and machinery	979	1,010
Buildings	50	35
Others	12	18
Insurance	142	97
Rates and taxes	60	142
Carriage and freight	3,621	3,354
Jobwork and processing charges	545	604
Commission on sales	28	28
Net loss/ (gain) on foreign currency transactions and translation #	(41)	679
Donations and contributions	-	56
CSR Expenditure (refer note b)	165	140
Fair value Loss arising from Financial instruments designated as FVTPL	19	17
Mining and development cost	251	-
Allowance for financial guarantee	-	376
Allowances for doubtful debts, loans and advances (net):		
Allowances for doubtful debts, loans and advances	55	93
Reversal for allowance for doubtful loans	-	(326)
Loss on sale of property, plant and equipment (net)	30	29
Miscellaneous expenses	1,186	1,146
Total	**14,925**	**16,132**

including hedging cost of ₹ 279 crores (previous year ₹ 307 crores)

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Note :

a) Auditors remuneration (excluding tax) included in miscellaneous expenses:

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Statutory audit fees (including limited reviews)*	7	6
Tax audit fees	#	1
Fees for capital market transactions and other certifications	3	3
Other services	#	#
Out of pocket expenses	#	#
Total	**10**	**10**

*includes ₹ 0.33 crore (31 March 2020 ₹ 0.53 crore) pertaining to previous year

#represents amounts below ₹ 0.5 crore

b) Corporate Social Responsibility (CSR)

The Company has incurred an amount of ₹ 165 crores (31 March 2020 ₹ 140 crore) towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses

₹ in crores

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	In-Cash	Yet to be Paid in Cash	In-Cash	Yet to be Paid in Cash
(a) Gross amount required to be spent by the Company during the year	165		139	
(b) Amount spent on:				
(i) Construction / acquisition of assets	-	-	*	-
(ii) On purposes other than (i) above (for CSR projects)	67	98	121	19

*represents ₹ 0.14 crore

37. Research and development activities

Details of expenditure incurred in respect of research and development activities undertaken during the year is as follows

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Manufacturing and other expenditure	27	30
Depreciation expense	17	14
Capital expenditure (including capital work in progress)	10	24

38. Earnings per share (EPS)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit attributable to equity shareholders (₹ in crores) (A)	8,393	5,291
Weighted average number of equity shares for basic EPS (B)	**2,40,38,12,821**	**2,40,21,45,868**
Effect of dilution :		
Weighted average number of treasury shares held through ESOP trust	1,34,07,619	1,50,74,572
Weighted average number of equity shares adjusted for the effect of dilution (C)	**2,41,72,20,440**	**2,41,72,20,440**
Basic EPS (Amount in ₹) (A/B)	34.92	22.03
Diluted EPS (Amount in ₹) (A/C)	34.72	21.89

For details regarding treasury shares held through ESOP trust (refer note 18(a))

Notes

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39. Employee share based payment plans

ESOP SCHEME 2016

The Board of Directors of the Company at its meeting held on 29 January 2016, formulated the JSWSL EMPLOYEES STOCK OWNERSHIP PLAN 2016 ("ESOP Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its' subsidiaries in India.

Three grants would be made under ESOP plan 2016 to eligible employees on the rolls of the Company as at 1 April 2016, 1 April 2017 and 1 April 2018.

During the previous year the Company has made supplementary grants under the JSWSL Employee stock ownership Plan 2016 to its permanent employees who are on the rolls of the Company and its Indian subsidiaries as on 5 December 2019 and the same was approved by the ESOP committee in its meeting held on 5 December 2019.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 50% of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the fourth year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price is determined by the ESOP committee at a certain discount to the primary market price on the date of grant.

A total of 2,86,87,000 options are available for grant to the eligible employees of the Company and a total of 31,63,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

Notes

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The outstanding position as at 31 March 2021 is summarised below:

Particulars	ESOP 2016 1st Grant	2nd Grant	3rd Grant
Date of grant -original grant -supplementary grant	17 May 2016 5 December 2019	16 May 2017 5 December 2019	14 May 2018 5 December 2019
Share Price on date of grant -original grant -supplementary grant	129.56 259.80	201.70 259.80	329.05 259.80
Average fair value on date of grant -original grant -supplementary grant	67.48 91.07	104.04 92.55	167.15 98.63
Outstanding as on 1 April 2019	63,20,000	45,97,558	31,76,056
Granted during the period*	1,85,595	1,19,920	55,002
Transfer in	28,370	31,678	8,329
Transfer Out	4,18,990	2,78,188	1,93,376
Forfeited during the period	1,27,315	1,87,655	1,32,092
Lapsed during the period	-	-	-
Exercised during the period	8,11,215	-	-
Outstanding as on 31 March 2020	51,76,445	42,83,313	29,13,919
Transfer in	12,360	8,394	6,108
Transfer Out	29,100	23,247	16,284
Forfeited during the period	64,225	46,219	67,460
Lapsed during the period	-	-	-
Exercised during the period	21,95,900	6,61,064	9,303
Outstanding as on 31 March 2021	**28,99,580**	**35,61,177**	**28,26,980**
of above - vested outstanding options	28,99,580	35,61,177	14,13,490
of above - unvested outstanding options	-	-	14,13,490
Vesting Period - Original - Supplementary	17 May 2016 till 31 March 2019 (for 50% of the grant) and 17 May 2016 to 31 March 2020 (for remaining 50% of the grant) 5 December 2019 to 6 December 2020 for the subsequent grants	16 May 2017 till 31 March 2020 (for 50% of the grant) and 16 May 2017 to 31 March 2021 (for remaining 50% of the grant) 5 December 2019 to 6th December 2020 for 50% of the options granted and upto 31 March, 2021 for remaining 50% of the options granted	14 May 2018/ 5 December 2019 till 31 March 2021 (for 50% of the grant) and 14 May 2018/ 5 December 2019 to 31 March 2022 (for remaining 50% of the grant)
Exercise Period	4 years from vesting date	4 years from vesting date	4 years from vesting date
Weighted average remaining contract life – original grant – Supplementary grant	30 months 45 months	42 months 47 months	54 months 54 months
Exercise price – Original grants – Supplementary grants	103.65 207.84	161.36 207.84	263.24 207.84
Weighted average share price for shares exercised during the year	291.79	291.79	291.79
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:
Expected volatility	Volatility was calculated using standard deviation of daily change in stock price.	Volatility was calculated using standard deviation of daily change in stock price.	Volatility was calculated using standard deviation of daily change in stock price.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Particulars	ESOP 2016		
	1st Grant	2nd Grant	3rd Grant
Original grants	The volatility used for valuation is 39.23 % for options with 3 year vesting and 39.62 % with 4 years vesting	The volatility used for valuation is 33.76 % for options with 3 year vesting and 37.43 % with 4 years vesting	The volatility used for valuation is 33.23 % for options with 3 year vesting and 33.28 % with 4 years vesting
Supplementary grants	The volatility used for valuation is 32.30 % for options with 1 year vesting	The volatility used for valuation is 32.30 % for options with 1 year vesting and 32.10% with 1.32 years vesting	The volatility used for valuation is 32.10 % for options with 1.32 year vesting and 32.21% with 2.32 years vesting
Expected option life	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2
Expected dividends – Original grants – Supplementary grants	 ₹ 1.10 per share ₹ 4.10 per share	 ₹ 0.75 per share ₹ 4.10 per share	 ₹ 2.25 per share ₹ 4.10 per share
Risk-free interest rate	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option
Original grants	The rate used for calculation is 7.36% (for 3 years vesting) & 7.44%(for 4 years vesting)	The rate used for calculation is 6.87% (for 3 years vesting) & 6.96%(for 4 years vesting)	The rate used for calculation is 7.85% (for 3 years vesting) & 7.92%(for 4 years vesting)
Supplementary grants	The rate used for calculation is 5.67% (for 1 years vesting)	The rate used for calculation is 5.67% (for 1 years vesting) & 5.76% (for 1.32 years vesting)	The rate used for calculation is 5.76% (for 1.32 years vesting) & 6.02% (for 2.32 years vesting)
The method used and the assumptions made to incorporate the effects of expected early exercise	Black-Scholes Options pricing model	Black-Scholes Options pricing model	Black-Scholes Options pricing model
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield		
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition			

*as part of supplementary grants

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40. Segment reporting

The Company is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below

a) Revenue from operations

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Domestic	56,001	54,273
Export	14,726	9,989
Total	**70,727**	**64,262**

Revenue from operations have been allocated on the basis of location of customers.

b) Non-current assets

All non-current assets other than financial instruments of the Company are located in India.

c) Customer contributing more than 10% of Revenue

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
JSW Steel Coated Products Limited (net of GST and cess)	8,464	7,314

41. Employee benefits

a) Defined contribution plan

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

Company's contribution to provident fund & family pension scheme recognised in statement of profit and loss of ₹ 46 crores (31 March 2020: ₹ 57 crores) (included in note 33).

Contribution towards Company owned trust is detailed in Defined benefit plans

b) Defined benefit plans

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

The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days' salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

The fund is managed by JSW Steel limited Employee Gratuity Trust and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.

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The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in Government securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2021 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(i) Gratuity:

₹ in crores

		For the year ended 31 March 2021	For the year ended 31 March 2020
		Funded	Funded
a)	**Liability recognised in the balance sheet**		
i)	**Present value of obligation**		
	Opening balance	286	243
	Service cost	19	16
	Interest cost	20	18
	Actuarial loss on obligation	(27)	19
	Benefits paid	(21)	(10)
	Liability in	2	#
	Liability transfer	#	-
	Closing balance	**279**	**286**
	Less:		
ii)	**Fair value of plan assets**		
	Opening balance	75	77
	Interest Income	6	5
	Actuarial (loss)/gain on plan assets	#	#
	Employers' contribution	7	-
	Benefits paid	(14)	(7)
	Closing balance	**74**	**75**
	Amount recognised in balance sheet(refer note 22)	**205**	**211**
b)	**Expenses recognised in statement of profit and loss**		
	Service cost	19	16
	Interest cost	20	18
	Expected return on plan assets	(6)	(5)
	Component of defined benefit cost recognised in statement of profit and loss	**33**	**29**
	Remeasurement of net defined benefit liability		
	-Actuarial (gain)/loss on defined benefit obligation	(27)	19
	-Return on plan assets (excluding interest income)	#	#
	Component of defined benefit cost recognised in other comprehensive income	**(27)**	**19**
	Transferred to preoperative expenses	(1)	#
Total		**5**	**48**
c)	**Actual return on plan assets**	5	5

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₹ in crores

	For the year ended 31 March 2021	For the year ended 31 March 2020
	Funded	Funded
d) Break up of plan assets:		
(i) ICICI Prudential Life Insurance Co. Limited (ICICI)		
Balanced fund	3	3
Debt fund	3	3
Short term debt fund	#	#
Group Short Term Debt Fund III	-	-
(ii) HDFC Standard Life Insurance Co. Limited (HDFC)		
Defensive managed fund	7	#
Secure managed fund	8	7
Stable managed fund	-	-
(iii) SBI Life Insurance Co. Limited – Cap assured fund (SBI)	37	44
(iv) LIC of India – Insurer managed fund (LIC)	16	17
Total	**74**	**75**

represents amounts below ₹ 0.5 crores

During the year, entire unfunded liabilities have been funded.

e) Principal actuarial assumptions :

Particulars	Valuation as at 31 March 2021	Valuation as at 31 March 2020
	Funded	Funded
Discount rate	6.80%	6.84%
Expected rate(s) of salary increase	5.10%	6%
Expected return on plan assets	6.80%	6.84%
Attrition rate	3.70%	2%
Mortality rate during employment	Indian assured lives mortality (2006-2008)	

f) Experience adjustments:

₹ in crores

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Defined benefit obligation	279	286	243	196	175
Plan assets	74	75	77	65	53
Surplus / (deficit)	(205)	(211)	(166)	(131)	(122)
Experience adjustments on plan liabilities – Loss/(gain)	(27)	19	15	3	17
Experience adjustments on plan assets – Gain/(loss)	#	#	#	#	#

represents amounts below ₹ 0.50 crore

g) The Company expects to contribute ₹ 38 crores (previous year ₹ 39 crores) to its gratuity plan for the next year.

h) The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years (31 March 2020: 10 years)

i) In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.

j) Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

k) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

i) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

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The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plan is as follows:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Defined benefit obligation	279	286
Plan assets	74	75
-net liability/(asset) arising from defined benefit obligation	**205**	**211**

Sensitivity Analysis:

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

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(18)	20	(23)	26
Future salary growth (1% movement)	20	(18)	26	(23)
Attrition rate (1% movement)	2	(3)	2	(2)

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

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Fund Allocation

Particulars	SBI	HDFC	ICICI	LIC
As on 31 March 2021	**50.22%**	**20.14%**	**8.69%**	**20.95%**
As on 31 March 2020	58.69%	9.83%	8.39%	23.09%

Category of assets average percentage allocation fund wise as on 31 March 2021

Particulars	SBI	HDFC	ICICI	LIC
Government securities	-	47.74%	35.97%	20%
Debt	87.70%	37.31%	38.73%	Balance invested in approved investments as specified in schedule 1 of IRDA guidelines
Equity	6.87%	10.38%	7.36%	
Others	5.43%	4.57%	17.94%	

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

Maturity analysis of projected benefit obligation

₹ in crores

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31 March 2021				
Projected benefit payable	40	91	363	494
As at 31 March 2020				
Projected benefit payable	23	81	487	591

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

(ii) Provident fund:

Provident Fund for certain eligible employees was managed by the Company through JSW Steel Employees Provident Fund Trust, in line with the Provident Fund and Miscellaneous Provisions Act, 1952 till 31 December 2020. The Company made monthly contributions to provident fund managed by trust for qualifying employees. The Trustees of JSW Steel Employees Provident Fund Trust are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and the relevant provisions prescribed under the law.

The funds of the Trust had been invested under various securities in accordance with the rules prescribed by the Government of India.

Out of the total contribution made for Provident Fund in Defined Contribution Plan, ₹ 16 crores (previous year ₹ 27 crores) is made to the JSW Steel Employees Provident Fund Trust till 31 December 2020.

Actuarial assumptions made in 31 March 2020 to determine interest rate guarantee on exempt provident fund liabilities are as follows:

Particulars	As at 31 March 2020
Total plan assets @	588
Total plan liabilities @	593
Discount rate	6.84%
Rate of return on assets	8.49%
Guaranteed rate of return	8.50%

The Company has discontinued operations of the JSW Steel Employees Provident Fund Trust from 1 January 2021 and accordingly, the Trust have transferred to EPFO, Bellary the fund of ₹ 619 crores in compliance with its obligations as at 31.12.2020. Over and above the said obligations, the Trust has transferred additional fund of ₹ 20 crores to EPFO, Bellary, which is distributed to respective members

The Company does not have any further obligations with respect to JSW Steel Employees Provident Fund Trust.

iii) Other long term benefits:

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

b. Long Service Award
The Company has a policy to recognise the long service rendered by employees and celebrate their long association with the Company. This scheme is called - Long Association of Motivation, Harmony & Excitement(LAMHE). The award is paid at milestone service completion years of 10, 15, 20 and 25 years.

42. Financial Instruments

42.1 Capital risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

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The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Long term borrowings	39,551	39,247
Current maturities of long term debt	6,919	5,109
Short term borrowings	1,285	6,813
Less: Cash and cash equivalent	(11,121)	(3,438)
Less: Bank balances other than cash and cash equivalents	(625)	(7,963)
Net debt	**36,009**	**39,768**
Total equity	**46,977**	**38,362**
Gearing ratio	**0.77**	**1.04**

i. Equity includes all capital and reserves of the Company that are managed as capital.

ii. Debt is defined as long and short term borrowings (excluding derivatives and financial guarantee contracts), as described in notes 20 and 25.

42.2 Categories of financial instruments

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

As at 31 March 2021

₹ in crores

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relationship	Total carrying value	Total fair value
Financial assets						
Investments	465	764	4,553	-	5,782	5,793
Trade receivables	3,333	-	-	-	3,333	3,333
Cash and cash equivalents	11,121	-	-	-	11,121	11,121
Bank balances other than cash and cash equivalents	625	-	-	-	625	625
Loans	6,115	-	-	-	6,115	6,115
Derivative Assets	-	-	11	185	196	196
Other financial assets	3,319	-	-	-	3,319	3,319
Total	**24,978**	**764**	**4,564**	**185**	**30,491**	**30,502**
Financial liabilities						
Long term Borrowings #	46,470	-	-	-	46,470	46,610
Lease Liabilities	3,338		-	-	3,338	3,523
Short term Borrowings	1,285	-	-	-	1,285	1,285
Trade payables	12,150	-	-	-	12,150	12,150
Derivative liabilities	-	-	14	139	153	153
Other financial liabilities	12,804	-	-	-	12,804	12,804
Total	**76,047**	**-**	**14**	**139**	**76,200**	**76,525**

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As at 31 March 2020

₹ in crores

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relationship	Total carrying value	Total fair value
Financial assets						
Investments	417	378	447	-	1,242	1,250
Trade receivables	3,166	-	-	-	3,166	3,166
Cash and cash equivalents	3,438	-	-	-	3,438	3,438
Bank balances other than cash and cash equivalents	7,963	-	-	-	7,963	7,963
Loans	9,026	-	-	-	9,026	9,026
Derivative Assets	-	-	275	-	275	275
Other financial assets	3,356	-	-	-	3,356	3,356
Total	**27,366**	**378**	**722**	**-**	**28,466**	**28,474**
Financial liabilities						
Long term Borrowings#	44,356	-	-	-	44,356	45,039
Lease Liabilities	3,489	-	-	-	3,489	3,720
Short term Borrowings	6,813	-	-	-	6,813	6,813
Trade payables	13,354	-	-	-	13,354	13,354
Derivative liabilities	-	-	78	241	319	319
Other financial liabilities	8,179	-	-	-	8,179	8,179
Total	**76,191**	**-**	**78**	**241**	**76,510**	**77,424**

including current maturities of long term debt

43. Fair value hierarchy of financial instruments

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

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

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020	Level	Valuation techniques and key inputs
Quoted investments in equity shares measured at FVTOCI	750	364	1	Quoted bid prices in an active market
Unquoted investments in equity shares measured at FVTOCI	9	9	3	Net Asset value of share arrived has been considered as fair value
Unquoted investments in equity shares measured at FVTOCI	5	5	3	Cost is approximate estimate of fair value
Non-current investments in unquoted compulsory convertible debentures measured at FVTPL	59	59	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Non-current investments in unquoted optionally fully convertible debentures measured at FVTPL	4,100	-	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Non-current investments in unquoted preference shares measured at FVTPL	394	388	3	Discounted cash flow - Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks
Derivative Assets	196	275	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Derivative Liabilities	153	319		

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Sensitivity Analysis of Level 3:

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate of 8.85 %	0.50%	0.50% Increase (decrease) in the discount would decrease (increase) the fair value by ₹ 5 crores (₹ 5 crores)
Investments in unquoted equity shares	NAV method	Cost is approximate estimate of fair value	-	No sensitivity in the fair value of the investments.

Reconciliation of Level 3 fair value measurement

₹ in crores

Particulars	Amount
Balance as at 1 April 2019	**424**
Additions made during the period	2
Allowance for loss	(40)
Gain recognised in the statement of profit and loss	16
Balance as at 31 March 2020	**402**
Additions made during the period	2
Allowance for loss	(2)
Gain recognised in the statement of profit and loss	6
Balance as at 31 March 2021	**408**

Details of Financial assets/ liabilities measured at amortised cost but fair value disclosed in category wise

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020	Level	Valuation techniques and key inputs
Loans				Discounted cash flow on observable Future cash flows are based on terms of loans discounted at a rate that reflects market risks
Carrying value	6,115	9,026	2	
Fair value	6,115	9,026		
Investments				Discounted cash flow on observable Future cash flows are based on terms of investments discounted at a rate that reflects market risks
Carrying value	465	417	2	
Fair value	476	425		
Long Term Borrowings				Discounted cash flow on observable Future cash flows are based on terms of borrowings discounted at a rate that reflects market risks
Carrying value	46,470	44,356	2	
Fair value	46,610	45,039		

There have been no transfers between Level 1 and Level 2 during the period.

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The Asset and Liability position of various outstanding derivative financial instruments is given below:

₹ in crores

Particulars	Underlying	Nature of Risk being Hedged	31-Mar-21			31-Mar-20		
			Asset	Liability	Net Fair Value	Asset	Liability	Net Fair Value
Cash Flow Hedges								
Designated & Effective Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	30	(5)	25	-	(49)	(49)
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate Risk	1	(85)	(84)	-	(130)	(130)
Commodity Contract		Price Risk	-	-	-	-	(61)	(61)
Options contract	Long-term Foreign currency borrowings	Exchange rate movement risk	110	-	110	-	-	-
Designated & Ineffective hedges			-	-	-			
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	22	(2)	20	-	(33)	(33)
Fair Value Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	-	-	-	213	(3)	210
Forwards Currency Contracts	Trade payables & Acceptance	Exchange rate movement risk	14	(39)	(25)	-	-	-
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	8	(8)	-	-	-	-
Non-Designated Hedges								
Forwards Currency Contracts	Trade payables & Acceptance	Exchange rate movement risk	-	(1)	(1)	16	(0)	16
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	-	(1)	(1)	-	(1)	(1)
Forwards Currency Contracts	Loans and advance	Exchange rate movement risk	-	-	-	-	(37)	(37)
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate Risk	-	-	-	1	-	1
Options Contract	Trade payables & Acceptance	Exchange rate movement risk	-	(6)	(6)	15	(3)	12
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	-	(1)	(1)	-	-	-
			185	**(148)**	**37**	**245**	**(317)**	**(72)**
Receivable/ payable from cancelled/ settled derivative contracts			11	(5)	6	30	(2)	28
Total			**196**	**(153)**	**43**	**275**	**(319)**	**(44)**

Details of non-derivative financial instruments designated as hedging instruments outstanding as at:

Cash Flow hedges	31 March 2021		31 March 2020	
	USD Mio	Fair Value ₹ in Crs	USD Mio	Fair Value ₹ in Crs
Long term borrowings	625	(221)	638	(333)
Acceptances	191	(25)	328	(118)
	816	**(246)**	**966**	**(451)**

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Movement in cash flow hedge:

Particulars	As at 31 March 2021	As at 31 March 2020
Opening Balance	668	(50)
FX recognised in other comprehensive Income	(271)	544
Hedge ineffectiveness recognised in P&L	54	116
Amount Reclassified to P&L during the year	(151)	58
Closing balance	**300**	**668**

43.1 Financial risk management

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

43.2 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

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

43.3 Foreign currency risk management

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

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency.

In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts, options and other non-derivative financial instruments like long-term foreign currency borrowings and acceptances. At any point in time, the Company hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months using derivative instruments. Forecasted sales beyond the period of 6 months are hedged using non-derivative financial instruments basis the tenure of the specific long term foreign currency borrowings. In respect of imports and other payables, the Company hedges its payables as when the exposure arises. Short term exposures are hedged progressively based on their maturity.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

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The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company continues to believe that there is no impact on effectiveness of its hedges.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting year are as follows:

Currency exposure as at 31 March 2021

₹ in crores

Particulars	USD	EURO	INR	JPY	Other	Total
Financial assets						
Non-current investments	-	217	5,565	-	-	5,782
Loans	4,475	88	1,536	-	16	6,115
Trade receivables	632	199	2,502	-	-	3,333
Cash and cash equivalents	-	-	11,121	-	-	11,121
Bank balances other than cash and cash equivalents	-	-	625	-	-	625
Derivative assets	196	-	-	-	-	196
Other financial assets	263	-	3,056	-	-	3,319
Total financial assets	**5,566**	**504**	**24,405**	**-**	**16**	**30,491**
Financial liabilities						
Long term borrowings	19,613	835	18,693	410	-	39,551
Lease liabilities	-	-	3,338	-	-	3,338
Short term borrowings	-	-	1,285	-	-	1,285
Trade payables	7,665	66	4,402	13	4	12,150
Derivative liabilities	148	3	-	2	-	153
Other financial liabilities	4,955	2,341	12,185	214	28	19,723
Total financial liabilities	**32,381**	**3,245**	**39,903**	**639**	**32**	**76,200**

Currency exposure as at 31 March 2020

₹ in crores

Particulars	USD	EURO	INR	JPY	Other	Total
Financial assets						
Non-current investments	-	217	1,025	-	-	1,242
Loans	7,848	85	1,080	-	13	9,026
Trade receivables	263	21	2,882	-	-	3,166
Cash and cash equivalents	-	-	3,438	-	-	3,438
Bank balances other than cash and cash equivalents	-	-	7,963	-	-	7,963
Derivative assets	275	-	-	-	-	275
Other financial assets	202	2	3,152	-	-	3,356
Total financial assets	**8,588**	**325**	**19,540**	**-**	**13**	**28,466**
Financial liabilities						
Long term borrowings	21,686	929	16,099	533	-	39,247
Lease liabilities	-	-	3,489	-	-	3,489
Short term borrowings	-	-	6,813	-	-	6,813
Trade payables	8,607	40	4,674	31	2	13,354
Derivative liabilities	319	-	-	-	-	319
Other financial liabilities	4,588	2,061	6,342	234	63	13,288
Total financial liabilities	**35,200**	**3,030**	**37,417**	**798**	**65**	**76,510**

The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other

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variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

₹ in crores

Particulars	Increase (strengthening of INR)		Decrease (weakening of INR)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Receivable				
USD/INR	(57)	(70)	57	70
Payable				
USD/INR	227	274	(227)	(274)

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

As at	Nature	No. of Contracts	Type	US$ Equivalent (Millions)	INR Equivalent (crores)	MTM (₹ in crores)
31 March 2021	Assets	84	Buy	352	2,585	18
		54	Sell	461	3,390	52
	Liabilities	111	Buy	513	3,772	(46)
		16	Sell	201	1,480	(7)
31 March 2020	Assets	125	Buy	886	6,683	229
		-	Sell	-	-	-
	Liabilities	10	Buy	118	886	(4)
		27	Sell	398	3,003	(119)

Currency options to hedge against fluctuations in changes in exchange rate:

As at	Nature	No. of Contracts	US$ equivalent (Million)	INR equivalent (crores)	MTM of Option (₹ in crores)
31 March 2021	Assets	14	545	4,006	110
	Liabilities	16	307	2,257	(7)
31 March 2020	Assets	20	317	2,390	15
	Liabilities	1	15	113	(3)

Unhedged currency risk position:

I) Amounts receivable in foreign currency

	As at 31 March 2021		As at 31 March 2020	
	US$ equivalent	INR Equivalent	US$ equivalent	INR Equivalent
	(Millions)	(crores)	(Millions)	(crores)
Trade receivables	113	831	38	284
Balances with banks	-	-	-	-
- in Fixed deposit account	-	-	-	-
- in Current account	-	-	-	-
Advances/Loans to subsidiaries	659	4,842	894	6,736

II) Amounts payable in foreign currency

	As at 31 March 2021		As at 31 March 2020	
	US$ equivalent	INR Equivalent	US$ equivalent	INR Equivalent
	(Millions)	(crores)	(Millions)	(crores)
Loans payable	2,462	18,096	3,352	25,266
Trade payables and acceptances	95	702	-	-
Payable for capital projects	557	4,098	332	2,502
Interest accrued but not due on borrowings	33	239	59	446
Other provisions	82	603	116	871

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43.4 Commodity price risk:

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company is subject to fluctuations in prices for the purchase of iron ore, coking coal, ferro alloys, zinc, scrap and other raw material inputs. The Company purchased primarily all of its iron ore and coal requirements at prevailing market rates during the year ended 31 March 2021.

The Company aims to sell the products at prevailing market prices. Similarly, the Company procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

Commodity hedging is used primarily as a risk management tool to secure the future cash flows in case of volatility by entering into commodity forward contracts.

Hedging commodity is based on its procurement schedule and price risk. Commodity hedging is undertaken as a risk offsetting exercise and, depending upon market conditions hedges, may extend beyond the financial year. The Company is presently hedging maximum up to 100% of its consumption.

The following table details the Company's sensitivity to a 5% movement in the input price of iron ore and coking coal. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5% and vice-versa.

₹ in crores

Commodity	Increase for the year ended		Decrease for the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Iron ore lumps/fines	601	514	(601)	(514)
Coal/Coke	701	920	(701)	(920)

The commodity forward contracts entered into by the Company and outstanding at the year-end are as under:

As at	Nature	No. of Contracts	Commodity Name	Quantity Natural Gases - BTMU	US$ Equivalent of notional value (Millions)	INR equivalent (crores)	MTM of Commodity contract (₹ in crores)
31-Mar-21	Assets	-	-	-	-	-	-
	Liabilities	-	-	-	-	-	-
31-Mar-20	Assets	-	-	-	-	-	-
	Liabilities	20	Liquified Natural Gas	9,702,000	37	281	(56)

43.5 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The company hedges up to 20% of interest risk in US dollars. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

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The following table provides a break-up of the Company's fixed and floating rate borrowings:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Fixed rate borrowings	25,621	20,459
Floating rate borrowings	21,153	24,209
Total gross borrowings	**46,774**	**44,668**
Less: Upfront fees	(304)	(312)
Total borrowings (refer note 20)	**46,470**	**44,356**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2021 would decrease / increase by ₹ 212 crores (for the year ended 31 March 2020: decrease / increase by ₹ 242 crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings

The following table details the nominal amounts and remaining terms of interest rate swap contracts outstanding at the year-end.

As at	Nature	No. of Contracts	US$ Equivalent of notional value (Millions)	MTM of IRS (₹ in crores)
31 March 2021	Assets	2	50	1
	Liabilities	22	335	(85)
31 March 2020	Assets	3	60	1
	Liabilities	22	335	(130)

43.6 Credit risk management:

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets, financial guarantees and derivative financial instruments.

Moreover, given the diverse nature of the Company's business trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer (other than the Group Companies) accounted for 10% or more of the trade receivables in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties. The assessment is carried out considering the segment of customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable. Basis this assessment, the allowance for doubtful trade receivables as at 31 March 2021 is considered adequate.

Movements in allowances for bad and doubtful debts

₹ in crores

Particulars	Amount
As at 1 April 2019	**82**
Additional Allowance	71
As at 31 March 2020	**153**
Additional Allowance	40
Reversal during the year	(1)
As at 31 March 2021	**192**

For current investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for Company's mutual fund and bond investments. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 30,491 crores as at 31 March 2021 and ₹ 28,466 crores as at 31 March 2020, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Company based on past experiences does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss ('ECL').

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/ contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

43.7 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has acceptances in line with supplier's financing arrangements which might invoke liquidity risk as a result of liabilities being concentrated with few financial institutions instead of a diverse group of suppliers. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment Years and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting year. The contractual maturity is based on the earliest date on which the Company may be required to pay.

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Liquidity exposure as at 31 March 2021

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Non-current investments	-	94	5,688	5,782
Loans	733	5,098	284	6,115
Trade receivables	3,333	-	-	3,333
Cash and cash equivalents	11,121	-	-	11,121
Bank balances other than cash and cash equivalents	625	-	-	625
Derivative assets	86	110	-	196
Other financial assets	1,348	1,971	-	3,319
Total financial assets	**17,246**	**7,273**	**5,972**	**30,491**
Financial liabilities				
Long term borrowings	-	31,345	8,206	39,551
Lease liabilities	925	1,561	852	3,338
Short term borrowings	1,285	-	-	1,285
Trade payables	12,150	-	-	12,150
Derivative liabilities	96	57	-	153
Other financial liabilities	18,550	1,165	8	19,723
Total financial liabilities	**33,006**	**34,128**	**9,066**	**76,200**
Interest payout liability	1,935	4,170	697	6,802

Liquidity exposure as at 31 March 2020

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Non-current investments	-	67	1,175	1,242
Current investments	-	-	-	-
Loans	321	8,680	25	9,026
Trade receivables	3,166	-	-	3,166
Cash and cash equivalents	3,438	-	-	3,438
Bank balances other than cash and cash equivalents	7,963	-	-	7,963
Derivative assets	275	-	-	275
Other financial assets	2,794	562	-	3,356
Total financial assets	**17,957**	**9,309**	**1,200**	**28,466**
Financial liabilities				
Long term borrowings	-	30,179	9,068	39,247
Lease liabilities	773	2,142	574	3,489
Short term borrowings	6,813	-	-	6,813
Trade payables	13,354	-	-	13,354
Derivative liabilities	189	130	-	319
Other financial liabilities	11,979	1,302	7	13,288
Total financial liabilities	**33,108**	**33,753**	**9,649**	**76,510**
Interest payout liability	2,240	6,326	1,236	9,802

The amount of guarantees/standby letter of credit given on behalf of subsidiaries included in Note 46 represents the maximum amount the Company could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting year, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

Collateral

The Company has pledged part of its trade receivables, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered. (Refer note 20 and 25).

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44. Related party disclosures as per Ind AS 24:

A	**Name of related parties**
1	**Subsidiaries**
	JSW Steel (Netherlands) B.V.
	JSW Steel (UK) Limited
	JSW Steel (USA), Inc.
	Periama Holdings, LLC
	Purest Energy, LLC
	Meadow Creek Minerals, LLC
	Hutchinson Minerals, LLC
	R.C. Minerals, LLC
	Keenan Minerals, LLC
	Peace Leasing, LLC
	Prime Coal, LLC
	Planck Holdings, LLC
	Rolling S Augering, LLC
	Periama Handling, LLC
	Lower Hutchinson Minerals, LLC
	Caretta Minerals, LLC
	JSW Panama Holdings Corporation
	Inversiones Eurosh Limitada
	Santa Fe Mining
	Santa Fe Puerto S.A.
	JSW Natural Resources Limited
	JSW Natural Resources Mozambique Limitada
	JSW ADMS Carvao Limitada
	Nippon Ispat Singapore (PTE) Limited
	Erebus Limited
	Arima Holdings Limited
	Lakeland Securities Limited
	JSW Bengal Steel Limited
	JSW Natural Resources India Limited
	JSW Energy (Bengal) Limited
	JSW Natural Resource Bengal Limited
	JSW Jharkhand Steel Limited
	Amba River Coke Limited
	JSW Steel Coated Products Limited
	Peddar Realty Private Limited
	JSW Industrial Gases Private Limited
	JSW Realty & Infrastructure Private Limited
	JSW Steel Italy S.r.l.
	JSW Utkal Steel Limited
	Hasaud Steel Limited
	Acero Junction Holdings, Inc.
	JSW Steel USA Ohio, Inc.
	JSW Steel Italy Piombino S.p.A.
	Piombino Logistics S.p.A.- A JSW Enterprise
	GSI Lucchini S.p.A.
	JSW One Platforms Limited (formerly known as JSW Retail Limited)
	Makler Private Limited (w.e.f. 06.06.2019,upto 25.03.2021)
	Piombino Steel Limited (w.e.f. 06.06.2019,upto 26.03.2021)
	JSW Vijayanagar Metallics Limited (w.e.f. 24.12.2019)
	Vardhman Industries Limited (w.e.f. 31.12.2019)
	JSW Vallabh Tinplate Private Limited (w.e.f. 31.12.2019)
	Asian Color Coated Ispat Limited (w.e.f. 27.10.2020)
	JSW Retail and Distribution Limited (w.e.f. 15.03.2021)
2	**Joint Ventures**
	Vijayanagar Minerals Private Limited
	Rohne Coal Company Private Limited

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A	**Name of related parties**
	JSW Severfield Structures Limited
	Gourangdih Coal Limited
	GEO Steel LLC (ceased w.e.f. 28.01.2020)
	JSW Structural Metal Decking Limited
	JSW MI Steel Service Center Private Limited
	JSW Vallabh Tinplate Private Limited (ceased w.e.f. 31.12.2019)
	Creixent Special Steels Limited
	JSW Ispat Special Products Limited (formerly known as Monnet Ispat & Energy Limited)
	Piombino Steel Limited (w.e.f. 27.03.2021)
	Bhushan Power & Steel Limited (w.e.f. 27.03.2021)
3	**Key Management Personnel**
	Mr. Sajjan Jindal (Non-Independent Executive Director)
	Mr. Seshagiri Rao M V S (Non-Independent Executive Director)
	Dr. Vinod Nowal (Non-Independent Executive Director)
	Mr. Jayant Acharya (Non-Independent Executive Director)
	Mr. Rajeev Pai (Chief Financial Officer)
	Mr. Lancy Varghese (Company Secretary)
4	**Independent Non-Executive Director**
	Mr. Gangaram Baderiya - Nominee Director, KSIIDC (upto 23.10.2020)
	Mr. M.S.Srikar - Nominee Director, KSIIDC (w.e.f. 23.10.2020)
	Mr. Hiroyuki Ogawa - Nominee Director, JFE Steel Corporation
	Dr. (Mrs.) Punita Kumar Sinha
	Mr. Malay Mukherjee
	Mr. Haigreve Khaitan
	Mr. Seturaman Mahalingam
	Mrs. Nirupama Rao
	Mr. Harsh Charandas Mariwala
5	**Relatives of Key Management Personnel**
	Mrs. Savitri Devi Jindal
	Mr. Prithvi Raj Jindal
	Mr. Naveen Jindal
	Mrs. Nirmala Goyal
	Mrs. Urmila Bhuwalka
	Mrs. Seema Jajodia
	Mrs. Sarika Jhunjhnuwala
	Mrs. Saroj Bhartia
	Mrs. Sangita Jindal
	Mrs. Tarini Jindal Handa
	Mrs. Tanvi Shete
	Mr. Parth Jindal
	Mrs. Shanti Acharya
	Mrs. Esther Varghese
6	**Other Related Parties**
	JSW Energy Limited
	JSW Energy (Barmer) Limited
	JSW Power Trading Company Limited
	JSW Hydro Energy Limited
	JSW Energy (Kutehr) Limited
	JSW Solar Limited
	Jindal Stainless Limited
	Jindal Stainless (Hisar) Limited
	Jindal Stainless Steelway Limited
	JSL Lifestyle Limited
	Jindal Saw Limited
	JITF Urban Infrastructure Limited
	Jindal Tubular (India) Limited
	Jindal Urban Waste Management Limited
	Jindal Rail Infrastructure Limited

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A	**Name of related parties**
	Jindal Steel & Power Limited
	India Flysafe Aviation Limited
	JSW Infrastructure Limited
	JSW Jaigarh Port Limited
	South West Port Limited
	JSW Dharamatar Port Private Limited
	JSW Paradip Terminal Private Limited
	Jaigarh Digni Rail Limited
	JSW Cement Limited
	JSW Cement, FZE
	South West Mining Limited
	JSW Projects Limited
	BMM Ispat Limited (w.e.f. 27.10.2020)
	JSW IP Holdings Private Limited
	JSoft Solutions Limited (merged with Everbest Consultancy Services Private Limited)
	Reynold Traders Private Limited
	JSW Techno Projects Management Limited
	JSW Global Business Solutions Limited
	Everbest Consultancy Services Private Limited
	Jindal Industries Private Limited
	JSW Foundation
	Inspire Institute of Sports
	Jindal Technologies & Management Services Private Limited
	Epsilon Carbon Private Limited
	JSW Living Private Limited
	JSW International Tradecorp Pte. Limited
	Jindal Education Trust
	JSW Paints Private Limited
	Toshiba JSW Power System Private Limited
	MJSJ Coal Limited
	JSW Bengaluru Football Club Private Limited
	JSW Shipping & Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)
	Neotrex Steel Wires Private Limited
	Neotrex Steel Private Limited
	JSW Minerals Trading Private Limited
	Khaitan & Company
	Eurokids International Private Limited
	J Sagar Associates
	Shiva Cement Limited
	Tehkhand Waste to Electricity Projects Limited
	Encorp Powertrans Private Limited
	Nourish Organic Foods Private Limited
	Brahmani River Pellets Limited
	Danta Enterprises Private Limited
	Glebe Trading Private Limited
	JSW Holdings Limited
	JSW Investments Private Limited
	JSW Logistics Infrastructure Private Limited
	JTPM Metal Traders Private Limited
	Sahyog Holdings Private Limited
	Virtuous Tradecorp Private Limited
	S K Jindal and Sons HUF
	P R Jindal HUF
7	**Post-Employment Benefit Entity**
	JSW Steel EPF Trust (ceased w.e.f. 31.12.2020)
	JSW Steel Group Gratuity Trust
	JSW Steel Limited Employee Gratuity Fund

B. Transactions with related parties for year ended

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Purchase of goods/power & fuel/services/branding expenses								
Amba River Coke Limited	3,587	3,655	-	-	-	-	3,587	3,655
JSW Energy Limited	-	-	-	-	1,607	2,174	1,607	2,174
JSW International Tradecorp Pte. Limited	-	-	-	-	10,803	13,348	10,803	13,348
Others	413	296	206	84	2,129	1,746	2,748	2,126
Total	**4,000**	**3,951**	**206**	**84**	**14,539**	**17,268**	**18,745**	**21,303**
Reimbursement of expenses incurred on our behalf by								
JSW One Platforms Limited	11	13	-	-	-	-	11	13
JSW Steel Coated Products Limited	1	5	-	-	-	-	1	5
Amba River Coke Limited	10	5	-	-	-	-	10	5
JSW Energy Limited	-	-	-	-	1	3	1	3
JSW Cement Limited	-	-	-	-	4	-	4	-
Others	*	1	-	-	1	1	1	2
Total	**22**	**24**	**-**	**-**	**6**	**4**	**28**	**28**
Sales of goods/power & fuel/services/assets								
JSW Steel Coated Products Limited	10,017	8,635	-	-	-	-	10,017	8,635
Asian Color Coated Ispat Limited	1,775	-	-	-	-	-	1,775	-
Others	1,649	1,778	1,176	792	3,123	2,532	5,948	5,102
Total	**13,441**	**10,413**	**1,176**	**792**	**3,123**	**2,532**	**17,740**	**13,737**
Other income/interest income/dividend income								
Amba River Coke Limited	34	48	-	-	-	-	34	48
Acero Junction Holdings, Inc.	117	95	-	-	-	-	117	95
Others@	37	36	33	20	59	52	129	108
Total	**188**	**179**	**33**	**20**	**59**	**52**	**280**	**251**
Purchase of assets								
JSW Severfield Structures Limited	-	-	228	762	-	-	228	762
Jindal Steel & Power Limited	-	-	-	-	87	238	87	238
Jindal Saw Limited	-	-	-	-	55	71	55	71
JSW Cement Limited	-	-	-	-	157	228	157	228
Others	14	84	*	16	4	50	18	150
Total	**14**	**84**	**228**	**778**	**303**	**587**	**545**	**1,449**

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₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Capital/revenue advances given								
Amba River Coke Limited	238	400	-	-	-	-	238	400
JSW Energy Limited	-	-	-	-	81	-	81	-
Jindal Steel & Power Limited	-	-	-	-	-	200	-	200
JSW Dharamatar Port Private Limited	-	-	-	-	-	200	-	200
Others	-	13	-	-	-	-	-	13
Total	**238**	**413**	**-**	**-**	**81**	**400**	**319**	**813**
Capital/revenue advances received back								
Amba River Coke Limited	-	400	-	-	-	-	-	400
Jindal Steel & Power Limited	-	-	-	-	-	200	-	200
Others	-	13	-	-	-	-	-	13
Total	**-**	**413**	**-**	**-**	**-**	**200**	**-**	**613**
Security deposits given/(received back)								
JSW Shipping & Logistics Private Limited	-	-	-	-	71	116	71	116
India Flysafe Aviation Limited	-	-	-	-	(10)	(10)	(10)	(10)
Total	**-**	**-**	**-**	**-**	**61**	**106**	**61**	**106**
Donation/ CSR expenses								
JSW Foundation	-	-	-	-	73	72	73	72
Total	**-**	**-**	**-**	**-**	**73**	**72**	**73**	**72**
Recovery of expenses incurred by us on their behalf								
JSW Steel Coated Products Limited	88	91	-	-	-	-	88	91
JSW Cement Limited	-	-	-	-	70	45	70	45
JSW International Tradecorp Pte. Limited	-	-			68	119	68	119
Others@	10	21	6	5	53	46	69	72
Total	**98**	**112**	**6**	**5**	**191**	**210**	**295**	**327**
Investments/share application money given								
JSW Steel Coated Products Limited	650	750	-	-	-	-	650	750
Piombino Steel Limited	5,079	8	137	-	-	-	5,216	8
Others	20	181	*	1	-	-	20	182
Total	**5,749**	**939**	**137**	**1**	**-**	**-**	**5,886**	**940**
Investments /share application money refunded								
Rohne Coal Company Private Limited	-	-	-	*	-	-	-	*
Total	**-**	**-**	**-**	*****	**-**	**-**	**-**	*****
Sale of investment								
JSW Steel Coated Products Limited	-	*	-	-	-	-	-	*
Total	**-**	*****	**-**	**-**	**-**	**-**	**-**	*****

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Interest expenses								
JSW Steel Coated Products Limited	37	18	-	-	-	-	37	18
Amba River Coke Limited	1	-	-	-	-	-	1	-
Total	**38**	**18**	**-**	**-**	**-**	**-**	**38**	**18**
Guarantees and collaterals provided by the company on behalf								
Periama Holdings, LLC	6,890	-	-	-	-	-	6,890	-
JSW Steel (Netherlands) B.V.	-	1,037	-	-	-	-	-	1,037
Acero Junction Holdings, Inc.	150	569	-	-	-	-	150	569
JSW Steel Italy Piombino S.p.A.	22	472	-	-	-	-	22	472
Makler Private Limited	10,800	-	-	-	-	-	10,800	-
Others	-	97	-	-	-	-	-	97
Total	**17,862**	**2,175**	**-**	**-**	**-**	**-**	**17,862**	**2,175**
Guarantees and collaterals released								
Periama Holdings, LLC	2,978	-	-	-	-	-	2,978	-
Others	327	-	-	-	-	-	327	-
Total	**3,305**	**-**	**-**	**-**	**-**	**-**	**3,305**	**-**
Provision for loans & advances written back to profit & loss								
JSW Steel (Netherlands) B.V.	-	326	-	-	-	-	-	326
Total	**-**	**326**	**-**	**-**	**-**	**-**	**-**	**326**
Provision for corporate guarantee								
JSW Steel (Netherlands) B.V.	-	376	-	-	-	-	-	376
Total	**-**	**376**	**-**	**-**	**-**	**-**	**-**	**376**
Provision for loans & advances/interest receivable								
Periama Holdings, LLC	309	377	-	-	-	-	309	377
Inversiones Eurosh Limitada	4	814	-	-	-	-	4	814
JSW Steel (Netherlands) B.V.	77	-	-	-	-	-	77	-
Others	*	-	-	-	-	-	*	-
Total	**390**	**1,191**	**-**	**-**	**-**	**-**	**390**	**1,191**
Adjustment of receivable/(payable)								
JSW Steel Coated Products Limited	1,079	605	-	-	-	-	1,079	605
Total	**1,079**	**605**	**-**	**-**	**-**	**-**	**1,079**	**605**
Lease interest cost								
Amba River Coke Limited	101	206	-	-	-	-	101	206
JSW Projects Limited	-	-	-	-	105	132	105	132
JSW Techno Projects Management Limited	-	-	-	-	95	84	95	84
Others	15	18	-	-	19	17	34	35
Total	**116**	**224**	**-**	**-**	**219**	**233**	**335**	**457**

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₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Lease liabilities repayments								
Amba River Coke Limited	424	190	-	-	-	-	424	190
JSW Projects Limited	-	-	-	-	255	228	255	228
Others	29	27	-	-	28	26	57	53
Total	**453**	**217**	**-**	**-**	**283**	**254**	**736**	**471**
Loans given								
JSW Steel (Netherlands) B.V.	866	83	-	-	-	-	866	83
Periama Holdings, LLC	1,547	723	-	-	-	-	1,547	723
Acero Junction Holdings, Inc.	780	596	-	-	-	-	780	596
JSW Steel Coated Products Limited	900	-	-	-	-	-	900	-
Others@	182	130	2	90	-	-	184	220
Total	**4,275**	**1,532**	**2**	**90**	**-**	**-**	**4,277**	**1,622**
Dividend paid								
JSW Holdings Limited	-	-	-	-	36	73	36	73
JSW Techno Projects Management Limited	-	-	-	-	51	101	51	101
Sahyog Holdings Private Limited	-	-	-	-	22	46	22	46
Others^	-	-	-	-	51	98	51	98
Total	**-**	**-**	**-**	**-**	**160**	**318**	**160**	**318**
Loans given received back								
JSW Steel (Netherlands) B.V.	52	1,193	-	-	-	-	52	1,193
Periama Holdings, LLC	5,725	6	-	-	-	-	5,725	6
Others	401	35	-	-	3	2	404	37
Total	**6,178**	**1,234**	**-**	**-**	**3**	**2**	**6,181**	**1,236**

*Less than 0.50 crores, @ includes transactions with Makler Private Limited which was merged with Bhushan Power & Steel Limited on March 26, 2021, ^ Includes relatives of key management personnel

Notes:

1. The transactions are inclusive of taxes wherever applicable.
2. The transactions are disclosed under various relationships (i.e. subsidiary, joint ventures and other related parties) based on the status of related parties on the date of transactions.
3. The Company makes monthly contributions to provident fund managed by JSW Steel EPF Trust for qualifying Vijayanagar employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. During the year, the Company contributed ₹ 16 crores (FY 2019-20: ₹ 22 crores).
4. The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). During the year, the Company contributed ₹ 7 crores (FY 2019-20: ₹ NIL).
5. In view of the uncertainty involved in collectability, revenue as interest income of ₹ 368 crores (FY 2019-20: ₹ 531 crores) have not been recognised on loan provided to certain overseas subsidiaries.
6. During FY 2019-20, JSW Steel Limited has transferred environment clearance certificate issued for its slag grinding & mixing unit to JSW Cement Limited for no consideration.

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

Compensation to key management personnel:

₹ in crores

Nature of Transaction	FY 2020-21	FY 2019-20
Short-term employee benefits	88	56
Post-employment benefits	1	1
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total Compensation to key management personnel	**89**	**57**

Notes:

1. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
2. The Company has recognised an expenses of ₹ 2 crores (previous year ₹ 3 crores) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
3. Dividend paid to key management personnel is ₹ 0.09 crores (FY 2019-20: ₹ 0.18 crores), not included above.
4. The Independent Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable to the Non-Executive Directors (in case of Nominee Director, the commission is paid to the respective institution to which the Nominee Director represents) is based on the number of meetings of the Board attended by them and their Chairmanship/Membership of Audit Committee during the year, subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹ 20,000 for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during FY 2020-21 is ₹ 3 crores (FY 2019-20 is ₹ 3 crores), which is not included above.

Terms and conditions

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Loans to overseas subsidiaries:

The Company had given loans to subsidiaries for general corporate purposes. The loan balance as on March 31, 2021 was ₹ 6,719 crores (As on March 31, 2020: ₹ 8,979 crores). These loans are unsecured and carry an interest rate ranging from LIBOR + 350-615 basis points and repayable within a period of three years.

Guarantees to subsidiaries/joint venture:

Guarantees provided to the lenders of the subsidiaries/joint venture are for availing term loans and working capital facilities from the lender banks.

The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis

C. Amount due to/ from related parties

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Party's Name								
Trade payables								
JSW Energy Limited	-	-	-	-	-	306	-	306
JSW International Tradecorp Pte. Limited	-	-	-	-	1,060	1,321	1,060	1,321
Others	74	50	33	115	379	378	486	543
Total	**74**	**50**	**33**	**115**	**1,439**	**2,005**	**1,546**	**2,170**
Advance received from customers								
JSW Steel Coated Products Limited	354	147	-	-	-	-	354	147
Others	*	*	1	3	24	2	25	5
Total	**354**	**147**	**1**	**3**	**24**	**2**	**379**	**152**
Lease & other deposits received								
JSW Severfield Structures Limited	-	-	13	13	-	-	13	13
JSW Energy Limited	-	-	-	-	11	11	11	11
JSW Cement Limited	-	-	-	-	11	11	11	11
Others	13	13	-	-	17	17	30	30
Total	**13**	**13**	**13**	**13**	**39**	**39**	**65**	**65**
Trade receivables								
Peddar Realty Private Limited	97	110	-	-	-	-	97	110
JSW Vallabh Tinplate Private Limited	46	53	-	-	-	-	46	53
Asian Color Coated Ispat Limited	56	-	-	-	-	-	56	-
JSW MI Steel Service Center Private Limited	-	-	48	44	-	-	48	44
Epsilon Carbon Private Limited	-	-	-	-	92	101	92	101
JSW Energy Limited	-	-	-	-	147	-	147	-
Others	7	-	31	-	8	43	46	43
Total	**206**	**163**	**79**	**44**	**247**	**144**	**532**	**351**
Share application money given								
JSW Bengal Steel Limited	-	63	-	-	-	-	-	63
JSW Utkal Steel Limited	2	38	-	-	-	-	2	38
JSW One Platforms Limited	1	-	-	-	-	-	1	-
Gourangdih Coal Limited	-	-	1	1	-	-	1	1
Others	-	*	-	-	-	-	-	*
Total	**3**	**101**	**1**	**1**	**-**	**-**	**4**	**102**

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Capital/revenue advances (including other receivables)								
Amba River Coke Limited	248	21	-	-	-	-	248	21
JSW Projects Limited	-	-	-	-	49	49	49	49
JSW Dharamatar Port Private Limited	-	-	-	-	200	200	200	200
Others@	18	16	30	42	9	16	57	74
Total	**266**	**37**	**30**	**42**	**258**	**265**	**554**	**344**
Loan and advances given								
Inversiones Eurosh Limitada	807	803	-	-	-	-	807	803
Periama Holdings, LLC	1,796	6,134	-	-	-	-	1,796	6,134
JSW Steel (Netherlands) B.V.	1,073	267	-	-	-	-	1,073	267
Acero Junction Holdings, Inc.	2,254	1,509	-	-	-	-	2,254	1,509
Others	789	266	352	216	10	13	1,151	495
Total	**6,719**	**8,979**	**352**	**216**	**10**	**13**	**7,081**	**9,208**
Interest receivable								
Inversiones Eurosh Limitada	209	209	-	-	-	-	209	209
Periama Holdings, LLC	431	431	-	-	-	-	431	431
Acero Junction Holdings, Inc.	230	116	-	-	-	-	230	116
Others	49	36	51	21	30	11	130	68
Total	**919**	**792**	**51**	**21**	**30**	**11**	**1,000**	**824**
Allowances for loans & advances given/interest receivable								
JSW Steel (Netherlands) B.V.	546	207	-	-	-	-	546	207
Periama Holdings, LLC	686	377	-	-	-	-	686	377
Inversiones Eurosh Limitada	1,017	1,011	-	-	-	-	1,017	1,011
Others	4	4	-	-	-	-	4	4
Total	**2,253**	**1,599**	**-**	**-**	**-**	**-**	**2,253**	**1,599**
Security & other deposits given								
JSW Shipping & Logistics Private Limited	-	-	-	-	247	175	247	175
India Flysafe Aviation Limited	-	-	-	-	183	193	183	193
Total	**-**	**-**	**-**	**-**	**430**	**368**	**430**	**368**

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₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Lease liabilities/ finance lease obligations								
Amba River Coke Limited	940	1,364	-	-	-	-	940	1,364
JSW Projects Limited	-	-	-	-	797	1,052	797	1,052
JSW Techno Projects Management Limited	-	-	-	-	997	550	997	550
Others	155	185	-	-	313	184	468	369
Total	**1,095**	**1,549**	**-**	**-**	**2,107**	**1,786**	**3,202**	**3,335**
Guarantees and collaterals provided by the company on behalf								
JSW Steel (Netherlands) B.V.	1,757	1,757	-	-	-	-	1,757	1,757
Periama Holdings, LLC	6,891	2,940	-	-	-	-	6,891	2,940
JSW Steel (USA), Inc.	976	1,122	-	-	-	-	976	1,122
Acero Junction Holdings, Inc.	1,845	1,312	-	-	-	-	1,845	1,312
JSW Steel Italy Piombino S.p.A.	1,020	1,137	-	-	-	-	1,020	1,137
Bhushan Power & Steel Limited	-	-	10,800	-	-	-	10,800	-
Others	152	152	-	-	-	-	152	152
Less : Loss allowance against aforesaid	(605)	(873)	-	-	-	-	(605)	(873)
Total	**12,036**	**7,547**	**10,800**	**-**	**-**	**-**	**22,836**	**7,547**

*Less than ₹ 0.50 crores, @ includes balances receivable from Makler Private Limited in FY 2019-20 which was merged with Bhushan Power & Steel Limited on March 26, 2021

Notes:

1. The closing balanceof guarantees and collaterals provided by the Company on behalf of subsidiaries/joint venture represent the gross amount. Please refer note 46 for net exposure of the Company related to financial guarantees. The differential amount represents loans not drawn or repayments made to the lenders.
2. The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). As on March 31, 2021, the fair value of plan assets was as ₹ 74 crores. (As at March 31, 2020: ₹ 75 crores)

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

45. Contingent liabilities:

(i) Disputed claims/levies (excluding interest, if any) in respect of:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Excise Duty	463	481
Custom Duty	469	467
Income Tax	32	32
Sales Tax / VAT / Special Entry tax	1,526	1,433
Service Tax	631	685
Levies by local authorities – Statutory	73	53
Levies relating to Energy / Power Obligations	408	277
Claims by suppliers and other parties	73	46
Total	**3,675**	**3,474**

a) Excise duty cases includes disputes pertaining to availment of CENVAT credit, valuation methodologies, classification of gases under different chapter heading.

b) Custom duty cases includes disputes pertaining to import of Iron ore fines and lumps under different chapter headings, utilisation of SHIS licences for clearance of imported equipment, payment of customs duty Steam Coal through Krishnapatnam Port and anti-dumping duty on Met Coke used in Corex.

c) Sales Tax/ VAT/ Special Entry tax cases includes disputes pertaining to demand of special entry tax in Karnataka and demand of cess by department of transport in Goa.

d) Service Tax cases includes disputes pertaining to availment of service tax credit on ineligible services, denial of credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents.

e) Income Tax cases includes disputes pertaining to transfer pricing and other matters.

f) Levies by local authorities - Statutory cases includes disputes pertaining to payment of water charges and enhanced compensation.

g) Levies relating to Energy / Power Obligations cases includes disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., belated payment surcharge, claims for the set off of renewable power obligations against the power generated in its captive power plants and dues relating to additional surcharge imposed on captive consumption by Maharashtra State Electricity Distribution Company Ltd.

The Company had filed a Petition before the Maharashtra Electricity Regulatory Commission (MERC) under the Electricity Act, 2003 (Act) seeking exemption from the requirement to meet Renewable Purchase Obligations (RPO) targets on the strength of its cogeneration plants at Dolvi. The MERC rejected the petition on various grounds and the Company has filed an appeal before the APTEL challenging the MERC order along with application seeking interim stay of the directions contained in the order on the grounds that it is not covered by the definition of "obligated entities" under RPO regulations. APTEL has passed an interim order directing that no-coercive action be taken against the Company in relation to this dispute. The next hearing is scheduled on 7 July 2021. Based on merits of the case, the Company has not recognised provision for RPO obligation and treated it as a contingent liability.

h) Claims by Suppliers and other parties includes quality claims issues raised by suppliers and others.

i) There are several other cases which has been determined as remote by the Company and hence not been disclosed above.

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(ii) Forest Development Tax/Fee:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Claims related to Forest Development Tax/Fee	3,035	2,588
Amount paid under protest	920	920

In response to a petition filed by the iron ore mine owners and purchasers (including the Company) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated 3 December 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognised provision for FDT of ₹ 1,043 crores (including paid under protest – ₹ 665 crores) and treated it as a contingent liability.

The State of Karnataka on 27 July 2016, has amended Section 98-A of the Forest Act retrospectively substituting the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the Company and others, the Honourable High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the SCI, and based on merits of the case duly supported by a legal opinion and a favorable order from the High Court, the Company has not recognised provision for FDF amount of ₹ 1,992 crores (including paid under protest - ₹255 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.

46. Financial guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by its group companies. Guarantees given have a markup over and above the loan amount whereas it is recognised only to the extent of outstanding loans.

Refer below for details of exposure towards financial guarantees issued:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Guarantees (refer note a)	20,318	5,278
Standby letter of credit facility	14	503
Less: Loss allowance against aforesaid	(605)	(873)
Total	**19,727**	**4,908**

a. The Company has issued a corporate guarantee dated 24 March 2021 in favour of trustee for the benefit of the Lenders for the financial assistance availed by Makler Private Limited for a sum of ₹ 10,800 crores to part finance the cost of implementation of the Resolution Plan of Bhushan Power and Steel Limited. JSW Shipping & Logistics Private Limited, has provided a counter corporate guarantee in favour of the Company to the extent of the 51% of the guaranteed obligations in line with their shareholding in Piombino Steel Limited. (refer note 49).

47. Commitments

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	6,438	11,789

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Other commitments:

(a) The Company from time to time provides need based support to subsidiaries and joint ventures entity towards capital and other requirements.

(b) In March 2018, the Company has entered into a five-year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. ("DSA") for supply of Steel Products. Duferco S.A has provided an interest bearing advance amount of US $700 million under this agreement, secured by committed export of steel products to Duferco S.A. Out of this US $443 million is pending towards fulfilment.

(c) The Company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated year. Such export obligations at year end aggregate to

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Export promotion capital goods scheme	19,126	15,225

(d) The Company has given guarantees aggregating ₹ 127 crores (previous year ₹ 127 crores) on behalf of subsidiaries to Commissioner of Customs in respect of goods imported.

(e) In The MDPA signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/ correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

Based on legal evaluation, the Company believes that MDPA would get rectified and after considering the expected production quantities in the remaining period, there would not be any shortfall in minimum production as required under MDPA. Accordingly, no provision has been recognised in financial statements as at 31 March 2021.

48. In assessing the carrying amounts of Investments in and loans / advances (net of impairment loss / loss allowance) to certain subsidiaries and a joint ventures and financial guarantees to certain subsidiaries (listed below), the Company considered various factors as detailed there against and concluded they are recoverable.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

(a) Investment, Loans and Financials guarantees as per table below:

As at 31 March 2021	JSW Steel (Netherlands) B.V ("NBV")	Periama Holdings, LLC ("PHL")	Acero Junction Holdings, Inc. ("Acero")	JSW Steel Italy Piombino S.p.A. ("JSIP")	GSI Lucchini S.p.A. ("GSI")
Investments	221	-	536	*	*
Loans (including interest accrued)	533	1,540	2,484	93	-
Financial Guarantees	719	5,847	1,428	915	18

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2020	JSW Steel (Netherlands) B.V ("NBV")	Periama Holdings, LLC ("PHL")	Acero Junction Holdings, Inc. ("Acero")	JSW Steel Italy Piombino S.p.A. ("JSIP")	GSI Lucchini S.p.A. ("GSI")
Investments	221	-	536	*	*
Loans (including interest accrued)	68	6,189	1,625	85	-
Financial Guarantees	711	1,536	1,658	985	20

*represents ₹ 0.19 crores

Estimate of values of the businesses and assets by independent external values based on cash flow projections/ implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to discount rate, future margins, increase in operational performance on account of committed capital expenditure and significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, availability of infrastructure facilities for mines and the likely impact of COVID 19 on the said operations.

(b) Equity shares of JSW Bengal Steel Limited, a subsidiary (carrying amount of investments: ₹ 508 crores as at 31 March 2021 ₹ 446 crores as at 31 March 2020 and share application money of Nil as at 31 March 2021; ₹ 62 crores as at 31 March 2020) - Evaluation of the status of its integrated Steel Complex (including power plant) to be implemented in phases at Salboni of district Paschim Medinipur in West Bengal by the said subsidiary and the plans for commencing construction of the said complex.

(c) Equity shares of JSW Jharkhand Steel Limited, a subsidiary (carrying amount: ₹ 96 crores as at 31 March 2021; ₹ 93 crores as at 31 March 2020 and share application money of Nil as at 31 March 2021; ₹ 1 crore as at 31 March 2020) - Evaluation of the status of its integrated Steel Complex to be implemented in phases at Ranchi, Jharkhand by the said subsidiary and the plans for commencing construction of the said complex.

(d) Equity shares of Peddar Realty Private Limited (PRPL), a subsidiary (carrying amount of investments: ₹ 24 crores as at 31 March 2021; ₹ 24 crores as at 31 March 2020, and receivable of ₹ 96 crores as at 31 March 2021; ₹ 110 crores as at 31 March 2020) -Valuation by an independent valuer of the residential complex in which PRPL holds interest.

(e) Investment of ₹ 4 crores (₹ 4 crores as at 31 March 2020) and loan of ₹ 167 crores (₹ 163 crores as at 31 March 2020) relating to JSW Natural Resources Mozambique Limitada and JSW ADMS Carvo Limitada (step down subsidiaries) - Assessment of minable reserves by independent experts based on the plans to commence operations after mining lease arrangements are in place for which application has been submitted to regulatory authorities, and infrastructure is developed.

(f) Preference shares of JSW Realty & Infrastructure Private Limited, a subsidiary (carrying amount: ₹ 175 crores as at 31 March 2021; ₹ 166 crores as at 31 March 2020 and loans of ₹ 31 crores as at 31 March 2021; ₹ 16 crores as at 31 March 2020) - Estimates of value of business based on the cash flow projections approved by the Management. The assessments include significant assumptions relating to operational performance, expansion, rentals and other charges, inflation and terminal value.

(g) Equity and Preference shares of, Creixent Special Steels Limited, a joint venture, (carrying amount: ₹ 490 crores as at 31 March 2021; ₹ 442 crores as at 31 March 2020) and loans and interest receivable (including of JSW Ispat Special Products Limited) of ₹262 crores (previous year ₹236 crores) - Valuation of property, plant and equipment by an Independent expert.

49. Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for Bhushan Power and Steel Limited ('BPSL') was approved by the Hon'ble National Company Law Tribunal (NCLT) vide order dated 5 September 2019 and subsequently an appeal preferred by the Company has been allowed by the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 17 February 2020. The erstwhile promoters of BPSL, certain operational creditors and the Directorate of Enforcement ('ED') preferred an appeal before the Hon'ble Supreme Court against the NCLAT Order which are pending for adjudication.

On 26 March 2021 the Company has completed the acquisition of BPSL by implementing the resolution plan approved under IBC Code basis an agreement entered with erstwhile committee of creditors that provides an option/right to the Company to unwind the transaction in case of unfavorable ruling on certain specified matters by Hon'ble Supreme Court.

On Implementation of Resolution Plan, the Company has also entered an arrangement with JSW Shipping & Logistics Private Limited ('JSLPL') through which the Company and JSLPL holds equity of Piombino Steel Limited ('PSL') in the ratio of 49% and 51% respectively giving joint control of PSL to the Company and JSLPL.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

The Company has invested ₹ 980 crores, ₹ 4,100 crores and ₹ 7 crores in equity shares, Optionally Fully Convertible Debentures (OFCD) and share warrants respectively. PSL has received additional equity contribution from JSLPL amounting to ₹ 1,027 crores (including share warrants) and raised further debt. PSL has invested ₹ 8,550 crores in Makler Private Limited ('Makler') and Makler has raised further debt and paid ₹ 19,350 crores to the financial creditors of BPSL in accordance with approved Resolution Plan. Pursuant to merger of Makler with BPSL in accordance with Resolution Plan, BPSL has become wholly owned subsidiary of PSL. Post this transaction, Piombino Steel Limited has become joint venture of the Company in the current year.

BPSL operates a 2.5 MTPA integrated steel plant located at Jharsuguda, Odisha and also have downstream manufacturing facilities at Kolkata, West Bengal and Chandigarh, Punjab.

50. The Company entered into an assignment agreement on 31 March 2021 with Laptev Finance Private Limited (Laptev), a JSW Group company whereby Laptev assigned to the Company all rights and obligations of Laptev under the Business Transfer Agreement with Welspun Corp Limited (Welspun). In accordance with the Business Transfer Agreement, the Company acquired from Welspun, the business of manufacturing of high-grade steel plates and coils (PCMD Business) as a going concern on slump sale, for a consideration of ₹ 848.50 crores subject to closing adjustments towards net working capital. As a part of the transaction, the Company also purchased a parcel of land pertaining to PCMD Business from Welspun Steel Limited for ₹ 1.50 crores.

The facility has a manufacturing capacity of 1.2 MTPA of steel plates or coils.

As per Ind AS 103, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities which resulted in Nil goodwill/ capital reserve as at 31 March 2021. The acquisition does not have material impact on the financial result for the year ended 31 March 2021.

The fair value of the identifiable assets and liabilities of the PCMD business as at the date of acquisition and purchase consideration is as below:

Particulars	Provisional Fair Value recognised on acquisition
Assets	
Property Plant and Equipment (excluding intangible assets and CWIP)	850
Inventories	75
Trade Receivables	4
Other Current Assets	5
Total (A)	**934**
Liabilities	
Trade Payables (Acceptances)	121
Other current liabilities and provision	2
Total (B)	**123**
Total identifiable net assets acquired at fair value (C) = (A-B)	**811**
Purchase Consideration transferred in cash (D)	**811**
Goodwill/ (bargain purchase) arising on acquisition (I)	**Nil**

There is no impact in the Statement of profit and loss account of the Company for the year as the transaction was completed on 31 March 2021.

51. The Company has completed acquisition of 1,32,37,227 equity shares representing 26.45% of the issued and paid-up share capital of JSW Vallabh Tinplate Private Limited (JSW VTPL) and as a result JSW VTPL has become wholly owned subsidiary of the Company.

52. Previous year figures have been re-grouped /re-classified wherever necessary.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

53. Exceptional Items:

Particulars	Inversiones Eurosh Limitada	JSW Netherlands B.V. (NBV)	Periama Holdings LLC ("PHL")	Total
31 March 2021				
Allowance on doubtful loans	-	70	256	326
Allowance on doubtful interest receivables	-	7	53	60
	-	**77**	**309**	**386**
31 March 2020				
Allowance on doubtful loans	605	-		605
Allowance on doubtful interest receivables	209	-	377	586
Fair value Loss on preference shares designated as FVTPL	-	38	-	38
	814	**38**	**377**	**1,229**
Impairment on property plant & equipment				80
Total				**1,309**

Exceptional items for the year ended 31 March 2021 represents impairment provision of ₹ 386 crores on loans and interest receivables from an overseas subsidiary in USA and Netherlands based on the assessment of recoverable value of the US operations. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, mining production, future margins, and the likely impact of COVID 19 on the said operations.

Exceptional items for the year ended 31 March 2020 represents impairment provision of:

(a) ₹ 852 crores relating to overseas subsidiaries towards the value of investments made and loans given and interest accrued thereon based on the overall assessment of recoverable value considering increased uncertainty in restarting the Iron ore mining operations at Chile on account of COVID 19 outbreak.

(b) ₹ 377 crores on interest receivables from an overseas subsidiary in USA based on the assessment of recoverable value of the US operations. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, mining production, future margins, and the likely impact of COVID 19 on the said operations; and

(c) ₹ 80 crores towards identified items of property, plant and equipment of the Company.

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

55. Events occurring after balance sheet:

On 21 May 2021 the board of directors recommended a final dividend of ₹ 6.50 per equity share be paid to shareholders for financial year 2020-21, which is subject to approval by the shareholders at the Annual General Meeting to be held on 21 July 2021. If approved, the dividend would result in a cash outflow of ₹ 1,571 crores.

56. Standards issued but not yet effective

There are no standards that have been issued but not yet effective.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

57. Additional information

A) C.I.F. value of imports:

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Capital goods	1,734	4,382
Raw materials (including power and fuel)	12,975	15,444
Stores & spare parts	564	872

B) Expenditure in foreign currency:

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest and finance charges	1,013	1,370
Ocean freight	565	490
Technical know-how	72	27
Commission on sales	14	18
Legal & professional fees	37	28
Others	40	48

C) Earnings in foreign currency:

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
F.O.B. value of exports	14,205	9,580
Interest Income	122	97

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

per **VIKRAM MEHTA**
Partner
Membership No.:105938

Place: Mumbai
Date: 21 May 2021

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

Place: Mumbai
Date: 21 May 2021

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

SESHAGIRI RAO M.V.S
Jt.Managing Director & Group CFO
DIN 00029136

Consolidated Financial Statements

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Independent Auditor's Report

To the Members of JSW Steel Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of JSW Steel Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its joint ventures, comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Recoverability of Goodwill, Property plant and Equipment, Capital work in progress, Right-of-use assets and Advances related to certain business (as described in note 49 of the consolidated Ind AS financial statements)	
As at March 31, 2021, the Group has carrying amount of: • Goodwill of ₹ 324 crores, • Property plant and Equipment, capital work in progress, advances and license fees of ₹ 7,984 crores • Investment property ₹ 91 crores • Right-of-use assets ₹ 77 crores • Investment in equity and preference shares ₹ 507 crores • Loan and interest receivable from related party ₹ 262 crores related to certain businesses incurring losses or where projects are on hold. The Group has also recognised impairment allowance of ₹ 83 crores during the year ended March 31, 2021 in respect of property plant and equipment and goodwill related to certain overseas businesses, as described in note 48 of the consolidated Ind AS financial statements. Assessment of the recoverable amount of Goodwill, Property plant and Equipment, Capital work in progress, Right-of-use assets and Advances related to certain businesses has been identified as a key audit matter due to: • Significance of the carrying amount of these balances. • The assessment requires management to make significant estimates concerning the estimated future cash flows, qualitative assessments of the status of the project and its future depending on balance work to be performed or approvals to be received, associated discount rates and growth rates based on management's view of future business prospects including any possible impact arising out of the pandemic on these estimates. • Changes to any of these assumptions could lead to material changes in the estimated recoverable amount, impacting both potential impairment charges and potential reversals of impairment taken in prior years.	Our audit procedures included the following: • We obtained and read management's assessment for impairment. • We performed test of controls over impairment process through inspection of evidence of performance of these controls. • We assessed the impairment model prepared by the management and the assumptions used, with particular attention to the following: – Benchmarking or assessing assumptions used in the impairment models, including discount rates, risk free rate of return, long term growth rate and other key assumptions against external and internal data; – assessing the cash flow forecasts including possible impact on account of global pandemic through analysis of actual past performance and comparison to previous forecasts; – testing the mathematical accuracy and performing sensitivity analyses of the models; and – understanding the commercial prospects of the assets/ projects, and comparison of assumptions with external data sources; • We assessed the competence, capabilities and objectivity of the experts used by management in the process of determining recoverable amounts. • We assessed the conclusions reached by management and those charged with governance on account of various estimates and judgements including possible impact of pandemic. • We assessed the compliance of the disclosures made in note 49 of the consolidated Ind AS financial statements with the accounting standards.

Key audit matters	How our audit addressed the key audit matter
Recoverability of VAT deferral / refunds under the GST regime (as described in note 32 of the consolidated Ind AS financial statements)	
The Group's units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible and have been availing interest free VAT deferral loan / Net VAT refunds as an incentive under the incentive schemes notified by the State of Maharashtra and Karnataka. The Group has recognised income in relation these grants being the difference between the net present value of these interest free loans granted to the Group and the nominal value of such loans to the extent of SGST collected by the Group in respect of sales eligible for such grants, eligible incentive of Net SGST paid, as applicable, in accordance with the industrial promotion subsidy schemes and notifications issued by the State of Maharashtra and Karnataka. The amount of incentive recognised during the year amounts to ₹ 503 crores and cumulative balance of these receivables amount to ₹ 2,719 crores. We considered VAT deferral / refund incentive as a Key audit matter due to: • Significance of amount accrued during the year and carrying amount of these receivables as at March 31, 2021 • Significant judgement involved in assessment of the eligibility of incentive under the new GST regime.	Our audit procedures included the following: • We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the recognition and measurement of government grants and income accruing therefrom. • We read eligibility certificates in respect of VAT deferral / refund incentives available to the Company. • We read the notification issued by the Government of Maharashtra (GoM) and Government of Karnataka (GoK) in respect of eligibility of VAT deferral / refund under the GST regime, guidelines for certification of the eligible incentive amount, modalities for sanction and disbursement of incentives. • We read letter dated October 18, 2019 issued by Director of Industries of Maharashtra for in-principle approval for issuance of eligibility certificate and letter dated March 19, 2021 by the Company for submission of appraisal report to Director of Industries of Maharashtra for availing incentive under PSI 2007 scheme. • We read the legal opinion obtained by the management for assessing the impact of new eligibility conditions and formula for determination of incentives based on latest Government Resolution issued by GoM including assessing the amounts withheld by the GoM on eligibility of certain duties which were refundable in the erstwhile VAT regime but have been denied in the new GST regime. • We involved specialists to assist us in reviewing and evaluating the management's assessment of latest Government Resolution issued by GoM. • We tested the calculation of incentives accrued for the year ended March 31, 2021.
Capital Expenditure in respect of property, plant and equipment and capital work in progress (as described in note 4 and 5 of the consolidated Ind AS financial statements)	
The Group has incurred significant expenditure on capital projects, as reflected by the total value of additions in property plant and equipment and capital work in progress in notes 4 and 5 of the consolidated Ind AS financial statements. The Group is in the process of executing various projects for expansions of existing capacity across the locations. These projects take a substantial period of time to get ready for intended use. We considered Capital expenditure as a Key audit matter due to: • Significance of amount incurred on such items during the year ended March 31, 2021. • Judgement and estimate required by management in assessing assets meeting the capitalisation criteria set out in Ind AS 16 Property, Plant and Equipment. • Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalisation as per the criteria set out in Ind AS 16 Property, Plant and Equipment.	Our audit procedures included the following: • We obtained an understanding of the Group's capitalisation policy and assessed for compliance with the relevant accounting standards. • We obtained understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalisation of assets. • We performed substantive testing on a sample basis for each element of capitalised costs including inventory issued to contractors for the purpose of these projects and physical verification performed by management alongwith reconciliation and directly attributable cost including verification of underlying supporting evidence and understanding nature of the costs capitalised. • In relation to borrowing costs we obtained the supporting calculations, verified the inputs to the calculation and tested the arithmetical accuracy of the model. • We assessed accounting for costs incurred when projects are suspended or delayed for any reasons including the global pandemic. • We obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.

Key audit matters	How our audit addressed the key audit matter
Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI (LODR) 2015') (as described in note 45 of the consolidated Ind AS financial statements)	
We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the consolidated Ind AS financial statements as a key audit matter due to: • the significance of transactions with related parties during the year ended March 31, 2021. • Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.	Our audit procedures in relation to the disclosure of related party transactions included the following: • We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to capturing of related party transactions and management's process of ensuring all transactions and balances with related parties have been disclosed in the consolidated Ind AS financial statements. • We obtained an understanding of the Group's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. • We agreed the amounts disclosed with underlying documentation and read relevant agreements, evaluation of arms-length by management, on a sample basis, as part of our evaluation of the disclosure. • We assessed management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015. • We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.
Claims and exposures relating to taxation and litigation (as described in note 46 of the consolidated Ind AS financial statements)	
The Group has disclosed in note 46 of the consolidated Ind AS financial statements contingent liabilities of ₹ 14,969 crores in respect of disputed claims/ levies under various tax and legal matters and ₹ 3,035 crores towards Claims related to Forest development tax/ fee. In addition, the Group has assessed several claims as 'Remote' and hence are not required to be disclosed as contingent liabilities. Taxation and litigation exposures have been identified as a key audit matter due to: • Significance of these amounts and large number of disputed matters with various authorities. • Significant judgement and assumptions required by management in assessing the exposure of each case to evaluate whether there is a need to set up a provision and measurement of exposures as well as the disclosure of contingent liabilities. We focused on this matter because of the potential financial impact on the consolidated Ind AS financial statements. Additionally, the treatment of taxation and litigation cases require significant judgement due to the complexity of the cases, timescales for resolution and involvement of various authorities.	Our audit procedures included the following: • We obtained understanding, evaluated the design, and tested the operating effectiveness of the controls related to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities. • We obtained details of legal and tax disputed matters and evaluation made by the management and assessed management's position through discussions on both the probability of success in significant cases, and the magnitude of any potential loss. • We read external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. • We involved tax specialists to assist us in evaluating tax positions taken by management. • We assessed the relevant disclosures made in the consolidated Ind AS financial statements for compliance in accordance with the requirements of Ind AS 37.

Key audit matters	How our audit addressed the key audit matter
Accounting for Acquisitions (as described in note 41 of the consolidated Ind AS financial statements)	
During the financial year ended March 31, 2021, the Group has completed following acquisitions: • Bhushan Power and Steel Limited with joint venture partner JSW Shipping & Logistics Private Limited on March 26, 2021 in accordance with the resolution plan approved by the National Company Law Tribunal. • Asian Colour Coated Ispat Limited on October 27, 2020 through its wholly owned subsidiary in accordance with the resolution plan approved by the National Company Law Tribunal. • Steel plates and coil mills division from Welspun Corp Limited on March 31, 2021 in accordance with business transfer agreement. We considered the audit of accounting for these acquisitions to be a key audit matter as these are significant transactions during the year which require significant management judgement regarding: • Assessment of control or joint control over the entities acquired. • Allocation of the purchase price to the assets and liabilities acquired and adjustments made to align accounting policies of the newly acquired entities with the Group. • Fair valuation of the assets and liabilities acquired and to identify intangible assets acquired in the acquisition and its impact on the carrying value of investment in respect of joint venture accounted through equity method • Accounting and disclosures given in the financial statements in accordance with the applicable Ind AS.	Our audit procedures included the following: • We have read the resolution plans approved by the National Company Law Tribunal and other related documents such as shareholders' agreement, business transfer agreement, escrow agreement etc. to obtain an understanding of the transactions and the key terms and conditions. • We evaluated the control assessment made by the management and assessed the accounting treatment applied to these transactions. • We read the valuation reports for the purchase price considerations paid for these acquisitions. We tested the identification and fair valuation of the acquired assets including intangible assets acquired, if any and liabilities by corroborating this identification based on our discussion with management and understanding of the business. • We obtained understanding of the valuation methodologies used by management and the external valuation experts in the provisional fair valuation of acquired assets and liabilities. • We involved valuation specialist and assessed the valuation methodology and assumptions such as discount and long-term growth rates, risk free rate of return and weight average cost of capital by comparing these assumptions to source data and external data, where required. • We obtained understanding of the commercial prospects of the assets /projects acquired. • We assessed the competence, capabilities and relevant experience of the experts engaged by management to determine fair valuation of the assets and liabilities acquired. • We have assessed the accounting treatment followed by the Company for said acquisitions is in accordance with the requirements of Ind AS 103 or Ind AS 28 as applicable and also assessed the compliance of the disclosures made in note 41 of the consolidated Ind AS financial statements with the applicable accounting standards.

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Holding 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 ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of 27 subsidiaries, whose financial statements and other financial information include total assets of ₹ 11,958 crores as at March 31, 2021, and total revenues of ₹ 9,328 crores and net cash outflows of ₹ 347 crore for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of ₹ 1 crores for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of 5 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of such other auditors.

Certain of these subsidiaries and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 3 subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 0.01 crores as at March 31, 2021, and total revenues of ₹ 33 crores and net cash outflows of ₹ 1 crores for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of ₹ 0.03 crores for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of 3 joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

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

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

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint ventures, none of the directors of the Group's companies, its joint ventures incorporated in India 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 and the operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, and joint ventures incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company, its subsidiaries and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint ventures in its consolidated financial statements – Refer Note 46 to the consolidated financial statements;

ii. The Group and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2021;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures incorporated in India during the year ended March 31, 2021.

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

per **Vikram Mehta**
Partner
Membership Number: 105938
UDIN No: 21105938AAAACV6556

Place of Signature: Mumbai
Date: May 21, 2021

Annexure 1

To the Independent Auditor's Report of even date on the consolidated financial statements of JSW Steel Limited

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

In conjunction with our audit of the consolidated financial statements of JSW Steel Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated 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 specified under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated 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 control with reference to consolidated 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 17 subsidiaries and 4 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint ventures incorporated in India.

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

per **Vikram Mehta**
Partner
Membership Number: 105938
UDIN No: 21105938AAAACV6556

Place of Signature: Mumbai
Date: May 21, 2021

Consolidated Balance Sheet

As at 31 March 2021

₹ in crores

	Notes	As at 31 March 2021	As at 31 March 2020
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	58,857	57,625
(b) Capital work-in-progress	5	32,433	26,857
(c) Investment property	6	259	224
(d) Right-of-use assets	7	3,816	3,471
(e) Goodwill	8	336	415
(f) Other intangible assets	9	1,649	350
(g) Intangible assets under development	9(b)	133	334
(h) Investments in joint ventures	10	2,969	283
(i) Financial assets			
(i) Investments	11	5,604	974
(ii) Loans	12	1,022	772
(iii) Derivative assets	19(a)	110	-
(iv) Other financial assets	13	2,154	696
(h) Current tax assets (net)		275	385
(i) Other non-current assets	14	2,848	2,956
Total non-current assets		**112,465**	**95,342**
(2) Current assets			
(a) Inventories	15	14,249	13,773
(b) Financial assets			
(i) Investments	16	8	2
(ii) Trade receivables	17	4,486	4,505
(iii) Cash and cash equivalents	18(a)	11,943	3,966
(iv) Bank balances other than (iii) above	18(b)	870	8,037
(v) Loans	12	622	742
(vi) Derivative assets	19(b)	102	294
(vii) Other financial assets	13	1,467	2,858
(c) Current tax assets (net)		6	6
(d) Other current assets	14	2,091	2,286
(e) Assets classified as held for sale		8	9
Total current assets		**35,852**	**36,478**
TOTAL - ASSETS		**148,317**	**131,820**
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	20	302	301
(b) Other equity	21	46,462	36,298
Equity attributable to owners of the Company		46,764	36,599
Non-controlling interests (NCI)		(619)	(575)
Total equity		**46,145**	**36,024**
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	49,731	44,673
(ii) Lease liabilities	7	1,939	1,744
(iii) Derivative liabilities	23(a)	57	130
(iv) Other financial liabilities	24	588	464
(b) Provisions	25	852	348
(c) Deferred tax liabilities (net)	26	3,509	1,677
(d) Other non-current liabilities	27	2,197	3,072
Total non-current liabilities		**58,873**	**52,108**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	28	1,999	8,325
(ii) Trade payables	29		
Total outstanding, dues of micro and small enterprises		230	142
Total outstanding, dues of creditors other than micro and small enterprises		15,013	17,776
(iii) Derivative liabilities	23(b)	110	251
(iv) Lease liabilities	7	405	306
(iv) Other financial liabilities	30	21,347	14,143
(b) Provisions	25	274	161
(c) Other current liabilities	31	3,365	2,455
(d) Current tax liabilities (net)		556	129
Total current liabilities		**43,299**	**43,688**
Total liabilities		**102,172**	**95,796**
TOTAL – EQUITY AND LIABILITIES		**148,317**	**131,820**

See accompanying notes to the Consolidated Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **VIKRAM MEHTA**
Partner
Membership No.: 105938

Place: Mumbai
Date: 21 May 2021

For and on behalf of Board of Directors

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

Place: Mumbai
Date: 21 May 2021

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

Consolidated Statement of Profit and Loss

For the year ended 31 March 2021

₹ in crores

		Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
I	**Revenue from operations**		79,839	72,610
	Fees for assignment of procurement contract		-	250
	Government grant income – VAT/GST incentive relating to earlier years		-	466
	Total Revenue from operations	32	**79,839**	**73,326**
II	Other income	33	592	546
III	**Total income (I + II)**		**80,431**	**73,872**
IV	**Expenses**			
	Cost of materials consumed		32,623	38,865
	Purchases of stock-in-trade		233	135
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	34	(348)	(270)
	Mining premium and royalties		6,972	651
	Employee benefits expense	35	2,506	2,839
	Finance costs	36	3,957	4,265
	Depreciation and amortisation expense	37	4,679	4,246
	Other expenses	38	17,712	19,233
	Total expenses		**68,334**	**69,964**
V	**Profit before share of profit / (loss) from joint ventures (net), exceptional items and tax (III-IV)**		**12,097**	**3,908**
VI	Share of profit / (loss) from joint ventures (net)		1	(90)
VII	**Profit before exceptional items and tax (V+VI)**		**12,098**	**3,818**
VIII	Exceptional items	48	83	805
IX	**Profit before tax (VII-VIII)**		**12,015**	**3,013**
X	**Tax expense/(credit)**	26		
	Current tax		2,467	943
	Deferred tax		1,675	(1,849)
	Total tax expense/(credit)		**4,142**	**(906)**
XI	**Profit for the year (IX-X)**		**7,873**	**3,919**
XII	**Other comprehensive income / (loss)**			
A	(i) Items that will not be reclassified to profit or loss			
	a) Remeasurement losses of the defined benefit plans	43	33	(23)
	b) Equity instruments through other comprehensive income		459	(304)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(12)	7
	Total (A)		**480**	**(320)**
B	(i) Items that will be reclassified to profit or loss			
	a) The effective portion of gain /(loss) on hedging instruments		426	(825)
	b) Changes in Foreign currency monetary item translation difference account (FCMITDA)		-	87
	c) Foreign currency translation reserve (FCTR)		25	(316)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(143)	253
	Total (B)		**308**	**(801)**
	Total other comprehensive income/(loss) (A+B)		**788**	**(1,121)**
XIII	**Total comprehensive income/(loss) (XI+XII)**		**8,661**	**2,798**
	Total Profit /(loss) for the year attributable to:			
	- Owners of the Company		7,911	4,030
	- Non-controlling interests		(38)	(111)
			7,873	**3,919**
	Other comprehensive income/(loss) for the year attributable to:			
	- Owners of the Company		770	(1,076)
	- Non-controlling interests		18	(45)
			788	**(1,121)**
	Total comprehensive income/(loss) for the year attributable to:			
	- Owners of the Company		8,681	2,954
	- Non-controlling interests		(20)	(156)
			8,661	**2,798**
XIV	**Earnings per equity share of ₹ 1 each**	39		
	Basic (in ₹)		32.91	16.78
	Diluted (in ₹)		32.73	16.67

See accompanying notes to the Consolidated Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

For and on behalf of Board of Directors

per **VIKRAM MEHTA**
Partner
Membership No.: 105938

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

Place: Mumbai
Date: 21 May 2021

Place: Mumbai
Date: 21 May 2021

Consolidated Statement of Changes in Equity

For the year ended 31 March 2021

A. Equity share capital

₹ in crores

As at 1 April 2019	Movement during 2019-20	As at 31 March 2020	Movement during 2020-21	As at 31 March 2021
301	@	301	@@	302

@ - ₹ 0.07 crores, @@ - ₹ 0.34 crores

B. Other equity

₹ in crores

	Reserves and surplus								Other comprehensive income / (loss)						
	Capital reserve	Securities premium reserve	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	Capital reserve on bargain purchase	FCTR	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	FCMITDA	Attributable to owners of the parent	Non-controlling interest	Total
Balance as at 1 April 2019	**3,585**	**5,417**	**531**	**285**	**13,736**	**91**	**9,899**	**1,017**	**(552)**	**476**	**66**	**(57)**	**34,494**	**(450)**	**34,044**
Profit for the year	-	-	-	-	4,030	-	-	-	-	-	-	-	4,030	(111)	3,919
Other comprehensive income for the year, net of income tax (refer note 26)	-	-	-	-	(16)	-	-	-	(271)	(304)	(542)	57	(1,076)	(45)	(1,121)
Dividends including dividend distribution tax	-	-	-	-	(1,195)	-	-	-	-	-	-	-	(1,195)	-	(1,195)
Impact of ESOP trust consolidation	-	-	-	-	10	-	-	-	-	-	-	-	10	-	10
Recognition of share based payments	-	-	-	-	-	37	-	-	-	-	-	-	37	-	37
Transfer between reserves	-	-	243	(285)	-	-	42	-	-	-	-	-	-	-	-
Acquisition of business	-	-	-	-	-	-	-	2	-	-	-	-	2	25	27
Equity component of compound financial instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	5	5
Transfer to general reserve after exercise of options	-	-	-	-	-	(6)	6	-	-	-	-	-	-	-	-
Others	-	-	-	-	(4)	-	-	-	-	-	-	-	(4)	1	(3)
Balance as at 31 March 2020	**3,585**	**5,417**	**774**	**-**	**16,561**	**122**	**9,947**	**1,019**	**(823)**	**172**	**(476)**	**-**	**36,298**	**(575)**	**35,723**

₹ in crores

	Reserves and surplus							Other comprehensive income / (loss)					
	Capital reserve	Securities premium reserve	Capital redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	Capital reserve on bargain purchase	FCTR	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	Attributable to owners of the parent	Non-controlling interest	Total
Balance as at 1 April 2020	**3,585**	**5,417**	**774**	**16,561**	**122**	**9,947**	**1,019**	**(823)**	**172**	**(476)**	**36,298**	**(575)**	**35,723**
Profit for the year	-	-	-	7,911	-	-	-	-	-	-	7,911	(38)	7,873
Other comprehensive income for the year, net of income tax (refer note 26)	-	-	-	23	-	-	-	7	458	282	770	18	788
Dividends including dividend distribution tax	-	-	-	(483)	-	-	-	-	-	-	(483)	-	(483)
Impact of ESOP trust consolidation	-	-	-	42	-	-	-	-	-	-	42	-	42
Recognition of share based payments	-	-	-	-	20	-	-	-	-	-	20	-	20
Acquisition of stake from NCI (refer note 52)	-	-	-	(11)	-	-	-	-	-	-	(11)	(24)	(35)
Acquisition of business (refer note 41)	-	-	-	-	-	-	1,915	-	-	-	1,915	-	1,915
Transfer between reserves	-	-	-	-	(25)	25	-	-	-	-	-	-	-
Balance as at 31 March 2021	**3,585**	**5,417**	**774**	**24,043**	**117**	**9,972**	**2,934**	**(816)**	**630**	**(194)**	**46,462**	**(619)**	**45,843**

See accompanying notes to the Consolidated Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **VIKRAM MEHTA**
Partner
Membership No.: 105938

Place: Mumbai
Date: 21 May 2021

For and on behalf of Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

Place: Mumbai
Date: 21 May 2021

Consolidated Statement of Cash Flows

For the year ended 31 March 2021

₹ in crores

	For the year ended 31 March 2021		For the year ended 31 March 2020	
A. Cash flow from operating activities				
Profit before tax		12,015		3,013
Adjustments for:				
Depreciation and amortisation expense	4,679		4,246	
Loss on sale of property, plant and equipment (net)	37		30	
Gain on sale of financial investments designated as FVTPL	(7)		(5)	
Export obligation deferred income amortisation	(239)		(144)	
Interest income	(481)		(439)	
Dividend income	(11)		(10)	
Interest expense	3,745		3,924	
Unrealised exchange loss	(436)		687	
Gain on financial instruments designated as FVTPL	-		(4)	
Unwinding of interest on financial assets carried at amortised cost	(52)		(45)	
Fair value gain on joint venture's previously held stake on acquisition of control	-		(13)	
Share based payment expense	20		37	
Share of loss from joint ventures (net)	(1)		90	
Fair value loss on financial instrument designated as FVTPL	2		2	
Allowances for doubtful receivable and advances	101		113	
Non - cash expenditure	-		14	
Exceptional items	83		805	
		7,440		**9,288**
Operating profit before working capital changes		**19,455**		**12,301**
Adjustments for:				
(Increase) / Decrease in inventories	(335)		744	
Decrease in trade receivables	72		2,458	
(Increase) in other assets	(423)		(1,837)	
Increase in trade payable and other liabilities	1,306		183	
Increase in provisions	644		91	
		1,264		**1,639**
Cash flow from operations		**20,719**		**13,940**
Income taxes paid (net of refund received)		(1,930)		(1,155)
Net cash generated from operating activities		**18,789**		**12,785**
B. Cash flow from investing activities				
Purchases of property, plant and equipment and intangibles assets (including under development and capital advances)		(9,258)		(12,810)
Proceeds from sale of property, plant and equipment		51		43
Cash outflow on acquisition of a subsidiary / acquisition of NCI (refer note 41 and 52)		(1,575)		(64)
Investment in joint ventures (refer note 41)		(5,087)		-
Proceeds from sale of stake in joint venture		-		164
Inter corporate deposits		(293)		-
Purchase of current investments		(606)		(762)
Sale of current investments		612		847
Bank deposits not considered as cash and cash equivalents (net)		7,407		(7,517)
Interest received		619		503
Dividend received		11		10
Net cash used in investing activities		**(8,119)**		**(19,586)**

₹ in crores

	For the year ended 31 March 2021	For the year ended 31 March 2020
C. Cash flow from financing activities		
Proceeds from sale of treasury shares	39	107
Payment for purchase of treasury shares	-	(101)
Proceeds from non-current borrowings	15,897	20,814
Repayment of non-current borrowings	(7,562)	(11,107)
Proceeds from / (repayment) of current borrowings (net)	(6,326)	1,940
Repayment of lease liabilities	(335)	(177)
Interest paid	(4,340)	(4,520)
Dividend paid (including corporate dividend tax)	(483)	(1,195)
Premium paid on redemption of debentures	-	(572)
Net cash (used in) / generated from financing activities	**(3,110)**	**5,189**
Net increase / (decrease) in cash and cash equivalents(A+B+C)	**7,560**	**(1,612)**
Cash and cash equivalents at the beginning of year	3,966	5,581
Add: Translation adjustment in cash and cash equivalents	(3)	(6)
Add: Cash and cash equivalents pursuant to business combinations (refer note 41)	420	3
Cash and cash equivalents at the end of year	**11,943**	**3,966**

Reconciliation forming Statement of Cash flows

₹ in crores

Particulars	1 April 2020	Cash flows (net)	Foreign exchange difference	Changes in fair values	New leases	Others	31 March 2021
Borrowings (non-current) other than Lease liabilities) (including current maturities of long term borrowing included in other financial liabilities note 30)	51,049	8,335	(668)	(650)	-	(17)	**58,049**
Lease liabilities (including current maturities)	2,050	(335)	-		629	-	**2,344**
Borrowings (current)	8,325	(6,326)	-			-	**1,999**

₹ in crores

Particulars	1 April 2019	Cash flows (net)	Foreign exchange difference	Changes in fair values	New leases	Others	31 March 2020
Borrowings (non-current) other than finance lease obligations (including current maturities of long term borrowing included in other financial liabilities note 30)	39,106	9,707	2,401	(113)	-	(52)	**51,049**
Finance lease obligations (including current maturities)	1,957	(177)	-	-	405	(135)	**2,050**
Borrowings (current)	6,333	1,940	-	-	-	52	**8,325**

Other comprises of upfront fees amortisation and interest cost accrual on preference shares and deferred sales tax loan.

Notes:

1. The cash flow statement is prepared using the "indirect method" set out in Ind AS 7 - Statement of Cash Flows.

See accompanying notes to the Consolidated Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **VIKRAM MEHTA**
Partner
Membership No.: 105938

Place: Mumbai
Date: 21 May 2021

For and on behalf of Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

Place: Mumbai
Date: 21 May 2021

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

1. General Information

JSW Steel Limited ("the Company" or "the Parent") is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Parent and its subsidiaries (together referred to as "the Group") is an integrated manufacturer of diverse range of steel products with its manufacturing facilities located at Vijayanagar works in Karnataka, Dolvi works in Maharashtra and Salem works in Tamil Nadu and also in the United States of America and Italy. The Group has entered into long term lease arrangements of iron ore mines located at Odisha and Karnataka and also in the United States of America.

JSW Steel Limited is a public limited company incorporated in India on 15 March, 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

2. Significant Accounting policies

I. Statement of compliance

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013 , (Ind AS Compliant Schedule III), as applicable to Consolidated financial statement.

Accordingly, the Company has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "financial statements").

These financial statements are approved for issue by the Board of Directors on 21 May 2021.

II. Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year as explained in the accounting policies below, and acquisition of subsidiaries where assets and liabilities are measured at fair values as at the date of acquisition in accordance with Ind AS 103.

Fair value is the price 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 price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Financial Statement is presented in INR and all values are rounded to the nearest crores except when otherwise stated.

Current and non-current classification

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

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

- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

All other assets are classified as non-current.

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

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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

III. Basis of consolidation

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

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

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

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

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

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

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

IV. Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition-related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred.

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

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

If the initial accounting for a business combination is incomplete by the end of the financial year, the provisional amounts for which the accounting is incomplete shall be disclosed in the financial statements and provisional amounts recognised at the acquisition date shall be retrospectively adjusted during the measurement period. During the measurement period, the group shall also recognise additional assets or liabilities if the new information is obtained about facts and circumstances that existed as of the acquisition date and if known, would have resulted in the recognition of those assets and liabilities as of that date. However, the measurement period shall not exceed the period of one year from the acquisition date.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

V. Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group depreciates building component of investment property over 30 years from the date of original purchase.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of derecognition from the derecognition of investment properties the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

VI. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described at note 2(VI) below.

VII. Investment in associates and joint ventures

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

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

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

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

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

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

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

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

VIII. Revenue recognition

A. Sale of Goods

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

The Group has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Group recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Group and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

Contract balances

i. Contract assets

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

ii. Trade receivables

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

iii. Contract liabilities

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

iv. Refund liabilities

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

B. Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentives payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract cost incurred that it is probable will be recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

C. **Dividend and interest income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

IX. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases.

Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term is as follows:

Class of assets	Years
Leasehold land	75 to 99 Years
Buildings	3 to 30 years
Plant & Machinery	3 to 15 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

The Company accounts for sale and lease back transaction, recognising right-of-use assets and lease liability, measured in the same way as other right-of-use assets and lease liability. Gain or loss on the sale transaction is recognised in statement of profit and loss

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below ₹ 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

X. Foreign currencies

The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (XXI) (B) (f));
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items; and
- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognised in the financial statements for the year ended 31 March 2016 prepared under previous GAAP, are capitalised as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity year / upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable.

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

Goodwill, capital reserve on bargain purchase and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

XI. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the year in which they are incurred.

The Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on

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qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

XII. Government grants

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

Government grants are recognised in the Consolidated Statement of Profit and Loss on a systematic basis over the years in which the Group recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

The benefit of a government loan at a below-market rate of interest and effect of this favorable interest is treated as a government grant. The Loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the Consolidated Statement of Profit and Loss immediately on fulfillment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

XIII. Employee benefits

Retirement benefit costs and termination benefits

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

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

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

The Group presents the first two components of defined benefit costs in Consolidated Statement of Profit or Loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

Short-term and other long-term employee benefits

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

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

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

XIV. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 40.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Consolidated Statement of Profit or Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

XV. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred tax asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in consolidated statement of profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises

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from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

XVI. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

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

Class of assets	Years
Plant and equipment	8 to 40 years
Work-rolls (shown under Plant and equipment)	1 to 5 years

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

Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

The Group has applied Ind AS 116 w.e.f. 1 April 2019 and all lease are covered under Right-of-use assets.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Depreciation on the property, plant and equipment of the Company's foreign subsidiaries and jointly controlled entities has been provided on straight-line method as per the estimated useful life of such assets as follows:

Class of assets	Years
Buildings	15 to 50 years
Plant and machinery	3 to 30 years
Furniture and fixtures	3 to 10 years
Vehicles and aircrafts	4 to 5 years
Office equipment	3 to 10 years

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XVII. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Computer software	3 to 5 years
Licenses	Over the period of license

Mining assets are amortised using the unit of production method over the entire lease term.

The Group has elected to continue with carrying value of all its intangible assets recognised as on transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XVIII. Mining Assets

Acquisition Costs

The cost of Mining Assets capitalised includes costs associated with acquisition of licenses and rights to explore, stamp duty, registration fees and other such costs.

Bid premium and royalties payable with respect to mining operations is contractual obligation. The said obligations are variable and linked to market prices. The Company has accounted for the same as expenditure on accrual basis as and when related liability arises as per respective agreements/ statute.

Exploration and evaluation

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The Company measures its exploration and evaluation assets at cost and classifies as Property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities.

General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.

Costs of exploration drilling and equipping exploration - Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

Stripping cost

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

Other production stripping cost incurred are expensed in the consolidated statement of profit and loss.

Developmental stripping costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

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Site restoration, rehabilitation and environmental costs:

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to consolidated statement of profit and loss over the life of the asset through amortisation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements are reviewed periodically.

The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology. Details of such provisions are set out in note 25.

XIX. Impairment of Non-financial assets

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

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

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

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

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

XX. Inventories

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

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of iron ore inventory includes cost of mining, bid premium, royalties and other manufacturing overheads. Cost of traded goods include purchase cost and inward freight.

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

XXI. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a

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third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. However, before a separate provision for an onerous contract is established, the Company recognises any write down that has occurred on assets dedicated to that contract. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

XXII. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Consolidated Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI) and fair value through profit and loss.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

  The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

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Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in consolidated statement of profit and loss. The net gain or loss recognised in consolidated statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the other income' line item. Dividend on financial assets at FVTPL is recognised when:

- The Group's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) **Derecognition of financial assets**

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

d) **Impairment**

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

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

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

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

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, The Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

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

The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets.

e) **Effective interest method**

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

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

B. Financial liabilities and equity instruments

a) **Classification as debt or equity**

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

b) **Equity instruments**

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

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

c) **Financial liabilities**

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

Financial liabilities at FVTPL:

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

A financial liability is classified as held for trading if:

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

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

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

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Consolidated Statement of Profit and Loss. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI.

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

Other financial liabilities:

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments

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to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne by the Group on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

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

C. Derivative instruments and hedge accounting

a) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts, commodity forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Consolidated Statement of Profit and Loss depends on the nature of the hedge item.

b) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit and loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss, unless designated as effective hedging instruments.

c) Hedge accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge or hedges of net investments in foreign operations. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Consolidated Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in the Consolidated Statement of Profit and Loss in the line item relating to the hedged item.

The Group designates only the spot component for derivative instruments in fair value hedging relationship. The Group defers changes in the forward element of such instruments in hedging reserve and the same is amortised over the period of the contract.

When the Group designates only the intrinsic value of the option as the hedging instrument, it account for the changes in the time value in OCI. This amount is being removed from OCI and recognised in consolidated statement of profit and loss, either over the period of the hedge if the hedge is time related, or when the hedged transaction affects consolidated statement of profit and loss if the hedge is transaction related.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. For fair value hedges relating to items carried at amortised cost, the fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit and loss from that date.

(ii) Cash flow hedges

The effective portion of changes in fair value of derivatives and non-derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in Consolidated Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit and loss in the years when the hedged item affects profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and loss.

When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit and loss.

(iii) Hedges of net investments in a foreign operation

Hedges of net investments in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gains or losses relating to the ineffective portion are recognised immediately in the profit or loss.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to Consolidated Statement of Profit and Loss on the disposal of the foreign operation.

XXIII. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

XXIV. Cash and cash equivalents:

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Consolidated Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

XXV. Earnings per share:

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income

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(net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

3. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

A) Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

ii) Impairment of investments in joint ventures and associate

Determining whether the investments in joint ventures and associate are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capacity utilisation of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies as more fully described in note 49. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

iii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the Group are not disclosed.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

iv) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

v) Impairment of Goodwill

Determining whether the goodwill acquired in business combinations are impaired, requires an estimate of recoverable amount of the Group's cash Generating unit (or groups of cash generating units). In considering the recoverable value of cash generating unit, the management have anticipated the future benefits to arise from commodity prices, capacity utilisation of plants, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying unit. If the recoverable amount of cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any Impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss.

vi) Provision for site restoration

Provision for site restoration are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Management reviews all assumptions annually and any changes is accounted accordingly.

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vii) Taxes

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions.

During the previous year ended 31 March 2020, the Group had made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit. Based on the detailed assessment carried out the management, deferred tax liabilities on temporary differences expected to reverse during the year in which the Company and one of its subsidiaries would be under the new tax regime and accordingly applied the new rate for measuring the said deferred tax liabilities in accordance with the requirements of IND AS 12 - 'Income Taxes". This had resulted in reversal of deferred tax liabilities amounting to ₹2,225 crores. During the year, the Group has re-assessed the impact of the Ordinance and there is no significant change in the measurement arising of the said assessment.

Further, certain components of the Group have opted for the new tax rate from financial year 2019-20 which has resulted into a reversal of deferred tax liabilities upto 31 March 2019 amounting to ₹98 crores during the previous year ended 31 March 2020.

viii) Relating to the global health pandemic from COVID-19

The Group has assessed the possible impact of COVID-19 in assessing the recoverability of carrying amounts of Group's assets such as property, plant & equipment, goodwill and other assets etc, considering the various internal and external information up to the date of approval of these financial results and concluded that they are recoverable based on the estimate of values of the businesses and assets by independent external valuers which was based on cash flow projections, fair values and implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to operational performance including significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, and capacity expansion/ availability of infrastructure facilities for mines. The Group continues to monitor any material changes to the future economic conditions.

B) Critical accounting judgements

i) Control over JSW Realty & Infrastructure Private Limited (RIPL)

RIPL has developed a residential township in Vijayanagar, Karnataka on the land taken on lease from the Company for a period of 30 years and provides individual housing units on rent to the employees of the Company or other group companies. RIPL is not allowed to sub-let or assign its rights under the arrangement without prior written consent of the Company. Though the Company does not hold any ownership interest in RIPL, the Company has concluded that the Company has practical ability to direct the relevant activities of RIPL unilaterally, considering RIPL's dependency on the Company for funding significant portion of its operation through subscription to 73.94% of preference share capital amounting to ₹ 313 crores issued by RIPL and significant portion of RIPL's activities.

ii) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

iii) Joint control over JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited)

The consortium of JSW Steel Limited and AION Investments Private II Limited. completed the acquisition of JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited) ("JISPL" or "MIEL") through their jointly controlled entity Creixent Special Steels Limited ("CSSL") on 31 August 2018. The Company has made an investment in the

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year FY 2018-19 of ₹ 375 crores through equity and redeemable preference shares in CSSL to acquire joint control in MIEL and have an effective shareholding of 23.1% in MIEL. As per the Shareholding agreement, all the relevant activities of CSSL that affect the Company's variable returns from its involvement with CSSL/ MIEL have to be decided unanimously by a Steering Committee on which the Company has representation and thus the Company has concluded that it has joint control over CSSL.

iv) **Joint control over Bhushan Power and Steel Limited**

The Company along with JSW Shipping and Logistics Private Limited ("JSLPL") completed the acquisition of BPSL through their jointly controlled entity Piombino Steel Limited ("PSL") on 26 March 2021. The Company has made an investment of ₹ 5,087 crores through equity, optionally convertible instruments and warrants in PSL to acquire joint control in BPSL and have an effective shareholding of 49% in BPSL.

As per the Shareholding agreement (SHA), all the relevant activities of PSL that affect the Company's variable returns from its involvement with PSL/ BPSL have to be decided unanimously by a Steering Committee on which there is equal representation of the Company and JSLPL and JSLPL is not acting as de-facto agent of the Company under this SHA, thus the Company has concluded that it has joint control over PSL.

v) **Incentives under the State Industrial Policy**

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds.

The State Government of Maharashtra ('GOM') vide its Government Resolution (GR) issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company including denying incentives in certain cases.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

Accordingly, the Company has recognised grant income without giving effect to the above restrictions and the cumulative amount receivable towards the same is considered to be good and recoverable.

vi) **Commitment under MDPA arrangement**

The Mine development and production agreement ('MDPA') signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

Based on legal evaluation, the Company believes that MDPA would get rectified and after considering the expected production quantities in the remaining period, there would not be any shortfall in minimum production as required under MDPA. Accordingly, no provision has been recognised in financial statements as at 31 March 2021.

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4. Property, plant and equipment

₹ in crores

Particulars	Freehold land	Leasehold land	Buildings (owned)	Buildings (on finance lease)	Plant and equipments (owned)	Plant and equipments (on finance lease)	Furniture and fixtures	Vehicles and aircrafts	Office equipments	Mining development and projects	Total
Cost / deemed cost											
At 1 April 2019	**1,769**	**764**	**9,266**	**27**	**59,819**	**3,157**	**135**	**157**	**85**	**1,024**	**76,203**
Transfer to ROU assets	-	764	-	27	14	3,157	-	-	-	-	3,962
Additions	28	-	507	-	1,949	-	9	18	25	10	2,546
Acquired pursuant to business combination	7	-	28	-	180	-	-	-	-	-	215
Deductions	17	-	4	-	204	-	1	11	-	-	237
Other adjustments (refer note c below)	-	-	-	-	311	-	-	-	-	-	311
Translation reserve	26	-	104	-	603	-	1	1	1	95	831
At 31 March 2020	**1,813**	**-**	**9,901**	**-**	**62,644**	**-**	**144**	**165**	**111**	**1,129**	**75,907**
Additions	50	-	374	-	2,868	-	10	12	18	7	3,339
Acquired pursuant to business combination (refer note 41)	298	-	326	-	1,626	-	1	1	1	-	2,253
Deductions	-	-	20	-	519	-	@	8	1	-	548
Transfer to investment property (refer note 6)	11	-	-	-	-	-	-	-	-	-	11
Other adjustments (refer note c below)	-	-	-	-	117	-	-	-	-	-	117
Asset transfer to held for sale	-	-	-	-	(2)	-	-	-	-	-	(2)
Translation reserve	4	-	(25)	-	(178)	-	@	@	@	(9)	(208)
At 31 March 2021	**2,154**	**-**	**10,556**	**-**	**66,556**	**-**	**155**	**170**	**129**	**1,127**	**80,847**
Accumulated depreciation and impairment											
At 1 April 2019	**4**	**34**	**1,549**	**2**	**11,708**	**667**	**57**	**49**	**41**	**621**	**14,732**
Transfer to ROU assets	-	34	-	2	8	667	-	-	-	-	711
Depreciation	-	-	387	-	3,491	-	14	18	20	9	3,939
Disposals	-	-	1	-	164	-	1	5	@	-	171
Impairment	-	-	3	-	77	-	-	-	-	143	223
Translation reserve	-	-	26	-	183	-	1	-	-	60	270
At 31 March 2020	**4**	**-**	**1,964**	**-**	**15,287**	**-**	**71**	**62**	**61**	**833**	**18,282**
Depreciation	-	-	401	-	3,775	-	14	18	17	6	4,231
Disposals	-	-	12	-	451	-	@	4	1	-	468
Asset transfer to held for sale	-	-	-	-	(2)	-	-	-	-	-	(2)
Impairment (refer note 48)	-	-	-	-	-	-	-	-	-	20	20
Translation reserve	@	-	(7)	-	(62)	-	@	@	@	(4)	(73)
At 31 March 2021	**4**	**-**	**2,346**	**-**	**18,547**	**-**	**85**	**76**	**77**	**855**	**21,990**
Net book value											
At 31 March 2021	**2,150**	**-**	**8,210**	**-**	**48,009**	**-**	**70**	**94**	**52**	**272**	**58,857**
At 31 March 2020	**1,809**	**-**	**7,937**	**-**	**47,357**	**-**	**73**	**103**	**50**	**296**	**57,625**

@ - between ₹ (0.50) crores to ₹ 0.50 crores

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Notes:

₹ in crores

			As at 31 March 2021	As at 31 March 2020
a)	Freehold land which is yet to be registered in the name of group entities*	Acre	184	20
		Deemed cost	117	9
b)	Freehold land and buildings which have been/agreed to be hypothecated/ mortgaged to lenders of related parties	Deemed cost	99	111
c)	Other adjustments comprises:			
	Borrowing cost		85	15
	Foreign exchange loss / (gain) (net)		32	296

* includes land acquired pursuant to business combination from Welspun Corporation Limited on 31 March 2021 (refer note 41).

d) Assets given on operating lease:

(i) The Group has entered into lease arrangements, for renting the following:

Category of Asset	Area	Period
Land at Vijayanagar	526 acres*	5 years to 30 years
Land at Dolvi along with certain buildings	79 acres	15 years to 20 years
Land at Palwal	6 acres	15 years
Office Premises at Mittal Tower	1,885 sq. feet	24 months
Office Premises at CBD Belapur	33,930 sq. feet	5 years
Building for Vijayanagar Sports Institute	1,96,647 sq. feet	10 years
Hospital premises at Vijayanagar	81,500 sq. feet	20 years
Land at Vasind	22,303 sq. mtr.	25 years

*includes 440 acres of land classified as right-of-use assets in note 7.

The agreements are renewable & cancellable by mutual consent of both parties. The rent paid on above is based on mutually agreed rates.

(ii) Disclosure in respect of assets given on operating lease included in following heads:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Land		
Cost/Deemed cost	86	86
Building		
Cost/Deemed cost	119	119
Accumulated depreciation	15	10
Depreciation for the year	5	4

e) Certain property, plant and equipments are pledged against borrowings, the details relating to which have been described in Note 22 and 28.

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f) Property, plant and equipments includes proportionate share (50%) of assets under joint operation as below:

₹ in crores

Particulars	Buildings (Owned)	Plant and equipments (Owned)
Cost / deemed cost		
At 31 March 2019	476	7
Additions	-	-
At 31 March 2020	**476**	**7**
Additions	-	-
At 31 March 2021	**476**	**7**
Accumulated depreciation		
At 31 March 2019	64	3
Depreciation expense	12	-
At 31 March 2020	**76**	**3**
Depreciation expense	16	1
At 31 March 2021	**92**	**4**
Net book value		
At 31 March 2021	**384**	**3**
At 31 March 2020	**400**	**4**

5. Capital work in progress includes exchange fluctuation (regarded as an adjustment to borrowing costs) to of ₹ 46 crores (previous year ₹ 936 crores) and borrowing cost (net off interest income) of ₹ 786 crores (previous year ₹ 648 crores), capitalised during the year.

6. Investment property

₹ in crores

Particulars	Land	Buildings	Total
Cost / deemed cost			
At 31 March 2019	**3**	**237**	**240**
Translation reserve	-	5	5
At 31 March 2020	**3**	**242**	**245**
Acquired pursuant to business combination (refer note 41)	16	-	16
Transfer from property, plant and equipment (refer note 4)	11	-	11
Translation reserve	-	14	14
At 31 March 2021	**30**	**256**	**286**
Accumulated depreciation			
At 31 March 2019	**-**	**16**	**16**
Depreciation expenses	-	4	4
Translation reserve	-	1	1
At 31 March 2020	**-**	**21**	**21**
Depreciation expense	-	4	4
Translation reserve	-	2	2
At 31 March 2021	**-**	**27**	**27**
Net book value			
At 31 March 2021	**30**	**229**	**259**
At 31 March 2020	**3**	**221**	**224**

The Fair value of investment property as at 31 March 2021 is ₹ 392 crores (as at 31 March 2020 – ₹ 339 crores) which has been determined on the basis of valuation carried by independent valuer. The fair value for investment property has been categorised as level 2 based on the techniques used and inputs applied.

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7. Right-of-use assets and Lease Liability

₹ in crores

Particulars	Land	Buildings	Plant and Equipment	Total
Transfer in Right-of-use assets				
Gross block	764	27	3,157	3,948
Accumulated depreciation	(34)	(2)	(667)	(703)
Additions (recognised pursuant to IND AS 116 adoption)	76	27	354	457
Right-of-use assets on initial recognition as on 1 April 2019	**806**	**52**	**2,844**	**3,702**
Additions	-	-	24	24
Depreciation	9	16	236	261
Translation reserve	-	-	6	6
At 31 March 2020	**797**	**36**	**2,638**	**3,471**
Additions	-	-	629	629
Depreciation	5	17	263	285
Translation reserve	-	-	1	1
At 31 March 2021	**792**	**19**	**3,005**	**3,816**

Leasehold land aggregating to ₹ 67 crores wherein the lease deed has expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.

Lease Liabilities

Particulars	₹ in crores
At 1 April 2019 (transferred from finance lease obligations)	**1,957**
Additional leases (recognised pursuant to Ind AS 116 adoption)	374
Lease liabilities on initial recognition as on 1 April 2019	**2,331**
Additions	31
Interest accrued	252
Lease principal payments	(177)
Lease interest payments	(252)
Others	(135)
At 31 March 2020	**2,050**
Additions	628
Interest accrued	357
Lease principal payments	(335)
Lease interest payments	(357)
Translation reserve	1
At 31 March 2021	**2,344**

Breakup of lease liabilities

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Current	405	306
Non-current	1,939	1,744
Total	**2,344**	**2,050**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Less than 1 year	640	552
1-5 years	1,573	1,589
More than 5 years	1,248	954
Total	**3,461**	**3,095**

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The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Group has lease contracts for machinery that contains variable payments amounting to ₹ 442 crores (previous year ₹ 427 crores) shown under Cost of material consumed / other expenses.

The Group has recognised ₹ 50 crores (previous year ₹ 54 crores) as rent expenses during the year which pertains to short term lease/ low value asset which was not recognised as part of right-of-use asset and also recognised a gain of ₹ 1 crore on sale & leaseback transaction entered during the year. Both of amounts are being recognised as part of other expenses.

The leases that the Group has entered with lessors are generally long term in nature and no changes in terms of those leases are expected due to the COVID – 19.

8. Goodwill

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Cost / deemed cost		
Balance at the beginning of the year	**2,002**	**1,831**
Acquired pursuant to business combination	-	15
Translation reserve	(53)	156
Balance at the end of the year (a)	**1,949**	**2,002**
Accumulated impairment		
Balance at the beginning of the year	**1,587**	**991**
Impairment (refer note 48)	63	513
Translation reserve	(37)	83
Balance at the end of the year (b)	**1,613**	**1,587**
Net book value (a-b)	**336**	**415**

Allocation of goodwill to Cash Generating Units (CGU's)

₹ in crores

CGU	As at 31 March 2021	As at 31 March 2020
Coal mines at West Virginia, USA	196	266
Steel plant at Mingo Junction, USA	96	98
Others	44	51
Total	**336**	**415**

Description of key assumptions considered for the value in use calculation

Alawest coal mines at West Virginia, USA

The recoverable amount of Alawest coal mines is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the directors covering the mining lease concession period, and a pre-tax discount rate of 15.6% per annum (16.7% for 31 March 2020). The discount rate commensurate with the risk specific to the projected cash flow and reflects the rate of return required by an investor.

Cash flow projections during the budget period are based on estimated coal extraction schedule and future prices of coal determined based on the average of coal prices published in various analyst reports. The projections do not consider growth rate in the coal prices from the year 2023-24 onwards.

Considering past trend of movement in coal prices, the management believes that the following changes in these key estimates would result into carrying amount exceeding the recoverable amount:

a) Decrease in coal prices by 1% would result into change in recoverable value by ₹ 21 crores.

b) Decrease in extraction schedule by 5% would result into change in recoverable value by ₹ 34 crores.

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Steel plant at Mingo Junction, USA

The recoverable amount of steel plant is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the directors, and a pre-tax discount rate of 18.2% per annum (18.4% per annum for 31 March 2020). The discount rate commensurate with the risk specific to the projected cash flow and reflects the rate of return required by an investor.

Cash flow projections during the budget period are based on estimated steel production till FY 2023-24 and future prices of steel prices. The projections do not consider growth rate in production and price in terminal year.

Considering past trend of movement in steel prices, the management believes that the following changes in these key estimates would result into carrying amount exceeding the recoverable amount:

a) Decrease in steel prices by 1% would result into change in recoverable value by ₹ 330 crores.

b) Decrease in production schedule by 5% would result into change in recoverable value by ₹ 251 crores.

9. Other intangible assets

₹ in crores

Particulars	Computer software	Licences	Mining concession	Port concession	Total
Cost / deemed cost					
At 1 April 2019	**136**	**41**	**128**	**1**	**306**
Additions	34	9	154	-	197
Disposals	-	-	-	-	-
Translation reserve	-	2	1	-	3
At 31 March 2020	**170**	**52**	**283**	**1**	**506**
Additions (refer note a below)	45	-	1,413	-	1,458
Disposals	-	-	-	-	-
Translation reserve	@	@	@	@	@
At 31 March 2021	**215**	**52**	**1,696**	**1**	**1,964**
Accumulated amortisation and impairment					
At 1 April 2019	**79**	**20**	**7**	**-**	**106**
Amortisation	20	8	14	-	42
Disposals	-	-	-	-	-
Impairment	-	-	6	1	7
Translation reserve	1	-	-	-	1
At 31 March 2020	**100**	**28**	**27**	**1**	**156**
Amortisation	35	3	121	-	159
Disposals	-	-	-	-	-
Translation reserve	@	@	@	@	@
At 31 March 2021	**135**	**31**	**148**	**1**	**315**
Net book value					
At 31 March 2021	**80**	**21**	**1,548**	**-**	**1,649**
At 31 March 2020	70	24	256	-	350

@ - Less than ₹ 0.50 crores

a) The Company acquired mining blocks viz: -Nuagaon, Narayanposhi, Jajang and Ganua in the Auctions held by the Government of Odisha in February 2020. The Company has signed the Mine Development and Production agreement(s) for all the four blocks and executed the lease deed(s) with Government of Odisha after complying with all regulatory aspects. Acquisition cost incurred for these mines such as stamp duty, registration fees and other such costs amounting to ₹ 817 crores have been capitalised as Intangible Assets. Further, the Company had also paid upfront premium payment amounting to ₹ 1,290 crores which was subsequently adjusted against the premium payment due to the Government. The Company had started mining operations at all the above said blocks since 1 July 2020.The Company has also recognised restoration liability and capitalised amounting to ₹ 443 crores during the year.

b) Intangible assets under development include expenditure incurred on development of mining rights and other related costs for mines which are yet to be made operational.

Notes

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10. Investments in joint ventures

Particulars	Paid up value	As at 31 March 2021		As at 31 March 2020	
		No. of Shares	₹ in crores	No. of Shares	₹ in crores
A. Investment in equity shares accounted for using equity method					
Joint ventures					
Gourangdih Coal Limited					
Equity shares	₹ 10 each	2,450,000	2	2,450,000	2
Add: Share of profit/(loss) (net)			@		@
			2		**2**
JSW MI Steel Service Centre Private Limited					
Equity shares	₹ 10 each	66,500,000	67	66,500,000	67
Add: Share of profit/(loss) (net)			27		18
			94		**85**
JSW Severfield Structures Limited					
Equity shares	₹ 10 each	198,937,940	198	198,937,940	198
Add: Share of profit/(loss) (net)			(44)		(35)
			154		**163**
Rohne Coal Company Private Limited					
Equity shares	₹ 10 each	490,000	@@	490,000	@@
Add: Share of profit/(loss) (net)			@@@		@@@
			-		-
Vijayanagar Minerals Private Limited					
Equity shares	₹ 10 each	4,000	@@@@	4,000	@@@@
Add: Share of profit/(loss) (net)			2		2
			2		**2**
Creixent Special Steels Limited					
Equity shares	₹ 10 each	4,800,000	255	4,800,000	255
Add: Share of profit/(loss) (net)			(214)		(224)
			41		**31**
JSW Ispat Special Products Limited					
Equity shares	₹ 10 each	399	&	399	&
			&		**&**
Piombino Steel Limited (refer note a below and note 41)					
Equity shares	₹ 10 each	980,000,000	2,669		-
Add: Share of profit/(loss) (net)			-		-
			2,669		**-**
B. Investments in share warrants					
Joint Ventures					
Piombino Steel Limited (refer note 41)	Share warrants of ₹0.02 each exercisable within 5 years for 1 equity share against 1 warrant	3,50,00,00,000	7		-
Total			**2,969**		**283**
Unquoted					
Aggregate book value			2,969		283

@ - ₹ (0.22) crores (previous year ₹ (0.18) crores)
@@ - ₹ 0.49 crores
@@@ - ₹ (0.49) crores
@@@@ - ₹ 40,000/-
& - ₹ 3,990/-
a) 98,00,00,000 shares are pledged to the lenders of Piombino Steel Limited.

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11. Investments (non-current)

Particulars	Paid up value	As at 31 March 2021 No. of Shares	As at 31 March 2021 ₹ in crores	As at 31 March 2020 No. of Shares	As at 31 March 2020 ₹ in crores
A Investment in equity instruments					
Fully paid up					
Quoted (at fair value through other comprehensive income)					
JSW Energy Limited	₹10 each	101,605,500	893	101,605,500	434
SBI Infrastructure Fund	₹10 each	40,000	$	40,000	$
Unquoted (at fair value through other comprehensive income)					
Tarapur Environment Protection Society	₹100 each	244,885	4	244,885	4
Toshiba JSW Power Systems Private Limited	₹10 each	11,000,000	-	11,000,000	-
MJSJ Coal Limited	₹10 each	10,461,000	9	10,461,000	9
SICOM Limited	₹10 each	600,000	5	600,000	5
Kalyani Mukand Limited	₹1 each	480,000	$	480,000	$
Ispat Profiles India Limited	₹1 each	1,500,000	$	1,500,000	$
Vallabh Steels Limited	₹ 10 each	295,000	$	295,000	$
Geo Steel LLC			44		45
Caparo power	₹10 each	38,23,781	17	-	-
B Investments in preference shares					
Fully paid up					
Joint ventures					
Unquoted (at fair value through profit or loss)					
Rohne Coal Company Private Limited					
1% non-cumulative preference shares	₹10 each	23,642,580	-	23,642,580	-
1% Series-A non-cumulative preference shares	₹10 each	7,152,530	1	7,152,530	4
1% Series-B non-cumulative preference shares	₹10 each	1,994,686	2	1,661,686	2
Unquoted (at amortised cost)					
Creixent Special Steels Limited					
0.01% Redeemable preference shares I	₹10 each	171,969,200	232	171,969,200	207
0.01% Redeemable preference shares II	₹10 each	198,300,410	234	198,300,410	211
JSW Ispat Special Products Limited	0.01% compulsorily convertible, non-cumulative preference shares of ₹ 10 each	601	@@	601	@@
Others					
Unquoted (at fair value through profit or loss)					
JSW Investments Private Limited					
8% Non-Cumulative Non-Convertible Preference shares	₹10 each	100,000,000	47	100,000,000	47
Unquoted (at cost)					
Metal interconnector SCPA	EUR 1 each	1,192,771	21	1,192,771	14

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	Particulars	Paid up value	As at 31 March 2021		As at 31 March 2020	
			No. of Shares	₹ in crores	No. of Shares	₹ in crores
C	**Investments in Optionally fully convertible debentures**					
	Fully paid up					
	Joint ventures					
	Unquoted (at fair value through profit or loss)					
	Piombino Steel Limited (refer note 41)	6% optionally fully convertible, non-cumulative of ₹ 10 each for a term of 10 years	4,10,00,00,000	4,100		-
D	**Investments in government securities (unquoted- Others) (at amortised cost)**					
	National Savings Certificates (pledged with commercial tax department)			@		@
	Total			**5,609**		**982**
	Less: Aggregate amount of provision for impairment in the value of investments			(5)		(8)
	Total			**5,604**		**974**
	Quoted					
	Aggregate book value			**893**		**434**
	Aggregate market value			**893**		**434**
	Unquoted					
	Aggregate book value (net of impairment)			**4,711**		**540**
	Investment at cost/deemed cost			**487**		**431**
	Investment at fair value through other comprehensive income			**972**		**497**
	Investment at fair value through profit and loss			**4,145**		**46**
	Investment at amortised cost			**487**		**431**

$ ₹ 1, @ - ₹ 0.15 crores, @@ - ₹ 6,010/-

12. Loans (unsecured)

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Loans				
to related parties	493	188	141	508
to other body corporates	9	293	17	13
Security deposits	529	143	623	223
Less: Allowance for doubtful loans	(9)	(2)	(9)	(2)
Total	**1,022**	**622**	**772**	**742**
Notes:				
Loans Receivable Considered good	1,022	622	772	742
Loans Receivable which have significant increase in Credit Risk	-	-	-	-
Loans Receivable – credit impaired	-	2	-	2
Loans and advances to other body corporate	9	-	9	-

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13. Other financial assets (unsecured)

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Export benefits and entitlements	25	192	25	115
Advance towards equity share capital / preference shares	1	-	1	-
Receivable for coal block development expenditure	116	-	117	-
Indirect tax balances refund due	-	22	-	22
Government grant incentive income receivable (refer note 32(a))	1,623	1,096	444	2,473
Interest receivable on loan to related parties	2	81	-	11
Others	387	179	121	328
Less: Allowance for doubtful balances	-	(103)	(12)	(91)
Total	**2,154**	**1,467**	**696**	**2,858**
Notes:				
Considered good	2,154	1,467	696	2,858
Considered doubtful, provided				
Export benefits and entitlements	-	19	12	7
Others	-	84	-	84

14. Other assets (unsecured)

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Capital advances	680	-	1,000	-
Less: Allowances for doubtful advances	(7)	-	(7)	-
(A)	**673**	**-**	**993**	**-**
Advances to suppliers	271	925	271	1,154
Export benefits and entitlements	56	128	56	78
Advance royalty	7	-	94	-
Security deposits	39	26	164	86
Indirect tax balances/ recoverable /credits (refer note a below)	1,972	822	1,568	741
Prepayments and others	100	230	125	253
Less: Allowances for doubtful advances	(270)	(40)	(315)	(26)
(B)	**2,175**	**2,091**	**1,963**	**2,286**
Total (A+B)	**2,848**	**2,091**	**2,956**	**2,286**
Notes:				
Capital advances				
Considered good	673	-	993	-
Considered doubtful, provided	7	-	7	-
Other advances				
Considered good	2,175	2,091	1,963	2,279
Considered doubtful, provided				
Advance to suppliers	260	-	252	-
Prepayments and others	7	40	17	26
Indirect tax balances/recoverable/credits	3	-	3	-
Others	-	-	53	-

a) Maharashtra Electricity Regulation Commission (MERC) has approved levy of additional surcharge of ₹ 1.25/kWh w.e.f. 1 September 2018 to all the consumers sourcing power from Captive power plants. The Company had appealed against the levy in Appellate Tribunal for electricity (APTEL) and the APTEL passed an order in favor of the Company. However, the State Government has filed Special Leave Petition before the Honorable Supreme Court of India (SC). The SC has vided their order dated 1 July 2019, granted stay against the order of the Appellate authority and the matter is pending before the SC.

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The amounts paid in dispute amounting to ₹ 535 crores towards the additional surcharge has been disclosed as part of other non-current assets.

15. Inventories

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Raw materials (at cost)	6,422	6,334
Work-in-progress (at cost)	556	451
Semi-finished/ finished goods (at cost or net realisable value)	5,217	4,881
Production consumables, fuel stock and stores and spares (at cost)	2,053	2,085
Traded goods	1	22
Total	**14,249**	**13,773**
Notes:		
Details of stock-in-transit		
Raw materials	1,442	2,008
Production consumables and stores and spares	133	190
Total	**1,575**	**2,198**

Value of inventories above is stated after write down to net realisable value of ₹ 113 crores (31 March 2020 – ₹ 291 crores). These were recognised as an expense during the year and included in cost of materials consumed and changes in inventories of finished goods, work-in-progress and stock-in-trade.

Inventories have been pledged as security against certain bank borrowings, the details relating to which have been described in note 22 and 28.

16. Investments (current)

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Mutual funds (quoted)	8	2
Total	**8**	**2**
Quoted		
Aggregate book value	8	2
Aggregate market value	8	2

17. Trade receivables

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables considered good - Secured	2	-
Trade receivables considered good - Unsecured	4,467	4,488
Trade receivables which have significant increase in credit risk	160	160
Less: Allowance for doubtful debts	(143)	(143)
Trade Receivables – credit impaired	62	38
Less: Allowance for doubtful debts	(62)	(38)
Total	**4,486**	**4,505**

The credit period on sales of goods ranges from 7 to 90 days with or without security

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

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

Trade receivable have been given as collateral towards borrowings, the details relating to which has been described in note 22 and 28.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Credit risk management regarding trade receivables has been described in note 44 (H).

Trade receivables from related party has been disclosed in note 45.

Trade receivables does not include any receivables from directors and officers of the company.

18. (a) Cash and cash equivalents

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
In current accounts	953	1,887
In term deposit accounts with maturity less than 3 months at inception	10,988	2,078
Cheques on hand	1	-
Cash on hand	1	1
Total	**11,943**	**3,966**

18. (b) Bank balances other than cash and cash equivalents

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Earmarked balances in current account		
In current accounts	42	35
In term deposit accounts	-	14
Balance with banks		
In term deposit accounts		
with maturity more than 3 months but less than 12 months at inception	488	7,790
with maturity more than 12 months at inception	56	147
In margin money	284	51
Total	**870**	**8,037**

Earmarked bank balance are restricted in use and it relates to unclaimed dividend and balances with banks held as margin money for security against the guarantee.

19. Derivative assets

a. Non-current

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Forward contracts	110	-
Total	**110**	**-**

b. Current

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Forward contracts	100	278
Commodity contracts	-	@
Interest rate swaps	1	1
Currency options	1	15
Total	**102**	**294**

@ - Less than ₹0.50 crores

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20. Equity share capital

Particulars	As at 31 March 2021 Number of shares	As at 31 March 2020 Number of shares	As at 31 March 2021 Amount (₹ in crores)	As at 31 March 2020 Amount (₹in crores)
Share Capital				
(a) Authorised				
Equity shares of the par value of ₹ 1 each	60,15,00,00,000	60,15,00,00,000	6,015	6,015
(b) Issued and subscribed				
Outstanding at the beginning of the year fully paid up	2,41,72,20,440	2,41,72,20,440	242	242
Less: Treasury shares held under ESOP trust (refer note a below)	(11,454,094)	(14,816,254)	(1)	(2)
Outstanding at the end of the year fully paid up	2,405,766,346	2,40,23,26,186	241	240
(c) Equity shares forfeited (amount originally paid-up)			61	61
Total			**302**	**301**

a) Shares held under ESOP trust:

The Company has created an Employee Stock Ownership Plan (ESOP) for providing share-based payment to its employees.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the company and its subsidiaries in India. For the purpose of the scheme, the Company purchases shares from the open market under ESOP trust. The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares.

For the details of shares reserved for issue under the Employee Stock Ownership Plan (ESOP) of the Company (refer note 40).

Movement in treasury shares

Particulars	As at 31 March 2021 Number of shares	As at 31 March 2020 Number of shares	As at 31 March 2021 Amount (₹ in crores)	As at 31 March 2020 Amount (₹in crores)
Shares of ₹ 1 each fully paid up held under ESOP Trust				
Equity shares as at 1 April	1,48,16,254	1,55,08,976	2	2
Changes during the year	(3,362,160)	(6,92,722)	@	@
Equity shares as at 31 March	**11,454,094**	**1,48,16,254**	**1**	**2**

@ - ₹ (0.34) crores (previous year – ₹ (0.07) crores)

b) Rights, preferences and restrictions attached to Equity Shares

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shareholders holding more than 5% Share in The Company are set out below

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% of shares	No of shares	% of shares
Equity shares				
JFE Steel International Europe BV	36,25,83,070	15.00%	36,25,83,070	15.00%
JSW Techno Projects Management Limited	26,44,54,220	10.94%	25,70,51,220	10.63%
JSW Holdings Limited	18,14,02,230	7.50%	18,14,02,230	7.50%
Vividh Finvest Private Limited	14,33,70,690	5.93%	14,33,70,690	5.93%

d) Shares alloted as fully paid-up pursuant to contracts without payment being received in cash during the period of five years immediately preceding the date of the balance sheet

Nil

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e) The Company has 3,00,00,00,000 authorised preference shares of ₹ 10 each amounting to ₹ 3,000 crores as on 31 March 2021 (₹ 3,000 crores in 31 March 2020).

21. Other equity

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
General reserve	9,972	9,947
Retained earnings	24,043	16,561
Other comprehensive income		
Equity instruments through other comprehensive income	630	172
Effective portion of cash flow hedges	(194)	(476)
Foreign currency translation reserve	(816)	(823)
Other reserves		
Equity settled share based payment reserve	117	122
Capital reserve	3,585	3,585
Capital redemption reserve	774	774
Capital reserve on bargain purchase	2,934	1,019
Securities premium reserve	5,417	5,417
Total	**46,462**	**36,298**

(i) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10.0% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year.

Consequent to introduction of Companies Act 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss account to the general reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(ii) Retained earnings

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

(iii) Equity instruments through other comprehensive income

The Group has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(iv) Effective portion of cash flow hedges

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Group accounting policy.

(v) Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Indian rupees) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Gains and losses on hedging instruments that are designated as hedging instruments for hedges of net investments in foreign operations are included in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to profit or loss on the disposal of the foreign operation.

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(vi) Equity settled share based payment reserve

The Group offers ESOP, under which options to subscribe for the Company's shares have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme

(vii) Capital reserve

Reserve is created primarily on amalgamation as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(viii) Capital redemption reserve

Reserve is created on redemption of preference shares as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(ix) Securities Premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

22. Borrowings

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non -current	Current	Non -current	Current
Bonds (unsecured)	15,921	-	10,554	-
Debentures (secured)	8,670	510	5,180	120
Debentures (unsecured)	-	1,000	-	-
Term loans:				
Secured	11,995	3,450	13,022	3,301
Unsecured	11,787	2,953	14,296	2,841
Acceptances for capital projects with maturity more than 1 year				
Secured	601	86	673	61
Unsecured	703	345	1,057	115
Deferred government loans (unsecured)	379	4	142	25
Other loans:				
Preference shares (unsecured)	26	-	24	-
Unamortised upfront fees on borrowing	(351)	(30)	(275)	(88)
Total	**49,731**	**8,318**	**44,673**	**6,375**
Less: Current maturities of long-term debt clubbed under other finan-cial liabilities (current) (refer note 30)		(8,318)	-	(6,375)
Total	**49,731**	**-**	**44,673**	**-**

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Details of security and terms of repayment

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
A. Bonds/Debentures					
Bonds (Unsecured)					
3,675	-	3,769	-	5.25% Repayable on 13 April 2022	
3,675	-	3,769	-	5.95% Repayable on 18 April 2024	
2,941	-	3,014	-	5.375% Repayable on 4 April 2025	
5,630	-	-	-	5.95% Repayable on 19 April 2026	
15,921	**-**	**10,554**	**-**		
Debentures (secured)					
1,000	-	1,000	-	10.02% secured NCDs of ₹ 10,00,000 each are redeemable in two tranches a.₹ 500 crores on 20 May 2023 b. ₹ 500 crores on 19 July 2023	First pari passu charge on 3.8 MTPA property, plant and equipment located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
670	330	1,000	-	10.34% secured NCDs of ₹ 10,00,000 each are redeemable in three tranches a.₹ 330 crores on 18 January 2022 b.₹ 330 crores on 18 January 2023 c.₹ 340 crores on 18 January 2024	First pari passu charge on property, plant and equipment related to 2.8 MTPA expansion project located at Vijayanagar Works, Karnataka and a flat at Vasind, Maharashtra.
2,000	-	2,000	-	8.79% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a. ₹ 500 crores on 18 October 2026 b. ₹ 500 crores on 18 October 2027 c. ₹ 500 crores on 18 October 2028 d. ₹ 500 crores on 18 October 2029.	First pari-passu charge on property, plant and equipment upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out).
1,000	-	1,000	-	8.90% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a. ₹ 250 crores on 23 January 2027 b. ₹ 250 crores on 23 January 2028 c. ₹ 250 crores on 23 January 2029 d. ₹ 250 crores on 23 January 2030.	First pari passu charge on property, plant and equipment related to Cold Rolling Mill 1 and 2 complex located at Vijayanagar Works, Karnataka (other than specifically carved out).
4,000	-			8.5% secured NCD of ₹ 10,00,000 each redeemable in bullet payment on 12 October 2027, with provision of put/call option on 10 October 2025	First Pari Passu Charge on moveable and immoveable fixed assets of the following: - Salem Works - Cold Rolling Mill #1 & #2 at Vijayanagar Works, Karnataka - Upto 3.8 MTPA Steel Plant" at Vijayanagar Works, Karnataka.
-	180	180	-	8.75% secured NCDs of ₹ 10,00,000 each is redeemable on 10 February 2022.	Secured by way of first ranking charge on all movable and immovable property, plant and equipment both present and future and on lease hold rights over immovable property of pellet project situated at Village Juibapuji, Taluka Alibaug, District Raigad, Maharashtra.
-	-	-	120	8.65% secured NCDs of ₹ 10,00,000 each was redeemed on 12 May 2020.	Secured by way of first ranking charge on all movable and immovable property, plant and equipment both present and future and on lease hold rights over immovable property of pellet project situated at Village Juibapuji, Taluka Alibaug, District Raigad, Maharashtra.
8,670	**510**	**5,180**	**120**		
Debentures (secured)					
-	1,000	-	-	Bullet payment on 3 September 2021 with put/call option on 15 June 2021.	
-	**1,000**	**-**	**-**		

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
B. Term Loans					
Term Loans From Banks (Secured)				**Weighted average interest rate - 7.57 %**	
-	-	563	75	Repaid in FY 20-21	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
-	-	600	200	Repaid in FY 20-21	First charge on 3.2 MTPA expansion property, plant and equipments situated at Vijayanagar Works Karnataka
750	250	937	94	4 quarterly installments of ₹ 62.50 crores each from 30 April 2021 to 31 January 2022 8 quarterly installments of ₹ 93.75 crores each from 30 April 2022 to 31 January 2024	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
588	149	700	150	5 quarterly instalments of ₹ 37.5 crores each from 30 June 2021 to 30 June 2022 4 quarterly instalments of ₹ 43.75 crores each from 30 September 2022 to 30 June 2023 2 quarterly instalments of ₹ 187.5 crores each from 30 September 2023 to 31 December 2023	First pari passu charge on 3.8MTPA upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
950	350	1,250	200	2 quarterly installments of ₹ 50 crores each from 30 June 2021 to 30 September 2021 4 quarterly installments of ₹ 125 crores each from 31 December 2021 to 30 September 2022 2 quarterly installments of ₹ 350 crores each from 31 December 2022 to 31 March 2023	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
262	163	388	150	2 quarterly installments of ₹ 37.5 crores each from 30 June 2021 to 30 September 2021 4 quarterly installments of ₹ 43.75 crores each from 31 December 2021 to 30 September 2022 2 quarterly installments of ₹ 87.5 crores each from 31 December 2022 to 31 March 2023	First pari passu charge on 3.8MTPA upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
614	192	758	192	4 quarterly installments of ₹ 48 crores each from 30 June 2021 to 31 March 2022 9 quarterly installments of ₹ 64 crores each from 30 June 2022 to 30 June 2024 1 quarterly installment of ₹ 38.35 crores on 30 September 2024	First charge on entire movable and immovable property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (excluding those specifically charged and equipment/machinery procured out of proceeds of ECA/ECB/FCL) both present and future.
88	49	125	50	11 quarterly instalments of ₹ 12.5 crores each from 30 June 2021 to 31 December 2023	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
-	45	90	160	1 quarterly installment of ₹ 45 crores on 30 June 2021	First charge on 3.2 MTPA expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka
150	100	225	100	10 quarterly installments of ₹ 25 crores each from 1 June 2021 to 1 September 2023	First charge on 3.2 MTPA expansion property, plant and equipments situated at Vijayanagar Works Karnataka

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
225	25	-	-	4 quarterly installments of ₹ 6.25 crores each from 30 June 2021 to 31 March 2022 4 quarterly installments of ₹ 9.37 crores each from 30 June 2022 to 31 March 2023 4 quarterly installments of ₹ 12.5 crores each from 30 June 2023 to 31 March 2024 4 quarterly installments of ₹ 15.62 crores each from 30 June 2024 to 31 March 2025 4 quarterly installments of ₹ 18.75 crores each from 30 June 2025 to 31 March 2026	First charge on 5 MTPA Hot Strip Mill at Vijayanagar Works in Karnataka
-	-	-	375	Repaid in FY20-21	First charge on 3.2 MTPA expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka
225	94	319	75	1 quarterly installment of ₹ 18.75 crores on 30 June 2021 12 quarterly installments of ₹ 25 crores each from 30 September 2021 to 30 June 2024	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
319	75	394	66	5 quarterly installments of ₹ 18.75 crores each from 30 June 2021 to 30 June 2022 12 quarterly installments of ₹ 25 crores each from 30 September 2022 to 30 June 2025	First pari passu charge on 3.8 MTPA property, plant and equipment located at Vijayanagar Works Karnataka (other than specifically carved out).
62	63	109	63	8 quarterly installments of ₹ 15.625 crores each from 30 June 2021 to 31 March 2023	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out) .
2,961	156	709	-	12 quarterly installments of ₹ 38.96 crores each from 30 June 2021 to 31 March 2024 4 quarterly installments of ₹ 194.8 crores each from 30 June 2024 to 31 March 2025 8 quarterly installments of ₹ 233.77 crores each from 30 June 2025 to 31 March 2027	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out) .
300	100	375	100	16 quarterly installments of ₹ 25 crores each from 30 June 2021 to 15 February 2025	First pari passu charge on property, plant and equipments situated at Salem Works, Tamil Nadu.
699	463	1,164	-	1 quarterly instalment of 113.65 crores on 30 June 2021 3 quarterly installments of ₹ 116.40 crores each from 30 September 2021 to 31 March 2022 4 quarterly installments of ₹ 174.60 crores each from 30 June 2022 to 31 March 2023	First pari passu charge on the mining rights/ assets proposed to be acquired for the 4 iron ore blocks acquired in the State of Odisha.
300	100	400	100	16 quarterly installments of ₹ 25 crores each from 30 June 2021 to 31 March 2025	First pari passu charge on property, plant and equipments related to new 5 MTPA Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
354	86	418	86	20 quarterly installments of ₹ 21.43 crores each from 30 June 2021 to 31 March 2026 1 installment of ₹ 11.06 crores on 30 June 2026	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 1 April 2019. First pari-passu charge on property, plant and equipment of 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) at Dolvi Works, Maharashtra
187	42	219	31	21 quarterly installments of ₹ 10.41 crores each from 30 June 2021 to 31 March 2026 1 installment of ₹ 10.57 crores on 30 September 2026	First pari passu charge on property, plant and equipment related to new 5 MTPA Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
380	120	470	105	12 quarterly installments of ₹ 30 crores each from 30 June 2021 to 31 March 2024 4 quarterly installments of ₹ 35 crores each from 30 June 2024 to 31 March 2025	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 1 March 2019. First charge on entire immovable and movable fixed assets located at Salav works (erstwhile JSW Steel Salav Limited), Maharashtra.
297	106	377	80	10 quarterly installments of ₹ 26.56 crores each from 30 April 2021 to 31 January 2023. 2 quarterly installments of ₹ 69.06 crores each from 30 April 2023 to 31 July 2023.	First charge by way of legal mortgage on 2400sq feet land at Toranagallu village in the state of Karnataka. First pari-passu charge on the entire property, plant and equipments of the respective subsidiary Company situated at Vasind, Tarapur and Kalmeshwar both present and future.
390	110	500	-	4 quarterly installments of ₹ 35 crores each from 30 November 2021 to 30 August 2022 4 quarterly installments of ₹ 40 crores each from 16 March 2022 to 16 December 2022 4 quarterly installments of ₹ 50 crores each from 7 May 2022 to 7 February 2023	First pari-passu charge on the entire property, plant and equipments of the respective subsidiary Company situated at Vasind, Tarapur and Kalmeshwar both present and future.
150	50	-	-	12 quarterly installments of ₹ 16.67 crores each from 13 August 2021 to 1 May 2024	First pari-passu charge on the entire property, plant and equipments of the respective subsidiary Company situated at Vasind, Tarapur and Kalmeshwar both present and future.
500	-	-	-	4 quarterly installments of ₹ 12.5 crores each from 30 June 2023 to 31 March 2024 16 quarterly installments of ₹ 28.12 crores each from 30 June 2024 to 31 March 2028	First pari-passu charge on the entire property, plant and equipments of the respective subsidiary Company situated at Vasind, Tarapur and Kalmeshwar both present and future.
-	-	167	103	Repaid in FY 2020-21	First ranking charge / mortgage / collateral on all movable and immovable property, plant and equipments both present and future and on lease hold rights over immovable property of coke oven project situated at Village JuiBapuji, Taluka Alibaug, District Raigad, Maharashtra.
86	86	150	86	8 quarterly installments of ₹ 21.43 crores each from 30 June 2021 to 31 March 2023.	First ranking charge / mortgage / security interest on all movable and immovable property, plant and equipment both present and future and on lease hold rights over immovable property of pellet project situated at Village JuiBapuji, Taluka Alibaug, District Raigad, Maharashtra.
85	54	115	40	Repayable in equal monthly installments of 10 years.	Secured by way of equitable mortgage by deposit of tittle deeds of project assets and by way of mortgage of Phase III of JSW township at Basapur village site, extension of mortgage of phase I and II of housing colony at Toranagallu, assignment of receivables from the property financed and comfort letter from the parent for loan repayment.
7	15	18	13	4 quarterly installments of ₹ 3.75 crores each from 30 June 2021 to 31 March 2022 1 quarterly installment of ₹ 3.92 crores on 30 June 2022 1 quarterly installment of ₹ 3.49 crores on 30 September 2022	First pari passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.
2	1	1	2	5 quarterly installments of ₹ 0.36 crores each from 1 April 2021 to 1 April 2022 1 quarterly installment of ₹ 0.05 crores on 1 July 2022 2 quarterly installment of ₹ 0.55 crores from 1 October 2022 to 1 January 2022	First pari passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
4	6	8	6	6 quarterly installments of ₹ 1.51 crores each from 30 June 2021 to 30 September 2022 1 quarterly installment of ₹ 0.75 crores on 31 December 2022	First pari passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.
423	94	530	96	20 quarterly installments of ₹ 23.62 crores each from 30 June 2021 to 31 March 2026 1 quarterly installment of ₹ 44.95 crores on 30 June 2026	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 1 April 2019 First pari-passu charge on property, plant and equipments of 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) at Dolvi Works, Maharashtra
-	-	-	503	Repaid in FY 20-21	Secured through an unconditional and irrevocable standby letter of credit (SBLC) to the bank. The SBLC is secured corporate guarantee of JSW Steel Limited, India and a 1st charge on property, plant and equipments of Dolvi unit upto 3.3 MTPA.
1	2	1	1	43 varying installments commencing from April 2021 to December 2024.	Secured against equipment for its preparation plant
616	303	942	-	2 installments of USD 41.25 mio each (equivalent ₹ 303 crores each) from August 2021 to August 2022 and USD 42.5 mio (equivalent ₹ 313 crores) payable in August 2023.	Secured against the property, plant and equipment (as on date of agreement i.e. August 2018) located at Mingo Junction, Ohio, USA.
10	@	-	-	47 monthly installments of ₹ 0.22 crores each from 1 February 2022 to 1 January 2026 1 installment of ₹ 0.30 crores on 1 February 2026	First pari passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.
10	1	-	-	48 monthly installments of ₹ 0.22 crores each from 1 February 2022 to 1 January 2026	First pari passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.
11,995	**3,450**	**13,022**	**3,301**		
Term Loans From Banks (Unsecured)				**Weighted average interest rate - 3.01 %**	
-	75	30	120	2 quarterly installments of ₹ 25 crores each from 20 June 2021 to 20 September 2021 1 quarterly installment of ₹ 25 crores on 20 November 2021	
-	-	-	250	Repaid in FY 20-21	
300	-	-	-	3 quarterly installments of ₹ 100 crores each from 28 June 2023 to 28 December 2023	
-	750	750	-	1 installment of ₹ 250 crores on 5 April 2021 and 1 installment of ₹ 500 crores on 5 September 2021	
141	90	300	218	5 half yearly installments of ₹ 39.07 crores each from 30 April 2021 to 30 April 2023 6 half yearly installments of ₹ 5.95 crores each from 18 September 2021 to 18 March 2024	-
28	14	43	14	6 half yearly installments of ₹ 7.04 crores each from 30 September 2021 to 31 March 2024	

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
69	21	91	21	6 half yearly installments of ₹ 3.32 crores each from 31 July 2021 to 31 January 2024 7 half yearly installments of ₹ 1.34 crores each from 30 April 2021 to 30 April 2024 10 semiannual installments of ₹ 2.12 crores each from 25 June 2021 to 25 March 2026 10 semiannual installments of ₹ 2.21 crores each from 25 June 2021 to 25 March 2026. 11 semiannual installments of ₹ 1.56 crores each from 25 June 2021 to 25 June 2026	
28	14	43	14	6 half yearly installments of ₹ 7 crores each from 26 August 2021 to 28 February 2024	
157	81	246	84	6 half yearly installments of ₹ 17.15 crores each from 19 July 2021 to 19 January 2024 5 half yearly instalments of ₹ 23.42 crores each from 19 July 2021 to 19 July 2023 1 half yearly instalment of ₹ 17.79 crores on 19 January 2024	
108	37	150	39	7 semiannual installments of ₹ 6.03 crores each from 9 July 2021 to 9 July 2024 1 semiannual installment of ₹ 5.31 crores on 9 January 2025 7 semiannual installments of ₹ 12.68 crores each from 9 July 2021 to 9 July 2024 1 semiannual installment of ₹ 9.19 crores on 9 January 2025	
30	108	141	111	Repayable ₹ 98 crores on 12 August 2021 7 semiannual instalments of ₹ 5.02 crores each from 27 September 2021 to 25 September 2024 1 semiannual instalment of ₹ 4.49 crores on 25 March 2025	
21	10	30	10	6 semiannual installments of ₹ 5.15 crores each from 15 June 2021 to 15 December 2023.	
-	270	277	260	Repaid in FY 20-21	
47	9	54	9	12 semiannual installments of ₹ 4.70 crores each from 31 July 2021 to 31 January 2027	
-	-	-	1,131	Repaid in FY 20-21	
54	13	69	14	10 semiannual installments of ₹ 4.60 crores each from 23 July 2021 to 23 January 2026 10 semiannual installments of ₹ 2.15 crores each from 6 August 2021 to 7 February 2026	
257	405	678	-	Repayable in three tranches a.₹ 367.52 crores on 21 February 2022 b.₹ 36.75 crores on 6 March 2022 c.₹ 257.27 crores on 3 July 2022	
1,158	386	1,583	-	4 annual installments of ₹ 385.90 crores from 12 October 2021 to 12 October 2024	
294	-	302	-	4 annual installments of ₹ 73.50 crores each from 12 July 2022 to 12 July 2025	
919	-	942	-	4 annual installments of ₹ 229.70 crores each from 16 July 2022 to 16 July 2025	
735	-	754	-	Repayable on 5 April 2024	
551	-	565	-	4 equal installments of ₹ 137.82 crores each from 19 October 2022 to 19 October 2025	

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
199	25	176	20	18 semi-annual installments of ₹ 12.44 crores each from 31 August 2021 to 28 February 2030	
170	21	142	16	18 semi-annual installments of ₹ 10.63 crores each from 30 June 2021 to 31 December 2029	
301	50	364	52	14 semi-annual installments of ₹ 12.92 crores each from 27 September 2021 to 25 March 2028 1 installment of ₹ 0.23 crore on 25 September 2028 14 semi-annual installments of ₹ 11.95 crores each from 27 September 2021 to 25 March 2028 1 installment of ₹ 2.57 crores on 25 September 2028	
151	22	181	23	15 semi-annual installments of ₹ 6.20 crores each from 25 June 2021 to 25 June 2028 1 installment of ₹ 2.56 crores on 25 December 2028 15 semi-annual installments of ₹ 5.07 crores each from 25 June 2021 to 25 June 2028 1 installment of ₹ 1.76 crores on 25 December 2028	
-	-	-	188	Repaid in FY 20-21	
279	64	332	-	6 quarterly installments of EUR 2.5 mio each (equivalent ₹ 21.52 crores) from 21 July 2021 to 21 October 2022 5 quarterly installments of EUR 5.0 mio each (equivalent ₹ 43.05 crores) from 21 January 2023 to 21 January 2024	
368	-	377	-	2 annual installments of USD 25 mio each (equivalent ₹ 183.76 crores) payable on 14 May 2023 and 14 May 2024	
245	123	377	-	3 annual installments of USD 16.67 mio each (equivalent ₹ 122.53 crores) payable on 13 March 2022 to 13 March 2024	
86	151	225	83	1 quarterly installments of EUR 2.5 mio each (equivalent ₹ 21.52 crores) on 25 April 2021 5 quarterly installments of EUR 5.0 mio each (equivalent ₹ 43.05 crores) from 21 July 2021 to 25 July 2022	
2	2	4	2	2 equal installments of USD 0.24 mio each (equivalent ₹ 1.76 crores)	
87	38	204	23	1 semiannual installment of USD 1.89 mio (equivalent ₹ 13.88 crores) on 27 August 2021 2 semiannual installment of USD 3.31 mio (equivalent ₹ 24.31 crores) from 26 February 2022 to 27 August 2022 2 semiannual installment of USD 4.25 mio (equivalent ₹ 31.25 crores) from 26 February 2022 to 27 August 2022	

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
1,103	-	1,131	-	3 annual installments of USD 1.67 mio each (equivalent ₹ 12.28 crores) from 28 March 2023 to 28 March 2025 3 annual installments of USD 6.67 mio each (equivalent ₹ 49.02 crores) from 19 April 2023 to 19 April 2025 3 annual installments of USD 10.0 mio each (equivalent ₹ 73.50 crores) from 11 July 2023 to 11 July 2025 3 annual installments of USD 6.67 mio each (equivalent ₹ 49.02 crores) from 9 October 2023 to 9 October 2025 3 annual installments of USD 3.33 mio each (equivalent ₹ 24.48 crores) from 11 January 2024 to 11 January 2026 3 annual installments of USD 6.67 mio each (equivalent ₹ 49.02 crores) from 29 January 2024 to 29 January 2026 3 annual installments of USD 15.0 mio each (equivalent ₹ 110.26 crores) from 29 January 2024 to 29 January 2026	
196	25	183	20	18 semiannual installments of USD 1.67 mio each (equivalent ₹ 12.28 crores) from 30 June 2021 to 31 December 2029	
149	32	186	33	11 semi-annual installments of ₹ 16.01 crores each from 25 June 2021 to 25 June 2026 1 installment of ₹ 5.14 crores on 25 December 2026	
1,838	-	1,885	-	2 annual installments of ₹ 612.48 crores each from 19 March 2024 to 19 March 2025 1 installment of ₹ 612.66 crores on 19 March 2026	
290	34	286	15	19 semi-annual installments of ₹ 17.06 crores each from 31 August 2021 to 31 August 2030	
875	-	786	-	1 installment of ₹ 269.57 crores on 28 December 2023 2 annual installments of ₹ 269.49 crores each from 28 December 2024 to 28 December 2025 for USD Loans 1 installment of ₹ 22.12 crores on 22 January 2024 2 annual installments of ₹ 22.11 crores each from 22 January 2025 to 22 January 2026 for JPY loans	
209	37	116	37	13 semi-annual installments of ₹ 18.17 crores from 8 August 2021 to 8 August 2027 1 installment of ₹ 9.38 crores on 8 February 2030	
342	46	293	34	17 semi-annual installments of ₹ 22.83 crores each from 30 June 2021 to 30 June 2029	
11,787	**2,953**	**14,296**	**2,842**		

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
C. Acceptances for capital projects with more than 1 year					
Acceptances for capital projects with more than 1 year (Secured)					
9	-	9	-	Repayment of ₹ 9.45 crores on 1 August 2022	First pari-passu charge on movable fixed assets of 1.5 MTPA Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
-	-	8	61	Repaid in FY 20-21	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out) .
-	10	-	-	Repayment of 4 cases in 2021-22 - ₹ 10.45 crores	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out) .
568	56	633	-	Repayment of 10 cases in 2021-22 - ₹ 55.53 crores Repayment of 78 cases in 2022-23 - ₹ 566.97 crores	First pari-passu charge on movable fixed assets of 1.5 MTPA Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
24	20	23	-	Repayment in 2021-22 - ₹ 19.74 crores Repayment in 2022-23 - ₹ 24.25 crores	First pari-passu charge over the capital goods of the respective subsidiary.
601	**86**	**673**	**61**		
Acceptances for capital projects with more than 1 year (Unsecured)					
132	147	268	101	Repayment of 39 cases in 2021-22 - ₹ 147.44 crores Repayment of 24 cases in 2022-23 - ₹ 132.43 crores	
464	198	662	14	Repayment of 59 cases in 2021-22 - ₹ 197.97 crores Repayment of 121 cases in 2022-23 - ₹ 461.74 crores Repayment of 02 cases in 2023-24 - ₹ 2.28 crores	
107	-	-	-	Repayment in 2022-23 - ₹ 106.85 crores	
-	-	127	-	Repaid in FY 2020-21	
703	**345**	**1,057**	**115**		
D. Deferred Payment Liabilities					
Deferred Sales Tax Loan (Unsecured)					
-	-	1	25	Repaid in FY 20-21	
373	3	134	-	Interest free loan Payable after 14 years by 31 March 2035	
6	1	7	@	6 varying annual instalments starting after 12 years of disbursement till July 2031	
379	**4**	**142**	**25**		
E. Preference Shares					
26	-	23	-	10% non-cumulative, Redeemable at their face value after 15 years from the date of allotment at 20% per annum on or before 31 March of every year starting from the 16th year and ending on or before 31 march of the 20th year.	
26	**-**	**23**	**-**		
G. Unamortised Upfront Fees on Borrowing					
(351)	**(30)**	**(275)**	**(87)**		
Total Amount					
49,731	**8,318**	**44,673**	**6,375**		

@- less than ₹ 0.50 crores

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

23. Derivative liabilities

a. Non-current

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Interest rate swaps	57	130
Total	**57**	**130**

b. Current

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Forward contract	74	181
Commodity contract	1	67
Interest rate swaps	28	
Currency options	7	3
Total	**110**	**251**

24. Other financial liabilities (non-current)

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non -current	Current	Non -current	Current
Rent and other deposits	47	69	44	66
Retention money for capital projects	535	1,202	407	1,082
Other payables	6	19	13	-
Total	**588**	**1,290**	**464**	**1,148**
Less: Amount clubbed under other finan-cial liabilities (refer note 30)	-	(1,290)	-	(1,148)
Total	**588**	**-**	**464**	**-**

25. Provisions

₹ in crores

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non -current	Current	Non -current	Current
Provision for employee benefits				
Provision for compensated absences (refer note 43)	167	41	123	43
Provision for gratuity (refer note 43)	224	45	181	95
Provision for long term service award	13	2	12	2
Provision for provident fund (refer note 43)	-	-	-	5
Other provisions				
Restoration liabilities	445	41	29	@
Provision for onerous contracts	-	126	-	-
Others	3	19	3	16
Total	**852**	**274**	**348**	**161**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for contingency		
Balance at the beginning of the year	-	2
Utilisation during the year	-	2
Balance at the end of the year	**-**	**-**
Restoration liabilities #		
Balance at the beginning of the year	29	18
Created during the year	455	9
Unwinding of discount and changes in the discount rate	2	1
Movement on account of exchange rate variation	@	1
Balance at the end of the year	**486**	**29**
Provision for onerous contracts		
Balance at the beginning of the year	-	-
Movement during the year	126	-
Balance at the end of the year	**126**	**-**
Others		
Balance at the beginning of the year	19	19
Movement during the year	3	@
Balance at the end of the year	**22**	**19**

@ - less than ₹ 0.50 crores

Site restoration expenditure is incurred on an ongoing basis until the closure of the site. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

26. Income Tax

India

Indian companies are subject to Indian income tax on a standalone basis. For each fiscal year, the respective entities profit or loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Statutory income tax is charged at 30% plus a surcharge and education cess with tax benefits or 22% plus a surcharge and education cess without tax benefits.

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2019-20 is 15% plus a surcharge and education cess. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

United States of America (USA)

Some of the subsidiaries of the Group are a C corporation for federal tax purposes and files a consolidated tax return. The subsidiaries records income taxes pursuant to the liability method and the applicable tax rate is 21%.

Italy

The subsidiaries in Italy records income taxes pursuant to the liability method. The nominal tax rates in Italy are 24% for the Income Tax of the Companies (IRES) and 3.9% for the Regional Tax on Productive Activities (IRAP), calculated on a different tax base.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

a) Income tax expense/(benefit)

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax		
Current tax (including earlier years reversal/ adjustments)	2,467	943
Total	**2,467**	**943**
Deferred tax		
Deferred tax	288	133
MAT credit entitlement	1,478	198
(Restoration)/Reversal of MAT credit entitlement relating to earlier years on finalisation of income tax returns	172	(16)
Reversal of DTL on measurement due to change in tax rate (Refer note b below)	-	(2,225)
Deferred tax provision/(reversal) for earlier years on finalisa-tion of income tax returns	(263)	61
Total	**1,675**	**(1,849)**

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before tax	**12,015**	**3,013**
Enacted tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	**4,199**	**1,053**
Expenses not deductible in determining taxable profits	71	34
Income exempt from taxation / taxable separately	(7)	(105)
Tax holiday allowances	(516)	(382)
Effect of different tax rates of subsidiaries	231	309
Deferred tax assets not recognised	394	751
Tax provision/(reversal) for earlier years on finalisation of income tax returns	(137)	(67)
Elimination of allowances for loan to subsidiaries on consolidation	(114)	(212)
Reversal of DTL on measurement due to change in tax rate (refer note b below)	-	(2,323)
Others	21	36
Total	**4,142**	**(906)**
Effective tax rate	**34.47%**	**(30.07)%**

a) There are certain income-tax related legal proceedings which are pending against the Group. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 46).

b) Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions.

During the previous year ended 31 March 2020, the Group had made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit. Based on the detailed assessment carried out the management, deferred tax liabilities on temporary differences expected to reverse during the year in which the Company and one of its subsidiaries would be under the new tax regime and accordingly applied the new rate for measuring the said deferred tax liabilities in accordance with the requirements of IND AS 12 - 'Income Taxes". This had resulted in reversal of deferred tax liabilities amounting to ₹ 2,225 crores.

Further, certain components of the Group have opted for the new tax rate from financial year 2019-20 which has resulted into a reversal of deferred tax liabilities upto 31 March 2019 amounting to ₹ 98 crores during the previous year ended 31 March 2020.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

There are certain income-tax related legal proceedings which are pending against the Group and its Joint ventures. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 46).

b) Deferred tax assets / (liabilities)

The following is the analysis of deferred tax assets / (liabilities) balances presented in the balance sheet:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax liabilities	(3,509)	(1,677)
Deferred tax assets	-	-
Total	**(3,509)**	**(1,677)**

Significant component of deferred tax assets / (liabilities) and movement during the year are as under:

₹ in crores

Deferred tax balance in relation to	As at 31 March 2020	Acquired pursuant to business combination	For the year ended 31 March 2021			As at 31 March 2021
			Recognised / (reversed) through profit and loss	Recognised in / (reclassified) from OCI	Others	
Property, plant and equipment	(9,454)	-	(242)	18	2	(9,676)
Carried forward business loss / unabsorbed depreciation	661	-	(137)	(6)	(2)	516
Provision for employee benefit / loans and advances	1,197	-	323	(12)	-	1,508
Minimum alternate tax (MAT) credit entitlement	4,444	-	(1,650)	-	-	2,794
Cashflow hedges	254	-	-	(143)	-	111
Lease liabilities	679	-	(17)	-	-	662
Others	542	-	48	(12)	(2)	576
Total	**(1,677)**	**-**	**(1,675)**	**(155)**	**(2)**	**(3,509)**

₹ in crores

Deferred tax balance in relation to	As at 1 April 2019	Acquired pursuant to business combination	For the year ended 31 March 2020			As at 31 March 2020
			Recognised / (reversed) through profit and loss	Recognised in / (reclassified) from OCI	Others	
Property, plant and equipment	(11,174)	(6)	1,813	-	(87)	(9,454)
Carried forward business loss / unabsorbed depreciation	1,207	-	(596)	-	50	661
Provision for employee benefit / loans and advances	673	-	517	7	-	1,197
Minimum alternate tax (MAT) credit entitlement	4,626	-	(182)	-	-	4,444
Cashflow hedges / FCMITDA	1	-	-	253	-	254
Lease liabilities	621	-	58	-	-	679
Others	269	(3)	239	-	37	542
Total	**(3,777)**	**(9)**	**1,849**	**260**	**-**	**(1,677)**

The Group offsets deferred tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and relates to income taxes levied by the same tax authority.

Deferred tax assets on carry forward business loss/ unabsorbed depreciation have been recognised to the extent of deferred tax liabilities on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax asset at respective entities.

The deferred tax liabilities on temporary differences associated with investment in subsidiaries which have not been recognised aggregate to ₹ 971 crores (31 March 2020: ₹ 628 crores), where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

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

₹ in crores

Expiry of losses (as per local tax laws)	2021-22	2022-23	2023-24	2024-25	2025-26	Beyond 5 years	Indefinite	Total
I. Business losses	86	94	119	2,460	1,069	335	8,035	12,198
II. Unabsorbed depreciation	-	-	-	-	-	-	425	425
III. Long term capital losses	203	3	-	2,025	-	-	-	2,231
IV. Short term capital losses	-	@	-	665	-	-	-	665
Total	**289**	**97**	**119**	**5,150**	**1,069**	**335**	**8,460**	**15,519**

@ - Less than ₹ 0.50 crores

27. Other non-current liabilities

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Advance from customer #	2,033	3,044
Others	164	28
Total	**2,197**	**3,072**

Advance from customer includes the amount relating to a five year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. for supply of Steel Products. Duferco S.A. has provided an interest bearing advance amount of USD 700 million under this agreement. The advance and interest will be adjusted by export of steel products to Duferco S.A. Current portion of ₹ 1,010 crores (as at 31 March 2020 – ₹ 1,010 crores) has been included in note 31.

28. Borrowings (current) (at amortised cost)

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Loan repayable on demand		
Working capital loans from banks (secured)		
Rupee loans	846	3,092
Foreign currency loans	653	1,150
Export Packing Credit in Rupee from banks (unsecured)	-	200
Rupee loans from banks (unsecured)	500	-
Commercial papers (unsecured)	-	3,883
Total	**1,999**	**8,325**

Borrowing have been drawn at following rate of interest

Particulars	Rates of interest
Working capital loans from banks (including rupee loans from banks)	0.25% p.a. to 12.05% p.a.

Working capital loans from banks of ₹ 1,499 crores (31 March 2020 – ₹ 4,242 crores) are secured by:

i) pari passu first charge by way of hypothecation of stocks of raw materials, finished goods, work-in-process, consumables (stores and spares) and book debts / receivables of the Company and the respective subsidiary, both present and future.

ii) pari passu second charge on movable properties and immovable properties forming part of the property, plant and equipment of the Company and the respective subsidiary, both present and future except such properties as may be specifically excluded.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

29. Trade payables

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
(a) Total outstanding, dues of micro and small enterprises	230	142

Disclosure pertaining to micro, small and medium enterprises (as per information available with the Group):

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Principal amount due outstanding as at end of year (refer note (i) below)	268	142
Interest due on (1) above and unpaid as at end of year	18	-
Interest paid to the supplier	@	-
Payments made to the supplier beyond the appointed day dur-ing the year	14	*
Interest due and payable for the year of delay	443	*
Interest accrued and remaining unpaid as at end of year	7	-
Amount of further interest remaining due and payable in suc-ceeding year	-	-

@ - Less than ₹ 0.50 crores, *Under legal valuation

i) It includes vendors classified as part of other financial liabilities in note 28 relating to payable for capital projects amounting to ₹ 38 crores as at 31 March 2021 (₹ Nil as at 31 March 2020).

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
(b) Total outstanding, dues of creditors other than micro and small enterprises		
Acceptances	8,356	9,798
Other than acceptances	6,657	7,978
Total	**15,013**	**17,776**

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

Payables other than acceptances payables are normally settled within 180 days.

Trade payables to related parties has been disclosed in note 45.

30. Other financial liabilities (current)

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturities of long term borrowings (refer note 22)	8,318	6,375
Current dues of other financial liabilities (refer note 24)	1,290	1,148
Payables for capital projects		
Acceptances	4,376	2,710
Other than acceptances	1,323	2,461
Interest accrued but not due on borrowings	851	651
Payables for bid premium and royalty	2,944	-
Payables to employees	375	313
Unclaimed matured debentures and accrued interest thereon	@	@
Unclaimed dividends	32	32
Unclaimed amount of sale proceeds of fractional shares	3	3
Purchase consideration payable on acquisition of business (refer note 41)	811	-
Others	1,024	450
Total	**21,347**	**14,143**

@ - less than ₹ 0.50 crores

Acceptance includes credit availed by the group from banks for payment to suppliers for capital items. The arrangements are interest-bearing and are payable within one year.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

31. Other current liabilities

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Advances from customers	1,984	1,459
Statutory liabilities	847	419
Export obligation deferred income	513	561
Others	21	16
Total	**3,365**	**2,455**

Advance from customer includes current portion ₹ 1,010 crores (as at 31 March 2020 – ₹ 1,010 crores relating to APSA. Refer note 27.

Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme and Special Economic Zone (SEZ) scheme on purchase of property, plant and equipment accounted for as government grant and being amortised over the useful life of such assets.

32. Revenue from operations

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products (including shipping services)	**78,059**	**71,116**
Other operating revenues		
Government grant income		
Grant income recognised under PSI 2007 scheme (refer note a below)	261	126
Deferred Income GST government / Sales Tax Loan	242	497
Export obligation deferred income amortisation	239	144
Export benefits and entitlements income	445	395
Unclaimed liabilities written back	62	144
Miscellaneous income* (refer note c below)	531	188
Total (a)	**79,839**	**72,610**
VAT / GST incentive relating to earlier years (refer note a below)	-	466
Fees for assignment of procurement contract (refer note b below)	-	250
Total (b)	**-**	**716**
Total Revenue from operations(a+b)	**79,839**	**73,326**

*includes income from scrap sales, CST incentive etc.

Notes:

a) Incentives under the State Industrial Policy

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds historically. The Company currently recognises income for such government grants based on the State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST).

i) During October 2019, the Company has received an in-principle approval for eligibility from the Government of Maharashtra in response to the application filed by the Company for incentive under PSI Scheme 2007 on its investment for expansion from 3.3 MTPA to 5 MTPA at Dolvi unit for the period beginning May 2016 onwards. The Company has submitted the required documentation with the State Government for issuance of the Eligibility Certificate and expects to receive the same basis the modalities declared by the Government. Accordingly, the Group has recognised grant income amounting to ₹ 261 crores for the year ended 31 March 2021. The cumulative amount receivable towards the same is ₹ 852 crores as at 31 March 2021.

Also, the Company had recognised grant income during the previous year including ₹ 466 crores in relation to earlier years.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

ii) The State Government of Maharashtra (GOM) vide its Government Resolution (GR) dated 20 December 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

b) During the previous year, the Company received an amount of ₹ 250 crores as consideration from a vendor for assignment of its long term supply contract in favor of a third party with same terms and conditions over the remaining term of the contract and have accordingly recognised one-time income in relation to the same.

c) During the year, miscellaneous income includes an amount of ₹ 260 crores income recognised from a one time disputed claims settlement and Government Grant received at the US operations of the Group.

d) Ind AS 115 Revenue from Contracts with Customers

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

The Group has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 42):

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from contracts with customer - Sale of products (including shipping services)	78,059	71,116
Other operating revenue	1,780	2,210
Total revenue from operations	**79,839**	**73,326**
India	59,030	55,419
Outside India	20,809	17,907
Total revenue from operations	**79,839**	**73,326**
Timing of revenue recognition		
At a point in time	79,839	73,326
Total revenue from operations	**79,839**	**73,326**

Product wise turnover

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
MS slabs	428	856
Hot rolled coils/steel plates/sheets	28,023	26,554
Galvanised coils/sheets	10,262	7,643
Color Coated Galvanised and Galvalume coils/sheets	5,407	4,571
Cold rolled coils/sheets	7,967	8,340
Steel billets & blooms	1,451	389
Long rolled products	15,528	16,593
Plates and pipes	2,527	2,780
Iron ores	2,188	-
Others	4,278	3,390
Total	**78,059**	**71,116**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Contract Balances

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Trade Receivables (refer note 17)	4,486	4,505
Contract liabilities		
Advance from customers (refer note 27 and 31)	4,017	4,503

The credit period on sales of goods ranges from 7 to 90 days with or without security.

The acquisition of the subsidiaries resulted in increase in trade receivables of ₹ 123 crores in FY 2020-21.

As at 31 March 2021, ₹ 205 crores (previous year: ₹ 181 crores) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include long term and short term advances received for sale of goods. The outstanding balances of these accounts increased in due to the continuous increase in the customer base. Long term advances are detailed in note 27.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹ 1,459 crores (previous year: ₹ 1,154 crores) and performance obligations satisfied in previous years is ₹ Nil (previous year: ₹ Nil).

Out of total contract liabilities outstanding as on 31 March 2021 ₹ 1,984 crores (previous year ₹ 1,459 crores) will be recognised by 31 March 2022 and remaining thereafter.

Refund liabilities

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Arising from volume rebates and discount (included in Other financial liabilities - Note 30)	864	343

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

33. Other income

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income earned on financial assets that are not designated as FVTPL		
Loans to related parties	102	76
Bank deposits	300	315
Others	79	48
Dividend income from non-current investments designated as FVTOCI	11	10
Gain on sale of current investments designated as FVTPL	7	5
Fair value gain on financial instruments designated as FVTPL	-	4
Unwinding of interest on financial assets carried at amortised cost	52	45
Net loss/ (gain) on foreign currency transactions and translation	1	-
Fair value gain on joint venture's previously held stake on acquisition of control	-	13
Miscellaneous income (insurance claim received, rent income etc.)	40	30
Total	**592**	**546**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

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

₹ in crores

Particulars		For the year ended 31 March 2021	For the year ended 31 March 2020
Opening stock:			
Semi-finished /finished goods/stock-in-trade		4,903	4,473
Work-in-progress		451	583
	A	**5,354**	**5,056**
Acquired pursuant to business combination (refer note 41):			
Semi-finished /finished goods/stock-in-trade		72	28
	B	**72**	**28**
Closing stock:			
Semi-finished /finished goods/stock-in-trade		5,218	4,903
Work-in-progress		556	451
	C	**5,774**	**5,354**
Total	**D=A+B-C**	**(348)**	**(270)**

35. Employee benefits expense

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	2,121	2,343
Contribution to provident and other funds (refer note 43)	262	327
Gratuity expense	2	7
Expense on employees stock ownership plan	20	31
Staff welfare expenses	101	131
Total	**2,506**	**2,839**

The Company in the previous year launched a one-time scheme applicable only for certain permanent employees (Eligible Employee) of the Company. The Eligible Employee can purchase the Equity Shares from the open market by availing a loan provided by a bank / non-banking financial institution ("Lending Agency") identified by the Company to facilitate acquisition of Equity Shares by the Eligible Employees under the Plan. The plan provides that the Company shall service 75% of the total interest liability owed to the Lending Agency and the balance 25% will be borne by the Eligible Employee. The interest expense recognised in the financial statements during the year was ₹ 13 crores (₹ 7 crores in 31 March 2020).

36. Finance costs

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense		
on bonds and debentures	1,250	838
Others	2,205	2,792
Dividend on redeemable preference shares	-	12
Interest on finance lease obligations	241	252
Unwinding of interest on financial liabilities carried at amortised cost	49	30
Exchange differences regarded as an adjustment to borrowing costs	7	89
Other borrowing costs	152	248
Interest on income tax	53	4
Total	**3,957**	**4,265**

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37. Depreciation and amortisation expense

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment	4,231	3,939
Depreciation of Investment property	4	4
Amortisation of intangible assets	159	42
Depreciation of right-of-use assets	285	261
Total	**4,679**	**4,246**

38. Other expenses

₹ in crores

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Stores and spares consumed	3,057	3,781
Power and fuel	5,985	6,272
Rent	50	54
Repairs and maintenance		
Plant and equipment	1,123	1,201
Buildings	41	29
Others	47	24
Insurance	196	146
Rates and taxes	102	204
Carriage and freight	4,110	3,898
Jobwork and processing charges	646	659
Commission on sales	56	46
Net loss / (gain) on foreign currency transactions and translation #	(104)	829
Donations and contributions	-	56
Fair value loss on financial instruments designated as FVTPL	2	2
Mining and development cost	251	-
Miscellaneous expenses	2,012	1,889
Allowance for doubtful debts and advances	101	113
Loss on sale of property, plant and equipment (net)	37	30
Total	**17,712**	**19,233**

including hedging cost of ₹ 306 crores (previous year ₹ 332 crores)

39. Earnings per share

₹ in crores

Particulars		For the year ended 31 March 2021	For the year ended 31 March 2020
Profit attributable to equity shareholders (A) (₹ in crores)		7,911	4,030
Weighted average number of equity shares for basic EPS (B)		2,403,812,821	2,402,145,868
Effect of dilution :			
Weighted average number treasury shares held through ESOP trust		13,407,619	15,074,572
Weighted average number of equity shares adjusted for the effect of dilution(C)		2,417,220,440	2,417,220,440
Earnings per share of ₹ 1 each			
Basic (₹)	(A / B)	32.91	16.78
Diluted (₹)	(A / C)	32.73	16.67

For details regarding treasury shares held through ESOP trust (refer note 20(a) and 40)

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40. Employee share based payment plans

ESOP SCHEME 2016

The Board of Directors of the Company at its meeting held on 29 January 2016, formulated the JSWSL EMPLOYEES STOCK OWNERSHIP PLAN 2016 ("ESOP Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

ESOP 2016 is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the company and its subsidiaries in India.

Three grants have been made under ESOP plan 2016 to eligible employees on the rolls of the company as at 1 April, 2016, 1 April, 2017 and 1 April, 2018.

During the previous year the Company has made supplementary grants under the JSWSL Employee stock ownership Plan 2016 to its permanent employees who are on the rolls of the Company and its Indian subsidiaries as on 5 December 2019 and the same was approved by the ESOP committee in its meeting held on 5 December 2019.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 50% of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the fourth year with a vesting condition that the employee is in continuous employment with the company till the date of vesting.

The exercise price would be determined by the ESOP committee as a certain discount to the primary market price on the date of grant.

A total of 28,687,000 options are available for grant to the eligible employees of the Company and a total of 3,163,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

The outstanding position as at 31 March 2021 is summarised below:

Particulars	ESOP 2016		
	1st grant (L-16 and above Grade)	2nd grant (L-16 and above Grade)	3rd grant (L-16 and above Grade)
Date of grant -original grant -supplementary grant	17 May 2016 5 December 2019	16 May 2017 5 December 2019	14 May 2018 5 December 2019
Share Price on date of grant -original grant -supplementary grant	129.56 259.80	201.70 259.80	329.05 259.80
Average fair value on date of grant -original grant -supplementary grant	67.48 91.07	104.04 92.55	167.15 98.63
Outstanding as on 1 April 2019	**6,377,110**	**4,718,488**	**3,375,417**
Granted during the year	185,595	129,154	211,002
Transfer in	28,370	19,926	-
Transfer out	418,990	278,188	193,376
Forfeited \ lapsed during the year	127,315	187,655	132,092
Exercised during the year	824,510	4,617	-
Outstanding as on 31 March 2020	**5,220,260**	**4,397,108**	**3,260,951**
Granted during the year *	-	-	6,108
Transfer in	-	-	-
Transfer out	29,100	23,247	16,284
Forfeited \ lapsed during the year	64,225	46,219	67,460
Exercised during the year	2,289,495	675,644	12,357
Outstanding as on 31 March 2021	**2,837,440**	**3,651,998**	**3,170,958**
of above - vested outstanding options	2,837,440	3,651,998	1,585,479
of above - unvested outstanding options	-	-	1,585,479

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Particulars	ESOP 2016 1st grant (L-16 and above Grade)	2nd grant (L-16 and above Grade)	3rd grant (L-16 and above Grade)
Vesting Period Original	17 May 2016 till 31 March 2019 (for 50% of the grant) and 17 May 2016 to 31 March 2020 (for remaining 50% of the grant)	16 May 2017 till 31 March 2020 (for 50% of the grant) and 16 May 2017 to 31 March 2021 (for remaining 50% of the grant)	14 May 2018/ 5 December 2019 till 31 March 2021 (for 50% of the grant) and 14 May 2018/ 5 December 2019 to 31 March 2022 (for remaining 50% of the grant)
Supplementary	5 December 2019 to 6 December 2020 for the subsequent grants	5 December 2019 to 6th December 2020 for 50% of the options granted and upto 31st March, 2021 for remaining 50% of the options granted	
Exercise period		4 years from vesting date	
Weighted average remaining contract life - original grant - Supplementary grant	30 months 45 months	42 months 47 months	54 months 54 months
Exercise Price			
- Original grants	103.65	161.36	263.24
- Supplementary grants	207.84	207.84	207.84
Weighted average share price for shares exercised during the year	291.79	291.79	291.79
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The fair value of options has been calculated by using Black Scholes Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Scholes Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Scholes Method. The assumptions used in the above are:
Expected volatility	Volatility was calculated using standard deviation of daily change in stock price.	Volatility was calculated using standard deviation of daily change in stock price.	Volatility was calculated using standard deviation of daily change in stock price.
Original grants	The volatility used for valuation is 39.23 % for options with 3 year vesting and 39.62 % with 4 years vesting	The volatility used for valuation is 33.76 % for options with 3 year vesting and 37.43 % with 4 years vesting	The volatility used for valuation is 33.23 % for options with 3 year vesting and 33.28% with 4 years vesting
Supplementary grants	The volatility used for valuation is 32.30 % for options with 1 year vesting	The volatility used for valuation is 32.30 % for options with 1 year vesting and 32.10 % with 1.32 years vesting	The volatility used for valuation is 32.10 % for options with 1.32 years vesting and 32.21 % with 2.32 years vesting
Expected option life	The expected option life is assumed to be midway between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be midway between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2
Expected dividends			
- Original grants	₹ 1.10 per share	₹ 0.75 per share	₹ 2.25 per share
- Supplementary grants	₹ 4.10 per share	₹ 4.10 per share	₹ 4.10 per share
Risk-free interest rate	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option

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Particulars	ESOP 2016 1st grant (L-16 and above Grade)	ESOP 2016 2nd grant (L-16 and above Grade)	ESOP 2016 3rd grant (L-16 and above Grade)
Original grants	The rate used for calculation is 7.36% (for 3 years vesting) & 7.44%(for 4 years vesting)	The rate used for calculation is 6.87% (for 3 years vesting) & 6.96%(for 4 years vesting)	The rate used for calculation is 7.85% for options with 3 year vesting and 7.92% for options with 4 years vesting
Supplementary grants	The rate used for calculation is 5.67% (for 1 year vesting)	The rate used for calculation is 5.67% (for 1 years vesting) & 5.76% (for 1.32years vesting)	The rate used for calculation is 5.76% (for 1.32 years vesting) & 6.02% (for 2.32 years vesting)
The method used and the assumptions made to incorporate the effects of expected early exercise;	Black-Scholes Options pricing model		
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The following factors have been considered: a) Share price b) Exercise prices c) Historical volatility d) Expected option life e) Dividend Yield		
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.			

*Includes grants as part of supplementary grants

41. Business combination

a) Pursuant to the Corporate Insolvency Resolution process under the Insolvency Bankruptcy Code, 2016 the Resolution Plan submitted by JSW Steel Coated Products Limited ("JSCPL"), a wholly owned subsidiary of the Company in respect of the corporate insolvency resolution process of Asian Color Coated Ispat Limited ("ACCIL") has been approved with certain modifications by the Hon'ble National Company Law Tribunal, New Delhi ("NCLT") on 19 October 2020.

JSCPL completed the acquisition of ACCIL through its wholly owned subsidiary Hasaud Steel Limited on 27 October 2020 by infusing ₹ 1,550 crores as per approved resolution plan.

ACCIL is mainly engaged in manufacture of downstream steel products and has two manufacturing units located at Khopoli, Maharashtra and Bawal, Haryana.

As per Ind AS 103 on Business Combination, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities. The resulting differential has been accounted as capital reserve. The financial statements include the results of ACCIL for the period from 1 November 2020 to 31 March 2021.

The provisional fair value of the identifiable assets and liabilities of ACCIL as at the date of acquisition and purchase consideration is as below:

Particulars	₹ in crores
Assets	
Property Plant and Equipment	1,402
Investment property	16
Investments	19
Inventories	144
Trade receivables	29
Other receivables	29
Cash and cash equivalents	420
Total (A)	**2,059**
Liabilities	
Borrowings	
Trade Payables	86
Other current liabilities and provision	60
Total (B)	**146**
Total identifiable net assets acquired at fair value (C) = (A-B)	**1,913**
Purchase Consideration transferred in cash (D)	1,550
Provisional Goodwill/ (Bargain purchase) arising on acquisition (E)	**(363)**

Basis the provisional purchase price allocation carried out by independent valuation expert, the bargain purchase of ₹ 363 crores arising on ACCIL acquisition has been accounted for in the books of the company.

The Company has recognised a capital reserve on bargain purchase of ₹ 363 crores, basis the provisional purchase price allocation carried out by independent valuation expert. There is a significant time gap between the bid date and final acquisition date, which resulted in the generation of working capital, out of the operations performed in the intermediate period. Therefore, the company was able to record a capital reserve on this acquisition, primarily due to increase in working capital.

At the date of the acquisition, the fair value of the trade receivables approximated their gross contractual amount.

From the date of acquisition, ACCIL has contributed to ₹ 2,016 crores of revenue and a net profit after tax of ₹ 16 crores.

b) The Company entered into an assignment agreement on 31 March 2021 with Laptev Finance Private Limited (Laptev), a JSW Group company whereby Laptev assigned to the Company all rights and obligations of Laptev under the Business Transfer Agreement with Welspun Corp Limited (Welspun).

In accordance with the Business Transfer Agreement, the Company acquired from Welspun, the business of manufacturing of high-grade steel plates and coils (PCMD Business) as a going concern on slump sale by Welspun, for a consideration of ₹ 848.50 crores subject to closing adjustments towards net working capital. As a part of the transaction, the Company also purchased a parcel of land pertaining to PCMD Business from Welspun Steel Limited for ₹ 1.50 crores.

The facility has a manufacturing capacity of 1.2 MTPA of steel plates or coils.

As per Ind AS 103, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities, which resulted in no goodwill/ capital reserve as at 31 March 2021.

The provisional fair value of the identifiable assets and liabilities of the PCMD business as at the date of acquisition and purchase consideration is as below:

Particulars	₹ in crores
Assets	
Property Plant and Equipment	850
Inventories	75
Trade receivables	4
Other current assets	5
Total (A)	**934**
Liabilities	
Trade payables (acceptances)	121
Other current liabilities and provision	2
Total (B)	**123**
Total identifiable net assets acquired at fair value (C) = (A-B)	**811**
Purchase consideration payable (D)	811
Provisional Goodwill/ (Bargain purchase) arising on acquisition (E)	**-**

There is no impact in the Consolidated statement of profit and loss of the Company for the year as the transaction was completed on 31 March 2021.

If both the above acquisition had taken place at the beginning of the period, management estimates that consolidated revenue from operation and profit for the combined entity would be ₹ 81,713 crores and ₹ 7,123 crores respectively. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2020.

c) Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code,2016, the Resolution Plan submitted by the Company for Bhushan Power and Steel Limited ('BPSL') was approved by the Hon'ble National Company Law Tribunal (NCLT) vide order dated 5 September 2019 and subsequently an appeal preferred by the Company has been allowed by the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 17 February 2020. The erstwhile promoters of BPSL, certain operational creditors and the Directorate of Enforcement ('ED') preferred an appeal before the Hon'ble Supreme Court against the NCLAT Order, which are pending for adjudication.

The Company, basis legal opinion, believes it has good case based on judicial precedent to succeed in appeal pending before Hon'ble Supreme Court, accordingly on 26 March 2021 the Company completed the acquisition of BPSL by implementing the resolution plan approved by NCLT basis an agreement entered with BPSL's committee of creditors that provides an option/right to the Company to unwind the transaction in case of unfavorable ruling on certain specified matters by Hon'ble Supreme Court.

On Implementation of Resolution Plan, the Company has also entered an arrangement with JSW Shipping & Logistics Private Limited ('JSLPL') through which the Company and JSLPL holds equity of Piombino Steel Limited ('PSL') in the ratio of 49% and 51% respectively giving joint control of PSL to the Company and JSLPL.

The Company has invested ₹ 980 crores, ₹ 4,100 crores and ₹ 7 crores in equity shares, Optionally Fully Convertible Debentures (OFCD) and share warrants respectively. PSL has received additional equity contribution from JSLPL amounting to ₹ 1,027 crores (including share warrants) and raised further debt. PSL has invested ₹ 8,550 crores in Makler Private Limited ('Makler'') and Makler has raised further debt and paid ₹ 19,350 crores to the financial creditors of BPSL in accordance with approved Resolution Plan. Pursuant to merger of Makler with BPSL in accordance with Resolution Plan, BPSL has become wholly owned subsidiary of PSL.

The Company has accounted its investment in PSL by applying equity method of accounting in accordance with Ind-AS 28 'Investments in Associates and Joint Ventures' basis unaudited consolidated financial statements of PSL wherein purchase consideration has been allocated on a provisional basis in accordance with Ind-AS 103 'Business Combinations' pending final determination of fair value of the acquired assets and liabilities. Accordingly, the Company has recognised its share of capital reserve amounting to ₹ 1,552 crores.

BPSL operates a 2.5 MTPA integrated steel plant located at Jharsuguda, Odisha and also have downstream manufacturing facilities at Kolkata, West Bengal and Chandigarh, Punjab.

42. Segment reporting

The Group is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Group's performance and resource allocation. The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed below:

Information about geographical revenue and non-current assets

a) Revenue from operations

₹ in crores

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from operations	59,030	20,809	**79,839**	55,419	17,907	**73,326**

Revenue from operations has been allocated on the basis of location of customers.

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b) Non-current assets

₹ in crores

Particulars	As at 31 March 2021			As at 31 March 2020		
	Within India	Outside India	Total	Within India	Outside India	Total
(a) Property, plant and equipment	52,737	6,120	58,857	50,923	6,702	57,625
(b) Capital work-in-progress	31,532	901	32,433	26,434	423	26,857
(c) Investment property	119	140	259	91	133	224
(d) Right-of-use assets	3,727	89	3,816	3,371	100	3,471
(e) Goodwill	36	300	336	43	372	415
(f) Other intangible assets	1,615	34	1,649	325	25	350
(g) Intangible assets under development	130	3	133	331	3	334
(h) Investment in joint ventures	2,969	-	2,969	283	-	283
(i) Other non-current assets	2,805	43	2,848	2,704	252	2,956
(j) Current tax assets (net)	275	-	275	385	-	385
(k) Financial assets			8,890			2,442
Total non-current assets			**112,465**			**95,342**

Non-current assets have been allocated on the basis of their physical location.

43. Employee benefits

a) Defined contribution plan

The Group operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the Group in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

Group's contribution to provident fund and 401 (K) plan recognised in the Consolidated Statement of Profit and Loss is ₹ 94 crores (previous year: ₹ 137 crores) (included in note 35).

b) Defined benefit plans

The Group sponsors funded defined benefit plans for qualifying employees. The defined benefit plans are administered by a separate Fund that is legally separated from the entity.

The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days' salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

Under the Compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2021 by independent qualified actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(i) Gratuity

₹ in crores

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Funded	Unfunded	Funded	Unfunded
a) Liability recognised in the Balance Sheet				
i) Present value of obligation				
Opening balance	**360**	**9**	**310**	**5**
Service cost	22	2	21	2
Interest cost	25	1	21	1
Actuarial loss / (gain) on obligation	(31)	(2)	22	-
Benefits paid	(28)	@	(14)	(1)
Experience adjustments	(4)	-	-	-
Transfer on business combination	-	5	-	2
Liability In	1	@	-	-
Liability transfer	@	@	-	-
Closing balance	**345**	**15**	**360**	**9**
Less:				
ii) Fair value of plan assets				
Opening balance	**93**	**-**	**97**	**-**
Expected return on plan assets less loss on investments	6	-	7	-
Actuarial (loss)/gain on plan assets	@	-	-	-
Employers' contribution	12	-	-	-
Fund transfer	@			
Benefits paid	(20)	-	(11)	-
Closing balance	**91**	**-**	**93**	**-**
Amount recognised in Balance Sheet (refer note 25)	**254**	**15**	**267**	**9**
b) Expenses during the year				
Service cost	22	2	21	2
Interest cost	25	1	21	1
Expected return on plan assets	(6)	-	(7)	-
Transferred to preoperative expenses	(1)	-	-	-
Component of defined benefit cost recognised in statement of profit & loss (a)	**40**	**3**	**35**	**3**
Remeasurement of net defined benefit liability				
Actuarial (gain)/loss on defined benefit obligation	(31)	(2)	22	1
Return on plan assets (excluding interest income)	@	-	@	-
Component of defined benefit cost recognised in other comprehensive income (b)	**(31)**	**(2)**	**22**	**1**
Total (a+b)	**9**	**1**	**57**	**2**
c) Actual return on plan assets	**7**	**-**	**7**	**-**
d) Break up of plan assets:				
(i) ICICI Prudential Life Insurance Co. Ltd.				
Balanced Fund	3	-	3	-
Debt Fund	3	-	3	-
Short Term Debt Fund	@	-	-	-
(ii) HDFC Standard Life Insurance Co. Ltd.				
Defensive Managed Fund	13	-	1	-
Secure Managed Fund	15	-	21	-

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₹ in crores

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Funded	Unfunded	Funded	Unfunded
Stable Managed Fund	@	-	-	-
(iii) SBI Life Insurance Co. Ltd. – Cap Assured Fund	37	-	44	-
(iv) LIC of India – Insurer Managed Fund	16	-	9	-
(v) Kotak- Group Bond fund	@	-	-	-
(vi) Bajaj Allianz Fund	3	-	11	-

@ - less than ₹ 0.50 crores

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.

e) Principal actuarial assumptions

Particulars				
Discount rate	6.80%-6.87%	6.67%-6.86%	6.84%-6.89%	6.80%-6.87%
Expected return on plan assets	5.10%-6.00%	-	6.84%-6.89%	-
Expected rate of increase in salaries	6.80%-6.87%	6.00%-8.00%	6.00%-8.00%	6.00%-8.00%
Attrition rate	2.00%- 3.70%	2.00%-10.00%	2.00%	2.00%-10.00%

Based on India's standards mortality table with modifications to reflect expected changes in mortality.

f) Experience adjustments

₹ in crores

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Defined benefit obligation	360	368	315	270	243
Plan assets	91	93	97	95	80
Surplus / (deficit)	(269)	(275)	(218)	(175)	(163)
Experience adjustments on plan liabilities – loss/(gain)	(33)	23	19	5	20
Experience adjustments on plan assets – gain/(loss)	@	@	@	@	@

@ - less than ₹ 0.50 crores

g) The Group expects to contribute ₹ 87 crores (previous year ₹ 95 crores) to its gratuity plan for the next year.

h) The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years (31 March 2020: 10 years).

i) In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.

j) Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

k) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

l) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plan is as follows:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Defined benefit obligation	360	368
Plan assets	91	93
Net liability arising from defined benefit obligation	**269**	**275**

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Sensitivity Analysis

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

₹ in crores

Particulars	31 March 2021		31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(22)	25	(27)	32
Future salary growth (1% movement)	25	(23)	31	(28)
Attrition rate (1% movement)	3	(3)	2	(2)

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

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Category of assets average percentage allocation fund wise

	SBI	HDFC	ICICI	Bajaj Allianz	Kotak	LIC – I	LIC – II
Government securities	0.00%	46.72%	35.97%	60.40%	-	76.50%	20.00%
Debt	87.70%	37.60%	38.73%	12.54%	-	17.27%	Balance invested in approved investments as specified in Schedule I of IRDA guidelines
Equity	6.87%	10.46%	7.36%	17.79%	-	6.23%	
Others	5.43%	5.22%	17.94%	9.27%	100%	0.00%	

Maturity analysis of projected benefit obligation

₹ in crores

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31 March 2021				
Projected benefit payable	**49**	**122**	**450**	**621**
As at 31 March 2020				
Projected benefit payable	32	110	582	724

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

(ii) Provident fund

Provident Fund for certain eligible employees was managed by the Company through JSW Steel Employees Provident Fund Trust, in line with the Provident Fund and Miscellaneous Provisions Act, 1952 till 31 December 2020. The Company made monthly contributions to provident fund managed by trust for qualifying employees. The Trustees of JSW Steel Employees Provident Fund Trust are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and the relevant provisions prescribed under the law.

The funds of the Trust have been invested under various securities in accordance with the rules prescribed by the Government of India.

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Actuarial assumptions made to determine interest rate guarantee on exempt provident fund liabilities are as follows:

₹ in crores

Particulars	As at 31 March 2020
Total plan assets	588
Total plan liabilities	593
Discount rate	6.84%
Rate of return on assets	8.49%
Guaranteed rate of return	8.50%

Out of the total contribution made for Provident Fund in Defined Contribution Plan, ₹ 16 crores (previous year ₹ 27 crores) is made to the JSW Steel Employees Provident Fund Trust till 31 December 2020.

The Company has discontinued operations of the JSW Steel Employees Provident Fund Trust from 1 January 2021 and accordingly, the Trust have transferred to EPFO, Bellary the fund of ₹ 619.44 crores in compliance with its obligations as at 31 December 2020. Over and above the said obligations, the Trust has transferred additional fund of ₹ 19.83 crores to EPFO, Bellary, which is distributed to respective members.

The Company does not have any further obligations with respect to JSW Steel Employees Provident Fund Trust.

(iii) Other long term benefits:

(a) **Compensated absences**

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

(b) **Long Service Award**

The Company has a policy to recognise the long service rendered by employees and celebrate their long association with the Company. This scheme is called - Long Association of Motivation, Harmony & Excitement (LAMHE). The award is paid at milestone service completion years of 10, 15, 20 and 25 years.

44. Financial instruments

A. Capital management

The Group being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Group is not subject to any externally imposed capital requirements.

The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

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₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Long term borrowings	49,731	44,673
Current maturities of long term debt	8,318	6,375
Short term borrowings	1,999	8,325
Total borrowings	**60,048**	**59,373**
Less:		
Cash and cash equivalents	11,943	3,966
Bank balances other than cash and cash equivalents	870	8,037
Current investments	8	2
Net debt	**47,227**	**47,368**
Total equity	**46,145**	**36,024**
Gearing ratio	**1.02**	**1.31**

(i) Equity includes capital and all reserves of the Group that are managed as capital.

(ii) Debt is defined as long and short term borrowings (excluding derivatives and financial guarantee contracts), as described in notes 22 and 28.

B. Categories of financial instruments

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

As at 31 March 2021

₹ in crores

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relations	Total Carrying Value	Fair value
Financial assets						
Loans	1,644	-	-	-	1,644	1,644
Other financial assets	3,621	-	-	-	3,621	3,621
Trade receivables	4,486	-	-	-	4,486	4,486
Cash and cash equivalents	11,943	-	-	-	11,943	11,943
Bank balances other than cash and cash equivalents	870	-	-	-	870	870
Derivative assets	-	-	27	185	212	212
Investments	486	972	4,154	-	5,612	5,623
Total financial assets	**23,050**	**972**	**4,181**	**185**	**28,388**	**28,399**
Financial liabilities						
Long-term borrowings*	58,049	-	-	-	58,049	58,188
Lease liabilities	2,344	-	-	-	2,344	2,527
Short-term borrowings	1,999	-	-	-	1,999	1,999
Trade payables	15,243	-	-	-	15,243	15,243
Derivative liabilities	-	-	28	139	167	167
Other financial liabilities	13,617	-	-	-	13,617	13,617
Total financial liabilities	**91,252**	**-**	**28**	**139**	**91,419**	**91,741**

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As at 31 March 2020

₹ in crores

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relations	Total Carrying Value	Fair value
Financial assets						
Loans	1,514	-	-	-	1,514	1,514
Other financial assets	3,554	-	-	-	3,554	3,554
Trade receivables	4,505	-	-	-	4,505	4,505
Cash and cash equivalents	3,966	-	-	-	3,966	3,966
Bank balances other than cash and cash equivalents	8,037	-	-	-	8,037	8,037
Derivative assets	-	-	294	-	294	294
Investments	431	497	48	-	976	984
Total financial assets	**22,007**	**497**	**342**	**-**	**22,846**	**22,854**
Financial liabilities						
Long-term borrowings*	51,048	-	-	-	51,048	51,731
Lease liabilities	2,050	-	-	-	2,050	2,276
Short-term borrowings	8,325	-	-	-	8,325	8,325
Trade payables	17,918	-	-	-	17,918	17,918
Derivative liabilities	-	-	84	297	381	381
Other financial liabilities	8,232	-	-	-	8,232	8,232
Total financial liabilities	**87,573**	**-**	**84**	**297**	**87,954**	**88,863**

* including current maturities of long-term borrowings

C. Financial risk management

The Group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

The risk management policies aim to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk and
- Liquidity risk

D. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

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

E. Financial currency risk management

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

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Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Group's overall debt position in Rupee terms without the Group having incurred additional debt and favorable movements in the exchange rates will conversely result in reduction in the Group's receivables in foreign currency. In order to hedge exchange rate risk, the Group has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and hedges. At any point in time, the Group hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months. In respect of imports and other payables, the Company hedges its payables as when the exposure arises. Short term exposures are hedged progressively based on their maturity.

The Group has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Group continues to believe that there is no impact on effectiveness of its hedges.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

As at	Nature	No. of Contracts	Type	US$ Equivalent (millions)	INR Equivalent (crores)	MTM (₹ in crores)
31 March 2021	Assets	96	Buy	390	2,863	19
		79	Sell	707	5,200	53
	Liabilities	148	Buy	565	4,154	(59)
		16	Sell	201	1,480	(7)
31 March 2020	Assets	136	Buy	936	7,058	241
		12	Sell	166	1,255	8
	Liabilities	20	Buy	215	1,618	(60)
		27	Sell	398	3,003	(119)

Currency options to hedge against fluctuations in changes in exchange rate:

As at	Nature	No. of Contracts	US$ equivalent (million)	INR equivalent (crores)	MTM of Option (₹ in crores)
31 March 2021	Assets	14	545	4,006	110
	Liabilities	16	307	2,257	(7)
31 March 2020	Assets	20	317	2,390	15
	Liabilities	1	15	113	(3)

@ - less than ₹ 0.50 crores

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

As at 31 March 2021

₹ in crores

Particulars	INR	USD	Euro	JPY	Others	Total
Financial assets						
Investments	5,549	-	23	-	40	5,612
Loans	1,643	-	1	-	-	1,644
Trade receivables	2,660	1,006	817	-	3	4,486
Cash and cash equivalents	11,852	36	54	-	1	11,943
Bank balances other than cash and cash equivalents	672	197	-	-	1	870
Derivative assets	10	202	-	-	-	212
Other financial assets	3,579	35	6	-	1	3,621
Total financial assets	**25,965**	**1,476**	**901**	**-**	**46**	**28,388**
Financial liabilities						
Borrowings	21,610	28,430	1,279	410	1	51,730
Trade payables	5,355	8,719	1,153	13	3	15,243
Derivative liabilities	14	148	3	2	-	167
Lease liabilities	2,266	31	47	-	-	2,344
Other financial liabilities	13,223	5,594	2,874	214	30	21,935
Total financial liabilities	**42,468**	**42,922**	**5,356**	**639**	**34**	**91,419**

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As at 31 March 2020

₹ in crores

Particulars	INR	USD	Euro	JPY	Others	Total
Financial assets						
Investments	917	-	14	-	45	976
Loans	1,514	-	-		-	1,514
Trade receivables	3,031	802	672	-	-	4,505
Cash and cash equivalents	3,835	69	62	-	-	3,966
Bank balances other than cash and cash equivalents	7,982	54	-	-	1	8,037
Derivative assets	19	275	-	-	-	294
Other financial assets	3,481	28	43	-	2	3,554
Total financial assets	**20,779**	**1,228**	**791**	**-**	**48**	**22,846**
Financial liabilities						
Borrowings	24,940	25,682	1,843	533	-	52,998
Trade payables	5,653	10,542	1,627	31	65	17,918
Derivative liabilities	61	319	-	-	1	381
Lease liabilities	1,964	33	53	-	-	2,050
Other financial liabilities	7,176	4,815	2,151	234	231	14,607
Total financial liabilities	**39,794**	**41,391**	**5,674**	**798**	**297**	**87,954**

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

a) Amounts receivable in foreign currency on account of the following:

Particulars	As at 31 March 2021		As at 31 March 2020	
	US$ equivalent (million)	INR equivalent (crores)	US$ equivalent (million)	INR equivalent (crores)
Trade receivables	150	1,101	66	496

b) Amounts payable in foreign currency on account of the following:

Particulars	As at 31 March 2021		As at 31 March 2020	
	US$ equivalent (million)	INR equivalent (crores)	US$ equivalent (million)	INR equivalent (crores)
Borrowings	2,592	19,051	3,514	26,488
Trade payables and acceptances	107	789	65	489
Payables for capital projects	602	4,424	337	2,539
Interest accrued but not due on borrowings	33	239	59	446

The following table details the Group's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

Impact on Profit / (loss) for the year for a 1% change:

₹ in crores

Particulars	Increase		Decrease	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
USD /INR	515	482	(515)	(482)
EURO/INR	50	62	(50)	(62)
YEN/INR	6	8	(6)	(8)

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F. Commodity price risk

The Group's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Group. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Group earns from the sale of its steel products.

The Group is subject to fluctuations in prices for the purchase of iron ore, coking coal, ferro alloys, zinc, scrap and other raw material inputs. The Group purchased primarily all of its iron ore and coal requirements in the open market at prevailing price during the year ended 31 March 2021.

The Group aims to sell the products at prevailing market prices. Similarly, the Group procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

Commodity hedging is used primarily as a risk management tool to secure the future cash flows in case of volatility by entering into commodity forward contracts.

Hedging commodity is based on its procurement schedule and price risk. Commodity hedging is undertaken as a risk offsetting exercise and, depending upon market conditions hedges, may extend beyond the financial year. The Group is presently hedging maximum up to 100% of its consumption.

The following table details the Group's sensitivity to a 5% movement in the input price of iron ore and coking coal net of hedge accounting impact. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5%. For a 5% reduction in commodity prices, there would be a comparable impact on profit or equity, and the balances below would be negative.

Impact on Profit / (loss) for the year for a 5% change:

₹ in crores

Particulars	Increase for the year ended		Decrease for the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Iron ore	(595)	(512)	595	512
Coal/Coke	(692)	(795)	692	795
Zinc	(35)	(38)	35	38

The commodity forward and option contracts entered into by the Group and outstanding at the year-end are as under:

As at	Nature	No. of Contracts	Commodity Name	Quantity (Iron Ore, Coking Coal, Zinc - MT) (Brent Crude - Mio Barrels)	US$ Equivalent of notional value (million)	INR equivalent (crores)	MTM of Commodity contract (₹ in crores)
31 March 2021	Assets	-	-	-	-	-	-
	Liabilities	-	-	-	-	-	-
31 March 2020	Assets	3	Zinc	1,250	2	18	@
	Liabilities	20	Liquified natural gas	9,702,000	(37)	(281)	(56)
		4	Zinc	1,500	3	25	(3)

@ - less than ₹ 0.50 crores

G. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Group hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Group hedges up to 20% of interest risk in US dollars. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Group by maintaining an appropriate mix

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between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

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

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Fixed rate borrowings	29,135	22,810
Floating rate borrowings	31,294	36,926
Total borrowings	**60,429**	**59,736**
Total borrowings	60,048	59,373
Add: Upfront fees	381	363
Total gross borrowings	**60,429**	**59,736**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were being constant, the Group's profit for the year ended 31 March 2021 would decrease / increase by ₹ 285 crores (for the year ended 31 March 2020: decrease / increase by ₹ 339 crores). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

The following table detail the nominal amounts and remaining terms of interest rate swap contracts outstanding at the year-end.

As at	Nature	No. of Contracts	US$ Equivalent of notional value (million)	MTM of IRS (₹ in crores)
31 March 2021	Assets	2	50	1
	Liabilities	22	335	(85)
31 March 2020	Assets	3	60	1
	Liabilities	22	335	(130)

G. Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets, financial guarantees and derivative financial instruments.

Moreover, given the diverse nature of the Group's business, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of the trade receivables in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties. The assessment is carried out considering the segment of customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable. Basis this assessment, the allowance for doubtful trade receivables as at 31 March 2021 is considered adequate

Movements in allowances for bad and doubtful debts

₹ in crores

Particulars	Amount
As at 1 April 2019	**105**
Movement during the year	76
As at 31 March 2020	**181**
Movement during the year	24
As at 31 March 2021	**205**

For current investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for Group's mutual fund and bond investments. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 28,388 crores as at 31 March 2021 and, ₹ 22,846 crores as at 31 March 2020, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets.

In respect of financial guarantees provided by the Group to banks and financial institutions, the maximum exposure which the Group is exposed to is the maximum amount which the Group would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Receivables are deemed to be past due or impaired with reference to the Group's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Group based on past experiences does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss ('ECL').

The credit quality of the Group's is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Group uses simplified approach for (i.e. lifetime expected credit loss model) impairment of trade receivable / contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Group actively seeks to recover the amounts in question and enforce compliance with credit terms.

For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

I. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds both for short term operational needs as well as for long term capital expenditure growth projects The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Group has acceptances due to reverse factoring arrangements which might invoke liquidity risk as a result of liabilities being concentrated with few financial institutions instead of a diverse group of suppliers. The Group has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

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Liquidity exposure as at 31 March 2021

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Investments	8	-	5,604	5,612
Trade receivables	4,486	-	-	4,486
Cash and cash equivalents	11,943	-	-	11,943
Bank balances other than cash and cash equivalents	870	-	-	870
Loans	622	729	293	1,644
Derivative assets	102	110	-	212
Other financial assets	1,467	2,154	-	3,621
Total	**19,498**	**2,993**	**5,897**	**28,388**
Financial liabilities				
Long term borrowings	-	35,573	14,158	49,731
Short term borrowings	1,999	-	-	1,999
Trade payables (including acceptances)	15,243	-	-	15,243
Derivative liabilities	110	57	-	167
Lease liabilities	405	1,078	861	2,344
Other financial liabilities	21,347	580	8	21,935
Total	**39,104**	**37,288**	**15,027**	**91,419**

Liquidity exposure as at 31 March 2020

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Investments	2	-	974	976
Trade receivables	4,505	-	-	4,505
Cash and cash equivalents	3,966	-	-	3,966
Bank balances other than cash and cash equiva-lents	8,037	-	-	8,037
Loans	742	734	38	1,514
Derivative assets	294	-	-	294
Other financial assets	2,858	696	-	3,554
Total	**20,404**	**1,430**	**1,012**	**22,846**
Financial liabilities				
Long term borrowings	-	34,990	9,683	44,673
Short term borrowings	8,325	-	-	8,325
Trade payables (including acceptances)	17,918	-	-	17,918
Derivative liabilities	251	130	-	381
Lease liabilities	306	1,162	582	2,050
Other financial liabilities	14,143	457	7	14,607
Total	**40,943**	**36,739**	**10,272**	**87,954**

The amount of guarantees given included in Note 46(i) represents the maximum amount the Group could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the arrangement.

Collateral

The Group has pledged part of its trade receivables, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is obligation to return the securities to the Group once these banking facilities are surrendered (refer note 22 and 28).

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J. Level wise disclosure of financial instruments

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020	Level	Valuation technique and key inputs
Quoted investments in the equity shares measured at FVTOCI	893	434	I	Quoted bid prices in an active market.
Quoted investments in the equity shares measured at FVTPL	8	2	I	Quoted bid prices in an active market.
Derivative assets	212	294	II	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Derivative liabilities	167	381	II	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Non-current investments in unquoted OFCD measured at FVTPL	4,100	-	II	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Unquoted investments in the equity shares measured at FVTOCI	13	13	III	Net asset value of share arrived has been considered as fair value.
Unquoted investments in the equity shares measured at FVTOCI	66	50	III	Cost is approximate estimate of fair value.
Non-current investments in unquoted Preference shares measured at FVTPL	50	54	III	Discounted cash flow- Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks.

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

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

Sensitivity analysis of Level III:

	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate 9.00%	0.50%	0.50% Increase / (decrease) in the discount would decrease / (increase) the fair value by ₹ 2 crores / (₹ 2 crores)

Reconciliation of Level III fair value measurement:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	117	69
Purchases / (sale) (net)	@	@
Acquired pursuant to business combination (refer note 41)	17	-
Transfer to FVTOCI from investment in joint ventures on stake sale	-	45
Gain / (loss) recognised in the Consolidated statement of Profit and Loss	(5)	3
Closing balance	**129**	**117**

@ - Less than ₹ 0.50 crores

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Details of financial assets / liabilities measured at amortised but fair value disclosed in category wise

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020	Level	Valuation technique and key inputs
Long term borrowings			II	Discounted cash flow method - Future cash flows are discounted by using rates which reflect market risks.
Carrying value	58,049	51,048		
Fair value	58,188	51,731		
Investments			II	Discounted cash flow method - Future cash flows are discounted by using rates which reflect market risks.
Carrying value	487	431		
Fair value	498	440		
Loans – financial assets			II	Discounted cash flow method - Future cash flows are discounted by using rates which reflect market risks.
Carrying value	1,644	1,514		
Fair value	1,644	1,514		

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

The Asset and Liability position of various outstanding derivative financial instruments is given below:

₹ in crores

Particulars	Underlying	Nature of Risk being Hedged	As at 31 March 2021			As at 31 March 2020		
			Asset	Liability	Net Fair Value	Asset	Liability	Net Fair Value
Cash Flow Hedges								
Designated and effective Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	37	(12)	25	-	(100)	(100)
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate Risk	1	(85)	(84)	-	(130)	(130)
Commodity Contract		Price Risk	-	(1)	(1)	-	(67)	(67)
Options contract	Long-term Foreign currency borrowings	Exchange rate movement risk	110	-	110	-	-	-
Designated and Ineffective Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	22	(2)	20	-	(37)	(37)
Fair Value Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	20	(40)	(20)	221	(3)	218
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	8	(8)	-	-	-	-
Non Designated Hedges								
Forwards Currency Contracts	Trade payables & Acceptance	Exchange rate movement risk	1	(5)	(4)	27	(1)	26
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	-	(1)	(1)	-	(1)	(1)
Forwards Currency Contracts	Loans and advance	Exchange rate movement risk	-	-	-	-	(37)	(37)
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate risk	-	-	-	1	-	1
Options Contract	Trade payables & Acceptance	Exchange rate movement risk	1	(7)	(6)	15	(3)	12
			200	**(161)**	**39**	**264**	**(379)**	**(115)**
Receivable/ payable from cancelled/ settled derivative contracts			12	(6)	6	30	(2)	28
Total			**212**	**(167)**	**45**	**294**	**(381)**	**(87)**

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Details of non-derivative financial instruments designated as hedging instruments outstanding as at:

Cash Flow hedges	As at 31 March 2021		As at 31 March 2020	
	USD in mio	Fair Value ₹ in crores	USD in mio	Fair Value ₹ in crores
Long term borrowings	625	(180)	638	(333)
Acceptances	191	(25)	328	(118)
	816	**(205)**	**966**	**(451)**

Movement in cash flow hedge:

Particulars	As at 31 March 2021	As at 31 March 2020
Opening Balance	**723**	**(101)**
FX recognised in other comprehensive Income	(273)	613
Hedge ineffectiveness recognised in P&L	78	128
Amount Reclassified to P&L during the year	(230)	83
Closing balance	**298**	**723**

45. Related party disclosures

A	**List of related parties**
1)	**Joint ventures**
	Vijayanagar Minerals Private Limited
	Rohne Coal Company Private Limited
	JSW Severfield Structures Limited
	Gourangdih Coal Limited
	Geo Steel LLC (Ceased w.e.f. 28 January 2020)
	JSW Structural Metal Decking Limited
	JSW MI Steel Service Center Private Limited
	JSW Vallabh Tinplate Private Limited (Ceased w.e.f. 31 December 2019)
	Creixent Special Steels Limited
	JSW Ispat Special Products Limited
	Piombino Steel Limited (w.e.f. 27 March 2021)
	Bhushan Power & Steel Limited (w.e.f. 27 March 2021)
2)	**Key Management Personnel (KMP)**
a)	**Non-Independent Executive Director**
	Mr. Sajjan Jindal
	Mr. Seshagiri Rao M V S
	Dr. Vinod Nowal
	Mr. Jayant Acharya
b)	**Independent Non-Executive Director**
	Mr. Gangaram Baderiya - Nominee Director, KSIIDC (upto 23 October 2020)
	Mr. M.S.Srikar, IAS - Nominee Director, KSIIDC (w.e.f. 23 October 2020)
	Mr. Hiroyuki Ogawa - Nominee Director, JFE Steel Corporation
	Dr. (Mrs.) Punita Kumar Sinha
	Mr. Malay Mukherjee
	Mr. Haigreve Khaitan
	Mr. Seturaman Mahalingam
	Mrs. Nirupama Rao
	Mr. Harsh Charandas Mariwala
c)	**Mr. Rajeev Pai - Chief Financial Officer**
d)	**Mr. Lancy Varghese - Company Secretary**

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

3)	**Relatives of KMP**
	Mrs. Savitri Devi Jindal
	Mr. Prithvi Raj Jindal
	Mr. Naveen Jindal
	Mrs. Nirmala Goyal
	Mrs. Urmila Bhuwalka
	Mrs. Seema Jajodia
	Mrs. Sarika Jhunjhnuwala
	Mrs. Saroj Bhartia
	Mrs. Sangita Jindal
	Mrs. Tarini Jindal Handa
	Mrs. Tanvi Shete
	Mr. Parth Jindal
	Mrs. Shanti Acharya
	Mrs. Esther Varghese

4)	**Other Related Parties**
	JSW Energy Limited
	JSW Energy (Barmer) Limited
	JSW Power Trading Company Limited
	JSW Hydro Energy Limited
	JSW Energy (Kutehr) Limited
	JSW Solar Limited
	Jindal Stainless Limited
	Jindal Stainless (Hisar) Limited
	JSL Lifestyle Limited
	Jindal Saw Limited
	Jindal Saw USA LLC
	JITF Urban Infrastructure Limited
	Jindal Tubular (India) Limited
	Jindal Urban Waste Management Limited
	Jindal Rail Infrastructure Limited
	Jindal Steel & Power Limited
	India Flysafe Aviation Limited
	JSW Infrastructure Limited
	JSW Jaigarh Port Limited
	South West Port Limited
	JSW Dharamatar Port Private Limited
	JSW Paradip Terminal Private Limited
	Jaigarh Digni Rail Limited
	JSW Cement Limited
	JSW Cement, FZE
	South West Mining Limited
	JSW Projects Limited
	BMM Ispat Limited (w.e.f 27 October 2020)
	JSW IP Holdings Private Limited
	JSoft Solutions Limited (merged with Everbest Consultancy Services Private Limited)
	Reynold Traders Private Limited
	JSW Techno Projects Management Limited
	JSW Global Business Solutions Limited
	Everbest Consultancy Services Private Limited
	Jindal Industries Private Limited
	JSW Foundation
	Inspire Institute of Sports

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

	Jindal Technologies & Management Services Private Limited
	Epsilon Carbon Private Limited
	JSW Living Private Limited
	JSW International Trade Corp PTE Limited
	Jindal Education Trust
	JSW Paints Private Limited
	Toshiba JSW Power System Private Limited
	MJSJ Coal Limited
	JSW Bengaluru Football Club Private Limited
	JSW Shipping & Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)
	Neotrex Steel Wires Private Limited
	Neotrex Steel Private Limited
	JSW Minerals Trading Private Limited
	Khaitan & Company
	Eurokids International Private Limited
	J Sagar Associates
	Shiva Cement Limited
	Tehkhand Waste to Electricity Projects Limited
	Encorp Powertrans Private Limited
	Nourish Organic Foods Private Limited
	Brahmani River Pellets Limited
	Danta Enterprises Private Limited
	Glebe Trading Private Limited
	JSW Holdings Limited
	JSW Investments Private Limited
	JSW Logistics Infrastructure Private Limited
	JTPM Metal Traders Private Limited
	Sahyog Holdings Private Limited
	Virtuous Tradecorp Private Limited
	S K Jindal and Sons HUF
	P R Jindal HUF
5)	**Post-Employment Benefit Entity**
	JSW Steel EPF Trust (upto 31 December 2020)
	JSW Steel Group Gratuity Trust
	JSW Steel Limited Employee Gratuity Fund

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

B) Transactions with related parties

₹ in crores

Particulars	Joint ventures		Other related parties #		Total	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Party's Name						
Purchase of Goods / Power & fuel / Services / Branding expenses						
JSW Energy Limited	-	-	1,811	2,489	1,811	2,489
JSW International Tradecorp PTE Limited	-	-	12,146	15,478	12,146	15,478
Others	207	84	2,605	2,166	2,812	2,250
Total	**207**	**84**	**16,562**	**20,133**	**16,769**	**20,217**
Reimbursement of expenses incurred on our behalf by						
JSW Energy Limited	-	-	1	3	1	3
JSW Cements Limited	-	-	5	-	5	-
JSW Cement, FZE	-	-	-	1	-	1
Others	-	-	1	@	1	@
Total	**-**	**-**	**7**	**4**	**7**	**4**
Sales of Goods/Power & Fuel/Services/Assets						
JSW Vallabh Tin Plate Private Limited	-	312	-	-	-	312
JSW MI Steel Service Centre Private Limited	433	298	-	-	433	298
JSW Ispat Special Products Limited	711	119	-	-	711	119
Jindal Saw Limited	-	-	1,128	1,165	1,128	1,165
JSW Energy Limited	-	-	464	404	464	404
Jindal Industries Private Limited	-	-	214	374	214	374
Epsilon Carbon Private Limited	-	-	345	530	345	530
Brahmani River Pellets Limited	-	-	646	-	646	-
Others	73	80	396	165	469	245
Total	**1,217**	**809**	**3,193**	**2,638**	**4,410**	**3,447**
Other income/ Interest income/ Dividend income						
JSW Energy Limited	-	-	11	11	11	11
JSW Global Business Solutions Limited	-	-	4	6	4	6
JSW Techno Projects Management Limited	-	-	1	8	1	8
India Flysafe Aviation Limited	-	-	20	20	20	20
JSW Projects Limited	-	-	36	40	36	40
JSW Ispat Special Products Limited	26	16	-	-	26	16
JSW Shipping & Logistics Private Limited	-	-	20	10	20	10
Others	6	4	15	11	21	15
Total	**32**	**20**	**107**	**106**	**139**	**126**
Purchase of assets						
JSW Severfield Structures Limited	228	762	-	-	228	762
Jindal Steel & Power Limited	-	-	87	238	87	238
JSW Cement Limited	-	-	157	243	157	243
Jindal Saw Limited	-	-	55	71	55	71
Others	-	16	4	49	4	65
Total	**228**	**778**	**303**	**601**	**531**	**1,379**

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

₹ in crores

Particulars	Joint ventures		Other related parties #		Total	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Capital / revenue advances given						
JSW Energy Limited	-	-	81	-	81	-
JSW Dharmatar Port Private Limited	-	-	-	200	-	200
Jindal Steel & power Limited	-	-	-	200	-	200
JSW Paints Private Limited	-	-	45	35	45	35
Others	-	-	-	4	-	4
Total	**-**	**-**	**126**	**439**	**126**	**439**
Capital / revenue advances received back						
Jindal Steel & power Limited	-	-	-	200	-	200
JSW Paints Private Limited	-	-	10	-	10	-
Total	**-**	**-**	**10**	**200**	**10**	**200**
Security deposits given						
JSW Shipping and Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)	-	-	71	116	71	116
Total	**-**	**-**	**71**	**116**	**71**	**116**
Lease and other deposit received back						
India Flysafe Aviation Limited	-	-	10	10	10	10
Others	-	-	1	1	1	1
Total	**-**	**-**	**11**	**11**	**11**	**11**
Loan given received back						
JSW Techno Projects Management Limited	-	-	-	96	-	96
JSW Projects Limited	-	-	300	15	300	15
JSW Global Business Solutions Private Limited	-	-	3	2	3	2
Total	**-**	**-**	**303**	**113**	**303**	**113**
Loan given						
JSW Projects Limited	-	-	200	130	200	130
JSW Ispat Special Products Limited	-	90	-	-	-	90
Others	2	1	-	-	2	1
Total	**2**	**91**	**200**	**130**	**200**	**221**
Donation/ CSR expenses						
JSW Foundation	-	-	83	75	83	75
Total	**-**	**-**	**83**	**75**	**83**	**75**
Recovery of expenses incurred by us on their behalf						
JSW Energy Limited	-	-	7	9	7	9
JSW Cement Limited	-	-	71	45	71	45
JSW International Tradecorp Pte Limited	-	-	68	119	68	119
JSW Jaigarh Port Limited	-	-	3	3	3	3
JSW Infrastructure Limited	-	-	7	7	7	7
JSW Ispat Special Products Limited	-	1	-	-	-	1
Others	5	5	36	27	41	32
Total	**5**	**6**	**192**	**210**	**197**	**216**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

₹ in crores

Particulars	Joint ventures		Other related parties #		Total	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Investments / Share application money given						
Piombino Steel Limited	137	-	-	-	137	-
Rohne Coal Company Private Limited	-	1	-	-	-	1
Others	@	@	-	-	@	@
Total	**137**	**1**	**-**	**-**	**137**	**1**
Investments / share application money refunded						
Rohne Coal Company Private Limited	-	@	-	-	-	@
Total	**-**	**@**	**-**	**-**	**-**	**@**
Interest expenses						
JSW Techno Projects Management Limited	-	-	-	2	-	2
Total	**-**	**-**	**-**	**2**	**-**	**2**
Lease interest cost						
JSW Projects Limited	-	-	105	132	105	132
JSW Techno Projects Management Limited	-	-	95	84	95	84
Others	-	-	19	17	19	17
Total	**-**	**-**	**219**	**233**	**219**	**233**
Lease liabilities / Finance lease obligation repayment						
JSW Projects Limited	-	-	255	228	255	228
Others	-	-	28	26	28	26
Total	**-**	**-**	**283**	**254**	**283**	**254**
Loan refunded						
JSW Techno Projects Management Limited	-	-	-	6	-	6
Others	-	-	@	-	@	-
Total	**-**	**-**	**@**	**6**	**@**	**6**
Dividend paid						
JSW Holdings Limited	-	-	36	73	36	73
JSW Techno Projects Management Limited	-	-	51	101	51	101
Sahyog Holdings Private Limited	-	-	22	46	22	46
Others	-	-	48	99	48	99
Total	**-**	**-**	**157**	**319**	**157**	**319**

@ - less than ₹ 0.50 crores

- includes relatives of KMP

Notes:

1. The transactions are inclusive of taxes wherever applicable.
2. The transactions are disclosed under various relationships (i.e. joint ventures and other related parties) based on the status of related parties on the date of transactions.
3. The Group makes monthly contributions to provident fund managed by JSW Steel EPF Trust for qualifying Vijayanagar employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. During the year, the Group contributed ₹ 21 crores (previous year ₹ 22 crores).
4. The Group maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). During the year, the Group contributed ₹ 7 crores (previous year ₹ Nil).

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

5. During the year, the Company has transferred environment clearance certificate issued for its slag grinding & mixing unit to JSW Cement Limited for no consideration.

Compensation to Key Management Personnel

₹ in crores

Nature of transaction	FY 2020-21	FY 2019-20
Short-term employee benefits	88	56
Post-employment benefits	1	1
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	**89**	**57**

Notes:

1. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
2. The Company has recognised an expenses of ₹ 2 crores (previous year ₹ 3 crores) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
3. Dividend paid to KMP is ₹ 0.09 crores (FY 2019-20: ₹ 0.18 crores).
4. The Independent Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable to the Non-Executive Directors is based on the number of meetings of the Board attended by them and their Chairmanship/Membership of Audit Committee during the year, subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹ 20,000 /- for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during FY 2020-21 is ₹ 3 crores (FY 2019-20 is ₹ 3 crores), which is not included above.

Terms and conditions

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31 March 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Guarantees to Joint ventures:

Guarantees provided to the lenders of the joint ventures are for availing term loans from the lender banks.

The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

C) Amount due to or from related parties

₹ in crores

Particulars	Joint ventures		Other related parties		Total	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Party's Name						
Trade payables						
JSW Energy Limited	-	-	8	377	8	377
JSW International Tradecorp Pte Limited	-	-	1,192	1,499	1,192	1,499
Others	34	115	521	532	555	647
Total	**34**	**115**	**1,721**	**2,408**	**1,755**	**2,523**
Advance received from customers						
JSW Structural Metal Decking Limited	1	1	-	-	1	1
JSW Ispat Special Products limited	-	2	-	-	-	2
Jindal Saw Limited	-	-	1	1	1	1
Jindal Rail Infrastructure Limited	-	-	3	-	3	-
Brahmani River Pellet Limited	-	-	13	-	13	-
Others	-	-	7	@	7	@
Total	**1**	**3**	**24**	**1**	**25**	**4**
Lease & other deposits received						
JSW Severfield Structures Limited	13	13	-	-	13	13
JSW Energy Limited	-	-	11	11	11	11
Jindal Saw Limited	-	-	5	5	5	5
JSW Cement Limited	-	-	11	11	11	11
Others	-	-	12	12	12	12
Total	**13**	**13**	**39**	**39**	**52**	**52**
Trade receivables						
JSW MI Steel Service Center Private Limited	50	44	-	-	50	44
Jindal Industries Private Limited	-	-	-	8	-	8
Jindal Saw Limited	-	-	-	34	-	34
Bhushan Power & Steel Limited	19	-	-	-	19	-
Epsilon Carbon Private Limited	-	-	106	109	106	109
JSW Energy Limited	-	-	148	1	148	1
Others	21	@	16	5	37	5
Total	**90**	**44**	**270**	**157**	**360**	**201**
Share application money given						
Gourangdih Coal Limited	1	1	-	-	1	1
Total	**1**	**1**	**-**	**-**	**1**	**1**
Capital / revenue advances (including other receivables)						
JSW Ispat Special Products Limited	-	15	-	-	-	15
Rohne Coal Company Private Limited	26	22	-	-	26	22
JSW Projects Limited	-	-	49	49	49	49
JSW Paints Private Limited	-	-	72	1	72	1
JSW IP Holdings Private Limited	-	-	1	10	1	10
JSW Dharamatar Port Private Limited	-	-	200	200	200	200
Others	5	6	10	7	15	13
Total	**31**	**43**	**332**	**267**	**363**	**310**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

₹ in crores

Particulars	Joint ventures		Other related parties		Total	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Lease and other deposits given						
JSW Shipping and Logistics Private Limited	-	-	247	175	247	175
India Flysafe Aviation Limited	-	-	183	193	183	193
Total	**-**	**-**	**430**	**368**	**430**	**368**
Loan and advances given						
JSW Projects Limited	-	-	315	415	315	415
Bhushan Power & Steel Limited	134	-	-	-	134	-
JSW Ispat Special Products Limited	215	215	-	-	215	215
Others	3	1	13	18	16	19
Total	**352**	**216**	**328**	**433**	**680**	**649**
Interest receivable						
JSW Ispat Special Products Limited	45	21	-	-	45	21
JSW Techno Projects Management Limited	-	-	28	9	28	9
Others	5	-	3	1	8	1
Total	**50**	**21**	**31**	**10**	**81**	**31**
Lease liabilities						
JSW Projects Limited	-	-	797	1,052	797	1,052
JSW Techno Projects Management Limited	-	-	997	550	997	550
JSW Jaigarh Port Limited	-	-	44	46	44	46
JSW Dharamatar Port Private Limited	-	-	131	138	131	138
JSW Shipping and Logistics Private Limited	-	-	137	-	137	
Total	**-**	**-**	**2,106**	**1,786**	**2,106**	**1,786**
Guarantees and collaterals provided by the Company on behalf						
Bhushan power & Steel Limited	10,800	-	-	-	10,800	-
Total	**10,800**	**-**	**-**	**-**	**10,800**	**-**

@ - less than ₹ 0.50 crores

Note:

The Group maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). As on 31 March 2020, the fair value of plan assets was as ₹ 74 crores (As at 31 March 2020: ₹ 92 crores).

46. Contingent liabilities:

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
(i) **Guarantees**	10,850	82
The Company has issued a corporate guarantee dated 24 March 2021 in favor of trustee for the benefit of the Lenders for the financial assistance availed by Makler Private Limited for a sum of ₹ 10,800 crores to part finance the cost of implementation of the Resolution Plan of Bhushan Power and Steel Limited. JSW Shipping & Logistics Private Limited, has provided a counter corporate guarantee in favor of the Company to the extent of the 51% of the guaranteed obligations in line with their shareholding in Piombino Steel Limited. (refer note 41).		

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
(ii) Disputed claims/levies (excluding interest, if any), in respect of:		
Excise duty	472	491
Custom duty	760	774
Income tax	61	32
Sales tax / Special entry tax	1,557	1,509
Service tax	645	702
Levies by local authorities	73	54
Levies relating to Energy / Power Obligations	408	277
Claim by suppliers and other parties	143	98

a) Excise duty cases includes disputes pertaining to availment of CENVAT credit, valuation methodologies, classification of gases under chapter heading.

b) Custom duty cases includes disputes pertaining to import of Iron ore fines and lumps under wrong heading, utilisation of SHIS licences for clearance of imported equipment, payment of customs duty for Steam Coal through Krishnapatnam Port and anti-dumping duty on Met Coke used in Corex.

c) Sales Tax / VAT / Special Entry Tax cases includes disputes pertaining to demand of special entry tax in Karnataka and demand of cess by department of transport in Goa.

d) Service Tax cases includes disputes pertaining to availment of service tax credit on ineligible services, KKC amount paid but no credit not availed, denial of credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents.

e) Income Tax cases includes disputes pertaining to transfer pricing, deduction u/s 80-IA and other matters.

f) Levies by local authorities – statutory cases include disputes pertaining to payment of water charges and enhanced compensation.

g) Levies relating to Energy/Power Obligations cases includes disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., belated payment surcharge, claims for the set off of renewable power obligations against the power generated in its captive power plants and dues relating to additional surcharge imposed on captive consumption by Maharashtra State Electricity Distribution Company Limited.

The Group had filed a Petition before the Maharashtra Electricity Regulatory Commission (MERC) under the Electricity Act, 2003 (Act) seeking exemption from the requirement to meet Renewable Purchase Obligations (RPO) targets on the strength of its cogeneration plants at Dolvi. The MERC rejected the petition on various grounds and the Company has filed an appeal before the APTEL challenging the MERC order along with application seeking interim stay of the directions contained in the order on the grounds that it is not covered by the definition of "obligated entities" under RPO regulations. APTEL has passed an interim order directing that no-coercive action be taken against the Company in relation to this dispute. The next hearing is scheduled on 7 July 2021. Based on merits of the case, the Company has not recognised provision for RPO obligation and treated it as a contingent liability.

h) Claims by Suppliers and other parties includes Quality Claims issues raised by suppliers and others.

i) There are several other cases which has been determined as remote by the Group and hence not been disclosed above.

(iii) Claims related to Forest Development Tax / Fee	3,035	2,588
Amount paid under protest	920	920

In response to a petition filed by the iron ore mine owners and purchasers (including the Company) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated 3 December 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognised provision for FDT of ₹ 1,043 crores (including paid under protest – ₹ 665 crores) and treated it as a contingent liability.

The State of Karnataka on 27 July 2016, has amended Section 98-A of the Forest Act retrospectively substituting the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the Company and others, the Honourable High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the SCI, and based on merits of the case duly supported by a legal opinion and a favorable order from the High Court, the Company has not recognised provision for FDF amount of ₹ 1,992 crores (including paid under protest - ₹ 255 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.

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47. Commitments

₹ in crores

Nature of transaction	FY 2020-21	FY 2019-20
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of ad-vances)	10,493	13,929
Other commitments		
a) The Group has imported capital goods under the export promotion capital goods scheme to utilise the bene-fit of a zero or concessional customs duty rate. These benefits are subject to future exports. Such export ob-ligations at year end aggregate to	20,728	17,407
b) The Group has given guarantees to Commissioner of Customs in respect of goods imported.	127	127

c) The Company has entered into a five-year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. ("DSA") for supply of Steel Products. Duferco S.A has provided an interest bearing advance amount of US $700 million under this agreement, secured by committed export of steel products to Duferco S.A. Out of this US $443 million is pending towards fulfilment.

d) The MDPA signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/ correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

Based on legal evaluation, the Company believes that MDPA would get rectified and after considering the expected production quantities in the remaining period, there would not be any shortfall in minimum production as required under MDPA. Accordingly, no provision has been recognised in financial statements as at 31 March 2021.

48. Exceptional items for the year ended 31 March 2021 includes impairment provision of ₹ 83 crores relating to the US coal business towards the value of Property, plant and equipment and Goodwill of ₹ 20 crores and ₹ 63 crores respectively based on the estimate of values by independent external valuers using cash flow projections of respective businesses and assets.

Exceptional items for the year ended 31 March 2020 represents impairment provision of:

i) ₹ 725 crores relating to overseas subsidiaries towards the value of Property, plant and equipment (PPE) (including CWIP), Goodwill, Intangibles and other assets based on the overall assessment of recoverable value considering increased uncertainty in restarting the Iron ore mining operations at Chile on account of COVID 19 outbreak.

The provision of ₹ 725 crores include ₹ 143 crores towards PPE, ₹ 9 crores towards CWIP, ₹ 7 crores towards Intangible assets, ₹ 513 crores towards Goodwill and ₹ 53 crores towards advances.

ii) ₹ 80 crores towards identified items of property, plant and equipment of the Company.

49. In assessing the carrying amounts of Goodwill, PPE, Capital work in progress (CWIP), Investment Property, ROU, and advances (net of impairment loss / loss allowance) aggregating to ₹ 9,245 crores (₹ 9,376 crores as at 31 March 2020) relating to certain businesses (listed below), the Company considered various factors as detailed there against and concluded that they are recoverable.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

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i. PPE (including CWIP and advances) of ₹ 4,262 crores (₹ 4,314 crores as at 31 March 2020) relating to steel operations at Baytown, USA - Estimate of values of the businesses and assets by independent external valuers based on cash flow projections at a pre-tax discount rate of 13.3%. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, future margins and the likely impact of COVID 19 on the said operations.

ii. Goodwill, PPE, CWIP and Capital advances of ₹ 196 crores (₹ 266 crores as at 31 March 2020), ₹ 410 crores (₹ 446 crores as at 31 March 2020), ₹ Nil (₹ 9 crores as at 31 March 2020) and ₹ Nil (₹ 3 crores as at 31 March 2020) respectively relating to coal mines at West Virginia, USA - Estimate of values of the businesses and assets by independent external valuers based on cash flow projections over a period of the lease at a pre-tax discount rate of 15.6%. In making the said projections, reliance has been placed on estimates of future prices of coal, mineable resources, and assumptions relating to operational performance, availability of infrastructure facilities for mines and likely impact of COVID 19 on the said operations.

iii. PPE (including CWIP) of ₹ 1,758 crores (₹ 1,812 crores as at 31 March 2020) and goodwill of ₹ 96 crores (₹ 98 crores as at 31 March 2020) relating to steel operations at Ohio, USA - Estimate of values of the businesses and assets by independent external valuers based on cash flow projections at a pre-tax discount rate of 18.2%. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, future margins and the likely impact of COVID 19 on the said operations.

iv. PPE (including CWIP) of ₹ 528 crores (₹ 543 crores as at 31 March 2020) relating to steel operations at Piombino, Italy - Estimate of values of the businesses and assets by independent external valuers based on cash flow projections at a pre-tax discount rate ranging from 8.4% to 11.4%. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, future margins and the likely impact of COVID 19 on the said operations.

v. Integrated Steel Complex at Salboni, Bengal [PPE ₹ 212 crores (₹ 219 crores as at 31 March 2020), CWIP ₹ 14 crores (₹ 14 crores as at 31 March 2020), ROU assets ₹ 77 crores (₹ 78 crores as at 31 March 2020) and advances ₹ 148 crores (₹ 148 crores as at 31 March 2020)] - Evaluation of current status of the integrated Steel Complex (including power plant) to be implemented in phases at Salboni of district Paschim Medinipur in West Bengal and the plans for commencing construction of the said complex.

vi. Integrated Steel Complex at Ranchi, Jharkhand [PPE ₹ 45 crores (₹ 45 crores as at 31 March 2020), CWIP ₹ 31 crores (₹ 31 crores as at 31 March 2020) and Advances ₹ 1 crore (₹ 1 crore as at 31 March 2020)] - Evaluation of current status of the integrated Steel Complex to be implemented in phases at Ranchi, Jharkhand and the plans for commencing construction of the said complex.

vii. Goodwill ₹ 24 crores (₹ 24 crores as at 31 March 2020) and Investment property ₹ 91 crores (₹ 91 crores as at 31 March 2020) relating to interest in a real estate property – Valuation of the property by an independent expert.

viii. PPE ₹ 98 crores including mining development and projects ₹ 87 crores (₹ 95 crores including mining development and projects ₹ 84 crores as at 31 March 2020) and goodwill ₹ 8 crores (₹ 8 crores as at 31 March 2020) relating to coal mines at Mozambique - Assessment of mineable reserves by independent experts based on plans to commence operations after mining lease arrangements are in place for which application has been submitted to regulatory authorities and infrastructure is developed.

ix. PPE (including CWIP) of ₹ 477 crores (₹ 446 crores as at 31 March 2020) of a subsidiary JSW Realty & Infrastructure Private Limited, - Estimates of value of business based on the cash flow projections approved by the Management. The assessments include significant assumptions relating to operational performance, expansion, rentals and other charges, inflation and terminal value.

x. Investment in equity shares (net of share of profits) and preference shares of Creixent Special Steels Limited, a joint venture, ₹ 507 crores (₹ 449 crores as at 31 March 2020) and loans and interest receivable (including of JSW Ispat Special Products Limited) of ₹ 262 crores (previous year ₹ 236 crores) – Valuation of PPE by an independent expert.

50. Research and development activities

The manufacturing and other expenses include ₹ 31 crores (previous year – ₹ 33 crores) in respect of research and development activities undertaken during the year. Depreciation expenditure includes ₹ 17 crores (previous year – ₹ 13 crores) in respect of research and development activities undertaken during the year.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

51. Joint ventures

Details of the Group's material joint ventures are as follows:

Name of the Joint venture	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Principal activity
		31 March 2021	31 March 2020	
JSW Severfield Structures Limited	India	50%	50%	Design, fabrication and erection of structural steel works
JSW Structural Metal Decking Limited	India	33.33%	33.33%	Metal Deckings
Rohne Coal Company Private Limited	India	49%	49%	Coal mining company
JSW MI Steel Service Center Private Limited	India	50%	50%	Steel service centre
Vijayanagar Minerals Private Limited	India	40%	40%	Supply of iron ore
Gourangdih Coal Limited	India	50%	50%	Coal mining company
Creixent Special Steels Limited	India	48%	48%	Investment in steel related & allied businesses and trading in steel products
JSW Ispat Special Products Limited	India	23.10%	23.10%	Manufacturing & marketing of sponge iron, steel & Ferro alloys
Piombino Steel Limited (w.e.f 27 March 2021)	India	49%	-	Investment in steel related & allied businesses and trading in steel products
Bhushan Power & Steel Limited (w.e.f. 27 March 2021)	India	49%	-	Manufacturing of iron and steel products

The above joint ventures are accounted using the equity method in these consolidated financial statements.

Summarised financial information in respect of the Group's, material joint ventures are set out below. The summarised financial information below represents amounts shown in joint ventures financial statements prepared in accordance with the local GAAP (adjusted by the Group for equity accounting purposes).

a) Financial information of joint ventures as at 31 March 2021

₹ in crores

Particulars	JSW Severfield Structures Limited	JSW MI Steel Service Center Private Limited	Creixent Special Steels Limited	Piombino Steel Limited
Current Assets	625	139	1,555	6,654
Non-current Assets	304	227	3,495	17,578
Current liabilities	587	80	1,267	1,630
Non-current liabilities	26	99	3,040	16,430
The above amount of assets and liabilities include the following:				
Cash and cash equivalents	@	36	14	2,652
Current financial liabilities (excluding trade and other payables and provisions)	165	23	373	-
Non-current financial liabilities (excluding trade and other payables and provisions)	22	92	3,022	16,060
Revenue	496	431	4,188	34
Profit / (loss) for the period / year	(13)	18	136	(2)
Other comprehensive income for the period / year	(13)	(1)	10	-
Total comprehensive income for the period / year	(26)	18	146	(2)
Dividends received from the joint venture during the period / year	-	-	-	-
The above profit / (loss) for the period / year include the following:				
Depreciation and amortisation	22	10	226	-
Interest income	1	1	9	10
Interest expense	37	6	363	17
Income tax expense (income)	1	9	(9)	(2)

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₹ in crores

Particulars	JSW Severfield Structures Limited	JSW MI Steel Service Center Private Limited	Creixent Special Steels Limited	Piombino Steel Limited
Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:				
Net assets of the joint venture	308	187	93	6,173
Proportion of the Group's ownership interest in the joint venture	50%	50%	48%	49%
Other adjustments	-	-	-	349
Carrying amount of the Group's interest in the joint venture	154	94	41	2,676

b) Financial information of joint ventures as at 31 March 2020

₹ in crores

Particulars	JSW Severfield Structures Limited	JSW MI Steel Service Center Private Limited	Creixent Special Steels Limited
Current Assets	716	119	1,259
Non-current Assets	318	240	3,587
Current liabilities	686	74	1,344
Non-current liabilities	19	116	2,906
The above amount of assets and liabilities include the following:			
Cash and cash equivalents	3	21	36
Current financial liabilities (excluding trade and other payables and provisions)	146	14	817
Non-current financial liabilities (excluding trade and other payables and provisions)	16	113	2,880
Revenue	995	305	2,639
Profit / (loss) for the year	59	7	(549)
Other comprehensive income for the year	@	2	(29)
Total comprehensive income for the year	59	9	(578)
Dividends received from the joint venture during the year	-	-	-
The above profit / (loss) for the year include the following:			
Depreciation and amortisation	21	9	213
Interest income	4	3	12
Interest expense	33	8	319
Income tax expense (income)	1	4	-
Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:			
Net assets of the joint venture	326	170	65
Proportion of the Group's ownership interest in the joint venture	50%	50%	48%
Other adjustments	-	-	-
Carrying amount of the Group's interest in the joint venture	163	85	31

@- between ₹ (0.50) crores to ₹ 0.50 crores

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

a) Aggregate information of joint ventures that are not individually material

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Aggregate carrying amount of the Group's interest in these joint ventures	4	4
Profit / (loss) from continuing operations	@	@
Post tax profit / (loss) from continuing operations	@	@
Other comprehensive income	-	-
Total comprehensive income	@	@

@ - between ₹ (0.50) crores to ₹ 0.50 crores

52. Subsidiaries

Details of the Group's subsidiaries at the end of reporting period are as follows:

Name of the subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Principal activity
		31 March 2021	31 March 2020	
JSW Steel (Netherlands) B.V.	Netherlands	100%	100%	Acquisition and investment in steel related & allied businesses and trading in steel products
JSW Steel Italy S.r.L.	Italy	100%	100%	Trading in steel products and Holding company of JSW Steel Italy Piombino S.p.A., Piombino Logistics S.p.A. – A JSW Enterprise and GSI Lucchini S.p.A.
JSW Steel Italy Piombino S.p.A. (formerly known as Aferpi S.p.A.)	Italy	100%	100%	Produces & distributes special long steel products
Piombino Logistics S.p.A. – A JSW Enterprise (formerly known as Piombino Logistics S.p.A.)	Italy	100%	100%	Manages the logistic infrastructure of piombino's port area
GSI Lucchini S.p.A. (refer note 53 b)	Italy	69.27%	69.27%	Producer of forged steel balls
JSW Steel (UK) Limited	United Kingdom	100%	100%	Investment in steel related and steel allied businesses
Periama Holdings, LLC	United States of America	100%	100%	Holding company of JSW Steel (USA) Inc. and West Virginia operations
JSW Steel (USA) Inc.	United States of America	90%	90%	Manufacturing plates, pipes and double jointing
Purest Energy, LLC	United States of America	100%	100%	Holding company
Meadow Creek Minerals, LLC	United States of America	100%	100%	Mining company
Hutchinson Minerals, LLC	United States of America	100%	100%	Mining company
R.C. Minerals, LLC	United States of America	100%	100%	Mining company
Keenan Minerals, LLC	United States of America	100%	100%	Mining company
Peace Leasing, LLC	United States of America	100%	100%	Mining company
Prime Coal, LLC	United States of America	100%	100%	Management company
Planck Holdings, LLC	United States of America	100%	100%	Holding company
Rolling S Augering, LLC	United States of America	100%	100%	Mining company
Periama Handling, LLC	United States of America	100%	100%	Coal loading company
Lower Hutchinson Minerals, LLC	United States of America	100%	100%	Mining company
Caretta Minerals, LLC	United States of America	100%	100%	Mining company

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Name of the subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Principal activity
		31 March 2021	31 March 2020	
JSW Panama Holdings Corporation	Republic of Panama	100%	100%	Holding company for Chile based companies and trading in iron ore
Inversiones Euroush Limitada	Chile	100%	100%	Holding company (LLP) of Santa Fe Mining
Santa Fe Mining	Chile	70%	70%	Mining company and Holding company of Santa Fe Pureto S.A.
Santa Fe Puerto S.A.	Chile	70%	70%	Port company
JSW Natural Resources Limited	Republic of Mauritius	100%	100%	Holding company of JSW Natural Resources Mozambique Limitada and JSW Mali Resources SA
JSW Natural Resources Mozambique Limitada	Mozambique	100%	100%	Mining company
JSW ADMS Carvao Limitada	Mozambique	100%	100%	Mining company
Acero Junction Holdings, Inc	United States of America	100%	100%	Investment in steel related and steel allied businesses
JSW Steel (USA) Ohio, Inc.	United States of America	100%	100%	Manufacturing of slabs and hot rolled coils.
JSW Bengal Steel Limited	India	98.76%	98.69%	Steel plant
JSW Natural Resources India Limited	India	98.76%	98.69%	Mining related company
JSW Energy (Bengal) Limited	India	98.76%	98.69%	Power plant
JSW Natural Resources Bengal Limited	India	98.76%	98.69%	Mining related company
JSW Jharkhand Steel Limited	India	100%	100%	Steel plant and mining
JSW Steel Coated Products Limited	India	100%	100%	Steel plant
Amba River Coke Limited	India	100%	100%	Coke oven and Pellet plant
Nippon Ispat Singapore (PTE) Limited	Singapore	100%	100%	Mining company
Erebus Limited	Mauritius	100%	100%	Mining company
Arima Holdings Limited	Mauritius	100%	100%	Mining company
Lakeland Securities Limited	Mauritius	100%	100%	Mining company
Peddar Realty Private Limited	India	100%	100%	Real estate
JSW Realty & Infrastructure Private Limited	India	0%	0%	Construction and development of residential township
JSW Industrial Gases Private Limited	India	100%	100%	Production of gaseous and liquid form of oxygen, nitrogen, argon and other products recoverable from separation of air
JSW Utkal Steel Limited	India	100%	100%	Steel plant
JSW One Platforms Limited (formerly known as JSW Retail Limited)	India	100%	100%	Trading in steel and allied products
Hasaud Steel Limited	India	100%	100%	Investment in steel related activities
Asian Color Coated Ispat limited (w.e.f. 27 October 2020)	India	100%	-	Steel plant
Vardhman Industries Limited (w.e.f. 31 December 2019)	India	100%	100%	Steel plant
JSW Vallabh Tin Plate Private Limited* (w.e.f. 31 December 2019)	India	100%	73.55%	Steel plant
JSW Vijayanagar Metallics Limited (w.e.f. 24 December 2019)	India	100%	100%	Steel plant
Piombino Steel Limited (upto 26 March 2021)	India	-	100%	Trading in steel products

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Name of the subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Principal activity
		31 March 2021	31 March 2020	
Makler Private Limited (upto 25 March 2021)	India	-	100%	Trading in steel products
JSW Retail and Distribution Limited (w.e.f. 15 March 2021)	India	100%	-	Trading in steel and allied products

* The Company has completed acquisition of 1,32,37,227 equity shares representing 26.45% of the issued and paid-up share capital of JSW Vallabh Tinplate Private Limited ("JSW VTPL") and as a result JSW VTPL has become wholly owned subsidiary of the Company. The difference between consideration paid and balance of non-controlling interest has been accounted in equity in consolidated financial statements of the Company.

Summarised financial information in respect of the Group's, material subsidiary that has non-controlling interests is set out below. The amount disclosed for each subsidiary are before inter-company elimination.

Financial information of non-controlling interest as on 31 March 2021

₹ in crores

Particulars	JSW Realty & Infrastructure Limited	Santa Fe Mining (Consolidated)	JSW Steel (USA), Inc.	GSI Luchhini S.p.A
Non-current assets	533	@	4,287	8
Current assets	66	11	916	274
Non-current liabilities	400	-	5,597	3
Current liabilities	73	494	819	171
Equity attributable to owners of the company	-	(338)	(659)	75
Non-controlling interest	126	(145)	(554)	33
Revenue	59	-	1,011	345
Expenses	58	22	1,801	350
Profit/ (loss) for the year	16	(22)	570	(4)
Profit / (loss) attributable to owners of the company	-	(16)	513	(3)
Profit / (loss) attributable to the non-controlling interest	16	(7)	57	(1)
Profit / (loss) for the year	16	(22)	570	(4)
Other comprehensive income attributable to owners of the company	-	-	-	-
Other comprehensive income attributable to the non-controlling interests	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Total comprehensive income attributable to the owners of the company	-	(16)	513	(3)
Total comprehensive income attributable to the non-controlling interests	16	(7)	57	(1)
Total comprehensive income for the year	16	(22)	570	(4)
Net cash inflow / (outflow) from operating activities	45	(8)	62	3
Net cash inflow / (outflow) from investing activities	(48)	-	(500)	(1)
Net cash inflow / (outflow) from financing activities	5	4	573	(11)
Net increase / (decrease) in cash and cash equivalents	2	(4)	135	(9)

@- between ₹ (0.50) crores to ₹ 0.50 crores

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Financial information of non-controlling interest as on 31 March 2020

₹ in crores

Particulars	JSW Realty & Infrastructure Limited	JSW Vallabh Tinplate Private Limited	Santa Fe Mining (Consolidated)	JSW Steel (USA), Inc.	GSI Luchhini S.p.A
Non-current assets	504	214	-	4,314	29
Current assets	54	101	16	1,318	305
Non-current liabilities	394	37	-	4,631	8
Current liabilities	60	183	489	1,676	187
Equity attributable to owners of the company	-	70	(331)	(164)	80
Non-controlling interest	104	25	(142)	(511)	59
Revenue	41	107	-	2,207	362
Expenses	48	108	218	3,155	361
Profit/ (loss) for the year	33	(1)	(218)	423	1
Profit / (loss) attributable to owners of the company	-	(1)	(153)	380	1
Profit / (loss) attributable to the non-controlling interest	33	@	(65)	42	@
Profit / (loss) for the year	33	(1)	(218)	423	1
Other comprehensive income attributable to owners of the company	-	@	-	-	-
Other comprehensive income attributable to the non-controlling interests	@	@	-	-	@
Other comprehensive income for the year	@	@	-	-	@
Total comprehensive income attributable to the owners of the company	-	(1)	(153)	380	1
Total comprehensive income attributable to the non-controlling interests	33	@	(65)	42	-
Total comprehensive income for the year	33	(1)	(218)	423	1
Net cash inflow / (outflow) from operating activities	38	4	(9)	323	10
Net cash inflow / (outflow) from investing activities	(60)	(1)	-	(442)	(2)
Net cash inflow / (outflow) from financing activities	49	(3)	9	133	2
Net cash inflow / (outflow)	27	@	@	14	10

@- between ₹ (0.50) crores to ₹ 0.50 crores

53. Subsequent events

a) On 21 May 2021, the board of directors recommended a final dividend of ₹ 6.50 (Rupees six and paise fifty only) per equity share of ₹ 1 each to be paid to the shareholders for the financial year 2020-21, which is subject to approval by the shareholders at the Annual General Meeting to be held on 21 July 2021. If approved, the dividend would result in cash outflow of ₹ 1,571 crores.

b) On 13 April 2021, JSW Steel Italy S.r.L, a wholly owned subsidiary of the Company completed the acquisition of remaining 840,840 equity shares, representing 30.73% equity share capital of GSI Luchini S.p.A. for a consideration of EUR 1 million. Consequent to this, GSI Luchini S.p.A. has become a wholly owned subsidiary of the Company.

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

55. Previous year figures have been re-grouped / re-classified wherever necessary.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

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

₹ in crores

Name of entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
PARENT COMPANY								
JSW Steel Limited	75.90	35,022	111.32	8,764	81.47	642	108.60	9,406
SUBSIDIARIES								
INDIAN								
Vardhman Industries Limited	0.13	59	0.34	27	-	@	0.31	27
JSW Bengal Steel – Group	0.98	454	(0.10)	(8)	-	-	(0.09)	(8)
Amba River Coke Limited	5.18	2,392	2.68	211	4.19	33	2.82	244
JSW Steel Coated Products Limited	6.56	3,025	8.79	692	11.29	89	9.02	781
JSW Jharkhand Steel Limited	0.17	77	(0.03)	(2)	-	@	(0.02)	(2)
Peddar Realty Private Limited	0.25	114	0.18	14	-	-	0.16	14
JSW Vallabh Tinplate Private Limited	0.39	179	0.19	15	-	@	0.17	15
JSW Realty & Infrastructure Private Limited	0.72	332	0.03	2	-	@	0.02	2
JSW Industrial Gases Private Limited	0.54	250	0.47	37	-	@	0.43	37
JSW Utkal Steel Limited	0.20	92	(0.01)	(1)	-	-	(0.01)	(1)
Hasaud Steel Limited	(0.08)	(37)	-	@	-	-	-	@
Asian Color Coated Ispat Limited	3.93	1,813	2.50	197	(0.13)	(1)	2.26	196
JSW Vijayanagar Metallics Limited	0.01	5	-	@	-	-	-	@
JSW Retail Limited	-	@	0.01	1	-	-	0.01	1
FOREIGN								
JSW Steel (Netherlands) B.V.	(2.85)	(1,313)	(1.18)	(93)	-	-	(1.07)	(93)
Periama Holding LLC – Group	(0.46)	(210)	(9.75)	(768)	-	-	(8.87)	(768)
JSW Panama Holdings Corporation - Group	0.31	145	(0.03)	(2)	-	-	(0.02)	(2)
JSW Steel (UK) Limited	0.31	141	(0.08)	(6)	-	-	(0.07)	(6)
JSW Natural Resources Limited - Group	0.28	130	-	@	-	-	-	@
Arima Holding Limited	-	@	-	@	-	-	-	@
Lakeland Securities Limited	-	@	-	@	-	-	-	@
Erebus Limited	-	@	-	@	-	-	-	@

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

₹ in crores

Name of entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Nippon Ispat Singapore (PTE) Limited	-	@	-	@	-	-	-	@
JSW Steel Italy S.R.L.	0.02	10	-	@	-	-	-	@
Acero Holdings Junction Inc. – Group	1.55	713	(10.45)	(823)	-	-	(9.50)	(823)
JSW Steel Italy Piombino S.p.A	0.63	293	(3.23)	(254)	-	-	(2.93)	(254)
Piombino Logistics S.p.A	0.07	30	(0.84)	(66)	-	-	(0.76)	(66)
GSI Luchini S.p.A.	0.17	80	(0.22)	(17)	-	-	(0.20)	(17)
NON-CONTROLLING INTEREST IN ALL SUBSIDIARIES	(1.34)	(619)	(0.61)	(48)	2.28	18	(0.35)	(30)
JOINT VENTURES (investment as per the equity method)								
INDIAN								
Vijayanagar Minerals Private Limited	0.00	2	-	@	-	-	-	@
Rohne Coal Company Private Limited	-	-	-	-	-	-	-	-
JSW Severfield Structures Limited - Group	0.33	154	(0.25)	(20)	-	-	(0.23)	(20)
Gourangdih Coal Limited	0.00	2	-	@	-	-	-	@
JSW MI Steel Service Center Private Limited	0.20	94	0.11	9	-	-	0.10	9
Creixent Special Steels Limited - Group	0.09	41	0.15	12	-	-	0.14	12
Piombino Steel Limited - Group	5.80	2,675	-	-	-	-	-	-
Foreign currency translation reserve	-	-	-	-	0.89	7	0.08	7
Total	**100.00**	**46,145**	**100.00**	**7,873**	**100.00**	**788**	**100.00**	**8,661**

@ - Less than ₹ 0.50 crores

Note: The balances and amounts presented above are net of intercompany eliminations and consolidation adjustments.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

57. Standards issued but not yet effective

There are no standards that have been issued but not yet effective.

See accompanying notes to the Consolidated Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No.: 105938

Place: Mumbai
Date: 21 May 2021

For and on behalf of Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

Place: Mumbai
Date: 21 May 2021

Form AOC-I

(Information of Subsidiaries, JVs and Associates as required under first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A: Subsidiaries

₹ in crores

	Name of the Subsidiary	JSW Steel Coated Products Limited	Amba River Coke Limited	JSW Industrial Gases Private Limited	JSW One Platforms Limited	JSW Vallabh Tin Plate Private Limited	Vardhman Industries Limited	JSW Bengal Steel Limited	JSW Natural Resources India Limited	JSW Energy (Bengal) Limited	JSW Natural Resources Bengal Limited
A	Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
B	Exchange rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
C	Share Capital	800.05	931.90	92.08	0.01	50.04	4.50	483.41	107.33	65.62	64.20
D	Reserves and Surplus	3,431.81	1,128.19	210.05	1.86	34.10	54.82	4.51	(5.25)	2.70	(4.08)
E	Total Assets	9,953.58	3,648.99	329.66	7.90	326.08	96.19	494.15	102.09	68.34	60.14
F	Total Liabilities	5,721.72	1,588.90	27.53	6.03	241.94	36.87	6.23	0.01	0.02	0.02
G	Investment	731.51	63.35	0.03	-	-	0.39	185.90	-	64.54	2.16
H	Turnover	14,962.99	3,902.08	529.38	16.86	620.67	346.42	-	-	-	-
I	Profits / (Losses) before Taxes	979.08	259.82	49.25	0.97	22.40	24.79	(7.61)	(0.16)	(0.08)	(0.11)
J	Provision for Taxation	245.93	92.17	12.52	0.34	8.52	-	0.30	0.04	-	0.01
K	Profits / (Losses) after Taxes	733.15	167.65	36.73	0.63	13.88	24.79	(7.91)	(0.20)	(0.08)	(0.12)
L	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
M	% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	98.76%	98.76%	98.76%	98.76%

₹ in crores

	Name of the Subsidiary	Peddar Realty Private Limited	JSW Utkal Steel Limited	JSW Jharkhand Steel Limited	JSW Realty & Infrastructure Pvt Ltd.	Hasaud Steel Limited	JSW Retail & distribution Limited @	Asian Color Coated Ispat Limited #	JSW Vijayanagar Metallics Limited	Piombino Steel Limited $	Makler Private Limited ^
A	Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
B	Exchange rate	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
C	Share Capital	0.01	96.89	96.40	0.01	0.33	0.01	73.06	4.97	-	-
D	Reserves and Surplus	(6.01)	(7.32)	(19.22)	125.63	628.30	-	(3,158.52)	(0.42)	-	-
E	Total Assets	91.62	102.30	78.17	599.25	1,137.36	0.01	1,820.56	18.34	-	-
F	Total Liabilities	97.62	12.73	0.99	473.61	508.73	-	4,906.02	13.79	-	-
G	Investment	-	-	-	46.61	73.06	-	20.68	-	-	-
H	Turnover	1.49	-	-	59.02	0.58	-	3,890.03	-	7.18	25.44
I	Profits / (Losses) before Taxes	14.33	(1.35)	(2.23)	11.47	(22.29)	-	(729.79)	(0.39)	(0.82)	(3.93)
J	Provision for Taxation	0.14	-	0.01	(4.25)	-	-	-	-	-	-
K	Profits / (Losses) after Taxes	14.19	(1.35)	(2.24)	15.72	(22.29)	-	(729.79)	(0.39)	(0.82)	(3.93)
L	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
M	% of shareholding	100.00%	100.00%	100.00%	0.00%	100.00%	100.00%	100.00%	100.00%	NA	NA

Part A: Subsidiaries (Continued)

₹ in crores

	Name of the Subsidiary	JSW Steel (USA) Inc.	JSW Steel (USA) Ohio, Inc.	JSW Steel Italy Piombino S.p.A.	Piombino Logistics S.p.A.	GSI Luchini S.p.A.	Caretta Minerals LLC	Prime Coal LLC	Planck Holdings LLC	Rolling S Augering LLC	Periama Handling LLC
A	Reporting Currency	USD	USD	EURO	EURO	EURO	USD	USD	USD	USD	USD
B	Exchange rate	73.50	73.50	86.10	86.10	86.10	73.50	73.50	73.50	73.50	73.50
C	Share Capital	5,902.43	240.62	181.44	12.24	23.56	595.73	0.77	546.52	32.44	29.41
D	Reserves and Surplus	(7,132.79)	(2,565.78)	(314.17)	(43.57)	88.57	(393.18)	(109.80)	(167.34)	(84.22)	(79.66)
E	Total Assets	5,178.90	1,776.02	1,326.01	119.95	285.51	714.18	0.38	632.13	0.04	-
F	Total Liabilities	6,409.26	4,101.18	1,458.74	151.28	173.38	511.63	109.41	252.95	51.82	50.25
G	Investment	-	-	23.16	-	-	-	-	595.73	-	-
H	Turnover	1,002.75	454.29	1,768.04	43.68	342.46	86.29	-	-	-	-
I	Profits / (Losses) before Taxes	(743.17)	(859.01)	(160.72)	(28.39)	(5.13)	(133.45)	(6.15)	(18.19)	(2.47)	(2.78)
J	Provision for Taxation	(156.06)	-	-	-	(1.07)	-	-	(23.58)	-	-
K	Profits / (Losses) after Taxes	(587.11)	(859.01)	(160.72)	(28.39)	(4.06)	(133.45)	(6.15)	5.39	(2.47)	(2.78)
L	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
M	% of shareholding	90.00%	100.00%	100.00%	100.00%	69.27%	100.00%	100.00%	100.00%	100.00%	100.00%

₹ in crores

	Name of the Subsidiary	Lower Hutchinson Minerals LLC	Meadow Creek Minerals LLC	Keenan Minerals LLC	Hutchinson Minerals LLC	Peace Leasing LLC	R.C. Minerals LLC	Purest Energy LLC	JSW Steel (Netherlands) B.V.	Periama Holdings LLC	Acero Junction Holdings, Inc.
A	Reporting Currency	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
B	Exchange rate	73.50	73.50	73.50	73.50	73.50	73.50	73.50	73.50	73.50	73.50
C	Share Capital	11.92	29.86	3.95	37.54	-	56.79	90.78	336.68	206.55	240.62
D	Reserves and Surplus	(22.68)	(88.75)	(8.59)	(54.37)	(0.26)	(68.21)	(166.07)	(1,647.86)	(2,055.91)	5.56
E	Total Assets	0.20	0.65	-	0.18	-	-	-	1,331.79	7,358.56	2,730.27
F	Total Liabilities	10.96	59.54	4.64	17.01	0.26	11.42	75.29	2,642.97	9,207.92	2,484.09
G	Investment	-	-	-	-	-	-	-	277.15	1,436.24	240.62
H	Turnover	-	-	-	-	-	-	-	-	-	-
I	Profits / (Losses) before Taxes	(1.27)	(2.03)	(0.04)	(0.18)	(0.01)	(0.01)	(2.07)	(180.44)	(755.31)	3.92
J	Provision for Taxation	-	-	-	-	-	-	-	-	179.64	-
K	Profits / (Losses) after Taxes	(1.27)	(2.03)	(0.04)	(0.18)	(0.01)	(0.01)	(2.07)	(180.44)	(934.95)	3.92
L	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
M	% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Part A: Subsidiaries (Continued)

₹ in crores

	Name of the Subsidiary	JSW Steel Italy S.R.L.	JSW Steel (UK) Limited	JSW Panama holdings Corporation	Inversiones Eurosh Limitada	Santa Fe Mining	Santa Fe Puerto S.A.	JSW Natural Resources Limited	JSW Natural Resources Mozambique Limitada	JSW ADMS Carvao Limitada	Nippon Ispat Singapore (PTE) Limited	Arima Holdings Limited	Erebus Limited	Lakeland Securities Limited
A	Reporting Currency	EURO	GBP	USD	USD	USD	USD	USD	USD	USD	SGD	USD	USD	USD
B	Exchange rate	86.10	100.95	73.50	73.50	73.50	73.50	73.50	73.50	73.50	54.37	73.50	73.50	73.50
C	Share Capital	107.80	154.22	0.74	0.32	14.46	0.36	100.37	138.25	-	4.27	37.04	158.34	0.26
D	Reserves and Surplus	(47.63)	(155.20)	45.08	(771.65)	(497.09)	(13.16)	(70.60)	(111.94)	1.67	(9.47)	(37.42)	(158.72)	(0.64)
E	Total Assets	1,031.37	141.19	45.83	489.87	11.27	-	230.36	119.61	91.09	-	0.02	0.02	0.02
F	Total Liabilities	971.20	142.17	0.01	1,261.20	493.90	12.80	200.59	93.30	89.42	5.20	0.40	0.40	0.40
G	Investment	634.13	-	0.31	10.12	-	-	138.25	7.87	-	-	-	-	-
H	Turnover	-	-	-	-	-	-	-	-	-	-	-	-	-
I	Profits / (Losses) before Taxes	(44.38)	(11.72)	1.27	(35.77)	(229.12)	-	(4.28)	0.51	(0.34)	(0.01)	(0.07)	(0.07)	(0.07)
J	Provision for Taxation	-	-	-	-	-	-	-	-	0.08	-	-	-	-
K	Profits / (Losses) after Taxes	(44.38)	(11.72)	1.27	(35.77)	(229.12)	-	(4.28)	0.51	(0.42)	(0.01)	(0.07)	(0.07)	(0.07)
L	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-
M	% of shareholding	100.00%	100.00%	100.00%	100.00%	70.00%	70.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Note: The financial statements of subsidiaries are converted into Indian Rupees on the basis of exchange rate as on closing day of the financial year.

The financial information disclosed above in respect of entities acquired during the year are for the full financial year.

Additional disclosure	Name of subsidiaries
Subsidiaries yet to commence operation	JSW Bengal Steel Limited
	JSW Natural Resources India Limited
	JSW Energy (Bengal) Limited
	JSW Natural Resources Bengal Limited
	JSW Utkal Steel Limited
	JSW Jharkhand Steel Limited
	JSW Retail & Distribution Limited
	JSW Vijayanagar Metallics Limited
	Inversiones Eurosh Limitada
	Santa Fe Puerto S.A.
	JSW Natural Resources Mozambique Limitada
	JSW ADMS Carvo Limitada
Subsidiaries liquidated or sold during the year	Piombino Steel Limited $
	Makler Private Limited ^

@ - subsidiary w.e.f 15 March 2021

- subsidiary w.e.f 31 October 2020

$ - ceased to be a subsidiary w.e.f 27 March 2021

^ - ceased to be a subsidiary w.e.f 25 March 2021

Part B: Associates and Joint Ventures

₹ in crores

	Name of Associates/ Joint Ventures	Joint ventures				
		Vijaynagar Minerals Private Limited	Rohne Coal Company Private Limited	JSW Severfield Structures Limited	JSW Structural Metal Decking Limited	Gourangdih Coal Limited
1.	Latest audited Balance Sheet Date	31 March 2020	31 March 2021	31 March 2021	31 March 2021	31 March 2020
2.	Shares of Associate/Joint Ventures held by the company on the year end					
	Number of shares	4,000	490,000	197,937,940	4,482,905	2,450,000
	Amount of Investment	-	0.49	197.94	4.48	2.45
	Extend of Holding %	40.00%	49.00%	50.00%	33.33%	50.00%
3.	Description of how there is significant influence	Joint Venture Agreement				
4.	Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA	NA
5.	Networth attributable to Shareholding as per latest audited Balance Sheet	1.77	(4.02)	151.49	7.16	1.56
6.	Profit / Loss for the year					
	i. Considered in Consolidation	0.01	-	(7.90)	0.79	(0.04)
	ii. Not Considered in Consolidation	-	(2.07)	-	-	-

₹ in crores

	Name of Associates/ Joint Ventures	Joint ventures				
		JSW MI Service centre Private Limited	JSW Ispat Special Products Limited	Creixent Special Steels Limited	Piombino Steel Limited *	Bhushan Power & Steel limited *
1.	Latest audited Balance Sheet Date	31 March 2021	31 March 2021	31 March 2021	31 March 2020	31 March 2020
2.	Shares of Associate/Joint Ventures held by the company on the year end					
	Number of shares	66,500,000	108,448,611	4,800,000	980,000,000	49,000,000
	Amount of Investment	66.50	108.45	4.80	980.00	49.00
	Extend of Holding %	50.00%	23.10%	48.00%	49.00%	49.00%
3.	Description of how there is significant influence	Joint Venture Agreement				
4.	Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA	NA
5.	Networth attributable to Shareholding as per latest audited Balance Sheet	93.64	321.81	(59.30)	NA	NA
6.	Profit / Loss for the year					
	i. Considered in Consolidation	8.85	47.66	(38.33)	-	-
	ii. Not Considered in Consolidation	-	-	-	-	-

* - joint venture w.e.f. 27 March 2021

Part B: Associates and Joint Ventures (Continued)

Additional disclosure	Name of associates and Joint Ventures
Associates and Joint Ventures yet to commence operation	Rohne Coal Company Private Limited
	Gourangdih Coal Limited
Associates and Joint Ventures liquidated or sold during the year	None

For and on behalf of Board of Directors

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

Place: Mumbai
Date: 21 May 2021

Financial Highlights (Standalone)

	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue Accounts (₹ in crores)					
Gross Turnover	56,244	66,235	75,210	62,315	69,458
Net Turnover	51,621	64,976	75,210	62,315	69,458
Operating EBIDTA	11,544	13,741	18,512	12,517	19,259
Depreciation and Amortisation	3,025	3,054	3,421	3,522	3,781
Finance Costs	3,643	3,591	3,789	4,022	3,565
Exceptional Items	-	234	-	1,309	386
Profit Before Taxes	5,131	7,075	11,707	4,292	12,196
Provision for Taxation	1,554	2,450	3,586	(999)	3,803
Profit after Taxes	3,577	4,625	8,121	5,291	8,393
Capital Accounts (₹ in crores)					
Net Fixed Asset (including ROU assets)	50,266	49,568	51,772	50,542	51,942
Debt*	38,273	36,181	48,539	58,713	54,138
Net Debt	36,946	35,580	42,725	47,312	42,393
Equity Capital	240	241	240	240	241
Other Equity (Reserve & Surplus)	23,797	27,605	34,592	38,061	46,675
Shareholders' Funds	24,098	27,907	34,893	38,362	46,977
Ratios					
Book Value Per Share (₹)	99.69	115.45	144.35	158.70	194.34
Market price Per Share (₹)	188.20	288.15	293.05	146.25	468.45
Earning per Share (Diluted) (₹)	14.80	19.14	33.60	21.89	34.72
Market Capitalisation (₹ in crores)	45,492	69,652	70,837	35,352	113,235
Equity Dividend per Share (₹)	2.25	3.20	4.10	2.00	6.50
Fixed Assets Turnover Ratio	1.03	1.31	1.45	1.23	1.34
Operating EBIDTA Margin	22.1%	20.7%	24.0%	19.5%	27.2%
Interest Service Coverage Ratio	3.38	4.05	5.26	3.61	6.52
Net Debt Equity Ratio	1.53	1.27	1.22	1.23	0.90
Net Debt to EBIDTA	3.20	2.59	2.31	3.78	2.20

* including Lease liabilities, APSA and excluding acceptance

Financial Highlights (Consolidated)

	2016-17	2017-18	2018-19	2019-20	2020-21
REVENUE ACCOUNTS (₹ in crores)					
Gross Turnover	59,560	71,349	82,499	71,116	78,059
Net Turnover	54,628	70,071	82,499	71,116	78,059
Operating EBIDTA	12,174	14,794	18,952	11,873	20,141
Depreciation and Amortisation	3,430	3,387	4,041	4,246	4,679
Finance Costs	3,768	3,701	3,917	4,265	3,957
Exceptional Items	-	264	-	805	83
Profit Before Taxes	5,128	7,651	11,168	3,013	12,015
Provision for Taxation	1,674	1,538	3,644	(906)	4,142
Profit after Taxes	3,467	6,113	7,524	3,919	7,873
CAPITAL ACCOUNTS (₹ in crores)					
Net Fixed Asset (including ROU assets)	57,858	57,141	61,804	61,670	64,581
Debt*	43,334	39,393	52,238	65,477	65,436
Net Debt	41,549	38,019	45,969	53,473	52,615
Equity Capital	240	241	240	240	241
Other Equity (Reserve & Surplus)	22,346	27,696	34,494	36,298	46,462
Shareholders' Funds	22,401	27,534	34,345	36,024	46,144
RATIOS					
Book Value Per Share (₹)	92.67	113.91	142.08	149.03	190.90
Market price Per Share (₹)	188.20	288.15	293.05	146.25	468.45
Earning per Share (Diluted) (₹)	14.58	25.71	31.60	16.67	32.73
Market Capitalisation (₹ in crores)	45,492	69,652	70,837	35,352	113,235
Equity Dividend per Share (₹)	2.25	3.20	4.10	2.00	6.50
Fixed Assets Turnover Ratio	0.94	1.23	1.33	1.15	1.21
Operating EBIDTA Margin	21.9%	20.6%	22.4%	16.2%	25.2%
Interest Service Coverage Ratio	3.34	4.15	5.02	3.11	5.82
Net Debt Equity Ratio	1.85	1.38	1.34	1.48	1.14
Net Debt to EBIDTA	3.41	2.57	2.43	4.50	2.61

* including Lease liabilities, APSA and excluding acceptance

JSW Steel Limited

Corporate Identification No. **(CIN)** - L27102MH1994PLC152925
Regd. Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Tel.: +91-22-4286 1000 **Fax:** +91-22-4286 3000
Email id: jswsl.investor@jsw.in **Website:** www.jsw.in

Notice

Notice is hereby given that the TWENTY-SEVENTH ANNUAL GENERAL MEETING of **JSW STEEL LIMITED** will be held on Wednesday, July 21, 2021 at 11.00 a.m. IST through Video Conferencing (**"VC"**) / Other Audio Visual Means ("**OAVM**") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

    a) the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon; and

    b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors thereon.

2. To declare dividend on the Equity Shares of the Company for the financial year 2020-21.

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

SPECIAL BUSINESS:

4. Ratification of Remuneration Payable to M/s. Shome & Banerjee, Cost Auditors of the Company for the financial year ending March 31, 2022.

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹18,50,000 (Rupees eighteen lakhs fifty thousand only) plus taxes as applicable and reimbursement of actual travel and out of pocket expenses, to be paid to M/s. Shome & Banerjee (ICWAI Registration No.000001), Cost Auditors of the Company, for the financial year 2021-22, as approved by the Board of Directors of the Company, be and is hereby ratified."

5. Re-appointment of Mr. Seturaman Mahalingam (DIN 00121727) as a Director of the Company, in the category of Independent Director.

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 16 (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Seturaman Mahalingam (DIN 00121727), who was appointed as a Director of the Company in the category of Independent Director, and who holds office up to the conclusion of the 27th Annual General Meeting of the Company, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose his candidature for the office of Director, be and is hereby re-appointed as a Director of the Company, in the category of Independent Director, for a term upto July 20, 2026 or upto the conclusion of the 32nd Annual General Meeting of the Company in the calendar year 2026, whichever is earlier."

6. Consent for issue of specified securities to Qualified Institutional Buyers (QIBs).

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in supersession of the Special Resolution adopted at the 26th Annual General Meeting of the Company held on July 23, 2020 and in accordance with the provisions of Sections 23, 42, 62, 71 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), read with the rules made and circulars issued thereunder, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (hereinafter referred to as the "**SEBI ICDR Regulations**"), the applicable listing agreements entered into by the Company with the stock exchange(s) where the equity shares of the Company of face value of ₹1 each ("Equity Shares") are listed, the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder including, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Foreign Exchange Management (Debt Instruments) Regulations, 2019, the Consolidated FDI Policy Circular of 2017, as amended, issued by the

Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("**DPIIT**") and such other applicable statutes, notifications, clarifications, circulars, regulations, and guidelines (including any amendment thereto or re-enactment thereof) issued by the Government of India ("**GOI**"), the Ministry of Corporate Affairs ("**MCA**"), the Reserve Bank of India ("**RBI"**), the Securities and Exchange Board of India ("**SEBI**"), BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges") and any other appropriate authorities, institutions or bodies, as may be applicable, and the enabling provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the Memorandum of Association and Articles of Association of the Company, and subject to all such approvals, consents, permissions and sanctions, if any, of the GOI, RBI, SEBI, Stock Exchanges and any other appropriate authorities, institutions or bodies, as may be necessary or desirable, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and/or sanctions (hereinafter singly or collectively referred to as the "Approvals") which may be agreed to by the Board of Directors of the Company ("Board", which term shall be deemed to include any committee(s), constituted or hereafter constituted by the Board), the Board be and is hereby authorised in its discretion, to create, offer, issue and allot in one or more tranches:

i. Non-Convertible Debentures with warrants which are convertible into or exchangeable with Equity Shares at a later date, for an amount not exceeding ₹7,000 crores (Rupees seven thousand crores only), inclusive of such premium as may be decided by the Board; and / or

ii. Equity Shares and/or convertible securities (other than warrants) for an amount not exceeding ₹7,000 crores (Rupees seven thousand crores only), inclusive of such premium as may be decided by the Board.

(hereinafter collectively referred to as the "**Specified Securities"**)

to Qualified Institutional Buyers (as defined in the SEBI ICDR Regulations) ("QIBs") by way of a Qualified Institutions Placement ("QIP"), whether or not they are members of the Company, as provided under Chapter VI of the SEBI ICDR Regulations, on such terms and conditions, including terms of the issuance, security and fixing of record date, as the Board may decide and at a price to be determined at the discretion of the Board, which price shall not be less than the price determined in accordance with the pricing formula stipulated under Chapter VI of the SEBI ICDR Regulations ("Floor price"), provided however that the Board may, in accordance with applicable law, offer a discount of not more than 5% (five per cent) or such percentage as permitted under applicable law, on the Floor price.

RESOLVED FURTHER THAT the Specified Securities shall be allotted as fully paid-up, subject to allottees having the option to pay either full or part consideration for warrants, with the balance consideration being payable at or by the time of exercise of such warrants in accordance with applicable law, provided however that the tenure of any convertible or exchangeable Securities shall not exceed 60 (sixty) months from the date of allotment or such other time prescribed under applicable law.

RESOLVED FURTHER THAT the allotment of the Specified Securities shall be completed within 365 days from the date of passing of this resolution approving the QIP or such other time as may be permitted under the SEBI ICDR Regulations.

RESOLVED FURTHER THAT the QIP shall be made only to "QIBs" who are eligible under the extant foreign exchange rules and regulations issued by the RBI and the GOI and the Consolidated FDI Policy Circular of 2017, as amended, issued by the and other applicable laws, to subscribe to such Specified Securities.

RESOLVED FURTHER THAT the relevant date for the purpose of arriving at the aforesaid minimum issue price of the Specified Securities shall be subject to applicable law –

- in case of allotment of Equity Shares, the date of the meeting in which the Board decides to open the proposed QIP.
- in case of allotment of eligible convertible securities.
    - i. either the date of the meeting in which the Board decides to open the issue of such convertible securities; or
    - ii. the date on which the holders of such eligible convertible securities become entitled to apply for the Equity Shares, as may be determined by the Board.

RESOLVED FURTHER THAT:

i. the Specified Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.

ii. the Equity Shares that may be issued and allotted through the Qualified Institutions Placement or on conversion of the Specified Securities issued through the Qualified Institutions Placement as aforesaid, shall rank pari passu with the then existing Equity Shares of the Company in all respects including dividend; and

iii. The number and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion of the Specified Securities that may be issued through the QIP shall be appropriately adjusted in accordance with the SEBI ICDR Regulations for corporate actions such as bonus issue, rights issue, split and consolidation of share capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Specified Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets and applicable law and the Board, subject to applicable laws, regulations and guidelines, be and is hereby authorised to dispose off such Specified Securities that are not subscribed, in such manner as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be required in furtherance of, or in relation to, or ancillary to the offer, issue and allotment of Specified Securities or for the purpose of giving effect to this resolution, including but not limited to finalisation and approval of the preliminary as well as final offer document(s), determining the form, manner and timing of the issue, including the investors to whom the Specified Securities are to be issued and allotted, the number of Specified Securities to be allotted, floor price (including giving of any discount as permitted under SEBI ICDR Regulations), face value, premium amount on issue/ conversion of Specified Securities, if any, rate of interest, execution of various agreements/ deeds/ documents/ undertakings, creation of mortgage charge / encumbrance in addition to the existing mortgages, charges and hypothecation by the Company as may be necessary on such of the assets of the Company both present and future, in such manner as the Board may direct, in accordance with Section 180(1)(a) of the Companies Act, 2013, in respect of any of the Specified Securities issued through the QIP, and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of the Specified Securities and utilisation of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members to that end and intent that the Members shall be deemed to have given their approval thereto expressly by virtue of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint such consultants, lead managers, underwriters, guarantors, depositories, custodians, registrars, trustees, bankers, solicitors, lawyers, merchant bankers and any such agencies and intermediaries as may be involved or concerned in such offerings of Specified Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and to enter into or execute agreements / arrangements / memorandums of understanding with any such agency or intermediary and also to seek the listing of any or all of such Specified Securities or securities representing the same on one or more Stock Exchanges.

RESOLVED FURTHER THAT the Board be and is hereby authorised to constitute or form a committee or delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company."

7. Consent to give loan, give any guarantee or provide security in connection with a loan or to acquire by way of subscription, purchase or otherwise, securities of any other body corporate.

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

"**RESOLVED THAT** in supersession of the Special Resolution adopted at the 24th Annual General Meeting of the Company held on July 24, 2018 and pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder (including any amendment thereto or re-enactment thereof), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, whether Indian or overseas, upto a maximum aggregate amount of ₹30,000 crores (Rupees Thirty Thousand crores only) outstanding at any point of time, over and above the permissible limit under Section 186(2) of the Companies Act, 2013 (presently being 60% of the Company's paid-up share capital, free reserves and securities premium account or 100% of Company's free reserves and securities premium account, whichever is more).

RESOLVED FURTHER THAT the Board be and is hereby authorised to take from time to time all decisions and steps in respect of the above loans, guarantees, securities and investment including the timing, amount and other terms and conditions of such loans, guarantees, securities and investment and varying the same either in part or in full as it may deem appropriate, and to do and perform all such acts, deeds, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to the aforesaid resolution."

8. **Approval of Shri. OP Jindal Employees Stock Ownership Plan (JSWSL) 2021 (OPJ ESOP Plan 2021).**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to all applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) ("**Act**") read with the rules made thereunder, and subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SEBI ESOP Regulations**"), including the relevant circulars and notifications, if any, issued by the Securities and Exchange Board of India ("**SEBI**") from time to time and the Memorandum of Association and Articles of Association of the Company, the Shri OP Jindal Employees Stock Ownership Plan (JSWSL) 2021 **("OPJ ESOP PLAN 2021")**, for the benefit of present and future, permanent employees of the Company and its director(s), whether whole time director or not, but excluding independent directors, as approved by the Board of Directors be and is hereby approved.

RESOLVED FURTHER THAT the OPJ ESOP Plan 2021 be implemented through JSW Steel Employees Welfare Trust ("**ESOP Trust**") based on the guidelines formulated by a Committee of the Board of Directors ("**ESOP Committee**") provided that the total number of options that can be granted in one or more tranches under the OPJ ESOP Plan 2021 shall not exceed 47,00,000 (Forty Seven lakhs only) options ("**Options**"), exercisable into equivalent number of equity shares of the Company (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganisation of the capital structure of the Company as may be applicable from time to time) to be acquired by the ESOP Trust from the secondary market, at an exercise price that shall be equivalent to par value of ₹1 per share and on such other terms and conditions as the ESOP Committee or the ESOP Trust, as the case maybe, may determine from time to time.

RESOLVED FURTHER THAT the ESOP Committee be and is hereby inter-alia authorised to:

(a) Administer, implement and supervise the operation of the OPJ ESOP Plan 2021 on such terms and conditions as it may specify.

(b) Formulate and adopt forms, agreements, rules and regulations for implementing this Scheme from time to time.

(c) Determine the terms and conditions, not inconsistent with the terms of this Scheme, of any Shares acquired hereunder and, subject to applicable laws, modify or add to all or any of the rights and obligations of the Grantee/ nominees.

(d) formulate, approve, evolve, decide upon and bring into effect, suspend, withdraw or revive any sub-scheme or plan for the purpose of grant of Options to the employees and to make any modifications, changes, variations, alterations or revisions in such sub-scheme or plan from time to time.

(e) Decide all other matters in connection with the Shares under this Scheme in accordance with the applicable laws.

(f) Construe and interpret the terms of this Scheme.

(g) Formulate various and/or separate sets of special terms and conditions in addition to those set out herein or in the terms of any Shares, to apply to any Grantee(s)/ nominee(s) or sets of Grantee(s)/ nominee(s).

(h) Do all such acts, deeds, things and matters as may be considered necessary or expedient for the purpose of giving effect to the above resolution, including delegation of all or any of the powers herein conferred by this resolution to the ESOP Trust or any other entity identified by the ESOP Trust; and to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company.

(i) Any other specific function as may be delegated to it by the Board and/or as may be required to be performed under the applicable laws.

RESOLVED FURTHER THAT the ESOP Committee be and is hereby also authorised to determine, modify and vary all or any of the terms and conditions of the OPJ ESOP Plan 2021 as it may in its absolute discretion determine, subject to applicable laws."

9. **Grant of stock options to the employees of Indian subsidiary companies under Shri. OP Jindal Employee Stock Ownership Plan (JSWSL) 2021.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to all applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) ("**the Act**") read with the rules made thereunder, and subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SEBI ESOP Regulations**"), including the relevant circulars and notifications, if any, issued by the Securities and Exchange Board of India ("**SEBI**") from time to time and the Memorandum of Association and Articles of Association of the Company, approval of the members be and is hereby accorded to grant stock options, in one or more tranches, not exceeding 3,00,000 (Three lakhs only) options ("**Options**"), exercisable into equivalent number of equity shares of the Company (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganisation of the capital structure of the Company as may be applicable from time to time), under the Shri. OP Jindal Employees Stock Ownership Plan (JSWSL) 2021 ("**OPJ ESOP Plan 2021"**) as approved by the Board of Directors, to the present and future, permanent employees of the Indian subsidiary company(ies) of the Company and their director(s) whether whole time director or not but excluding independent directors, if any, from time to time, at an exercise price which shall be equivalent to par value of ₹1 per share and on such other terms and conditions as a Committee of the Board of Directors ("**ESOP Committee**") or the JSW Steel Employees Welfare Trust ("**ESOP Trust**"), as the case may be, may determine from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the ESOP Committee be and is hereby authorised to do all such acts, deeds, things and matters as may be considered necessary or expedient including delegation of all or any of the powers herein conferred by this resolution to the ESOP Trust and to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company.

RESOLVED FURTHER THAT the ESOP Committee be and is hereby also authorised to determine, modify and vary all or any of the terms and conditions of the OPJ ESOP Plan 2021 as it may in its absolute discretion determine, subject to applicable laws."

10. Authorisation to ESOP Trust for Secondary Market Acquisition of equity shares and provision of Money by the Company for purchase of its own shares by the ESOP Trust / Trustees for the benefit of Employees under Shri. OP Jindal Employees Stock Ownership Plan (JSWSL) 2021.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, and subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SEBI ESOP Regulations**"), including the relevant circulars and notifications, if any, issued by the Securities and Exchange Board of India ("**SEBI**") from time to time, approval of the members of the Company be and is hereby accorded to the JSW Steel Employees Welfare Trust ("**ESOP Trust**") to acquire equity shares of the Company, in one or more tranches, from the secondary market, provided that such acquisition shall not exceed 50,00,000 (Fifty Lakhs only) equity shares of the Company representing 0.21% of the paid up equity share capital, for the purpose of implementation of the Shri. OP Jindal Employees Stock Ownership Plan (JSWSL) 2021 (**"OPJ ESOP PLAN 2021"**) as approved by the Board of Directors, at such price and at such terms and conditions that the ESOP Trust may deem fit and to do all such acts, deeds and things as maybe incidental or ancillary in this regard.

RESOLVED FURTHER THAT pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Act, read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, approval of the members of the Company be and is hereby accorded to the Board of Directors ("Board" which term shall be deemed to include any Committee thereof) to extend an interest free loan to the ESOP Trust up to ₹368.76 crores (Rupees Three Hundred Sixty-Eight crores and Seventy Six Lakhs only) or such higher amount as may be sanctioned by the Board, taking into account any potential increase in the market price of the equity shares of the Company, for acquisition of up to 50,00,000 (Fifty Lakhs only) equity shares of the Company from the secondary market representing 0.21% of the paid up equity capital of the Company for the purpose of implementation of OPJ ESOP Plan 2021 subject to overall limits, if any, specified under the Act or the SEBI ESOP Regulations.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, buy-back of shares, split or consolidation of shares etc. of the Company, the number and percentage of shares of the Company to be acquired from the secondary market by the ESOP Trust shall be appropriately adjusted.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the ESOP Committee and the ESOP Trust be and is hereby authorised to do all such acts, deeds, things and matters as may be considered necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company".

11. Approval of JSWSL Shri. OP Jindal Samruddhi Plan - 2021 ("JSWSL OPJ Samruddhi Plan 2021").

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to all applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) ("**the Act**") read with the rules made thereunder, and subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SEBI ESOP Regulations**"), including the relevant circulars and notifications, if any, issued by the Securities and Exchange Board of India ("**SEBI**") from time to time and the Memorandum of Association and Articles of Association of the Company, the JSWSL Shri. OP Jindal Samruddhi Plan - 2021 (**"JSWSL OPJ Samruddhi Plan 2021"**), for the benefit of present and future, permanent employees of the Company and its director(s), whether whole time director or not but excluding independent directors, as approved by the Board of Directors be and is hereby approved.

RESOLVED FURTHER THAT the JSWSL OPJ Samruddhi Plan 2021 be implemented through JSW Steel Employees Welfare Trust ("**ESOP Trust**") based on the guidelines formulated by a Committee of the Board of Directors ("**ESOP Committee**") provided that the total number of options that can be granted in one or more tranches under the JSWSL OPJ Samruddhi Plan 2021 shall not exceed 67,00,000 (Sixty Seven lakhs) options ("**Options**"), exercisable into equivalent number of equity shares of the Company (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganisation of the capital structure of the Company as may be applicable from time to time) to be acquired by the ESOP Trust from the secondary market, at an exercise price that shall be equivalent to par value of ₹1 per share and on such other terms and conditions as the ESOP Committee or the ESOP Trust, as the case maybe, may determine from time to time.

RESOLVED FURTHER THAT the ESOP Committee be and is hereby inter-alia authorised to:

(a) to administer, implement and supervise the operation of the JSWSL OPJ Samruddhi Plan 2021 on such terms and conditions as it may specify;

(b) Formulate and adopt forms, agreements, rules and regulations for implementing this Scheme from time to time.

(c) Determine the terms and conditions, not inconsistent with the terms of this Scheme, of any Shares acquired hereunder and, subject to applicable laws, modify or add to all or any of the rights and obligations of the Grantee/ nominees.

(d) formulate, approve, evolve, decide upon and bring into effect, suspend, withdraw or revive any sub-scheme or plan for the purpose of grant of Options to the employees and to make any modifications, changes, variations, alterations or revisions in such sub-scheme or plan from time to time.

(e) Decide all other matters in connection with the Shares under this Scheme in accordance with the applicable laws.

(f) Construe and interpret the terms of this Scheme.

(g) Formulate various and/or separate sets of special terms and conditions in addition to those set out herein or in the terms of any Shares, to apply to any Grantee(s)/ nominee(s) or sets of Grantee(s)/ nominee(s).

(h) to do all such acts, deeds, things and matters as may be considered necessary or expedient for the purpose of giving effect to the above resolution, including delegation of all or any of the powers herein conferred by this resolution to the ESOP Trust or any other entity identified by the ESOP Trust; and to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company.

(i) Any other specific function as may be delegated to it by the Board and/or as may be required to be performed under the applicable laws.

RESOLVED FURTHER THAT the ESOP Committee be and is hereby also authorised to determine, modify and vary all or any of the terms and conditions of the JSWSL OPJ Samruddhi Plan 2021 as it may in its absolute discretion determine, subject to applicable laws."

12. Grant of stock options to the employees of Indian subsidiary companies under the JSWSL Shri. OP Jindal Samruddhi Plan - 2021:

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to all applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) ("**the Act**") read with the rules made thereunder, and subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SEBI ESOP Regulations**"), including the relevant circulars and notifications, if any, issued by the Securities and Exchange Board of India ("**SEBI**") from time to time and the Memorandum of Association and Articles of Association of the Company, approval of the members be and is hereby accorded to grant stock options, in one or more tranches, not exceeding 13,00,000 (Thirteen Lakh) options ("**Options**"), exercisable into equivalent number of equity shares of the Company (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganisation of the capital structure of the Company as may be applicable from time to time), under the JSWSL Shri. OP Jindal Samruddhi Plan - 2021 (**"JSWSL OPJ Samruddhi Plan 2021"**) as approved by the Board of Directors, to the present and future, permanent employees of the Indian subsidiary company(ies) of the Company and their director(s) whether whole time director or not but excluding independent directors, if any, from time to time, at an exercise price which shall be equivalent to par value of ₹1 per share and on such other terms and conditions as a Committee of the Board of Directors ("**ESOP Committee**") or the JSW Steel Employees Welfare Trust ("**ESOP Trust**"), as the case may be, may determine from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the ESOP Committee be and is hereby authorised to do all such acts, deeds, things and matters as may be considered necessary or expedient including delegation of all or any of the powers herein conferred by this resolution to the ESOP Trust and to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company.

RESOLVED FURTHER THAT the ESOP Committee be and is hereby also authorised to determine, modify and vary all or any of the terms and conditions of the JSWSL OPJ Samruddhi Plan 2021 as it may in its absolute discretion determine, subject to applicable laws."

13. **Authorisation to ESOP Trust for Secondary Market Acquisition of equity shares and provision of Money by the Company for purchase of its own shares by the ESOP Trust for the benefit of Employees under JSWSL Shri. OP Jindal Samruddhi Plan - 2021.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, and subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SEBI ESOP Regulations**"), including the relevant circulars and notifications, if any, issued by the Securities and Exchange Board of India ("**SEBI**") from time to time, approval of the members of the Company be and is hereby accorded to the JSW Steel Employees Welfare Trust ("**ESOP Trust**") to acquire equity shares of the Company, in one or more tranches, from the secondary market, provided that such acquisition shall not exceed 80,00,000 (Eighty lakhs) equity shares of the Company representing 0.33% of the paid up equity share capital, for the purpose of implementation of the JSWSL Shri OP Jindal Samruddhi Plan - 2021 (**"JSWSL OPJ Samruddhi Plan 2021"**) as approved by the Board of Directors, at such price and at such terms and conditions that the ESOP Trust may deem fit and to do all such acts, deeds and things as maybe incidental or ancillary in this regard.

RESOLVED FURTHER THAT pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Act, read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, approval of the members of the Company be and is hereby accorded to the Board of Directors ("**Board**" which term shall be deemed to include any Committee thereof) to extend an interest free loan to the ESOP Trust up to ₹590.01 crores (Rupees Five hundred and Ninety crores and one lakh only) or such higher amount as may be sanctioned by the Board, taking into account any potential increase in the market price of the equity shares of the Company, for acquisition of up to 80,00,000 (Eighty lakhs) equity shares of the Company from the secondary market representing 0.33% of the paid up equity capital of the Company for the purpose of implementation of JSWSL OPJ Samruddhi Plan 2021 subject to overall limits, if any, specified under the Act or the SEBI ESOP Regulations.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, buy-back of shares, split or consolidation of shares etc. of the Company, the number and percentage of shares of the Company to be acquired from the secondary market by the ESOP Trust shall be appropriately adjusted.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the ESOP Committee and the ESOP Trust be and is hereby authorised to do all such acts, deeds, things and matters as may be considered necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company."

By Order of the Board,
For **JSW Steel Limited**

Sd/-
Lancy Varghese
Company Secretary
Membership No. FCS 9407

Place: Mumbai
Date: May 21, 2021

NOTES:

1. In compliance with the applicable provisions of the Companies Act, 2013 ("Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Circulars issued by MCA and SEBI, the Annual General Meeting of the Company ("AGM") is being held through VC / OAVM without the physical presence of the Members at a common venue.

2. 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 on his/her behalf and the proxy need not be a Member of the Company. However, as this AGM is being held through VC / OAVM, and physical attendance of Members has been dispensed with, the facility for appointment of proxies by the Members will not be available for the AGM and therefore the Proxy Form and Attendance Slip is not annexed to this Notice. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned certified copy (PDF/JPG Format) of their Board or governing body's Resolution/Authorisation, authorising their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting, to the Scrutiniser through e-mail at nilesh@ngshah.com with a copy marked to KFin Technologies Private Limited at ramdas.g@kfintech.com.

4. The statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts in respect of the business under Item Nos. 4 to 13 set out above and the details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of the persons seeking appointment/ re-appointment as Director at the AGM, is annexed hereto.

5. In compliance with MCA Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20 dated May 5, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.jsw.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

   Shareholders who have not registered their e-mail address and in consequence the Annual Report, Notice of AGM and e-voting notice could not be serviced, may also temporarily provide their email address and mobile number to the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, by clicking the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx for sending the same. Shareholders are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, shareholder may write to einward.ris@kfintech.com.

   Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual Report, Notice of AGM and the e-voting instructions.

6. The Register of Members and Share Transfer Books of the Company will remain closed from July 07, 2021 to July 09, 2021 (both days inclusive) for the purpose of determining entitlement of members for the payment of Dividend for the financial year ended March 31, 2021, if declared at the Meeting.

7. In order to provide protection against fraudulent encashment of dividend warrants, shareholders holding shares in electronic form, Bank account details provided by the Depository Participants (DPs) will be used by the Company for printing on dividend warrants. Shareholders who wish to change such bank accounts may advise their DPs about such change with complete details of Bank Account including MICR Code. Shareholders residing at the regions where NECS / NEFT/ Direct Credit/ RTGS/Swift Facility is available are advised to avail of the option to collect dividend by way of these Electronic Modes.

8. Equity shareholders holding shares in physical form are requested to send their NECS Mandate Form in the format available for download on the Company's website www.jsw.in, duly filled in, under the signature of the Sole/First joint holder, to the Registrars and Share Transfer Agent of the Company - KFin Technologies Private Limited (KFin). In case of Equity Shareholders holding shares in Electronic form, the NECS Mandate Form will have to be sent to the concerned Depository Participants (DPs) directly. For shareholders who have not updated their bank account details, dividend warrants/demand drafts/ cheques will be sent out to their registered addresses once the postal facility is available.

   Pursuant to SEBI mandate vide circular dated April 20, 2018, Members holding shares in physical mode whose ledger folios have not been updated with Permanent Account Number (PAN) and Bank account details are required to submit the same to KFin, for updation.

9. Members are requested to note that, the amount of dividend remaining unpaid or unclaimed for a period

of seven years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. Accordingly, all unclaimed / unpaid dividends of the erstwhile Jindal Iron & Steel Company Ltd. (now merged with JSW Steel Limited) in respect of financial years 1995-96 to 2003-04 has been transferred to IEPF. The Company's unpaid or unclaimed interim and final dividend for F.Y. 2004-05, final dividend for F.Ys 2005-06 to 2012-13 has also been transferred to the IEPF. Members who have not encashed their final dividend warrants for the F.Y. 2013-14 or thereafter are requested to write to the Company's Registrar and Share Transfer Agent.

10. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, the shares in respect of such unclaimed dividends are also liable to be transferred to the designated Demat account of the Investor Education and Protection Fund (IEPF) Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report and FAQ of investor page on the Company's website https://www.jsw.in/investors/steel/faq.

11. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with KFin in case the shares are held by them in physical form.

    Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and the Registrar and Share Transfer Agent of the Company – KFin Technologies Private Limited Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India - 500 032., in case the shares are held by them in physical form.

12. Members holding share certificates under different folio numbers but in the same order of name are requested to apply for consolidation of such folios and send relevant share certificates to KFin for consolidating their holdings under one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

13. In terms of the amended Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except in case of transmission or transposition, requests for effecting transfer of securities of listed companies shall not be processed unless the securities are held in dematerialised form with a Depository. In view of the above, members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.jsw.in (under 'Investors' section). Members are requested to submit the said details to their depository participants ("DPs") in case the shares are held by them in electronic form and to KFin in case the shares are held by them in physical form.

15. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. To enable the Company to determine the appropriate TDS / withholding tax rate applicability, shareholders are requested to upload the requisite documents with the Registrar and Transfer Agent viz. KFin Technologies Private Limited ("RTA") at https://ris.kfintech.com/form15 not later than July 05, 2021. No communication on the tax determination / deduction shall be entertained thereafter. The shareholders are requested to update their PAN with the Company / KFin (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

16. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at an early date through email on jswsl.investor@jsw.in. The same will be replied by the Company suitably.

17. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with circular of SEBI on e-Voting Facility provided by Listed Entities, dated December 9, 2020, Members have been provided with the facility to cast their vote electronically through the e-voting services provided by KFin Technologies Private Limited, on all resolutions set forth in this Notice. The business set out in the Notice can be transacted through such voting.

The instructions for e-voting are as under:

- **For Individual members holding securities in Demat mode**

As per the SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual members holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access the e-voting facility.

Login through Depository:

NSDL	CDSL
1. User already registered for IDeAS facility:	**1. User already registered for Easi / Easiest**
i. URL: https://eservices.nsdl.com ii. Click on the "Beneficial Owner" icon under 'IDeAS' section. iii. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" iv. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.	I. URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with user id and password. IV. Option will be made available to reach e-Voting page without any further authentication. V. Click on e-Voting service provider name to cast your vote.
1. User not registered for IDeAS e-Services	**2. User not registered for Easi/Easiest**
i. To register, type in the browser / Click on the following ii. e-Services link: https://eservices.nsdl.com iii. Select option "Register Online for IDeAS" available on the left hand side of the page iv. Proceed to complete registration using your DP ID, Client ID, Mobile Number etc. v. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.	I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields.

Users may also directly access the e-Voting module of the Depository by following the below given procedure:

2. By visiting the e-Voting website of NSDL	**3. By visiting the e-Voting website of CDSL**
i. URL: https://www.evoting.nsdl.com/ ii. Click on the icon "Login" which is available under 'Shareholder/Member' section. iii. Enter User ID (i.e. 16-digit demat account number held with NSDL), Type in Password/OTP and a Verification Code as shown on the screen. iv. Post successful authentication, you will be directed to the the e-voting module of NSDL.. Click on "Active E-voting Cycles / VC or OAVMs" option under E-voting. v. Click on company name " JSW Steel Limited" or select e-Voting service provider name and you will be redirected to e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.	I. URL: www.cdslindia.com II. Provide demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue - NSDL	Members facing any technical issue – CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or by calling the toll free no.: 1800 1020 990 or 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or by calling: 022- 23058738 or 22-23058542-43.

Procedure to login through demat accounts / Website of Depository Participant

Individual shareholders holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL. An option for "e-Voting" will be available once they have successfully logged-in through their respective logins. Click on the option "e-Voting" and they will be redirected to e-Voting modules of NSDL/CDSL (as may be applicable). Click on the e-Voting link available against JSW Steel Limited or select e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.

- **Shareholders other than individuals holding Shares of the Company in Demat Mode and all Shareholders Holding Shares in Physical Mode**

  Open web browser by typing the following URL: https://evoting.kfintech.com either on a Personal Computer or on a mobile.

  i. Enter the login credentials i.e., user id and password mentioned below:

     User – ID

     - For Members holding shares in Demat Form:-

       a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID

       b) For CDSL :- 16 digits beneficiary ID

     - For Members holding shares in Physical Form:-

     Event no. followed by Folio Number registered with the Company.

     Password: If you are already registered for e-Voting, then you can use your existing password to login and cast your vote. If you are using Kfin's e-Voting system for the first time, you will need to retrieve the 'initial password' communicated to you by e-mail. Shareholders who have not registered their email addresses can follow the steps provided at serial no xiii below to obtain the User ID and password.

     Captcha: Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

  ii. After entering the details appropriately, click on LOGIN.

  iii. In case you are retrieving and using your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

     Once you reach the Password change menu you will be required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, e-mail etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

     You need to login again with the new credentials.

  iv. On successful login, the system will prompt you to select the EVENT i.e., JSW STEEL LIMITED.

  v. On the voting page, the number of shares as held by the shareholder as on the Cut-off Date will appear. If you desire to cast all the votes assenting/ dissenting to the Resolution, then enter all shares and click "FOR"/" AGAINST" as the case may be. You are not required to cast all your votes in the same manner. You may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option "ABSTAIN" in case you wish to abstain from voting. If you do not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

  vi. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.

  vii. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote.

  viii. During the voting period, shareholders can login any number of times till they have voted on the resolution.

  ix. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.

  x. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e., July 14, 2021.

  xi. The e-voting portal will be open for voting from Sunday, July 18, 2021 (9.00 a.m. IST) to Tuesday, July 20, 2021 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on July 14, 2021, may cast their vote electronically. The e-voting module shall be disabled by Kfin for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.

  xii. A person, whose name is recorded in the register of members as on the cut-off date, i.e. July 14, 2021 only shall be entitled to avail the facility of e-voting.

  xiii. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e., July 14, 2021, may obtain the User ID and password in the manner as mentioned below:

If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may:

a) Send SMS: MYEPWD <space>

E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL :

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

b) On the home page of https://evoting.kfintech.com, click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

xiv. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of https://evoting.kfintech.com or contact Mr. S. V. Raju of KFin Technologies Pvt. Ltd. at 040 67161500 or at 1800 309 4001 (toll free). It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

xv. Mr. Nilesh Shah, Practicing Company Secretary, (Membership No. FCS 4554) has been appointed as the Scrutiniser to scrutinise the e-voting process.

18. The Company has appointed M/s KFin Technologies Private Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for the conduct of the AGM.

19. Members will be able to attend the AGM through VC/ OAVM or view the live webcast of AGM by logging on the e-voting website of Kfin at https://emeetings.kfintech.com using their secure login credentials.

20. Instructions for the Members for attending the AGM through Video Conference:

a. The Members can join the AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

b. Up to 1000 members will be able to join on a first come first served basis to the AGM.

c. No restrictions on account of First come first served basis entry into AGM will be applicable to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.

d. The attendance of the Members (members logins) attending the AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

e. Members may access the video conferencing platform provided by M/s KFin Technologies Private Limited at https://emeetings.kfintech.com/ by using their remote e-voting credentials. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.

f. Members will be required to allow Camera, if any, and hence are encouraged to use Internet with a good speed to avoid any disturbance during the meeting.

g. 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.

h. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker at https://emeetings.kfintech.com from July 18, 2021 (9:00 a.m. IST) to July 19, 2021 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Please note that, members questions will be answered only if the shareholder continues to hold shares of the Company as of the cut-off date.

21. Only those Members/ shareholders, who will be present in the AGM through Video Conference OAVM / facility and have not cast their vote through remote e-Voting are eligible to vote in the AGM. However, members who have voted through Remote e-Voting will be eligible to attend the AGM.

Information and instructions for Insta Poll:

The facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll. This facility will be made available on the Meeting page (after you log into the Meeting) and will be activated once the Insta Poll is announced at the Meeting. An icon, "Vote", will be available at the bottom left on the Meeting Screen. Once the voting at the Meeting is announced by the Chairman, Members who have not cast their vote using remote e-voting will be able to cast their vote by clicking on this icon. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM is the same person mentioned for Remote e-voting.

22. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

23. The Scrutiniser shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and submit, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

24. The result declared along with the Scrutiniser's Report shall be placed on the Company's website www.jsw.in and also communicated to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed, within two working days of the conclusion of the AGM.

25. The resolutions proposed will be deemed to have been passed on the date of the AGM subject to receipt ofthe requisite number of votes in favour of the resolutions.

26. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection during the meeting in electronic mode and same may be accessed upon log-in to https://evoting.kfintech.com.

27. The recorded transcript of the forthcoming AGM on July 21, 2021, shall be maintained by the Company and also be made available on the website of the Company www.jsw.in in the Investor Relations Section, after the conclusion of the Meeting at the earliest.

28. Since the AGM will be held through VC / OAVM, Route Map is not annexed to this Notice.

ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

The statement pursuant to Section 102(1) of the Companies Act, 2013 for Item Nos. 4 to 13 of the accompanying notice is as under:

Item No. 4.

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on May 21, 2021, has considered, and approved the appointment of M/s. Shome & Banerjee, Cost Accountants, as the Cost Auditor of the Company for the financial year 2021-22 at a remuneration of ₹18,50,000. (Rupees eighteen lakhs and fifty thousand only) per annum plus taxes as applicable and reimbursement of actual travel and out of pocket expenses.

Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, is required to be subsequently ratified by the Members of the Company.

The Resolution as at Item No. 4 of the Notice is therefore set out as an Ordinary Resolution for approval and ratification by the Members.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 4 of the Notice.

Your Directors recommend the resolution as at Item No.4 for your approval.

Item No. 5.

Mr. Seturaman Mahalingam (DIN 00121727), who was appointed as a Director of the Company in the category of Independent Director, holds office up to the conclusion of the ensuing Annual General Meeting of the Company ("first term" in terms of Section 149(10) of the Companies Act,2013 ("the Act")). The Company has received a Notice in writing under the provisions of Section 160 of the Act, from a Member proposing the candidature of Mr. Seturaman Mahalingam for the Office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act,2013.

Section 149(10) of the Act, provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) further provides that an independent director may hold office for up to two consecutive terms.

The Board taking into account the recommendation of the Nomination and Remuneration Committee and on the basis of the report of performance evaluation of Independent Directors, has recommended the re-appointment of Mr. Seturaman Mahalingam as a Director of the Company in the category of Independent Director, for a second term of upto July 20, 2026 or upto the conclusion of the 32nd Annual General Meeting of the Company in the calendar year 2026, whichever is earlier.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribes that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. The Company has received a declaration from Mr. Seturaman Mahalingam that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

Mr. Seturaman Mahalingam is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director.

The aforesaid Independent Director is an eminent personality with rich experience in various facets of business. Your Board considers that his continued association with the Company would be of immense benefit to the Company. In the opinion of the Board, Mr. Seturaman Mahalingam fulfils the conditions for appointment as an independent Director as specified in the Act and the Listing Regulations. He is also independent of the management.

A brief resume of Mr. Seturaman Mahalingam, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, are provided in the statement giving details pursuant to Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the Secretarial Standard-2 in respect of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting, annexed to this Notice.

A copy of the draft letter of appointment of Mr. Seturaman Mahalingam setting out the terms and conditions of his appointment is available for inspection by the members at the registered office of the Company on all working days between 10.30 AM and 12.30 PM (except Sundays and Public Holidays) up to the date of the AGM and is also available on the website of the Company at www.jsw.in.

None of the Directors or Key Managerial Personnel of the Company or their relatives, other than Mr. Seturaman Mahalingam or his relatives (to the extent of their shareholding interest, if any, in the Company), are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Your Directors recommend the resolution as at Item No. 5 for your approval.

Item No. 6.

JSW Steel Ltd. ("the Company") embarked on a capital expenditure programme in the year 2017 for expanding its steelmaking capacity from 18 MTPA to 24 MTPA, doubling of its downstream capacity, acquisition of iron ore mines and also for setting up several cost reduction and efficiency improvement projects. When the project work was in full swing, the unprecedented outbreak of COVID-19 pandemic in March/April 2020 and the consequent nationwide lock down stalled the implementation, delaying the commissioning of the projects. The Company remobilised the manpower resources after lifting of lockdown restrictions and recommenced the project work, but the recent more infectious second covid wave once again hampered the project implementation. Many of these projects are now expected to be completed in FY 2021-22. As a part of its inorganic growth strategy, the Company also completed acquisition of Bhushan Power and Steel Ltd. and Asian Colour Coated Ispat Ltd under the provisions of Insolvency Bankruptcy Code 2016. The commissioning of expansion project and acquisition of these assets is coinciding with the revival of steel demand globally and also in India. Steel demand is expected to grow by 5.8% globally as per short range outlook released by World Steel Association in April, 2021. The large commodity intensive infrastructure spend through massive fiscal stimulus by various governments and accommodative monetary policies by central banks is expected to give a boost to steel demand. In india, the mammoth outlay of ₹111 lakh crore on National Infrastructure pipeline is a big enabler for accelerated growth in steel demand. With incremental capacities coming on stream in this financial year, the Company is well positioned to leverage this opportunity.

The National Steel policy 2017 envisages installed crude steel capacity of 300 MnT to meet the growing demand in India. While the demand is expected to grow, the capacity creation in the Industry is at a slower pace. The Company can expand its crude steel capacity from 24 MTPA to 30.5 MTPA by undertaking brown field expansion at its Vijayanagar works at relatively lower specific investment cost per tonne of installed capacity. The Iron ore mines in the State of Odisha secured by the Company are now fully operational partially meeting the requirement of iron ore. It is also imperative to commit certain capex to operate these mines more efficiently and also to improve the quality of ore through grinding and washing at pit head of the mine. The Company also identified some special projects that have a payback period of less than two years. Keeping in view this compelling opportunity, the Company has announced a new capex programme. entailing a capex of ₹25,115 Crore (including sustenance & other capex of ₹6,565 Crore) to be incurred by the Company / its subsidiaries spread over 3 years from FY22 to FY24. The Company, in addition to pursing organic growth continues to evaluate and pursue various M&A opportunities to achieve it long term vision.

Considering the growth plans for the Company and the opportunities for inorganic growth, notwithstanding the substantial cash generation from operations currently, the Company should be in readiness to raise resources if required with enabling resolutions. An equity fund raise shall strengthen the Balance Sheet and also provide cushion against volatility/ cyclicality in the steel sector, while keeping the leverage levels/ financial covenants under manageable thresholds.

There is an opportunity to raise resources by way of equity, convertible debentures or such instruments to bolster the capital base of the Company and to strengthen its financial structure for taking up the next phase of growth.

Therefore, it is in the interest of the Company to raise long term resources with convertible option so as to optimise capital structure for future growth. The proceeds of the issue may be used for long-term funding to meet the planned capital expenditure (including by way of investment in subsidiaries) or for refinancing of expensive debt to reduce interest costs or for general corporate purposes.

The enabling resolution passed by the members at the Twenty Sixth Annual General meeting of the Company held on July 23, 2020 authorising the issuance of Specified Securities by way of a Qualified Institutions Placement is valid only for a period of one year from the date of the Annual General Meeting. It is therefore proposed that the Board of Directors (or any committee thereof) be authorised by way of a fresh enabling resolution as at Item No. 6 of this Notice, to raise additional long-term resources depending upon market conditions by way of issuance of:

i. Non-Convertible Debentures with warrants ("NCD with Warrants") which are convertible into or exchangeable with equity shares of the Company of face value of ₹1 each (the "Equity Shares" and together with NCD with Warrants, the "Specified Securities") at a later date for an amount not exceeding ₹7,000 crores (Rupees seven thousand crores only), inclusive of such premium as may be decided by the Board; and/or

ii. Equity Shares and/or convertible securities (other than warrants) for an amount not exceeding ₹7,000 crores (Rupees seven thousand crores only), inclusive of such premium as may be decided by the Board;

to Qualified Institutional Buyers (as defined in the SEBI ICDR Regulations) ("**QIBs**") by way of a Qualified Institutions Placement ("**QIP**"), whether or not they are members of the Company, as provided under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**").

The price at which the Specified Securities will be issued will be determined by the Board of Directors of the Company in accordance with applicable law and in consultation with the experts/investment bankers/ advisors and the securities may be offered, issued and allotted to investors who may not be Members of the Company, at the sole discretion of the Board in accordance with applicable law, however the basis of pricing of Specified Securities issued under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") shall be the pricing formula as prescribed under the SEBI ICDR Regulations, as amended from time to time.

The allotment of Specified Securities referred to in the resolution proposed under Item No.6 of this Notice, is to be completed within a period of 365 days from the date of approval by the members accorded by way of a special resolution approving the QIP or such other time as may be permitted under the SEBI ICDR Regulations.

The end use of the issue proceeds will be in compliance with applicable laws and regulations.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested financially or otherwise in the resolution set out at Item No.6 of this Notice.

Your Directors recommend the resolution as at Item No. 6 for your approval.

Item No. 7.

In terms of the provisions of section 186 read with the Rules framed thereunder and other applicable provisions, if any, of the Companies Act, 2013, no Company shall directly or indirectly, without prior approval by means of special resolution passed at a general meeting, give any loan to any person or other body corporate, give any guarantee or provide any security in connection with a loan to any other body corporate or person and acquire by way of subscription, purchase or otherwise the securities of any other body corporate exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Vide the resolution passed by the Members of the Company at the Twenty Fourth Annual General Meeting of the Company held on July 24, 2018, the Members had pursuant to the provisions of Section 186 of the Companies Act, 2013 read with the Rules framed thereunder, empowered the Board of Directors to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, whether Indian or overseas, upto a maximum aggregate amount of ₹20,000 crores (Rupees Twenty Thousand crores only) outstanding at any point of time, over and above the permissible limit under Section 186(2) of the Companies Act, 2013 (being 60% of the Company's paid-up share capital, free reserves and securities premium account or 100% of Company's free reserves and securities premium account, whichever is more).

As a part of its growth strategy, the Company has a vision to expand its steel capacity to 40 MTPA by 2030 by means of Brownfield and Greenfield expansions (including in subsidiaries/ joint venture companies) and also through acquisitions and continues to scan forward and backward integration opportunities including overseas for its steel making operations in India. In order to support its business activities and that of its subsidiaries/joint venture companies, the Company may be required to give loans to any person or other body corporate and/ or give guarantee and/or provide security in connection with a loan to any other body corporate or person and to make investment or acquire by way of subscription, purchase or otherwise the securities of any other body corporate, including subsidiaries, in excess of the limits prescribed under the Companies Act, 2013 and the rules made thereunder.

The Board of Directors of the Company has from to time approved proposals to invest/to give loan/guarantees or provide security to the wholly owned subsidiary Companies, subsidiary Companies, Joint Ventures and other associate or group entities and persons, other body corporates, subject to approval of members wherever required and fulfilment of the applicable provisions of the Companies Act.

In this regard, it may be noted that (a) investments/ loans/guarantees/securities made or given or provided by the company (as the case may be) to its wholly owned subsidiaries and to other persons (not being bodies corporate), are required to be considered while computing the total investments made, loans given, and guarantees and securities provided by a company for the purposes of calculating the limits specified under Section 186 (2) of the Companies Act, 2013.

Notwithstanding the above, it may be noted that as per Rule 11(1) of the Companies (Meetings of Board and its Powers) Rules, 2014 (the "Rules") (as amended) approval of the Shareholders would not be required if a company gives loans/guarantees or provides securities to its wholly owned subsidiary company or a joint venture company or makes investments in the securities of its wholly owned subsidiary company, in excess of the limits specified under Section 186(2) of the Act.

It is therefore proposed to obtain an enabling approval of the shareholders by means of a Special Resolution, authorising the Board to exercise the aforesaid powers invest/to give loan/guarantees or provide security, upto a maximum aggregate amount of ₹30,000 crores (Rupees Thirty thousand crores only) outstanding at any point of time, over and above the permissible limit under Section 186(2) of the Companies Act, 2013 (presently being 60% of the Company's paid-up share capital, free reserves and securities premium account or 100% of Company's free reserves and securities premium account, whichever is more). The incremental increase sought is ₹10,000 crores (Rupees Ten thousand crores only), over and above the limit approved by the shareholders earlier in the 24th Annual General Meeting of the Company held on July 24, 2018, under Section 186(3) of the Companies Act, 2013. This enhancement in limit by ₹10,000 crores is required considering the Company's future organic and inorganic growth plans.

All inter-corporate loans and investments are scrutinised by the Audit Committee. The Audit Committee also reviews the utilisation of loans and/ or advances from/investment by the Company in its subsidiary Companies. Related Party transactions involving Inter-corporate loans, Guarantees and investments by the Company are also subjected to approval by the Audit Committee.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No.7 of this Notice, except to the extent of their shareholding, if any in the bodies corporate in which investments may be made or loans/ guarantees may be given, or security may be provided pursuant to this Special Resolution.

Your Directors recommend the resolution as at Item No. 7 for your approval.

Item No. 8 and 9.

Stock options represent a reward system based on performance. They help companies to attract, retain and motivate the best available talent. Stock options also have gone a long way in aligning the interest of the employees with that of the organisation besides providing employees an opportunity to participate in the growth of the Company and creating long term wealth in their hands.

In line with this, the Company had formulated an employee stock ownership plan called "JSWSL Employee Stock Ownership Plan" in 2007, "JSWSL Employee Stock Ownership Plan" in 2010, "JSWSL Employee Stock Ownership Plan" in 2012 and "JSWSL Employee Stock Ownership Plan" in 2016. This has gone a long way in aligning the employees' efforts towards achievement of stated business outcomes for the organisation.

As the global business environment is becoming increasingly competitive, it is important to attract and retain qualified, talented and competent senior & middle management personnel in the Company. It is therefore necessary to formulate a fresh plan to grant equity options of the Company to the senior & middle management employees at attractive terms to further strengthen the ownership mindset and provide them an opportunity for wealth creation linked to the growth and performance of the organisation.

The Board of Directors of the Company at its meeting held on May 21, 2021, keeping in view the aforesaid objectives, formulated the **Shri. OP Jindal Employees Stock Ownership Plan (JSWSL) 2021** ("**OPJ ESOP Plan / Plan**"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the OPJ ESOP Plan.

Grant of stock options under the OPJ ESOP Plan shall be as per the terms and conditions as may be decided by the ESOP Committee from time to time in accordance with the provisions of Companies Act, 2013, the rules made thereunder and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**ESOP Regulations**"). The OPJ ESOP Plan is proposed to be implemented through the JSW Steel Employees Welfare Trust ("**ESOP Trust**"). The ESOP Trust will acquire equity shares of the Company from the secondary market for this purpose.

Under the provisions of the Companies Act, 2013 and the ESOP Regulations, approval of the members by way of a special resolution is required for a stock option plan involving acquisition of shares of the company from the secondary market.

The salient features of the OPJ ESOP Plan are as under:

1. Total number of Options to be granted.

(a) A total of 47,00,000 options would be available for grant to the eligible employees of the Company and its director(s) excluding independent directors and a total of 3,00,000 options would be available for grant to the eligible employees of the Indian Subsidiaries of the Company and their director(s) excluding independent directors, under the ESOP Plan.

(b) Number of options shall be adjusted due to any corporate action(s) such as rights issue, bonus issue, buy-back of shares, split or consolidation of shares etc. of the Company.

(c) Each option when exercised would give the option holder a right to get one fully paid equity share of the Company.

(d) In cases where options, whether vested or unvested, lapse or expire or are forfeited for any reason, the ESOP Committee may re-issue the options to other eligible employees. The options so issued shall be subject to the terms and conditions of the ESOP Plan.

2. Implementation of OPJ ESOP Plan through ESOP Trust

The ESOP Plan would be implemented through the ESOP Trust since it is proposed that the equity shares of the Company would be acquired from the secondary market. The Company believes that the implementation of the OPJ ESOP Plan through secondary market acquisition is in the best interests of the Company and its shareholders and it will not cause any loss to the existing shareholders from dilution in their shareholding besides being easier and efficient in implementation. The ESOP Trust shall be authorised to acquire equity shares of the Company from the secondary market. The Company proposes to provide financial assistance to the ESOP Trust for this purpose subject to the overall limits specified under the applicable laws.

3. Classes of employees entitled to participate in the OPJ ESOP Plan

Present and future, permanent employees and directors (whether whole time director or not but excluding independent directors) of the Company and its Indian subsidiary company(ies) of grade L16-19 and select employees of grade L11 – L15, as may be determined by ESOP Committee from time to time, shall be eligible to participate in the OPJ ESOP Plan.

The promoter, the person belonging to the promoter group or director, who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company, shall not be eligible to participate in the OPJ ESOP Plan. Moreover, independent directors are also not eligible to participate in the OPJ ESOP Plan.

4. Requirements of Vesting, period of Vesting and maximum period of Vesting

The options granted shall vest so long as the employee continues to be in the employment of the Company or any of its subsidiaries or group Company. The vesting period shall be decided by the ESOP Committee from time to time but shall not be less than one year and not more than 3 years from the date of grant of options. Vesting may happen in one or more tranches. The detailed terms and conditions for vesting will be governed by the ESOP Plan.

5. Conditions under which the options may lapse:

In case of termination of employment, the Options, to the extent not previously vested, will lapse on the date of such termination of employment. In case the grantee's employment is terminated for cause, the options vested in the employee will lapse on the date of termination. In case the grantee's employment is terminated for reasons other than cause, the vested options can be exercised by the employee within 1 month from the date of termination.

However, resignation on account of leaving the company for joining any associate or subsidiary company of the Company will be regarded as employment transfers within the Company and will not be regarded as resignation or termination under this clause and all grants made by the Company shall, subject to applicable law, continue to vest and be exercisable by the Employee as per this Scheme so long as the employee remains in the employment of any associate or Subsidiary Company.

In case of retirement of the employee, all the terms and conditions of the Plan will continue unchanged and the options will vest in the employee as per the vesting schedule. The employee can exercise the vested options within 6 months from the date of vesting.

In case of death or permanent incapacitation of the employee, all options granted to the employee as on such date shall, vest on such date in the nominees or legal heirs of the deceased grantee or the grantee (in the event of incapacitation) and the Options must be exercised within 6 months from the date of the grantee's death or permanent disability.

In the event the employee avails a long leave, all the terms and conditions of the Plan will continue unchanged and the employee, unless the ESOP Committee decides otherwise.

In cases where the employee is undergoing disciplinary inquiry in accordance with the Company's policies, or the Company discovers that the employee had committed any act which would enable the Company to terminate his employment for "Cause", the ESOP Committee may at its discretion, delay the vesting, lapse, expire or forfeit all or part of the vested or unvested Options which are held by employee.

6. Exercise Price or pricing formula

The exercise price shall be equivalent to par value of ₹1 per share. Employee shall bear all tax liability in relation to the options.

7. Exercise Period and process of exercise

The ESOP Committee shall decide the exercise period from time to time which can be extended up to four years from the vesting date(s).

The grantee can exercise the options at any time after the vesting date either in full or in tranches by making full payment of exercise price and applicable taxes and by execution of such documents as may be prescribed by the ESOP Committee, from time to time.

The ESOP Plan will also permit cashless exercise of options. When a grantee exercises the option, the corresponding shares relating to such option exercised will be sold within a reasonable time on a stock exchange on which the shares are listed and publicly traded at the time of such cashless exercise, and the grantee will be entitled to receive the difference between the selling price and the exercise price for the options exercised by him after deducting taxes payable on exercise/sale, if any, and other amounts, expenses and charges due from him (including that in connection with the sale of shares).

For the purpose of implementing the cashless exercise, the ESOP Committee shall be entitled to specify such procedures and/or mechanisms for exercise of the Options as may be necessary and the same shall be binding on the Grantee.

8. Lock-in period

There shall be no lock-in period on shares transferred to employees pursuant to exercise of option.

9. Appraisal process for determining the eligibility of the employees.

The process for determining the eligibility of the employees will be specified by the ESOP Committee and will be based on grade, average fixed compensation of the grade, performance linked parameters such as work performance and such other criteria as may be determined by the ESOP Committee at its sole discretion, from time to time.

10. Maximum number of options to be granted per employee and in aggregate"

The maximum number of options to be granted to an eligible employee will be determined by the ESOP Committee on case to case basis and shall not exceed the limit prescribed under the ESOP Regulations and other applicable laws. The maximum number of options granted under the Plan will not exceed 50,00,000 representing 0.21% of the issued equity share capital of the Company.

11. Maximum quantum of benefits to be provided per employee under the Plan:

Unless otherwise determined by the Committee, the maximum quantum of benefits underlying the Equity Shares acquired by the Employee will be the difference in the exercise price and the market price of the equity shares.

12. Route of Plan implementation

The Plan shall be implemented by the ESOP Trust under the supervision of the Board or Committee thereof.

13. Primary / Secondary Route

The Plan envisages the acquisition of equity shares by the ESOP Trust through the secondary route.

14. Source of equity shares

The Plan contemplates secondary acquisition of equity shares by the ESOP Trust and the transfer of such equity shares to the employee upon exercise of options by the employee.

15. The amount of loan provided for implementation of the Plan by the Company to the ESOP Trust, its tenure, utilisation, repayment terms etc.:

The Company will provide an interest free loan of up to ₹368.76 crores*.(Rupees Three Hundred Sixty-Eight crores and Seventy Six Lakhs only) or such higher amount as may be sanctioned by the Board, subject to applicable law, taking into account any potential increase in the market price of the equity shares of the Company, for acquisition of up to 50,00,000 (Fifty Lakhs only) equity shares of the Company from the secondary market representing 0.21% of the paid up equity capital of the Company. As and when the exercise price is recovered from the employees from time to time upon exercise of option, the trust shall repay the loan amount to the Company.

*The aforesaid amount is based on market price of ₹737.51 per share as on May 14, 2021, being the date seven days prior to the meeting of the Board of Directors in which the Plan was approved.

16. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purchase under the Plan

The ESOP Trust can acquire up to 50,00,000 (Fifty Lakhs only) equity shares of the Company from the secondary market representing 0.21% of the paid up equity capital of the Company.

17. Compliance with Accounting Policies

The Company shall comply with the disclosures, the accounting policies and other requirements as may be prescribed under the ESOP Regulations and other applicable laws from time to time.

18. Method of valuation of options

The Company will adopt the fair value method for accounting purposes. Black-Scholes option pricing model will be used for determining the fair value of an option granted under the OPJ ESOP Plan.

The ESOP Committee shall have all the powers to take necessary decisions for effective implementation of the OPJ ESOP Plan. In terms of the provisions of the ESOP Regulations, the OPJ ESOP Plan is required to be approved by the members by passing of special resolution.

The ESOP Regulations also require separate approval of members by way of special resolution to grant stock options to the employees of subsidiary companies. Accordingly, a separate resolution under Item No. 9 is proposed, to extend the benefits of OPJ ESOP Plan to the employees of subsidiary company(ies) as may be decided by the ESOP Committee from time to time under applicable laws.

A copy of the draft OPJ ESOP Plan will be available for inspection on all working days (Monday to Friday) between 10.00 a.m. and 1.00 p.m. at the Registered Office of the Company.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolutions except to the extent of the stock options that may be granted to them under the OPJ ESOP Plan.

The Board recommends passing of the resolutions as set out under Item No. 8 and 9 for approval of the members as a special resolution.

Item No. 10.

In terms of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**ESOP Regulations**"), employees' welfare schemes may be implemented inter-alia by acquisition of existing shares of the company from the secondary market through a trust.

It is proposed that the JSW Steel Employees Welfare Trust ("**ESOP Trust**") be entrusted with the responsibility of administration and implementation of the **Shri. OP Jindal Employees Stock Ownership Plan (JSWSL) 2021** ("**OPJ ESOP Plan**") for this purpose. Upon approval of the members and after complying with the procedural and statutory formalities, the ESOP Trust, is empowered to acquire in one or more tranches, up to 50,00,000 equity shares of the Company from the secondary market representing 0.21% of the paid up equity capital of the Company for the implementation of the OPJ ESOP Plan.

The Company proposes to provide financial assistance to the ESOP Trust of up to ₹368.76 crores (Rupees Three hundred sixty eight crores and Seventy Six Only) to undertake the secondary acquisition. It is proposed that the Board be provided with the flexibility to sanction a higher loan amount if the cost of the secondary acquisition exceeds the amount sanctioned, in view of the increase in the price of the equity shares of the Company. The loan shall be an interest free loan and is proposed to be utilised for implementation of the OPJ ESOP Plan. As and when the exercise price is recovered from the employees from time to time upon exercise of option, the trust shall repay the loan amount to the Company. The Board passed a resolution approving the proposal for the provision of money by the Company as may be decided by the Committee within the limit of 5% of the aggregate of the paid-up share capital and free reserves of the Company, as prescribed under Section 67 of the Act read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014.

Disclosures as required under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014:

1. The class of employees for whose benefit the scheme is being implemented and money is being provided for purchase of or subscription to shares:

Present and future, permanent employees and directors (whether whole time director or not but excluding independent directors) of the Company and its Indian subsidiary company(ies) of grade L16-19 and select employees of grade L11 – L15, as may be determined by ESOP Committee from time to time, shall be eligible to participate in the ESOP Plan.

The promoter, the person belonging to the promoter group or director, who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company, shall not be eligible to participate in the ESOP Plan. Moreover, independent directors are also not eligible to participate in the OPJ ESOP Plan.

2. **The particulars of the trustee or employees in whose favour such shares are to be registered:**
The shares will be registered in the name of the ESOP Trust.

3. **The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:**

Name and Address of the Trust: JSW Steel Employees Welfare Trust, Jindal Mansion, 5A, Dr.G.Deshmukh Marg, Mumbai – 400026.

Name of Trustees, Address, Occupation, Nationality:

Mr Swapnil Suresh Navalkar, A-601 Aster, Valley of Flowers, Thakur Village, Kandivali East, Mumbai 400101, Service, Indian.

Mr Sanjeev Tansukhlal Doshi, B/201, Mhatre Plaza, M G Road, Dahanukar Wadi, Kandivali West, Mumbai 400067, Service, Indian.

None of the trustees are related to the Promoters/ Directors/Key Managerial Personnel of the Company. Subject to compliance of the provisions of applicable laws, the aforesaid trustees may be changed at any time.

4. **Any interest of Key Managerial Personnel, Directors or Promoters in such scheme or trust and effect thereof:**
The Key Managerial Personnel and Directors are interested in the ESOP Plan only to the extent of stock options that may be granted to them under the OPJ ESOP Plan.

5. **The detailed particulars of benefits which will accrue to the employees from the implementation of the scheme:**
Upon exercise of stock options, the eligible employees, will be entitled to equivalent number of equity shares of the Company, at a pre-determined exercise price as per the terms of grant.

6. **The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised:**
In line with the requirements of the ESOP Regulations, the trustees of the ESOP Trust shall not exercise voting rights in respect of the shares of the Company held by the ESOP Trust.

In terms of the provisions of the applicable laws, approval of the members by passing of special resolution as set out under item no. 10 is sought for the secondary market acquisition of equity shares of the Company by the ESOP Trust for the implementation of the OPJ ESOP Plan and also to extend financial assistance to the trust towards acquisition of such shares.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of the stock options that may be granted to them under the OPJ ESOP Plan.

The Board recommends the passing of resolution as set out under Item No. 10 for approval of the members as a special resolution.

Item No.11 and 12.

Stock options represent a reward system based on performance. They help companies to attract, retain and motivate the best available talent. Stock options also have gone a long way in aligning the interest of the employees with that of the organisation besides providing employees an opportunity to participate in the growth of the Company and creating long term wealth in their hands.

The Company had formulated a shares from salary plan called "JSWSL EMPLOYEES SAMRUDDHI PLAN 2019" for employees in the grade of General Manager and below. It was launched in September 2019 and will end by September 2021.

In parallel, the Company had instituted the ESOP Plan 2016 for employees in the grade of Associate Vice President (L-16) & above which created a very positive impact on Employees. There has been a feedback from employees to extend ESOP to other employees also.

The Board of Directors of the Company at its meeting held on May 21, 2021, keeping in view the aforesaid objectives, formulated the **JSWSL Shri. O.P.JINDAL SAMRUDDHI PLAN 2021** ("**JSWSL OPJ Samruddhi Plan 2021 / Plan**"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the Plan.

Grant of stock options under the Plan shall be as per the terms and conditions as may be decided by the ESOP Committee from time to time in accordance with the provisions of Companies Act, 2013, the rules made thereunder and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**ESOP Regulations**"). The Plan is proposed to be implemented through the JSW Steel Employees Welfare Trust ("**ESOP Trust**"). The ESOP Trust will acquire equity shares of the Company from the secondary market for this purpose.

Under the provisions of the Companies Act, 2013 and the ESOP Regulations, approval of the members by way of a special resolution is required for a stock option plan involving acquisition of shares of the Company from the secondary market.

The salient features of the Plan are as under:

1. **Total number of Options to be granted.**

   (a) A total of 67,00,000 options would be available for grant to the eligible employees of the Company and its director(s) excluding independent directors and a total of 13,00,000 options would be available for grant to the eligible employees of the Indian Subsidiaries of the Company and their director(s) excluding independent directors, under the Plan.

   (b) Number of options shall be adjusted due to any corporate action(s) such as rights issue, bonus issue, buy-back of shares, split or consolidation of shares etc. of the Company.

   (c) Each option when exercised would give the option holder a right to get one fully paid equity share of the Company.

   (d) In cases where options, whether vested or unvested, lapse or expire or are forfeited for any reason, the ESOP Committee may re-issue the options to other eligible employees. The options so issued shall be subject to the terms and conditions of the Plan.

2. **Implementation of the JSWSL OPJ Samruddhi Plan 2021 through ESOP Trust**

   The Plan would be implemented through the ESOP Trust since it is proposed that the equity shares of the Company would be acquired from the secondary market. The Company believes that the implementation of the Plan through secondary market acquisition is in the best interests of the Company and its shareholders and it will not cause any loss to the existing shareholders from dilution in their shareholding besides being easier and efficient in implementation. The ESOP Trust shall be authorised to acquire equity shares of the Company from the secondary market. The Company proposes to provide financial assistance to the ESOP Trust for this purpose subject to the overall limits specified under the applicable laws.

3. **Classes of employees entitled to participate in the Plan**

   Present and future, permanent employees of the Company and its Indian subsidiary company(ies) of grade L1 – L15, shall be eligible to participate in the Plan. However, employees who have been granted options under the OPJ ESOP Plan will not be eligible to receive the grants under the JSWSL OPJ Samruddhi Plan 2021.

   The promoter, the person belonging to the promoter group or director, who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company, shall not be eligible to participate in the JSWSL OPJ Samruddhi Plan 2021. Moreover, independent directors are also not eligible to participate in the JSWSL OPJ Samruddhi Plan 2021.

4. **Requirements of Vesting, period of Vesting and maximum period of Vesting**

   The options granted shall vest so long as the employee continues to be in the employment of the Company or any of its subsidiaries or group Company. The vesting period shall be decided by the ESOP Committee from time to time but shall not be less than one year and not more than 4 years from the date of grant of options. Vesting may happen in one or more tranches. The detailed terms and conditions for vesting will be governed by the Plan.

5. **Conditions under which the options may lapse:**

   In case of termination of employment, the Options, to the extent not previously vested, will lapse on the date of such termination of employment. In case the grantee's employment is terminated for cause, the options vested in the employee will lapse on the date of termination. In case the grantee's employment is terminated for reasons other than cause, the vested options can be exercised by the employee within 1 month from the date of termination.

   However, resignation on account of leaving the company for joining any associate or subsidiary company of the Company will be regarded as employment transfers within the Company and will not be regarded as resignation or termination under this clause and all grants made by the Company shall, subject to applicable law, continue to vest and be exercisable by the Employee as per this Scheme so long as the employee remains in the employment of any associate or Subsidiary Company.

   In case of retirement of the employee, all the terms and conditions of the Plan will continue unchanged and the options will vest in the employee as per the vesting schedule. The employee can exercise the vested options within 6 months from the date of vesting.

   In case of death or permanent incapacitation of the employee, all options granted to the employee as on such date shall, vest on such date in the nominees or legal heirs of the deceased grantee or the grantee (in the event of incapacitation) and the Options must be exercised within 6 months from the date of the grantee's death or permanent disability.

   In the event the employee avails a long leave, all the terms and conditions of the Plan will continue unchanged and the employee, unless the ESOP Committee decides otherwise.

   In cases where the employee is undergoing disciplinary inquiry in accordance with the Company's policies, or the Company discovers that the employee had committed any act which would enable the Company to terminate his employment for "Cause", the ESOP Committee may at its discretion, delay the vesting, lapse, expire or forfeit all or part of the vested or unvested Options which are held by employee.

6. **Exercise Price or pricing formula**
The exercise price shall be equivalent to ₹1. Employee shall bear all tax liability in relation to the options.

7. **Exercise Period and process of exercise**
The ESOP Committee shall decide the exercise period from time to time which can be extended up to four years from the vesting date(s).

The grantee can exercise the options at any time after the vesting date either in full or in tranches by making full payment of exercise price and applicable taxes and by execution of such documents as may be prescribed by the ESOP Committee, from time to time.

The JSWSL OPJ Samruddhi Plan 2021 will also permit cashless exercise of options. When a grantee exercises the option, the corresponding shares relating to such option exercised will be sold within a reasonable time on a stock exchange on which the shares are listed and publicly traded at the time of such cashless exercise, and the grantee will be entitled to receive the difference between the selling price and the exercise price for the options exercised by him after deducting taxes payable on exercise/sale, if any, and other amounts, expenses and charges due from him (including that in connection with the sale of shares).

For the purpose of implementing the cashless exercise, the ESOP Committee shall be entitled to specify such procedures and/or mechanisms for exercise of the Options as may be necessary and the same shall be binding on the grantee.

8. **Lock-in period**
There shall be no lock-in period on shares transferred to employees pursuant to exercise of option.

9. **Appraisal process for determining the eligibility of the employees**
The process for determining the eligibility of the employees will be specified by the ESOP Committee and will be based on grade, average fixed compensation of the grade, performance linked parameters such as work performance and such other criteria as may be determined by the ESOP Committee at its sole discretion, from time to time.

10. **Maximum number of options to be granted per employee and in aggregate".**
The maximum number of options to be granted to an eligible employee will be determined by the ESOP Committee on case-to-case basis and shall not exceed the limit prescribed under the ESOP Regulations and other applicable laws. The maximum number of options granted under the Plan will not exceed 80,00,000 representing 0.33% of the issued equity share capital of the Company.

11. **Maximum quantum of benefits to be provided per employee under the Plan:**
Unless otherwise determined by the Committee, the maximum quantum of benefits underlying the Equity Shares acquired by the Employee will be the difference in the exercise price and the market price of the equity shares.

12. **Route of Plan implementation**
The Plan shall be implemented by the ESOP Trust under the supervision of the Board or Committee thereof.

13. **Primary / Secondary Route**
The Plan envisages the acquisition of equity shares by the ESOP Trust through the secondary route.

14. **Source of equity shares**
The Plan contemplates secondary acquisition of equity shares by the ESOP Trust and the transfer of such equity shares to the employee upon exercise of options by the employee.

15. **The amount of loan provided for implementation of the Plan by the Company to the ESOP Trust, its tenure, utilisation, repayment terms etc.:**
The Company will provide an interest free loan of up to ₹590.01 crores* (Rupees Five hundred and Ninety crores and ten lakhs only) or such higher amount as may be sanctioned by the Board, subject to applicable law, taking into account any potential increase in the market price of the equity shares of the Company, for acquisition of up to 80,00,000 (Eighty Lakhs only) equity shares of the Company from the secondary market representing 0.33% of the paid up equity capital of the Company. As and when the exercise price is recovered from the employees from time to time upon exercise of option, the trust shall repay the loan amount to the Company.

*The aforesaid amount is based on market price of ₹737.51 per share as on May 14, 2021, being the date seven days prior to the meeting of the Board of Directors in which the Plan was approved.

16. **Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purchase under the Plan**
The ESOP Trust can acquire up to 80,00,000 (Eighty Lakhs only) equity shares of the Company from the secondary market representing 0.33% of the paid up equity capital of the Company.

17. **Compliance with Accounting Policies**
The Company shall comply with the disclosures, the accounting policies and other requirements as may be prescribed under the ESOP Regulations and other applicable laws from time to time.

18. **Method of valuation of options**

The Company will adopt the fair value method for accounting purposes. Black-Scholes option pricing model will be used for determining the fair value of an option granted under the ESOP Plan.

The ESOP Committee shall have all the powers to take necessary decisions for effective implementation of the Plan. In terms of the provisions of the ESOP Regulations, the Plan is required to be approved by the members by passing of special resolution.

The ESOP Regulations also require separate approval of members by way of special resolution to grant stock options to the employees of subsidiary companies. Accordingly, a separate resolution under item no. 12 is proposed, to extend the benefits of the Plan to the employees of subsidiary company(ies) as may be decided by the ESOP Committee from time to time under applicable laws.

A copy of the draft Plan will be available for inspection on all working days (Monday to Friday) between 10.00 a.m. and 1.00 p.m. at the Registered Office of the Company.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolutions except to the extent of the stock options that may be granted to them under the Plan.

The Board recommends passing of the resolutions as set out under Item No.11 and 12 for approval of the members as a special resolution.

Item No. 13

In terms of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**ESOP Regulations**"), employees' welfare schemes may be implemented inter-alia by acquisition of existing shares of the company from the secondary market through a trust.

It is proposed that the JSW Steel Employees Welfare Trust ("**ESOP Trust**") be entrusted with the responsibility of administration and implementation of the JSWSL Shri. O.P.Jindal Samruddhi Plan – 2021 ("**JSWSL OPJ Samruddhi Plan 2021**") for this purpose. Upon approval of the members and after complying with the procedural and statutory formalities, the ESOP Trust, is empowered to acquire in one or more tranches, up to 80,00,000 (Eighty Lakhs only) equity shares of the Company from the secondary market representing 0.33% of the paid-up equity capital of the Company for the implementation of the JSWSL OPJ Samruddhi Plan 2021.

The Company proposes to provide financial assistance to the ESOP Trust of up to ₹590.01 crores (Rupees Five hundred and Ninety crores and one lakh only) to undertake the secondary acquisition. It is proposed that the Board be provided with the flexibility to sanction a higher loan amount if the cost of the secondary acquisition exceeds the amount sanctioned, in view of the increase in the price of the equity shares of the Company. The loan shall be an interest free loan and is proposed to be utilised for implementation of the JSWSL OPJ Samruddhi Plan 2021. As and when the exercise price is recovered from the employees from time to time upon exercise of option, the trust shall repay the loan amount to the Company. The Board passed a resolution approving the proposal for the provision of money by the Company as may be decided by the Committee within the limit of 5% of the aggregate of the paid-up share capital and free reserves of the Company, as prescribed under Section 67 of the Act read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014.

Disclosures as required under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014:

1. **The class of employees for whose benefit the scheme is being implemented and money is being provided for purchase of or subscription to shares:**

   Present and future, permanent employees of the Company and its Indian subsidiary company(ies) of grade L1 – L15, shall be eligible to participate in the Plan. However, employees who have been granted options under ESOP Plan will not be eligible to receive the grants under the JSWSL OPJ Samruddhi Plan 2021.

   The promoter, the person belonging to the promoter group or director, who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company, shall not be eligible to participate in the JSWSL OPJ Samruddhi Plan 2021. Moreover, independent directors are also not eligible to participate in the JSWSL OPJ Samruddhi Plan 2021.

2. **The particulars of the trustee or employees in whose favour such shares are to be registered:**

   The shares will be registered in the name of the ESOP Trust.

3. **The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:**

   Name and Address of the Trust: JSW Steel Employees Welfare Trust, Jindal Mansion, 5A, Dr.G.Deshmukh Marg, Mumbai – 400026.

Name of Trustees, Address, Occupation, Nationality:

Mr Swapnil Suresh Navalkar, A-601 Aster, Valley of Flowers, Thakur Village, Kandivali East, Mumbai 400101, Service, Indian.

Mr Sanjeev Tansukhlal Doshi, B/201, Mhatre Plaza, M G Road, Dahanukar Wadi, Kandivali West, Mumbai 400067, Service, Indian.

None of the trustees are related to the Promoters/ Directors/Key Managerial Personnel of the Company. Subject to compliance of the provisions of applicable laws, the aforesaid trustees may be changed at any time.

4. **Any interest of Key Managerial Personnel, Directors or Promoters in such scheme or trust and effect thereof:**
   None of the Key Managerial Personnel or Directors are interested in the JSWSL OPJ Samruddhi Plan 2021 as no stock options are being granted to them under this Plan.

5. **The detailed particulars of benefits which will accrue to the employees from the implementation of the scheme:**
   Upon exercise of stock options, the eligible employees, will be entitled to equivalent number of equity shares of the Company, at a pre-determined exercise price as per the terms of grant.

6. **The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised:**
   In line with the requirements of the ESOP Regulations, the trustees of the ESOP Trust shall not exercise voting rights in respect of the shares of the Company held by the ESOP Trust.

   In terms of the provisions of the applicable laws, approval of the members by passing of special resolution as set out under item no. 13 is sought for the secondary market acquisition of equity shares of the Company by the ESOP Trust for the implementation of the JSWSL OPJ Samruddhi Plan 2021 and also to extend financial assistance to the trust towards acquisition of such shares.

   None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

   The Board recommends the passing of resolution as set out under Item No. 13 for approval of the members as a special resolution.

By Order of the Board,
For **JSW STEEL LIMITED,**

Sd/-
Lancy Varghese
Company Secretary
Membership No. FCS 9407

Place: Mumbai
Date: May 21, 2021

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTH COMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2]

Name of the Director	Mr. Seshagiri Rao MVS	Mr. Seturaman Mahalingam
Date of Birth / Age	15.01.1958 / 63 Years	16.02.1948 / 73 Years
Date of first Appointment on the Board	06.04.1999	27.07.2016
Qualification	AICWA, LCS, CAIIB, Diploma in Business Finance	C.A
Experience/ Expertise in specific functional areas/ Brief resume of the Director	Mr.Seshagiri Rao M.V.S. is the Joint Managing Director & Group CFO, JSW Steel Ltd, responsible for overall operations of JSW Steel including Strategy formulations related to business development, expansion of existing businesses, joint ventures, mergers and acquisitions and Cost management. He possesses rich experience spanning over three decades in Steel Sector and in the areas of Corporate Finance and Banking. He joined JSW Group in 1997 as Chief Financial Officer and has played active role in growth strategies of JSW Group since then. He has been actively involved in all strategic decision making within the group and has over the years grown with JSW Steel progressively shouldering higher responsibilities. Prior to joining JSW Steel he has worked with reputed organisations in various capacities. Mr. Rao was awarded the Best CFO Award by CNBC in the year 2010, and in the year 2018 he was conferred the CFO of the Year Award by Financial Express.	Mr. Seturaman Mahalingam, a chartered accountant by qualification, began his career as an IT consultant and thereafter played a major role in marketing Tata Consultancy Services (TCS) services across the globe, developing processes and creating large software development centres for the Company. He has held key positions such as Executive Director and Chief Financial Officer of TCS. Mr. Mahalingam retired from TCS in February 2013 after serving the company for over 42 years. Prior to becoming the Chief Financial Officer in February 2003, Mr.Mahalingam has managed many of the key functions in TCS including Marketing, Operations, Education and Training as well as Human Resources. He managed the company's operations in London and New York in the early days of TCS' global journey. Mr.Mahalingam has also been the President of Computer Society of India, the former Chairman of the Southern Region of Confederation of Indian Industry (CII), He was also the President of the Institute of Management Consultants of India. Mr. Mahalingam was the Chairman of CII National Council Task Force on Sector Skills Councils & Employment and was a member of the Tax Administration Reform Commission (TARC) set up by the Government of India under the chairmanship of Dr. Parthasarathi Shome. Mr.Mahalingam was chosen as the best CFO in various years by Business Today, International Market Assessment (IMA), CNBC TV18, CFO Innovation, Finance Asia and Institutional Investors. In 2012, Treasury & Risk, a US based magazine named him as one of the 16 globally most influential CFOs.
Terms & conditions of appointment / re-appointment	Tenure as a Director is subject to retirement of Directors by rotation in terms of Section 152 of the Companies Act, 2013.	As per the letter of appointment of Independent Directors uploaded on the website of the Company https://www.jswsteel.in/investors/jsw-steel-governance-and-regulatory-information-shareholders-information pursuant to clause IV (6) of Schedule IV of the Companies Act 2013.
Details of remuneration sought to be paid and remuneration last drawn, if applicable.	Nil as a Director.	Sitting Fees and Commission not exceeding 1% of the net profits in the aggregate for all of the non-executive Directors.
Disclosure of Relationship with other Directors, Manager and Key Managerial Personnel of the Company	Not inter-se related to any other Director, or Key Managerial Personnel. The Company does not have a Manager.	Not inter-se related to any other Director, or Key Managerial Personnel. The Company does not have a Manager.
Number of meetings of the Board of Directors attended during the F.Y. 2020-21	4	4

Other Directorships held as on 31.03.2021	1. JSW Ispat Special Products Limited (formerly known as Monnet Ispat Energy Limited) 2. Creixent Special Steels Limited	1. Sundaram Finance Limited 2. Lucas TVS Limited 3. TVS Supply Chain Solutions Limited 4. Nani Palkhivala Arbitration Centre (Sec 8 Company) 5. CSI Publications (Sec 8 Company) 6. IIT Madras Research Park (Sec 8 Company) 7. Kasturi & Sons Limited 8. Indian Institute of Information Technology and Management Kerala (Sec 8 Company) 9. THG Publishing Pvt Ltd 10. Veda Pata Nidhi Trust 11. Delphi- TVS Technologies Limited 12. Sundram Fasteners Limited 13. Lessonleap Academy India Pvt Ltd
Chairman/ Membership of Committees in other Indian Public Limited Companies as on 31.03.2021* (C=Chairman, M=Member)	Nil	1. Kasturi & Sons Limited Audit Committee (C) 2. TVS Supply Chain Solutions Limited Audit Committee (C) 3. Lucas TVS Limited Audit Committee (M) 4. Sundaram Fasteners Limited Audit Committee (M)
Shareholding in the Company	2,23,200	Nil

*only two Committees namely, Audit Committee, Stakeholders Relationship Committee have been considered.

INDEPENDENT AUDITOR'S REPORT

To the Members of JSW Steel Limited

Report on the Audit of the Standalone Ind AS Financial Statements

OPINION

We have audited the accompanying standalone Ind AS financial statements of JSW Steel Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

INDEPENDENT AUDITOR'S REPORT

Key audit matters	How our audit addressed the key audit matter
Recoverability of investments in and loans / advances given to certain subsidiaries and joint ventures and financial guarantees given on behalf of certain subsidiaries (as described in note 48 of the standalone Ind AS financial statements)	
The Company has investments in certain subsidiaries and joint ventures with a carrying value of ₹ 2,193 crores. Further, Company has also provided loans and/or guarantees to or on behalf of these subsidiaries and the joint venture amounting to ₹ 13,167 crores. These subsidiaries and joint venture have either been incurring losses or the investments made by them in the step down subsidiaries have been making losses. The Company has also recognised impairment allowance of ₹ 1,229 crores during the year ended March 31, 2020 in respect of investments, loans / advances given to certain overseas subsidiaries, as described in note 51 of the standalone Ind AS financial statements. Further, the Company has not recognized interest income of ₹ 531 crores during the year from some of its subsidiaries due to uncertainty of recoverability of such income. Assessment of the recoverable amount of the investments in and loans/advances including interest thereon given to these subsidiaries and joint ventures and financial guarantees given on behalf of these subsidiaries has been identified as a key audit matter due to: › Significance of the carrying amount of these balances. › The assessment requires management to make significant estimates concerning the estimated future cash flows, qualitative assessments of the status of the project and its future depending on balance work to be performed or approvals to be received, associated discount rates and growth rates based on management's view of future business prospects including any possible impact arising out of the pandemic on these estimates. › Changes to any of these assumptions could lead to material changes in the estimated recoverable amount, impacting both potential impairment charges and potential reversals of impairment taken in prior years.	Our audit procedures included the following: › We obtained and read management's assessment for identification of indicators of impairment. › We performed test of controls over impairment process through inspection of evidence of performance of these controls. › We assessed the impairment model prepared by the management and the assumptions used, with particular attention to the following: - Benchmarking or assessing key market related assumptions used in the impairment models, including discount rates, long term growth rate, risk free rate of return, weight average cost of capital, Production schedule against external data. - assessing the cash flow forecasts including possible impact on account of global pandemic through analysis of actual past performance, and comparison to previous forecasts; - testing the mathematical accuracy and performing sensitivity analyses of the models and scenarios built into these models for varied potential impact on account of pandemic; - understanding the commercial prospects of the assets/projects, and comparison of assumptions with external data sources; › We assessed the competence, capabilities and objectivity of the experts used by the Management in the process of evaluating impairment models. We assessed the conclusions reached by management and those charged with governance on account of various estimates and judgements including possible impact of pandemic. › We assessed compliance of the disclosures made in note 48 of the standalone Ind AS financial statements with accounting standards.

Key audit matters	How our audit addressed the key audit matter
Capital Expenditure in respect of property, plant and equipment and capital work in progress (as described in notes 4 and 5 of the standalone Ind AS financial statements)	
The Company has incurred significant expenditure on capital projects, as reflected by the total value of additions in property plant and equipment and capital work in progress in notes 4 and 5 of the standalone Ind AS financial statements. The Company is in the process of executing various projects for expansions of existing capacity across the locations. These projects take a substantial period of time to get ready for intended use. We considered Capital expenditure as a Key audit matter due to: › Significance of amount incurred on such items during the year ended March 31, 2020. › Judgement and estimate required by management in assessing assets meeting the capitalisation criteria set out in Ind AS 16 Property, Plant and Equipment. › Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalisation as per the criteria set out in Ind AS 16 Property, Plant and Equipment.	Our audit procedures included the following: › We obtained an understanding of the Company's capitalisation policy and assessed for compliance with the relevant accounting standards; › We obtained as understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalisation of assets; › We performed substantive testing on a sample basis for each element of capitalised costs including inventory issued to contractors for the purpose of these projects and physical verification performed by management alongwith reconciliation and directly attributable cost, including verification of underlying supporting evidence and understanding nature of the costs capitalised. › In relation to borrowing costs we obtained the supporting calculations, verified the inputs to the calculation and tested the arithmetical accuracy of the model. › We assessed accounting for costs incurred when projects are suspended or delayed for any reasons including the global pandemic › We obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.
Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI (LODR) 2015') (as described in note 44 of the standalone Ind AS financial statements)	
We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the standalone Ind AS financial statements as a key audit matter due to: › the significance of transactions with related parties during the year ended March 31, 2020. › Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.	Our audit procedures in relation to the disclosure of related party transactions included the following: › We obtained an understanding of the Company's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the standalone Ind AS financial statements. › We obtained an understanding of the Company's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. › We agreed the amounts disclosed with underlying documentation and read relevant agreements, evaluation of arms-length by management, on a sample basis, as part of our evaluation of the disclosure. › We assessed management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015. › We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.

Key audit matters	How our audit addressed the key audit matter
Claims and exposures relating to taxation and litigation (as described in note 45 of the standalone Ind AS financial statements)	
The Company has disclosed in note 45 of the standalone Ind AS financial statements contingent liabilities of ₹ 3,474 crores in respect of disputed claims/ levies under various tax and legal matters and ₹ 2,588 crores towards Claims related to Forest development tax/ fee. In addition, the Company has assessed several claims as 'Remote' and hence are not required to be disclosed as contingent liabilities. Taxation and litigation exposures have been identified as a key audit matter due to: › Significance of these amounts and large number of disputed matters with various authorities. › Significant judgement and assumptions required by management in assessing the exposure of each case to evaluate whether there is a need to set up a provision and measurement of exposures as well as the disclosure of contingent liabilities. We focused on this matter because of the potential financial impact on the financial statements. Additionally, the treatment of taxation and litigation cases require significant judgement due to the complexity of the cases, timescales for resolution and involvement of various authorities.	Our audit procedures included the following: › We obtained an understanding, evaluated the design, and tested the operating effectiveness of the controls related to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities. › We obtained details of legal and tax disputed matters and evaluation made by the management and assessed management's position through discussions on both the probability of success in significant cases, and the magnitude of any potential loss. › We read external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. › We involved tax specialists to assist us in evaluating tax positions taken by management. › We assessed the relevant disclosures made in the standalone Ind AS financial statements for compliance in accordance with the requirements of Ind AS 37.

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

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

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 Standalone Ind AS Financial Statements

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

INDEPENDENT AUDITOR'S REPORT

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

› Identify and assess the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

As described in note 52 of the Ind AS Standalone Financial Statements, effect of the merger of Dolvi Minerals and Metals Private Limited (DMMPL), Dolvi Coke Projects Limited (DCPL), JSW Steel Processing Centre Limited (SPCL) and JSW Steel (Salav) Limited (Salav) with the Company has been accounted retrospectively for all periods presented being a common control transaction. Financial Statements of DMMPL, DCPL and Salav included in the accompanying Ind AS Financial Statement for the year ended March 31, 2019 is audited by the respective companies' predecessor auditors who have expressed an unmodified opinion on those financial statements.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

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

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

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

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 45 to the standalone Ind AS financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

per VIKRAM MEHTA
Partner
Membership No.: 105938
UDIN No: 20105938AAAABZ1929

Place of Signature: Mumbai
Date: May 22, 2020

ANNEXURE 1

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties, included in property, plant and equipment and right of use assets are held in the name of the Company except for

i. leasehold land aggregating to ₹ 67 crores wherein the lease deed has expired. As explained to us, the Company is in the process of converting the title into freehold as per the lease cum sale agreement.

ii. freehold land aggregating to ₹ 9 crores as noted below for which title deeds were not available with the Company and hence we are unable to comment on the same

Nature of immovable Property	Total Number of Cases	As at March 31, 2020 (₹ in crore)	
		Gross Block	Net Block
Land located at Maharashtra	12	9	9

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them and no material discrepancies were noticed in respect of such confirmations.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of its products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales- tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of Statue	Nature of Dues	Amount (₹ in crores)*	Period	Forum
The Central Excise Act, 1944	Excise Duty	97	2012-2015	High Court
		436	1998-2018	Central Excise Service Tax Appellate Tribunal (CESTAT)
		5	2002-2016	Asst. Commissioner/Commissioner
The Custom Act, 1962	Custom Duty	167	1995-2012	High Court
		356	2009-2018	Central Excise Service Tax Appellate Tribunal (CESTAT)
		47	2000-2017	Commissioner
Karnataka VAT, 2003	VAT	2	2006-2008	Joint Commissioner
Maharashtra Value Added Tax, 2002	VAT	49	2011-2017	Commissioner
The Central Sales Tax Act, 1956	CST	29	2011-2012	High Court
		33	2012-2013	Commissioner
Chapter V of the Finance Act, 1994	Service Tax	0.05	2006-2012	High Court
		122	1998-2016	Central Excise Service Tax Appellate Tribunal (CESTAT)
Income Tax Act, 1961	Income Tax	15	2004-05	High Court
		14	2014- 2015	Commissioner

* Net of amounts paid under protest.

The above table doesn't include cases decided in favour of the Company for which the department has preferred an appeal at higher levels amounting to ₹ 625 crores (net of amount paid under protest) and matters remanded back amounting to ₹ 223 crores (net of amount paid under protest).

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given by the management, monies raised by the company by way of debt instruments in the nature of foreign currency bonds, non-convertible debentures and term loans were applied for the purposes for which they were raised, though idle/surplus funds which were not required for immediate utilization have been gainfully invested in fixed deposits. According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/further public offer and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per VIKRAM MEHTA
Partner
Membership No.: 105938
UDIN No: 20105938AAAABZ1929

Place of Signature: Mumbai
Date: May 22, 2020

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF JSW STEEL LIMITED

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

We have audited the internal financial controls over financial reporting of JSW Steel Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting with Reference to these standalone Ind AS financial statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS 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 control over financial reporting with reference to these standalone Ind AS 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 over Financial Reporting with Reference to these standalone Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2020, 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 S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No.: 105938
UDIN No: 20105938AAAABZ1929

Place of Signature: Mumbai
Date: May 22, 2020

BALANCE SHEET

AS AT 31 MARCH 2020

₹ in crores

		Notes	As at 31 March 2020	As at 31 March 2019*
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	4	46,117	51,600
	(b) Capital work-in-progress	5	23,810	10,099
	(c) Right of use	6	4,102	-
	(d) Intangible assets	7	323	172
	(e) Intangible assets under development		331	344
	(f) Investments in subsidiaries, associates and joint ventures	8	4,757	3,980
	(g) Financial assets			
	(i) Investments	9	1,242	1,417
	(ii) Loans	10	8,705	7,675
	(iii) Other financial assets	11	562	48
	(h) Current tax assets (net)		340	217
	(i) Other non-current assets	12	2,378	3,475
	Total non-current assets		**92,667**	**79,027**
	Current assets			
	(a) Inventories	13	9,623	10,815
	(b) Financial assets			
	(i) Trade receivables	14	3,166	6,770
	(ii) Cash and cash equivalents	15	3,438	5,366
	(iii) Bank balances other than (ii) above	16	7,963	447
	(iv) Loans	10	321	136
	(v) Derivative Assets	17	275	229
	(vi) Other financial assets	11	2,794	2,644
	(c) Other current assets	12	1,795	1,991
	Total current assets		**29,375**	**28,398**
	Total assets		**122,042**	**107,425**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	18	301	301
	(b) Other equity	19	38,061	34,592
	Total equity		**38,362**	**34,893**
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	39,247	27,666
	(ii) Lease liabilities	6	2,716	-
	(iii) Derivative liabilities	27	130	-
	(iv) Other financial liabilities	21	1,308	1,030
	(b) Provisions	22	322	235
	(c) Deferred tax liabilities (net)	23	1,315	3,331
	(d) Other non-current liabilities	24	3,048	4,083
	Total non-current liabilities		**48,086**	**36,345**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	25	6,813	5,371
	(ii) Trade payables	26		
	(a) Total outstanding, dues of micro and small enterprises		56	31
	(b) Total outstanding, dues of creditors other than micro and small enterprises		13,298	13,097
	(iii) Derivative Liabilities	27	189	332
	(iv) Other financial liabilities	28	11,980	15,471
	(v) Lease liabilities	6	773	
	(b) Provisions	22	64	53
	(c) Other current liabilities	29	2,302	1,639
	(d) Current tax liabilities (net)		119	193
	Total current liabilities		**35,594**	**36,187**
	Total liabilities		**83,680**	**72,532**
	Total equity and liabilities		**122,042**	**107,425**

*Restated pursuant to merger (refer note 52)

See accompanying notes to the Standalone Financial Statements

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

For and on behalf of Board of Directors

per VIKRAM MEHTA
Partner
Membership No.: 105938

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No.: FCS 9407

SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

Place: Mumbai
Date: 22 May 2020

Place: Mumbai
Date: 22 May 2020

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2020

₹ in crores

		Notes	For the year ended 31 March 2020	For the year ended 31 March 2019*
I	**Revenue from operations**		63,546	77,187
	Fees for assignment of procurement contract		250	-
	Government grant income – VAT/GST incentive relating to earlier years		466	-
	Total Revenue from operations	30	**64,262**	**77,187**
II	**Other income**	31	628	405
III	**Total income (I + II)**		**64,890**	**77,592**
IV	**Expenses:**			
	Cost of materials consumed		33,073	39,179
	Purchases of stock-in-trade		420	499
	Changes in inventories of finished goods and work-in-progress	32	(27)	(180)
	Employee benefits expense	33	1,496	1,435
	Finance costs	34	4,022	3,789
	Depreciation and amortisation expense	35	3,522	3,421
	Other expenses	36	16,783	17,742
	Total expenses		**59,289**	**65,885**
V	**Profit before exceptional items and tax (III-IV)**		**5,601**	**11,707**
VI	**Exceptional Items**	51	1,309	-
VII	**Profit before tax (V-VI)**		**4,292**	**11,707**
VIII	**Tax expense/(credit):**	23		
	Current tax		789	2,356
	Deferred tax		(1,788)	1,230
			(999)	**3,586**
IX	**Profit for the year (VII-VIII)**		**5,291**	**8,121**
X	**Other comprehensive income**			
A	i) Items that will not be reclassified to profit and loss			
	(a) Re-measurements of the defined benefit plans		(19)	(15)
	(b) Equity instruments through other comprehensive income		(255)	4
	ii) Income tax relating to items that will not be reclassified to profit and loss		6	5
	Total (A)		**(268)**	**(6)**
B	i) Items that will be reclassified to profit and loss			
	(a) The effective portion of gains and loss on hedging instruments		(719)	31
	(b) Changes in Foreign Currency Monetary Item translation difference account (FCMITDA)		87	(50)
	ii) Income tax relating to items that will be reclassified to profit and loss		221	7
	Total (B)		**(411)**	**(12)**
	Total Other comprehensive income/(loss) (A+B)		**(679)**	**(18)**
XI	**Total comprehensive income/(loss) (IX + X)**		**4,612**	**8,103**
XII	**Earnings per equity share of ₹ 1 each**	38		
	Basic (in ₹)		22.03	33.77
	Diluted (in ₹)		21.89	33.60

* Restated pursuant to merger (refer note 52)

See accompanying notes to the Standalone Financial Statements

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

For and on behalf of Board of Directors

per VIKRAM MEHTA
Partner
Membership No.: 105938

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

Place: Mumbai
Date: 22 May 2020

LANCY VARGHESE
Company Secretary
ICSI Membership No.: FCS 9407
Place: Mumbai
Date: 22 May 2020

SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

A. Equity share capital

₹ in crores

Particulars	Amount
As at 31.03.2018	302
Movement during the year	@
As at 31.03.2019	301
Movement during the year	@@
As at 31.03.2020	301

@ = (0.45) crores

@@ = 0.07 crores

B. Other equity

₹ in crores

Particulars	Reserves and surplus							Items of Other Comprehensive Income/(Loss) (OCI)			Total
	Capital reserve	Securities premium	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Equity settled share-based payment reserve	General reserve	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	FCMITDA	
Opening balance as at 1 April 2018*	4,495	5,439	149	141	6,638	41	10,278	435	13	(24)	27,605
Profit for the year	-	-	-	-	8,121	-	-	-	-	-	8,121
Other comprehensive income for the year, net of income tax	-	-	-	-	(10)	-	-	4	20	(32)	(18)
Dividend including dividend distribution tax	-	-	-	-	(908)	-	-	-	-	-	(908)
Impact of ESOP trust consolidation	-	-	-	-	(149)	-	-	-	-	-	(149)
Recognition of share-based payments	-	-	-	-	-	50	-	-	-	-	50
Transfer to Capital redemption reserve	-	-	383	-	-	-	(383)	-	-	-	-
Transfer to Debenture redemption reserve	-	-	-	144	(144)	-	-	-	-	-	-
Transfer to retained earnings realised profit on FVTOCI (refer note 8 (a))	-	-	-	-	36	-	-	(36)	-	-	-
Capital reserve on merger	(136)	-	-	-	27	-	-	-	-	-	(109)
Closing balance as at 31 March 2019*	4,359	5,439	532	285	13,611	91	9,895	403	33	(56)	34,592
Profit for the year	-	-	-	-	5,291	-	-	-	-	-	5,291
Other comprehensive income for the year, net of income tax	-	-	-	-	(13)	-	-	(255)	(467)	56	(679)
Dividend including dividend distribution tax	-	-	-	-	(1,190)	-	-	-	-	-	(1,190)
Impact of ESOP trust consolidation	-	-	-	-	10	-	-	-	-	-	10
Recognition of share-based payments	-	-	-	-	-	37	-	-	-	-	37
Transfer to Capital redemption reserve	-	-	243	-	-	-	(243)	-	-	-	-
Transfer to general reserve after exercise of options	-	-	-	-	-	(6)	6	-	-	-	-
Transfer from Debenture redemption reserve	-	-	-	(285)	-	-	285	-	-	-	-
Closing balance as at 31 March 2020	4,359	5,439	775	-	17,709	122	9,943	148	(434)	-	38,061

*restated pursuant to merger (refer note 52)

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

per VIKRAM MEHTA
Partner
Membership No.: 105938

Place: Mumbai
Date: 22 May 2020

For and on behalf of Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No.: FCS 9407

SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

Place: Mumbai
Date: 22 May 2020

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 March 2020

₹ in crores

	For the year ended 31 March 2020		For the year ended 31 March 2019*	
Cash flow from operating activities				
Profit before tax		4,292		11,707
Adjustments for:				
Depreciation and amortisation expenses	3,522		3,421	
Loss on sale of property, plant & equipment (net)	29		7	
Gain on sale of financial investments designated as FVTPL	(4)		(12)	
Interest income	(528)		(225)	
Gain arising of financial instruments designated as FVTPL	(16)		(8)	
Unwinding of interest on financial assets carried at amortised cost	(45)		(30)	
Dividend income	(31)		(124)	
Interest expense	3,831		3,515	
Share based payment expense	37		50	
Export obligation deferred income amortisation	(140)		(160)	
Unrealised exchange loss	566		201	
Allowance for doubtful debts, loans & advances	96		132	
Loss arising from Financial instruments designated as FVTPL	17		18	
Non-cash expenditure	14		6	
Exceptional Items	1,309		-	
		8,657		6,791
Operating profit before working capital changes		12,949		18,498
Adjustments for:				
Decrease/(Increase) in inventories	1,192		(488)	
Decrease/(Increase) in trade receivables	3,514		(2,061)	
(Increase) in other assets	(1,393)		(778)	
(Decrease) in trade payable	(373)		(744)	
(Decrease)/Increase in other liabilities	(873)		3,577	
Increase in provisions	80		39	
		2,147		(455)
Cash flow from operations		15,096		18,043
Income taxes paid (net of refund received)		(986)		(2,465)
Net cash generated from operating activities (A)		14,110		15,578
Cash flow from investing activities				
Purchase of property, plant & equipment, intangible assets (including under development and capital advances)		(10,740)		(8,333)
Proceeds from sale of property, plant & equipment		41		31
Investment in subsidiaries and joint ventures including advances and preference shares		(939)		(981)
Sale of other non-current investments		-		50
Purchase of current investments		(762)		(8,340)
Sale of current investments		765		8,453
Bank deposits not considered as cash and cash equivalents (net)		(7,524)		(185)
Loans to related parties		(1,623)		(3,317)
Loans repaid by related parties		1,236		877
Interest received		423		189
Dividend received		31		124
Net cash used in investing activities (B)		(19,092)		(11,432)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 March 2020

₹ in crores

	For the year ended 31 March 2020	For the year ended 31 March 2019*
Cash flow from financing activities		
Proceeds from sale of treasury shares	107	-
Payment for purchase of treasury shares	(101)	(153)
Proceeds from non-current borrowings	18,561	6,827
Repayment of non-current borrowings	(10,320)	(4,333)
Proceeds from/Repayment of current borrowings (net)	1,443	3,195
Repayment of lease liabilities/finance lease obligation	(503)	(306)
Interest paid	(4,371)	(3,598)
Dividend paid (including corporate dividend tax)	(1,190)	(907)
Premium paid on redemption of debentures	(572)	-
Net cash generated in financing activities (C)	**3,054**	**725**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(1,928)**	**4,871**
Cash and cash equivalents – opening balances	**5,366**	**495**
Cash and cash equivalents – closing balances (note 15)	**3,438**	**5,366**

*restated pursuant to merger (refer note 52)

Reconciliations part of cash flows

₹ in crores

Particulars	1 April 19	Cash flows(net)	Foreign exchange (Gain)/Loss	Changes in fair values	New leases	Other	31 March 2020
Borrowings other than finance lease obligation (including Current maturities of long-term borrowing included in other financial liabilities note 28)	34,343	8,241	1,976	(113)	-	(91)[#]	**44,356**
Lease liabilities (including Current maturities)*	3,990	(503)	-	-	481	(479)	**3,489**
Borrowings (Current)	5,371	1,443	-	-	-	(1)	**6,813**

*All finance lease obligations are now reclassified as lease liabilities and shown separately in the balance sheet..

₹ in crores

Particulars	1 April 18	Cash flows(net)	Foreign exchange (Gain)/Loss	Changes in fair values	New leases	Other	31 March 2019
Borrowings other than finance lease obligation (including Current maturities of long-term borrowing included in other financial liabilities note 28)	31,095	2,494	787	(70)	-	37[#]	34,343
Finance Lease Obligations (including Current maturities)	3,893	(306)	-	-	403	-	3,990
Borrowings (Current)	2,176	3,195	-	-	-	-	5,371

[#]Other comprises of Upfront Fees Amortisation and Interest Cost accrual on preference shares.

Note:

1. The cash flow statement is prepared using the "indirect method" set out in IND AS 7 – Statement of Cash Flows.

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

per VIKRAM MEHTA
Partner
Membership No.: 105938

Place: Mumbai
Date: 22 May 2020

For and on behalf of Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No.: FCS 9407
Place: Mumbai
Date: 22 May 2020

SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

1. General Information

JSW Steel Limited ("the Company") is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Company is an integrated manufacturer of diverse range of steel products with its manufacturing facilities located at Vijaynagar Works in Karnataka, Dolvi Works in Maharashtra and Salem works in Tamil Nadu.

JSW Steel Limited is a public limited company incorporated in India on March 15, 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.

2. Significant Accounting policies

I. STATEMENT OF COMPLIANCE

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act, 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statement.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

These financial statements are approved for issue by the Board of Directors on 22 May 2020.

II. BASIS OF PREPARATION AND PRESENTATION

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

Fair value is the price 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 price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Financial Statement is presented in INR and all values are rounded to the nearest crores except when otherwise stated.

Current and non-current classification

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

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

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

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

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

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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

III. REVENUE RECOGNITION

A. Sale of Goods

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

The Company has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

Contract balances

i) Contract assets including trade receivables

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

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e. only the passage of time is required before payment of the consideration is due).

ii) Contract liabilities

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

iii) Refund liabilities

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

B. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

IV. LEASES

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term and the lease term is as follows.

Class of assets	Years
Leasehold land	99 Years
Buildings	3 to 30 years
Plant & Machinery	3 to 15 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e. below ₹ 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

V. FOREIGN CURRENCIES

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:

› exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

› exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (XVIII) (B) (f));

› exchange difference arising on settlement/ restatement of long-term foreign currency monetary items recognised in the financial statements for the year ended 31 March 2016 prepared under previous GAAP, are capitalised as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity year/up to the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss. The unamortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable.

VI. BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

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

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

VII. GOVERNMENT GRANTS

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

The benefit of a government loan at a below-market rate of interest and effect of this favorable interest is treated as a government grant. The Loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the Statement of profit and loss immediately on fulfilment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

VIII. EMPLOYEE BENEFITS

Retirement benefit costs and termination benefits

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

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

› service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

› net interest expense or income; and

› re-measurement

The Company presents the first two components of defined benefit costs in Statement of profit and loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

Short-term and other long-term employee benefits

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

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

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

IX. SHARE-BASED PAYMENT ARRANGEMENTS

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 39.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shared held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

X. TAXES

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

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 recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an deferred tax asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

XI. PROPERTY, PLANT AND EQUIPMENT

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalised in the assets under Capital work-in-progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

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

Class of assets	Years
Plant and equipment	8 to 40 years
Work-rolls (shown under Plant and equipment)	1 to 5 years

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

Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

The Company has applied Ind AS 116 w.e.f. 1 April 2019 and all lease are covered under Right of use assets.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

XII. INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Computer Software & Licenses	3-5 years

Mining assets are amortised over the useful life of the mine or lease period whichever is lower.

The Company has elected to continue with carrying value of all its intangible assets recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XIII. MINING ASSETS

Exploration and evaluation

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The Company measures its exploration and evaluation assets at cost and classifies as Property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

Acquisition costs – costs associated with acquisition of licenses and rights to explore, including related professional fees.

General exploration costs – costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.

Costs of exploration drilling and equipping exploration – Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

Stripping cost

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

Developmental stripping costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

Site restoration, rehabilitation and environmental costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to profit and loss over the life of the asset through depreciation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology. Details of such provisions are set out in note 22.

XIV. IMPAIRMENT OF NON-FINANCIAL ASSETS

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

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

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

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

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

XV. INVENTORIES

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

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

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

XVI. PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

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

XVII. INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Investment in subsidiaries, associates and joint ventures are shown at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

The Company has elected to continue with carrying value of all its investment in affiliates recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XVIII. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

› The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

› The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

› The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

› The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classifiedas at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when:

› The Company's right to receive the dividends is established,

› It is probable that the economic benefits associated with the dividends will flow to the entity,

› The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

d) Impairment

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

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

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

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

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

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

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

e) Effective interest method

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

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

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as

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equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

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

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

c) Financial liabilities

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

Financial liabilities at FVTPL:

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

A financial liability is classified as held for trading if:

› It has been incurred principally for the purpose of repurchasing it in the near term; or

› on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

› it is a derivative that is not designated and effective as a hedging instrument.

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

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

› the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

› it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI.

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

Other financial liabilities:

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne by the Company on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

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

d) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts, commodity forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge item.

e) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit and loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss, unless designated as effective hedging instruments.

f) Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

The Company designates only the spot component for derivative instruments in fair value Hedging relationship. The Company defers changes in the forward element of such instruments in hedging reserve and the same is amortised over the period of the contract.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. For fair value hedges relating to items carried at amortised cost, the fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit and loss from that date.

(ii) Cash flow hedges

The effective portion of changes in fair value of derivatives and non-derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in Statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit and loss in the years when the hedged item affects profit and loss, in the same line as the recognised hedged item.

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However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit and loss.

XIX. SEGMENT REPORTING:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

XX. CASH AND CASH EQUIVALENTS:

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XXI. EARNINGS PER SHARE:

Basic earnings per share is computed by dividing the profit and loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XXII. BUSINESS COMBINATION INVOLVING ENTITIES UNDER COMMON CONTROL

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory.

Business Combination involving entities or businesses under common control shall be accounted for using the pooling of interest method based on the predecessor values retrospectively for all periods presented.

The pooling of interest method is considered to involve the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonies accounting policies and tax adjustments if any.

(iii) The components of other equity of the acquired companies are added to the same components within other equity except that any share capital and investments in the books of the acquiring entity is cancelled and the differences, if any, is adjusted in the opening retained earnings.

(iv) The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

3. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under Section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

A) KEY SOURCES OF ESTIMATION UNCERTAINTY

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

ii) Impairment of investments in subsidiaries, joint-ventures and associates

Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capacity utilisation of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses/operations of the investee companies as more fully described in note 51. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

iii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the Company are not disclosed.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

iv) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

v) Taxes

Pursuant to the announcement of the changes in the corporate tax regime, the Companies have an option to either opt for the new tax regime or continue to pay taxes as per the old applicable tax structure together with the other benefits available to the Companies including utilisation of the MAT credit available. This requires significant estimation in determining in which year the company would migrate to the new tax regime basis future year's taxable profits including the impact of ongoing expansion plans of the Company and consequential utilisation of available MAT credit. Accordingly, in accordance with IND AS 12 - Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

During the year, the Company has assessed the outstanding deferred tax liability, and written back an amount to the extent of ₹ 2,150 crores to the Statement of Profit and loss. This is arising from the re-measurement of deferred tax liability that is expected to reverse in future when the Company would migrate to the new tax regime.

vi) Relating to the global health pandemic from COVID-19

On 11 March 2020, the World Health Organisation characterised the outbreak of a strain of the new coronavirus ("COVID-19") as a pandemic. This outbreak is causing significant disturbances and slow down of economic activity. The Company's operations were impacted in the month of March 2020, due to scaling down/suspending production across all plants following nationwide lockdown announced by the Government of India in view of COVID-19. The Government of India permitted certain additional activities from 20 April 2020 in non-containment zones, subject to requisite approvals as may be required. The Company could secure the requisite approvals and has accordingly commenced operations and is gradually ramping up capacity since then.

In assessing the recoverability of carrying amounts of Company's assets such as Investments in and loans/ advances (net of impairment loss/loss allowance) to subsidiaries the Company, trade receivables, inventories etc., the Company has considered various internal and external information up to the date of approval of these financial results and concluded that they are recoverable based on the estimate of values of the businesses and assets by independent external valuers which was based on cash flow projections/implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to operational performance including significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, and capacity expansion/ availability of infrastructure facilities for mines.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

B) CRITICAL ACCOUNTING JUDGEMENTS

i) Control over JSW Realty & Infrastructure Private Limited (RIPL)

RIPL has developed a residential township in Vijayanagar, Karnataka on the land taken on lease from the Company for a period of 30 years and provides individual housing units on rent to the employees of the Company or other group companies. RIPL is not allowed to sub-let or assign its rights under the arrangement without prior written consent of the Company. Though the Company does not hold any ownership interest in RIPL, the Company has concluded that the Company has practical ability to direct the relevant activities of RIPL unilaterally, considering RIPL's dependency on the Company for funding significant portion of its operation through subscription to 73.89% of preference share capital amounting to ₹ 304 crore issued by RIPL and significant portion of RIPL's activities

ii) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

iii) Joint control over Monnet Ispat and Energy Limited

The consortium of JSW Steel Limited and AION Investments Private II Limited completed the acquisition of Monnet Ispat and Energy Limited ("MIEL") through their jointly controlled entity Creixent Special Steels Limited ("CSSL") on 31 August 2018. The Company has made an investment in the year 2018-19 of ₹ 375 crores through equity and redeemable preference shares in CSSL to acquire joint control in MIEL and have an effective shareholding of 23.1% in MIEL.

As per the Shareholding agreement, all the relevant activities of CSSL that affect the Company's variable returns from its involvement with CSSL/ MIEL have to be decided unanimously by a Steering Committee on which the Company has representation and thus the Company has concluded that it has joint control over CSSL.

iv) Incentives under the State Industrial Policy

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral/CST refunds.

The State Government of Maharashtra ('GOM') vide its Government Resolution (GR) issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions/ restrictions for accruing incentive benefits granted to the Company including denying incentives in certain cases.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

Accordingly, the Company has recognised grant income without giving effect to the above restrictions and the cumulative amount receivable towards the same is considered to be good and recoverable.

C) NEW AND AMENDED ACCOUNTING STANDARDS:

Ind AS 116 – Leases

Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.

Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases' and applied the standard to all lease contracts existing on the date of initial application i.e. 01 April 2019. The Company has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognised at an amount equal to the lease liability adjusted for any prepayments/ accruals recognised in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 1 (IV) Leases for the accounting policy beginning 1 April 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

Leases previously classified as finance leases

The Company applied the practical expedients provided in Ind AS 116 and did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e. the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 was applied to these leases from 1 April 2019.

Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

› Used a single discount rate to a portfolio of leases with reasonably similar characteristics.

› Relied on its assessment of whether leases are onerous immediately before the date of initial application.

› Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.

› Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

› Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Most of the contracts that contains extension terms are on mutual agreement between both the parties and hence the potential future rentals cannot be assessed. Certain contracts where the extension terms are unilateral are with unrelated parties and hence there is no certainty about the extension being exercised.

The weighted average incremental borrowing rate applied to the newly recognised lease liabilities pursuant to Ind AS 116 adoption as at 1 April 2019 is 9%.

Based on the above, as at 1 April 2019:

Right-of-use asset of ₹ 5,030 crores and a lease liability of ₹ 4,453 crores on the date of initial application, including right-of-use asset amounting to ₹ 4,122 crores and lease liability amounting to ₹ 3,990 crores recognised as finance lease asset and obligation respectively under erstwhile lease standard as at 31 March 2019.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

4. Property, Plant and Equipment

₹ in crores

Particulars	Freehold land	Leasehold land	Buildings (Owned)	Buildings (On finance lease)	Plant and equipment (Owned)	Plant and equipment (On finance lease)	Furniture and fixtures	Vehicles and aircrafts	Office equipment	Total
Cost/deemed cost										
At 1 April 2018*	**1,033**	**455**	**6,661**	**172**	**45,252**	**4,870**	**109**	**136**	**60**	**58,748**
Additions	7	1	506	18	3,827	385	14	17	11	4,786
Deductions	7	-	-	-	254	-	4	9	1	275
Other adjustments (refer note c)	-	-	-	-	262	-	-	-	-	262
At 31 March 2019*	**1,033**	**456**	**7,167**	**190**	**49,087**	**5,255**	**119**	**144**	**70**	**63,521**
Transfer Out to Right of use Assets	-	456	-	190	14	5,255	-	-	-	5,915
Additions	24	-	233	-	1,614	-	7	17	21	1,916
Deductions	14	-	2	-	178	-	1	9	-	204
Other adjustments (refer note c)	-	-	-	-	298	-	-	-	-	298
At 31 March 2020	**1,043**	**-**	**7,398**	**-**	**50,807**	**-**	**125**	**152**	**91**	**59,616**
Accumulated depreciation										
At 1 April 2018*	**-**	**14**	**840**	**82**	**6,821**	**905**	**40**	**36**	**27**	**8,765**
Depreciation	-	5	307	12	2,709	323	13	15	11	3,395
Deductions	-	-	-	-	233	-	1	5	-	239
At 31 March 2019*	**-**	**19**	**1,147**	**94**	**9,297**	**1,228**	**52**	**46**	**38**	**11,921**
Transfer Out to Right of use Assets	-	19	-	94	8	1,228	-	-	-	1,349
Depreciation	-	-	318	-	2,636	-	12	16	17	2,999
Impairment#	-	-	3	-	77	-	-	-	-	80
Deductions	-	-	-	-	146	-	1	5	-	152
At 31 March 2020	**-**	**-**	**1,468**	**-**	**11,856**	**-**	**63**	**57**	**55**	**13,499**
Net book value										
At 31 March 2020	**1,043**	**-**	**5,930**	**-**	**38,951**	**-**	**62**	**95**	**36**	**46,117**
At 31 March 2019*	1,033	437	6,020	96	39,790	4,027	67	98	32	51,600

*restated pursuant to merger

#includes exceptional item (refer note 51)

Notes:

₹ in crores

Description		As at 31 March 2020	As at 31 March 2019
a) Freehold land which is yet to be registered in the Company's name	Acre	19	19
	Deemed cost	9	9
b) Freehold land and buildings which has been/agreed to be hypothecated/ mortgaged to lenders of related parties	Deemed cost	275	255
c) Other adjustments comprises:			
Borrowing cost	₹ in crores	2	25
Foreign exchange loss/(gain) (including regarded as an adjustment to borrowing costs)	₹ in crores	296	237

d) Assets given on operating lease:

(i) The Company has entered into lease arrangements, for renting the following:

Category of Asset	Area	Period
Land at Vijayanagar	754 acres	8 months to 30 years
Land at Dolvi along with certain buildings	193 acres	3 years to 20 years
Land at Palwal	6 acres	15 years
Office Premises at Mittal Tower	1,885 sq. feet	24 months
Office Premises at CBD Belapur	33,930 sq. feet	5 years
Houses at Vijayanagar Township	14,11,027 sq. feet (2,279 Houses)	120 months
Building for Vijayanagar Sports Institute	1,96,647 sq. feet	3 years
Hospital premises at Vijayanagar	81,500 sq. feet	20 years

The agreements are renewable & cancellable by mutual consent of both parties. The rent paid on above is based on mutually agreed rates.

(ii) Disclosure in respect of assets given on operating lease included in following heads:

Particulars	As at 31 March 2020	As at 31 March 2019
Land		
Cost/Deemed cost	138	117
Building		
Cost/Deemed cost	233	215
Accumulated depreciation	24	18
Depreciation for the year	6	6

e) Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 20 and Note 25.

f) Property, plant and equipment includes proportionate share (50%) of assets under joint operation as below:

₹ in crores

Particulars	Buildings (Owned)	Plant and Equipment (Owned)
Cost/deemed cost		
At 1 April 2018	476	7
Additions	-	-
At 31 March 2019	476	7
Additions	-	-
At 31 March 2020	476	7
Accumulated depreciation		
At 1 April 2018	48	1
Depreciation	16	1
At 31 March 2019	64	2
Depreciation	12	1
At 31 March 2020	76	3
Net book value		
At 31 March 2020	400	4
At 31 March 2019	412	5

5. Capital work-in-progress includes exchange fluctuation loss (including regarded as an adjustment to borrowing costs) of ₹ 881 crores (previous year ₹ 317 crores) and borrowing cost of ₹ 574 crores (previous year ₹ 169 crores) capitalised during the year.

6. Right of Use assets and Lease liability

₹ in crores

Particulars	Land	Buildings	Plant and equipment	Total
Transfer In Right of use Assets				
Gross block	456	190	5,255	5,901
Accumulated depreciation	(19)	(94)	(1,228)	(1,341)
Additions (recognised in pursuant to Ind AS 116 adoption)	-	26	444	470
Right-of-use assets on initial recognition as on 1 April 2019	437	122	4,471	5,030
Additions	-	-	10	10
Deductions#	-	-	451	451
Depreciation expense	4	17	466	487
At 31 March 2020	433	105	3,564	4,102

Leasehold land aggregating to ₹ 67 crores wherein the lease deed has expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

LEASE LIABILITIES

Particulars	₹ in crores
At 1 April 2019 (Transferred from finance lease obligation)	3,990
Additional leases (recognised pursuant to Ind AS 116 adoption)	463
Lease liabilities on initial recognition as on 1 April 2019	4,453
Additions	18
Interest accrued	472
Lease principal payments	(503)
Lease interest payments	(472)
Reversal#	(479)
At 31 March 2020	**3,489**
Current	773
Non-current	2,716

*including interest repayment

#The long term pellet supply agreement and coke supply agreement with Amba River and Coke Limited have been amended with effect from September 30, 2019. The amendments, inter alia, reduces tenure with revised payment terms. Accordingly, lease modification has assessed and reversal of ₹ 451 crores from right of use assets and ₹ 479 crores from lease liabilities has been done accordingly.

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis:

Particulars	₹ in crores
Less than 1 year	1,105
1-5 years	2,761
More than 5 years	883
At 31 March 2020	**4,749**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company has lease contracts for machinery that contains variable payments amounting to ₹ 436 crores shown under cost of material consumed.

The Company has recognised ₹ 3 crores as rent expenses during the year which pertains to short-term lease/low value asset which was not recognised as part of right of use asset and also recognised a loss of ₹ 3 crores on sale & leaseback transaction entered during the year. Both of amounts are being recognised as part of other expenses.

The leases that the Company has entered with lessors are generally long-term in nature and no changes in terms of those leases are expected due to the COVID-19.

7. Intangible assets

₹ in crores

Particulars	Computer software	License fees	Mining Assets	Total
Cost/deemed Cost				
At 1 April 2018	**93**	**26**	**18**	**137**
Additions	28	-	105	133
At 31 March 2019	**121**	**26**	**123**	**270**
Additions	33	-	154	187
At 31 March 2020	**154**	**26**	**277**	**457**
Accumulated amortisation				
At 1 April 2018	**56**	**15**	**1**	**72**
Amortisation	15	4	7	26
At 31 March 2019	**71**	**19**	**8**	**98**
Amortisation	17	5	14	36
At 31 March 2020	**88**	**24**	**22**	**134**
Net book value				
At 31 March 2020	**66**	**2**	**255**	**323**
At 31 March 2019	50	7	115	172

8. Investments in subsidiaries, associates and joint ventures

Particulars		Paid up value	As at 31 March 2020		As at 31 March 2019	
			No. of shares	₹ in crores	No. of shares	₹ in crores
A	**Investment in equity instruments**					
	Unquoted					
	Subsidiaries (at cost or deemed cost)					
	Amba River Coke Limited (refer note a)	₹ 10 each	93,18,98,670	932	93,18,98,670	932
	JSW Bengal Steel Limited	₹ 10 each	45,22,05,000	449	45,22,05,000	449
	JSW Jharkhand Steel Limited	₹ 10 each	9,30,33,853	93	8,80,33,853	88
	JSW Natural Resources Limited	USD 10 each	13,65,500	4	13,65,500	4
	JSW Steel (Netherlands) B.V.	Euro 1 each	7,07,625	4	7,07,625	4
	Periama Holdings, LLC	0.1% interest in members' capital	NA	&	NA	&
	JSW Steel Coated Products Limited	₹ 10 each	80,00,50,000	2,064	5,00,50,000	1,314
	Arima Holdings Limited	USD 100 each	50,390	***	50,390	***
	Erebus Limited	USD 100 each	2,15,420	$$$	2,15,420	$$$
	Nippon Ispat Singapore (Pte) Limited	SGD 1 each	7,84,502	-	7,84,502	-
	Peddar Realty Private Limited	₹ 10 each	10,000	57	10,000	57
	Lakeland Securities Limited	USD 100 each	351	@@	351	@@
	JSW Steel UK Limited	GBP 1 each	5,55,200	3	5,55,200	3
	JSW Industrial Gases Private Limited	₹ 10 each	9,20,83,826	267	9,20,83,826	267
	JSW Steel Utkal Limited	₹ 10 each	4,97,49,000	50	3,94,39,000	39
	Acero Junction Holdings, Inc.	USD 0.001 each	100	536	100	536
	Hasuad Steel Limited	₹ 10 each	-	-	10,000	-
	JSW Steel Italy Piombino S.p.A. (Formerly known as Acciaierie e Ferriere di Piombino S.p.A.)	Euro 1 each	93,600	^^	93,600	^^
	GSI Lucchini S.p.A	Euro 1 each	2,736	&&	2,736	&&
	JSW Retail Limited	₹ 10 each	10,000	^	10,000	^
	PIOMBINO Steel Llimited	₹ 10 each	77,95,786	8	-	-
	Vardhaman Industries Limited	₹ 10 each	45,00,000	5	-	-
	JSW Vallabh Tinplate Private Limited	₹ 10 each	2,50,19,600	30	-	-
	JSW Vijayanagar Metallics Limited	₹ 10 each	10,000	^	-	-
	Joint ventures (at cost or deemed cost)					
	Gourangdih Coal Limited	₹ 10 each	24,50,000	2	24,50,000	2
	JSW MI Steel Service Centre Private Limited	₹ 10 each	6,65,00,000	67	6,65,00,000	67
	JSW Severfield Structures Limited	₹ 10 each	19,79,37,940	198	19,79,37,940	198
	Rohne Coal Company Private Limited	₹ 10 each	4,90,000	""	4,90,000	""
	JSW Vallabh Tinplate Private Limited	₹ 10 each	-	-	2,50,19,600	30
	Creixent Special Steels Limited	₹ 10 each	48,00,000	25	48,00,000	25
	Monnet Ispat and Energy Limited	₹ 10 each	399	&&&	399	&&&
	Vijayanagar Minerals Private Limited	₹ 10 each	4,000	@	4,000	@
B	**Investment in limited liability partnership firm**					
	Unquoted subsidiary (at cost or deemed cost)					
	Inversiones Eurosh Limitada (unquoted)	5% Equity Interest in the capital	NA	^^^	^^^	NA
	Total			**4,794**		**4,017**
	Less: Aggregate amount of provision for impairment in the value of investments			(37)		(37)
				4,757		**3,980**
	Unquoted					
	Aggregate carrying value			4,757		3,980

*** ₹ 0.25 crores $$$ ₹ 0.27 crores @@ ₹ 0.22 crores "" ₹ 0.49 crores ^^^ ₹ 0.01 crores @ ₹ 40,000 & $1 @@@ ₹ 0.50 crores
^ ₹ 0.01 crores ^^ ₹ 0.19 crores && ₹ 0.19 crores $$ ₹ 0.01 crores &&& ₹ 3,990

Note:

(a) 30,43,73,882 shares (as at 31 March 2019 30,43,73,882 shares) are pledged to the Amba River & Coke Limited (ARCL)'s banker.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

9. Investments (non-current)

	Particulars	Paid up value	As at 31 March 2020		As at 31 March 2019	
			No. of shares	₹ in crores	No. of shares	₹ in crores
A	**Investment in equity instruments**					
	Quoted-Others (at fair value through OCI)					
	Fully paid up					
	JSW Energy Limited	₹ 10 each	8,53,63,090	364	8,53,63,090	619
	Unquoted					
	Others (at fair value through OCI)					
	Toshiba JSW Power Systems Private Limited	₹ 10 each	1,10,00,000	-	1,10,00,000	-
	MJSJ Coal Limited	₹ 10 each	1,04,61,000	9	1,04,61,000	9
	SICOM Limited	₹ 10 each	6,00,000	5	6,00,000	5
	Kalyani Mukand Limited	₹ 1 each	4,80,000	$	4,80,000	$
	Ispat Profiles India Limited	₹ 1 each	15,00,000	$	15,00,000	$
				378		**633**
B	**Investments in preference shares and Debentures**	**Terms**				
	Unquoted – (at fair value through profit and loss)					
	Subsidiaries					
	JSW Steel (Netherlands) B.V.	5% redeemable, non-cumulative of Euro 1 each	3,99,00,250	217	3,99,00,250	254
	JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each	1,99,15,000	99	1,99,15,000	89
	JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each (Series 1)	50,00,000	37	50,00,000	34
	JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each (Series 2)	53,00,000	29	53,00,000	27
	JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each	2,14,000	1	-	-
	Vardhaman Industries Limited	10% p.a. Compulsorily convertible Debentures	5,90,00,000	59	-	-
	Joint ventures					
	Rohne Coal Company Private Limited	1% non-cumulative of ₹ 10 each	2,36,42,580	-	2,36,42,580	-
	Rohne Coal Company Private Limited	1% Series-A non-cumulative of ₹ 10 each	71,52,530	3	71,52,530	5
	Rohne Coal Company Private Limited	1% Series-B non-cumulative of ₹ 10 each	16,61,686	2	13,70,786	1
				447		**410**
C	**Investments in preference shares**	**Terms**				
	Unquoted – (at amortised cost)					
	Joint ventures					
	Creixent Special Steels Limited	0.01% redeemable, cumulative of ₹ 10 each	17,19,69,200	206	17,19,69,200	184
	Creixent Special Steels Limited	0.01% redeemable, cumulative of ₹ 10 each	19,83,00,410	211	19,83,00,410	190
	Monnet Ispat and Energy Limited	0.01% compulsorily convertible, non-cumulative of ₹ 10 each	601	@	601	@
				417		**374**
D	**Investments in Government securities (unquoted – Others) (at amortised cost)**					
	National Savings Certificates			^^		^^
	(Pledged with commercial tax department)					
	Total (A+B+C+D)			**1,242**		**1,417**
	Quoted					
	Aggregate book value			364		619
	Aggregate market value			364		619
	Unquoted					
	Aggregate carrying value			878		798
	Investment at amortised cost			417		374
	Investment at fair value through other comprehensive income			378		633
	Investment at fair value through profit and loss			447		410

^^ ₹ 0.07 crores $ ₹ 1 @ ₹ 6,010

10. Loans (Unsecured)

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Loans				
to related parties*	9,108	100	8,070	47
to other body corporate	9	-	9	-
Security deposits	609	221	281	89
Less : Allowance for doubtful loans (Considered doubtful)	(1,021)	-	(685)	-
Total	**8,705**	**321**	**7,675**	**136**
Note				
Considered good (Unsecured)	8,705	321	7,675	136
Loans which have significant increase in Credit Risk	-	-	-	-
Loans which are credit impaired	-	-	-	-
Loans and advances to other body corporate	9	-	9	-
Loans and advances to related parties	1,012	-	676	-

*Loans are given for business purpose. Refer note 44 for terms of Loan.

MOVEMENT IN ALLOWANCE FOR DOUBTFUL LOANS

₹ in crores

Particulars	As at 31 March 2020
As at 1 April 2018	532
Additional provision transferred from guarantee towards incremental loan (refer note)	153
As at 31 March 2019	685
Provision written back due to repayment of loan	(326)
Additional provision made during the year (refer note 51)	605
Additional provision transferred from guarantee towards incremental loan (refer note)	57
As at 31 March 2020	1,021

Note:

The Company had recognised financial guarantee obligation in the earlier years towards lenders of a subsidiary, against which incremental loans have been advanced to the subsidiary during the current year. Consequently, the financial guarantee obligation has been released and basis of the recoverability of the said loans provision for doubtful allowances has been recognised, resulting in NIL impact in Statement of Statement of profit & loss.

DETAILS OF LOANS AND ADVANCES IN THE NATURE OF LOANS TO SUBSIDIARIES:

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year	Amount outstanding
JSW Steel (Netherlands) B.V.	1,326	267	1,364	1,318
JSW Natural Resources Limited	138	138	146	124
Inversiones Eurosh Limitada	803	803	773	744
Periama Holdings, LLC	6,134	6,134	5,206	4,936
JSW Steel UK Limited	13	13	11	10
Arima Holding Limited	#	#	#	#
Lakeland Securities Limited	#	#	#	#
Erebus Limited	#	#	#	#
Acero Junction Holdings, Inc.	1,509	1,509	832	799
Monnet Ispat and Energy Limited	215	215	125	125
JSW Global Business Solutions Limited	16	13	18	14
JSW Steel Italy Piombino S.p.A. (Formerly known as Acciaierie e Ferriere di Piombino S.p.A.)	83	83	-	-
Nippon Ispat Singapore (Pte) Limited	3	3	3	3

represents amounts below ₹ 0.50 crore

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

11. Others financial assets (Unsecured)

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Export benefits and entitlements	1	78	1	70
Insurance claim receivable	-	-	43	-
Advance towards equity share capital/preference shares	101	-	1	-
Government grant income receivable (refer note 30a)	326	2,414	2	1,825
Interest receivable on				
- loans to related parties	118	685	-	637
- Others	-	115	-	7
Indirect tax balances Refund due	-	22	-	73
Others	16	70	1	32
Less: Allowance for doubtful receivables	-	(590)	-	-
Total	**562**	**2,794**	**48**	**2,644**

MOVEMENT IN ALLOWANCE FOR DOUBTFUL LOANS

₹ in crores

Particulars	As at 31 March 2020
Opening Balance	-
Additional provision for Interest receivable from related party (refer note 51)	586
Additional provision for export incentives	4
Closing Balance	590

12. Other assets (Unsecured)

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Capital advances	843	-	1,799	-
Less : Allowance for doubtful advances	(7)	-	(7)	-
Other Advances				
Advance to suppliers	271	1,042	571	957
Export benefits and entitlements	56	75	56	87
Security deposits	37	37	34	118
Indirect tax balances/recoverable/credits	1,381	449	1,214	692
Prepayments and others	60	198	62	137
Less: Allowance for doubtful advances	(262)	(6)	(254)	-
Total	**2,379**	**1,795**	**3,475**	**1,991**
Other Assets constitute:				
Capital advances				
Considered good	836	-	1,792	-
Considered doubtful, provided	7	-	7	-
Others				
Considered good	1,543	1,795	1,683	1,991
Considered doubtful, provided	262	6	254	-
Advances to suppliers	252	-	250	-
Prepayment and others	7	6	2	-
Indirect tax balances/recoverable/credits	3	-	2	-

13. Inventories

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Raw materials (at cost)	4,110	5,108
Work-in-progress (at cost)	414	477
Semi-finished/finished goods (at cost or net realisable value)	3,343	3,275
Production consumables and stores and spares (at cost)	1,734	1,955
Others	22	-
Total	**9,623**	**10,815**

Inventories have been pledged as security against certain bank borrowings, details relating to which has been described in note 20 and note 25.

DETAILS OF STOCK-IN-TRANSIT

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Raw materials	1,222	1,551
Production consumables and stores and spares	190	147
Total	**1,412**	**1,698**

14. Trade receivables

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	3,149	6,682
Trade Receivables which have significant increase in Credit Risk	160	160
Less: Allowance for doubtful debts	(143)	(72)
Trade Receivables – credit impaired	10	10
Less: Allowance for doubtful debts	(10)	(10)
Total	**3,166**	**6,770**

AGEING OF RECEIVABLES THAT ARE PAST DUE:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
60-90 days	79	79
90-180 days	56	298
> 180 days	410	524
Total	**545**	**901**

The credit period on sales of goods ranges from 7 to 90 days with or without security.

Before accepting any new customer, the Company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

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

Trade receivables have been given as collateral towards borrowings details relating to which has been described in note 20 and note 25.

Credit risk management regarding trade receivables has been described in note 42 (8).

Trade receivables from related parties' details has been described in note 44.

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

15. Cash and cash equivalents

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with Banks		-
In current accounts	1,613	425
In term deposit accounts with maturity less than 3 months at inception	1,824	4,840
Cheques on hand	-	100
Cash on hand	1	1
Total	**3,438**	**5,366**

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TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

16. Bank balance other than cash and cash equivalents

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Earmarked balances		
- in current accounts	35	29
- in term deposits	14	-
Balances with Banks		
In term deposit accounts		
- with maturity more than 3 months but less than 12 months at inception	7,790	275
- with maturity more than 12 months at inception	122	127
In margin money	2	16
Total	**7,963**	**447**

Earmarked bank balances are restricted in use and it relates to unclaimed dividend and Balances with banks held as margin money for security against the guarantees.

17. Derivative Assets

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Forward contracts	259	202
Commodity contracts	-	6
Interest rate swaps	1	20
Currency options	15	1
Total	**275**	**229**

18. Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
	Number of Shares		Amount (₹ in crores)	
Share capital				
(a) Authorised				
Equity shares of the par value of ₹ 1 each	60,15,00,00,000	60,15,00,00,000	6,015	6,015
(b) Issued and subscribed				
(i) Outstanding at the beginning of the year, fully paid up	2,41,72,20,440	2,41,72,20,440	242	242
(ii) Less: Treasury shares held under ESOP Trust (refer note (a) below)	(1,48,16,254)	(1,55,08,976)	(2)	(2)
(iii) Outstanding at the end of the year, fully paid up	2,40,23,26,186	2,40,17,11,464	240	240
(c) Equity shares forfeited (amount originally paid-up)			61	61
Total			**301**	**301**

a) NOTE FOR SHARES HELD UNDER ESOP TRUST:

The Company has created an Employee Stock Ownership Plan (ESOP) for providing share-based payment to its employees.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its subsidiaries in India. For the purpose of the scheme, the Company purchases shares from the open market under ESOP trust. The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares.

For the details of shares reserved for issue under the Employee Stock Ownership Plan (ESOP) of the Company refer note 39.

Movement in treasury shares

Particulars	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
	Number of Shares		Amount (₹ in crores)	
Shares of ₹ 1 each fully paid up held under ESOP Trust				
Equity shares as at 1 April	1,55,08,976	1,09,88,860	2	1
Changes during the year	(6,92,722)	45,20,116	*	@
Equity shares as at 31 March	**1,48,16,254**	**1,55,08,976**	**2**	**2**

* ₹ (0.07) crores @ ₹ 0.45 crores

b) RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO EQUITY SHARES

The Company has a single class of equity shares having par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) SHAREHOLDERS HOLDING MORE THAN 5% SHARE IN THE COMPANY ARE SET OUT BELOW

Particulars	As at 31 March 2020		As at 31 March 2019	
	No of shares	% of shares	No of shares	% of shares
Equity shares				
JFE Steel International Europe BV	36.25,83,070	15.00%	36,25,83,070	15.00%
JSW Techno Projects Management Ltd	25,70,51,220	10.63%	24,73,28,450	10.23%
JSW Holdings Limited	18,14,02,230	7.50%	17,88,37,230	7.40%
Vividh Finvest Private Limited	14,33,70,690	5.93%	14,19,95,690	5.87%

d) SHARES ALLOTTED AS FULLY PAID-UP PURSUANT TO CONTRACTS WITHOUT PAYMENT BEING RECEIVED IN CASH DURING THE YEAR OF FIVE YEARS IMMEDIATELY PRECEDING THE DATE OF THE BALANCE SHEET ARE AS UNDER:

Nil

19. Other equity

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
General reserve	9,944	9,895
Retained Earnings	17,709	13,612
Other Comprehensive Income:		
Equity instruments through other comprehensive income	148	403
Effective portion of cash flow hedges	(434)	33
Foreign currency monetary item translation difference account (FCMITDA)	-	(57)
Other Reserves		
Equity settled share based payment reserve	122	91
Capital reserve	4,359	4,359
Capital redemption reserve	774	532
Securities premium reserve	5,439	5,439
Debenture redemption reserve	-	285
Total	**38,061**	**34,592**

(i) GENERAL RESERVE

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10.00% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year.

Consequent to introduction of Companies Act, 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit and loss to the General reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

(ii) RETAINED EARNINGS

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

(iii) EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME

The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(iv) EFFECTIVE PORTION OF CASH FLOW HEDGES

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit and loss only

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when the hedged transaction affects the profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

(v) FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (FCMITDA)

The Company has continued with the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the standalone financial statements prepared under previous GAAP for the year ended 31 March 2016. The reserve pertains to exchange differences relating to long-term foreign currency monetary items in so far as they do not relate to acquisition of depreciable capital assets, which are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised in the Statement of Profit and Loss over the balance Year of such long-term foreign currency monetary item. The Company has fully amortised the balance in the current year and the outstanding balance as on 31 March 2020 stands to NIL.

(vi) EQUITY SETTLED SHARE BASED PAYMENT RESERVE

The Company offers ESOP, under which options to subscribe for the Company's share have been granted to certain employees and senior management of JSW Steel and its subsidiaries. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

(vii) CAPITAL RESERVE

Reserve is primarily created on amalgamation as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

(viii) CAPITAL REDEMPTION RESERVE

Reserve is created for redemption of preference shares as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

(ix) SECURITIES PREMIUM

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

(x) DEBENTURE REDEMPTION RESERVE

Uptil previous year, the Indian Companies Act required companies that issue debentures to create a debenture redemption reserve (DRR) from annual profits until such debentures are redeemed. Companies were required to maintain 25% as a reserve of outstanding redeemable debentures. Accordingly, the Company created DRR at 25% in the penultimate year to the year in which the repayment obligation arises on the Company. The amounts credited to the debenture redemption reserve was not be utilised except to redeem debentures. On redemption the amount was to be reclassified to Retained Earnings.

As per the recent amendment in Companies Act, 2013, issued by the Ministry of Corporate Affairs, listed companies are not required to create debenture redemption reserve (DRR). Accordingly, the Company has transferred the such reserve balance to general reserve as on 31 March 2020.

20. Borrowings (at amortised cost)

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Bonds (unsecured)	10,554	-	3,459	3,459
Debentures (secured)	5,000	-	2,000	1,841
Term loans				
Secured	10,743	2,468	10,139	1,980
Unsecured	11,464	2,525	8,491	2,841
Acceptance for Capital Projects with maturity more than 1 year				
Secured	650	61	-	-
Unsecured	929	115	-	-
Deferred government loans (unsecured)	135	25	79	31
Other Loans				
Finance Lease obligations (unsecured)	-	-	3,638	352
Preference Shares (unsecured)	-	-	-	231
	39,475	**5,194**	**27,806**	**10,735**
Unamortised upfront fees on borrowing	(228)	(85)	(140)	(68)
	39,247	**5,109**	**27,666**	**10,667**
Less: Current maturities of long-term debt clubbed under Other financial liabilities (note 28)	-	(5,109)	-	(10,667)
Total	**39,247**	-	**27,666**	-

₹ in crores

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non-current	Current	Non-current	Current		
A. Bonds/Debentures					
Bonds (Unsecured)					
3,015	-	-	-	5.375% Repayable on 04.04.2025	
3,769	-	-	-	5.95% Repayable on 18.04.2024	
3,769	-	3,459	-	5.25% Repayable on 13.04.2022	-
-	-	-	3,459	4.75% Repaid on 12.11.2019	-
10,554	-	3,459	3,459		
Debentures(secured)					
1,000	-	-	-	8.90% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a) ₹ 250 crores on 23.01.2027 b) ₹ 250 crores on 23.01.2028 c) ₹ 250 crores on 23.01.2029 and d) ₹ 250 crores on 23.01.2030	First *pari passu* charge on property, plant and equipments related to Cold Rolling Mill 1 and 2 complex located at Vijayanagar Works, Karnataka (other than specifically carved out).
2,000	-	-	-	8.79% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a) ₹ 500 crores on 18.10.2026 b) ₹ 500 crores on 18.10.2027 c) ₹ 500 crores on 18.10.2028 and d) ₹ 500 crores on 18.10.2029	First *pari passu* charge on property, plant and equipments upto 5 mtpa capacity situated at Dolvi works, Maharashtra (other than specifically carved out).
1,000	-	1,000	-	10.34% secured NCDs of ₹ 10,00,000 each are redeemable in three tranches a) ₹ 330 crores on 18.1.2022 b) ₹ 330 crores on 18.1.2023 c) ₹ 340 crores on 18.1.2024	First *pari passu* charge on property, plant and equipments related to 2.8 mtpa expansion project located at Vijayanagar Works, Karnataka and a flat at Vasind, Maharashtra.
1,000	-	1,000	-	10.02% secured NCDs of ₹ 10,00,000 each are redeemable in two tranches a) ₹ 500 crores on 20.05.2023 b) ₹ 500 crores on 19.07.2023	First *pari passu* charge on 3.8 mtpa property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
-	-	-	44	10.60% secured NCDs of ₹ 7,50,000 each are redeemed as 2 half yearly instalments of ₹ 21.875 crores each from 02.08.2019 to 02.02.2020	*Pari passu* first charge by ay of legal mortgage on land situated in the State of Gujarat. *Pari passu* first charge by way of equitable mortgage on property, plant and equipments related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka
-	-	-	400	9.72% secured NCDs of ₹ 10,00,000 each are redeemed on 23.12.2019	First *pari passu* charge on 3.2 mtpa property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
-	-	-	700	Secured zero coupon NCDs redeemed at a premium of 12.15% p.a. accrued quarterly on 22.10.2019	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. - Secured by way of pledge of 40,000,000 equity shares of a subsidiary (Dolvi Minerals and Metals Pvt Ltd - merged into JSW Steel Ltd with appointed date 1 April 2019), held by JSW Steel Limited.
-	-	-	250	10.40% secured NCDs of ₹ 10,00,000 each are redeemed on 19.08.2019	First *pari passu* charge on 3.2 mtpa property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
-	-	-	425	10.60% secured NCDs of ₹ 10,00,000 each are redeemed on 19.08.2019	First *pari passu* charge on 3.2 mtpa property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
-	-	-	22	10.60% secured NCDs of ₹ 6,25,000 each are redeemed on 02.07.2019	*Pari passu* first charge by way of legal mortgage on land situated in the State of Gujarat. *Pari passu* first charge by way of equitable mortgage on property, plant and equipments related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka
5,000	**-**	**2,000**	**1,841**		

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TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

₹ in crores

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non-current	Current	Non-current	Current		
B. Term Loans					
Rupee Term Loans From Banks (Secured)				**Weighted average interest cost as on 31 March 2020 is 8.91%**	
709	-	110	-	12 quarterly instalments of ₹ 8.861 crores each from 30.06.2021-31.03.2024 04 quarterly instalments of ₹ 44.306 crores each from 30.06.2024-31.03.2025 08 quarterly instalments of ₹ 53.167 crores each from 30.06.2025 - 31.03.2027	First *pari passu* charge on expansion project at Dolvi Works, Maharashtra from 5 mtpa to 10 mtpa capacity (other than specifically carved out).
219	31	-	-	23 Quarterly instalments of ₹ 10.41 crores each from 30.09.2020 - 31.03.2026 and last instalment of ₹ 10.57 crore on 30.06.2026	First *pari passu* charge on property, plant and equipments related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
418	86	393	46	23 equal quarterly instalments of ₹ 21.43 crores each from 30.06.2020 to 31.12.2025 and last instalment of ₹ 11.06 crores on 31.03.2026	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. First pari-passu charge on property, plant and equipments of 1.5 mtpa coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) at Dolvi Works, Maharashtra
394	66	450	38	1 quarterly instalment of ₹ 9.375 crores on 30.06.2020 8 quarterly instalments of ₹ 18.75 crores each from 30.09.2020-30.06.2022 12 quarterly instalments of ₹ 25 crores each from 30.09.2022-30.06.2025	First *pari passu* charge on 3.8 mtpa property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
400	100	-	-	20 quarterly instalments of ₹ 25 crores each from 30.06.2020-31.03.2025	First *pari passu* charge on property, plant and equipments related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
470	105	550	100	Repayable in 3 quarterly instalments of ₹ 25 crores each from 30.06.2020 to 31.12.2020 12 quarterly instalments of ₹ 30 crores each from 31.03.2021 to 31.12.2023 4 quarterly instalments of ₹ 35 crores each from 31.03.2024 to 31.12.2024	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. First charge on entire immovable and movable fixed assets located at Salav works (erstwhile JSW Steel Salav Limited), Maharashtra.
375	100	475	25	19 quarterly instalments of ₹ 25 crores each from 15.06.2020-15.12.2024	First *pari passu* charge on property, plant and equipments situated at Salem Works, Tamil Nadu.
563	75	638	75	2 Quarterly instalments of ₹ 18.75 crores each from 27.07.2020 - 27.10.2020 16 Quarterly instalments of ₹ 37.50 crores each from 27.01.2021 - 27.10.2024	First pari-passu charge on property, plant and equipments upto 5 mtpa capacity situated at Dolvi works, Maharashtra.
758	192	902	192	7 quarterly instalments of ₹ 48 crores each from 30.06.2020 - 31.12.2021 9 quarterly instalments of ₹ 64 crores each from 31.3.2022 - 31.03.2024 1 quarterly instalment of ₹ 38.35 crores on 30.06.2024	First charge on entire movable and immovable property, plant and equipments upto 5 mtpa capacity situated at Dolvi works, Maharashtra (excluding those specifically charged and equipment/machinery procured out of proceeds of ECA/ECB/FCL) both present and future.
319	75	375	75	5 quarterly instalments of ₹ 18.75 crores each from 30.06.2020-30.06.2021 12 quarterly instalments of ₹ 25 crores each from 30.09.2021-30.06.2024	First *pari passu* charge on 3.8 mtpa property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
600	200	750	125	16 Quarterly instalment of ₹ 50 crores each from 30.06.2020 - 31.03.2024	First charge on 3.2 mtpa expansion property, plant and equipments situated at Vijayanagar Works Karnataka

₹ in crores

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non-current	Current	Non-current	Current		
938	94	1,031	63	2 Quarterly instalments of ₹ 15.625 crores each from 31.07.2020 - 31.10.2020 04 Quarterly instalments of ₹ 62.50 crores each from 31.01.2021 - 31.10.2021 08 Quarterly instalments of ₹ 93.75 crores each from 31.01.2022 - 31.10.2023	First charge on property, plant and equipments upto 5 mtpa capacity situated at Dolvi works, Maharashtra.
700	150	813	150	8 quarterly instalments of ₹ 37.5 crores each from 30.06.2020 - 31.03.2022 4 quarterly instalments of ₹ 43.75 crores each from 30.06.2022 - 31.03.2023 2 quarterly instalments of ₹ 187.5 crores each from 30.06.2023 - 30.09.2023	First *pari passu* charge on 3.8mtpa upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
125	50	163	50	14 Quarterly instalments of ₹ 12.5 crores each from 30.06.2020 - 30.09.2023.	First charge on property, plant and equipments upto 5 mtpa capacity situated at Dolvi works, Maharashtra.
225	100	325	100	13 quarterly instalments of ₹ 25 crores each from 01.06.2020 - 01.06.2023	First charge on 3.2 mtpa expansion property, plant and equipments situated at Vijayanagar Works Karnataka
1,164	-	-	-	4 quarterly instalments of ₹ 116.40 crores each from 30.06.2021 - 31.03.2022 4 quarterly instalments of ₹ 174.60 crores each from 30.06.2022-31.03.2023	First *pari passu* charge on the mining rights/ assets proposed to be acquired for the 4 iron ore blocks acquired in the State of Odisha.
1,250	200	1,400	200	5 Quarterly instalments of ₹ 50 crores each from 30.06.2020 - 30.06.2021 4 Quarterly instalments of ₹ 125 crores each from 30.09.2021 - 30.06.2022 2 Quarterly instalments of ₹ 350 crores each from 30.09.2022 - 31.12.2022	First charge on property, plant and equipments upto 5 mtpa capacity situated at Dolvi works, Maharashtra.
388	150	500	150	5 quarterly instalments of ₹ 37.5 crores each from 30.06.2020 - 30.06.2021 4 quarterly instalments of ₹ 43.75 crores each from 30.06.2021 - 30.06.2022 2 quarterly instalments of ₹ 87.5 crores each from 30.09.2022 - 31.12.2022	First *pari passu* charge on 3.8mtpa upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
109	63	156	63	11 quarterly instalments of ₹ 15.625 crores each from 30.06.2020 - 31.12.2022	First *pari passu* charge on 3.8 mtpa property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
90	160	215	125	2 quarterly instalments of ₹ 35 crores each from 30.06.2020 - 30.09.2020 4 quarterly instalments of ₹ 45 crores each from 31.12.2020 - 30.09.2021	First charge on 3.2 mtpa expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka
-	375	338	338	2 quarterly instalments of ₹ 37.50 crores each from 30.06.2020 - 30.09.2020 2 quarterly instalments of ₹ 150 crores each from 31.12.2020 - 31.03.2021	First charge on 3.2 mtpa expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka
Total Rupee Term Loans From Banks (Secured)					
10,213	**2,371**	**9,583**	**1,913**		

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₹ in crores

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non-current	Current	Non-current	Current		
Foreign Currency Term Loans From Banks (Secured)				**Weighted average interest cost as on 31 March 2020 is 5.00%**	
531	97	556	67	24 equal quarterly instalments of ₹ 24.23 crores each from 30.06.2020 to 31.03.2026	Loan in books of JSW Steel Ltd. pursuant to merger with appointed date being 01.04.2019
				1 instalment of ₹ 46.09 crores on 30.06.2026	First pari-passu charge on property, plant and equipments of 1.5 mtpa coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) at Dolvi Works, Maharashtra
531	**97**	**556**	**67**		
Total Term Loan-Secured					
10,743	**2,468**	**10,139**	**1,980**		
Rupee Term Loans From Banks (Unsecured)				**Weighted average interest cost as on 31 March 2020 is 8.63%**	
750	-			1 instalment of ₹ 250 crores on 05.04.2021 and 1 instalment of ₹ 500 crore on 05.09.2021	
30	120	150	120	5 quarterly instalments of ₹ 30 crores each from 20.06.2020 to 20.06.2021	
-	250	257	492	1 instalment of ₹ 250 crores each on 20.05.2020	
780	**370**	**407**	**612**		
Foreign Currency Term Loans From Banks (Unsecured)				**Weighted average interest cost as on 31 March 2020 is 3.82%**	
286	15	-	-	20 equal semi-annual instalment of ₹ 15.05 crores from 31.10.2020 to 30.04.2030	
176	20	110	-	20 equal semi-annual instalment of ₹ 9.798 crores from 31.08.2020 to 28.02.2030	
142	16	78	-	20 equal semi-annual instalment of ₹ 7.892 crores from 30.06.2020 to 31.12.2029	
293	34	-	-	19 equal semi-annual instalment of ₹ 17.238 crores from 30.06.2020 to 30.06.2029	
180	23	168	-	17 equal semi-annual instalment of ₹ 6.515 crores from 25.06.2020 to 25.06.2028 and 1 instalment of ₹ 2.683 crores on 25.12.2028	
				17 equal semi-annual instalment of ₹ 5.205 crores from 25.06.2020 to 25.06.2028 and 1 instalment of ₹ 1.809 crores on 25.12.2028	
364	52	210	11	16 equal semi-annual instalment of ₹ 13.56 crores from 25.09.2020 to 25.03.2028 and 1 instalment of ₹ 0.24 crore on 25.09.2028.	
				16 equal semi-annual instalment of ₹ 12.252 crores from 25.09.2020 to 25.03.2028 and 1 instalment of ₹ 2.637 crores on 25.09.2028.	
54	9	59	8	14 semi annual instalments of ₹4.533 crores each from 31.07.2020 to 31.1.2027	-
116	37	-	-	8 equal semi-annual instalment of ₹ 18.634 crores from 30.08.2020 to 29.02.2024 and 1 instalment of ₹ 3.987 crores on 31.12.2026	
186	33	-	-	13 equal semi-annual instalment of ₹ 16.42 crores from 25.06.2020 to 25.06.2026 and 1 instalment of ₹ 5.274 crores on 25.12.2026	

₹ in crores

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non-current	**Current**	Non-current	Current		
91	**21**	103	20	8 half yearly instalments of ₹ 3.40 crores each from 31.07.2020 to 31.01.2024.	-
				9 half yearly instalments of ₹ 1.21 crores each from 30.04.2020 to 30.4.2024	
				12 semi annual instalments of ₹ 2.23 crores each from 25.09.2020 to 25.03.2026	
				12 semi annual instalments of ₹ 2.27 crores each from 25.09.2020 to 25.3.2026.	
				13 semi annual instalments of ₹ 1.596 crores each from 25.06.2020 to 25.06.2026.	
1,885	**-**	-	-	2 annual instalments of ₹ 621.934 crores from 19.03.2024 to 19.03.2025 and	
				1 instalment of ₹ 640.78 crores on 19.03.2026	
69	**14**	76	13	12 semi annual instalments of ₹ 4.715 crores each from 23.07.2020 to 23.01.2026	-
				12 semi annual instalments of ₹2.21 crores each from 06.08.2020 to 05.02.2026	
786	**-**	-	-	3 annual instalments of ₹ 238.72 crores from 27.12.2023 to 26.12.2025	
				3 annual instalment of ₹ 23.216 crores from 22.01.2024 to 22.01.2026	
565	**-**	519	-	4 equal instalment of ₹ 141.35 crores from 19.10.2022 to 19.10.2025	
942	**-**	865	-	4 annual instalments of ₹ 235.58 crores from 16.07.2022 to 16.07.2025	
302	**-**	277	-	4 annual instalments of ₹ 75.386 crores from 12.07.2022 to 12.07.2025	
141	**111**	231	102	10 equal semi annual instalments of ₹ 1.697 crores each from 25.09.2020 to 25.03.2025	-
				2 equal annual instalments of ₹ 100.51 crores from 13.8.2020 to 13.8.2021	
				9 equal semi annual instalments of ₹ 3.45 crores each from 25.09.2020 to 25.09.2024 and 1 semi annual instalment of ₹ 2.906 crores on 25.03.2025	
150	**39**	172	35	9 equal semi annual instalments of ₹ 6.32 crores each from 09.07.2020 to 09.07.2024 and 1 semi annual instalment of ₹ 5.57 crores on 09.01.2025	-
				9 equal semi annual instalments of ₹ 13.004 crores each from 09.07.2020 to 09.07.2024 and 1 semi annual instalment of ₹ 9.42 crores on 09.01.2025	
1,583	**-**	1,453	-	4 annual instalments of ₹ 395.78 crores from 12.10.2021 to 12.10.2024	
754	**-**	692	-	Repayable on 05.04.2024	

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

₹ in crores

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non-current	Current	Non-current	Current		
300	218	475	200	3 half yearly instalments of ₹ 62.70 crores each from 31.05.2020 to 31.05.2021 7 half yearly instalments of ₹ 40.07 crores each from 30.04.2020 to 30.04.2023 8 half yearly instalments of ₹ 6.10 crores each from 18.09.2020 to 18.03.2024	-
43	14	53	13	8 half yearly instalments of ₹ 7.22 crores each from 30.09.2020 to 31.03.2024	-
43	14	53	13	8 half yearly instalments of ₹ 7.18 crores each from 28.08.2020 to 28.02.2024	-
246	84	300	76	8 half yearly instalments of ₹ 18.01 crores each from 19.7.2020 to 19.1.2024 7 half yearly instalments of ₹ 24.02 crores each from 19.7.2020 to 19.7.2023 and 1 half yearly instalment of ₹ 18.24 crores on 19.1.2024	- -
30	10	37	9	8 equal semi annual instalments of ₹ 4.966 crores each from 15.06.2020 to 15.12.2023	-
678	-	623	-	Repayable in three tranches a) ₹ 376.93 crores on 21.2.2022 b) ₹ 37.69 crores on 06.03.2022 c) ₹ 263.85 crores on 03.07.2022	-
277	260	493		Repayable in two tranches a) ₹ 260.29 crores on 27.4.2020 b) ₹ 276.56 crores on 27.4.2021	-
-	1,131	1,038	-	3 equal instalments of ₹ 376.93 crores each on 07.04.2020, 21.9.2020 and 21.3.2021	-
-	-	-	1,729	Repaid on 20.03.2020	-
10,684	**2,155**	**8,083**	**2,229**		
Total Term Loan – Unsecured					
11,464	2,525	8,491	2,841		
C. Acceptance for Capital Projects more than 1 year					
Acceptance – Secured					
633	-	-	-	Repayment of 10 cases 2021-22 - ₹ 56.96 crores on various dates. Repayment of 77 cases 2022-23 - ₹ 576.11 crores on various dates	First *pari passu* charge on movable fixed assets of 1.5 mtpa Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
8	61	-	-	Repayment of 05 cases in 2020-21 - ₹ 61.12 crores on various dates. Repayment of 03 cases in 2021-22 - ₹ 7.67 crores on various dates.	First *pari passu* charge on expansion project at Dolvi Works, Maharashtra from 5 mtpa to 10 mtpa capacity (other than specifically carved out).
9	-	-	-	Repayment of ₹ 9.12 crores on 01.08.2022	First *pari passu* charge on movable fixed assets of 1.5 mtpa Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
650	**61**	-	-		
Acceptance – Unsecured					
268	101	-	-	Repayment of 10 cases in 2020-21 - ₹ 101.23 crores on various dates Repayment of 38 cases in 2021-22 - ₹ 141.59 crores on various dates Repayment of 23 cases in 2022-23 - ₹ 126.42 crores on various dates	
661	14	-	-	Repayment of 04 cases in 2020-21 - ₹ 14.03 crores on various dates Repayment of 57 cases in 2021-22 - ₹ 196.24 crores on various dates Repayment of 117 cases in 2022-23 - ₹ 465.35 crores on various dates	
929	**115**				

₹ in crores

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non-current	Current	Non-current	Current		
C. Acceptance for Capital Projects more than 1 year					
1,579	**176**	-	-		
D. Deferred Payment Liabilities					
Deferred Sales Tax Loan (Unsecured)					
134	-	58	-	Interest free loan Payable after 14 years by 31.3.2032	
1	25	21	31	Interest free loan and payable in 42 varying monthly instalments starting from 12.4.2018 to 12.9.2021	-
135	**25**	**79**	**31**		
E. Financial Lease Obligations					
-	-	3,638	352	Varying monthly instalments from 8 to 15 years	
F. Preference Shares					
-	-	-	231	0.01% CPRS Redeemable at par in 4 quarterly instalments starting from 15.06.2018 to 15.03.2020	-
-	**-**	**-**	**231**		
G. Unamortised Upfront Fees on Borrowing					
(228)	(85)	(140)	(68)		-
Total Amount in ₹ crores					
39,247	**5,109**	**27,666**	**10,667**		

Pursuant to the Covid 19 pandemic, the Reserve Bank of India, vide its notification reference RBI/2019-20/186 dated 27 March 2020, announced a "Covid 19 Regulatory Package" to mitigate the adverse impact of the pandemic and ensure continuity of viable businesses. As per this package banks were inter alia permitted to grant a moratorium of three months on payment of all instalments (principal and interest) on Term loans falling due between 1 March 2020 and 31 May 2020. The Company opted to avail the package relating to term loans and the same was approved by the lenders in line with RBI's notification. Accordingly, the financial statement has been prepared giving effect to the above.

21. Other financial liabilities (Non-current, at amortised cost)

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Rental and other deposits	32	52	33	47
Retention money for capital projects	403	1,072	481	171
Premium on redemption of debentures	-	-	-	490
Allowance for financial guarantees	873	-	516	-
	1,308	**1,124**	**1,030**	**708**
Less: Amount clubbed under Other financial liabilities(note 28)	-	(1,124)	-	(708)
Total	**1,308**	**-**	**1,030**	**-**

MOVEMENTS IN ALLOWANCES FOR FINANCIAL GUARANTEES

₹ in crores

Particulars	Amount
As at 1 April 2018	**642**
Release of financial guarantees (refer note 10)	**(153)**
Exchange fluctuations	**27**
As at 31 March 2019	**516**
Additional created during the year	**376**
Release of financial guarantees (refer note 10)	**(57)**
Exchange fluctuations	**38**
As at 31 March 2020	**873**

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

22. Provisions

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Provision for employee benefits (refer note 41)				
Provision for compensated absences	120	18	96	15
Provision for gratuity	172	39	129	37
Provision for long service award	12	2	-	-
Provision for Provident fund	-	5	-	1
Other provisions				
Mine closure provision	18	-	8	-
Others	-	-	2	
Total	322	64	235	53

MOVEMENT OF MINE CLOSURE PROVISION DURING THE YEAR

₹ in crores

	As at 31 March 2020	As at 31 March 2019
Opening Balance	8	2
Additions during the year	9	5
Unwinding of discount and changes in the discount rate	1	#
Closing Balance	18	8

represents amounts below ₹ 0.5 crore

Site restoration expenditure is incurred on an ongoing basis until the closure of the site. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

23. Income tax

Indian companies are subject to Indian income tax on a standalone basis. For each fiscal year, the entity profit and loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Statutory income tax is charged at 30% plus a surcharge and education cess.

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2019-20 is charged at 15% plus a surcharge and education cess. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

A. INCOME TAX EXPENSE

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax :		
Current tax (MAT) (including earlier years reversal/adjustments)	789	2,356
	789	2,356
Deferred tax :		
Deferred tax	81	1,323
MAT credit entitlement	198	(93)
(Restoration)/reversal of MAT credit entitlement	22	-
Reversal of DTL on measurement due to change in tax rate (Refer note below)	(2,150)	-
Tax provision/(reversal) for earlier years	61	-
Total deferred tax	(1,788)	1,230
Total tax expense	(999)	3,586

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit before tax	4,292	11,707
Enacted tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	1,500	4,090
Reversal of DTL on measurement due to change in tax rate (Refer note below)	(2,150)	-
Expenses not deductible in determining taxable profit	226	58
Income not recognised in book profit	-	158
Income exempt from taxation/taxable separately	(103)	(355)
Tax holiday and allowances	(382)	(371)
Income taxable at lower rate	-	10
Tax provision/(reversal) for earlier years	(67)	(4)
Others	(23)	-
Tax expense for the year	(999)	3,586
Effective income tax rate	-23.28%	30.63%

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions.

During the year ended 31 March 2020, Company had made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit. Based on the detailed assessment carried out the management, deferred tax liabilities on temporary differences expected to reverse during the period in which the Company would be under the new tax regime and accordingly applied the new rate for measuring the said deferred tax liabilities in accordance with the requirements of IND AS 12 - 'Income Taxes". This has resulted in reversal of deferred tax liabilities amounting to ₹ 2150 crores.

There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 45).

B. DEFERRED TAX LIABILITIES (NET)

Significant components of deferred tax assets/(liabilities) recognised in the financial statements are as follows:

₹ in crores

Deferred tax balance in relation to	As at 31 March 2019	Recognised/ reversed through profit and loss	Recognised in/ reclassified from other comprehensive income	As at 31 March 2020
Property, plant and equipment	(10,253)	2,043	-	(8,210)
Carried forward business loss/unabsorbed depreciation	391	(391)	-	-
Cash flow hedges/FCMITDA	14	-	221	235
Provisions for employee benefit/loans and advances and guarantees	629	511	6	1,146
Lease liabilities	1,393	(174)	-	1,219
Others	79	20	-	99
MAT credit entitlement	4,416	(220)	-	4,196
Total	**(3,331)**	**1,788**	**227**	**(1,315)**

₹ in crores

Deferred tax balance in relation to	As at 31 March 20118	Recognised/ reversed through profit and loss	Recognised in/ reclassified from other comprehensive income	As at 31 March 2019
Property, plant and equipment	(9,724)	(529)	-	(10,253)
Carried forward business loss/unabsorbed depreciation	1,425	(1,034)	-	391
Cash flow hedges/FCMITDA	7	-	7	14
Provisions for employee benefit/loans and advances and guarantees	561	63	5	629
Finance Lease obligation	1,360	33	-	1,393
Others	(65)	144	-	79
MAT credit entitlement	4,323	93	-	4,416
Total	**(2,113)**	**(1,230)**	**12**	**(3,331)**

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

The Company expects to utilise the MAT credit within a period of six financial years within the time limit available under Income Tax Act.

Deferred tax asset on long-term capital losses of ₹ 203 crores and ₹ 2,025 crores expiring in fiscal year 2021-22 and 2024-25 respectively has not been recognised in the absence of probable future taxable capital gains.

Deferred tax asset on short-term capital losses of ₹ 677 crores expiring in fiscal year 2024-25 has not been recognised in the absence of probable future taxable capital gains.

24. Other liabilities (Non-current)

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Employees Car Deposits	4	4
Advances from customer	3,044	4,079
Total	**3,048**	**4,083**

Advance from customer includes amount outstanding relating to a five year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. for supply of Steel Products. Duferco S.A had provided an interest bearing advance amount of US $ 700 million under this agreement. The advance and interest will be adjusted by export of steel products to Duferco S.A . Current portion of ₹ 1,010 crores (31 March 2019 ₹ 763 crores) has been included in note 29.

25. Borrowings (current, at amortised cost)

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Working capital rupee loans from banks (secured)	2,930	730
Export Packing Credit in Rupee from Banks (unsecured)	-	69
Commercial papers (unsecured)	3,883	4,572
Total	**6,813**	**5,371**

BORROWING HAVE BEEN DRAWN AT FOLLOWING RATE OF INTEREST

₹ in crores

Particulars	Rates of interest
Cash Credit (CC)	8.25% p.a. to 9.25% p.a.
Commercial Papers (CP)	7.20% p.a. to 8.65% p.a.
Export Packing Credit (EPC)	6.40% p.a. to 7.90% p.a.

Working capital loans of ₹ 2,930 crores (31 March 2019 ₹ 730 crores) are secured by:

i) *pari passu* first charge by way of hypothecation of stocks of raw materials, finished goods, work-in-process, consumables (stores and spares) and book debts/receivables of the Company, both present and future.

ii) *pari passu* second charge on movable properties and immovable properties forming part of the property, plant and equipment of the Company, both present and future except such properties as may be specifically excluded.

26. Trade payables

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Total outstanding, dues of micro and small enterprises	56	31

DISCLOSURE PERTAINING TO MICRO, SMALL AND MEDIUM ENTERPRISES (AS PER INFORMATION AVAILABLE WITH THE COMPANY):

₹ in crores

Description	As at 31 March 2020	As at 31 March 2019
Principal amount outstanding as at end of year	56	31
Principal amount overdue more than 45 days	-	-
Interest due and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	*	-
Interest due and payable for the year of delay	*	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

*under legal evaluation

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
(b) Total outstanding, dues of creditors other than micro and small enterprises		
Acceptances	8,056	8,937
Other than acceptances	5,242	4,160
Total	**13,298**	**13,097**

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

Payables Other than acceptances are normally settled within 180 days.

Trade payables from related parties' details has been described in note 44.

27. Derivative Liabilities

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current	Non-current	Current	Non-current
Forward Contracts	125	-	305	-
Commodity Contracts	61	-	-	-
Interest Rate Swaps	-	130	27	-
Currency Options	3	-	-	-
Total	**189**	**130**	**332**	**-**

28. Other financial liabilities (Current, at amortised cost)

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of long-term debt (refer note 20)	5,109	10,315
Current maturities of finance lease obligation (refer note 20)	-	352
Current dues of other long-term liabilities(refer note 21)	1,124	708
Payables for capital projects		
Acceptances	2,511	1,252
Other than Acceptances	2,002	1,566
Interest accrued but not due on borrowings	633	424
Payables to employees	218	158
Unclaimed Matured debentures and accrued interest thereon	-	-
Unclaimed dividends	32	26
Unclaimed amount of sale proceeds of fractional shares	3	3
Others	348	667
Total	**11,980**	**15,471**

Acceptances include credit availed by the Company from Banks for payment to suppliers for capital items.

The arrangements are interest-bearing and are payable within one year.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

29. Other current liabilities

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Advances from customers	1,487	990
Statutory liabilities	342	495
Export obligation deferred income	473	154
Total	**2,302**	**1,639**

Current portion of ₹ 1,010 crores (31 March 2019 ₹ 763 crores) relating to APSA. Refer note 24.

Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and accounted in revenue on fulfilment of export obligation.

30. Revenue from operations

₹ in crores

Particulars		For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of products			
Domestic turnover		52,326	67,185
Export turnover		9,989	8,025
	A	62,315	75,210
Other operating revenues			
Government grant income			
Gain on fair value of deferred GST government loan		583	1,127
Export obligation deferred income amortization		140	160
Export benefits and entitlements income		297	242
Unclaimed liabilities written back		144	263
Miscellaneous income*		67	185
	B	1,231	1,977
Total	A+B	63,546	77,187
Government grant Income -VAT/ GST Incentive relating to earlier years (refer note a)		466	-
Fees for assignment of procurement contract (refer note b)		250	-
Total Revenue from operations		64,262	77,187

*includes income from scrap sales, CST incentive etc.

PRODUCT-WISE TURNOVER

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Tonnes	₹ in crores	Tonnes	₹ in crores
MS slabs	2,28,336	756	3,47,603	1,274
Hot rolled coils/steel plates/sheets	86,52,886	32,995	87,56,033	39,312
Galvanised coils/sheets	4,28,848	2,129	4,63,278	2,527
Cold rolled coils/sheets	18,42,608	8,328	20,68,763	10,603
Steel billets & blooms	4,02,306	1,553	4,28,573	1,728
Long rolled products	35,20,862	14,011	36,91,473	16,742
Others	-	2,543		3,024
Total		62,315		75,210

Notes:

a) Incentives under the State Industrial Policy

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral/CST refunds historically. The Company currently recognises income for such government grants based on the State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST).

a) During October 2019, the Company has received an in-principle approval for eligibility from the Government of Maharashtra in response to the application filed by the Company for incentive under PSI Scheme 2007 on its investment for expansion from 3.3 mtpa to 5 mtpa at Dolvi unit for the period beginning May 2016 onwards.

Accordingly, during the year Company had recognised grant income amounting to ₹ 466 crores in relation to earlier year.

b) The State Government of Maharashtra (GOM) vide its Government Resolution (GR) dated 20 December 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

b) During the year, the Company received an amount of ₹ 250 crores as consideration from a vendor for assignment of its long-term supply contract in favor of a third party with same terms and conditions over the remaining term of the contract and have accordingly recognised one-time income in relation to the same.

c) Ind AS 115 Revenue from Contracts with Customers

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

The Company has assessed that impact of COVID 19 on its revenue stream due to disruption in supply chain, drop in demand, termination or deferment of contracts by customers etc. and have recognised revenue only when the control over the goods or services is transferred to the customer.

The Company sales to customers was affected in the last week of March 2020 as measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses in India, resulting in an economic slowdown.

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 40):

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from contracts with customer – Sale of products (including shipping services)	62,315	75,210
Other operating revenue	1,947	1,977
Total revenue from operations	**64,262**	**77,187**
India	54,273	69,162
Outside India	9,989	8,025
Total revenue from operations	**64,262**	**77,187**
Timing of revenue recognition		
At a point in time	64,262	77,187
Total revenue from operations	**64,262**	**77,187**

CONTRACT BALANCES

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Trade Receivables (refer note 14)	3,166	6,770
Contract liabilities		
Advance from customers (refer note 24 and 29)	4,531	5,069

The credit period on sales of goods ranges from 7 to 90 days with or without security.

As at 31 March 2020, ₹ 153 crores (previous ₹ 82 crores) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include long term and short term advances received for sale of goods. The outstanding balances of these accounts decreased in due to adjustment against receivable balances. Long term advances are detailed in note 24.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹ 990 crores (previous year ₹232 crores) and performance obligations satisfied in previous years ₹ NIL (previous year ₹ NIL).

Out of the total contract liabilities outstanding as on 31 March 2020, ₹ 1,487 crores (previous ₹ 990 crores) will be recognized by 31 March 2021 and remaining thereafter.

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TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

REFUND LIABILITIES

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Arising from volume rebates and discount (included in Other Financial Liabilities- note 28)	305	637

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

31. Other income

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest Income earned on financial assets that are not designated as FVTPL		
Loans to related parties	180	124
Bank deposits	305	14
Other Interest income	44	87
Gain on sale of current investments designated as FVTPL	4	12
Fair value gain arising from financial instruments designated as FVTPL	16	8
Unwinding of interest on financial assets carried at amortised cost	45	31
Guarantees/Standby letter of credit commission	3	3
Dividend income from investments in subsidiaries, associates and joint ventures	31	124
Provision for doubtful debts/loans/advances written back (net)	-	2
Others	*	-
Total	**628**	**405**

*₹ 0.40 crore

32. Changes in inventories of finished goods and work-in-progress

₹ in crores

Particulars		For the year ended 31 March 2020	For the year ended 31 March 2019
Opening stock			
Semi finished/finished goods		3,274	2,881
Work-in-progress		478	691
	A	**3,752**	**3,572**
Closing stock			
Semi finished/finished goods		3,365	3,274
Work-in-progress		414	478
	B	**3,779**	**3,752**
	C (A-B)	**(27)**	**(180)**

33. Employee benefits expense

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries and wages	1,282	1,229
Contribution to provident and other funds (refer note 41)	110	84
Expenses on employees stock ownership plan	30	44
Staff welfare expenses	74	78
Total	**1,496**	**1,435**

The JSWSL Employees Samruddhi Plan 2019 (Plan) was approved by a special resolution passed by the shareholders of the Company by way of a postal ballot on 17 May 2019. The Plan was effective from 1 April 2019.

The scheme is a one-time scheme applicable only for certain permanent employees (Eligible Employee) of the Company. The Eligible Employee can purchase the Equity Shares from the open market by availing a loan provided by a bank / non-banking financial institution ("Lending Agency") identified by the Company to facilitate acquisition of Equity Shares by the Eligible Employees under the Plan. The plan provides that the Company shall service 75% of the total interest liability owed to the Lending Agency and the balance 25% will be borne by the Eligible Employee. The interest expense recognised in the financial statements during the year was ₹ 6 crores.

34. Finance costs

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest:		
Bonds and Debentures	727	796
Others	2,593	2,150
Dividend on redeemable preference shares	12	41
Interest on lease liabilities/finance lease obligations	472	510
Unwinding of interest on financial liabilities carried at amortised cost	27	18
Exchange differences regarded as an adjustment to borrowing costs	89	143
Other borrowing costs	98	126
Interest on Income Tax	4	5
Total	**4,022**	**3,789**

35. Depreciation and amortisation expense

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation of property, plant and equipment	2,999	3,395
Amortisation of intangible assets	36	26
Depreciation of Right to use assets	487	-
Total	**3,522**	**3,421**

36. Other expenses

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Stores and spares consumed	3,098	3,590
Power and fuel	5,533	6,437
Rent	3	29
Repairs and maintenance		
Plant and machinery	1,010	1,284
Buildings	35	34
Others	18	27
Insurance	97	68
Rates and taxes	142	63
Carriage and freight	3,354	3,558
Jobwork and processing charges	604	760
Commission on sales	28	29
Net loss/(gain) on foreign currency transactions and translation#	679	490
Donations and contributions	56	24
CSR Expenditure	140	64
Fair value Loss arising from Financial instruments designated as FVTPL	17	18
Royalty and others – direct mining cost	651	272
Allowance for financial guarantee	376	-
Allowances for doubtful debts, loans and advances (net):		
Allowances for doubtful debts, loans and advances	93	132
Reversal for allowance for doubtful loans	(326)	-
Loss on sale of property, plant and equipment (net)	29	7
Miscellaneous expenses	1,146	856
Total	**16,783**	**17,742**

#including hedging cost of ₹ 307 crores (previous year ₹ 290 crores)

Note:

a) Auditors remuneration (excluding tax) included in miscellaneous expenses:

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Statutory audit fees (including limited reviews)	6	6
Tax audit fees	1	1
Fees for capital market transactions and other certifications*	3	2
Other services	#	#
Out of pocket expenses	#	#
Total	**10**	**9**

#represents amounts below ₹ 0.5 crore

*Fees for capital market transactions amounting to ₹ 2 crores treated as part of upfront fees adjusted against borrowings.

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TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

b) Corporate Social Responsibility (CSR)

The Company has incurred an amount of ₹ 140 crores (31 March 2019 ₹ 64 crore) towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses.

₹ in crores

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	In Cash	Yet to be Paid in Cash	In Cash	Yet to be Paid in Cash
(a) Gross amount required to be spent by the Company during the year	139		64	
(b) Amount spend on:				
(i) Construction/acquisition of assets	*	-	1	-
(ii) On purposes other than (i) above (for CSR projects)	121	19	54	9

*represents ₹ 0.14 crore

37. Research and development activities

Details of expenditure incurred in respect of research and development activities undertaken during the year is as follows:

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Manufacturing and other expenditure	30	33
Depreciation expense	14	13
Capital expenditure (including capital work-in-progress)	24	12

38. Earnings per share (EPS)

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit/(Loss) attributable to equity shareholders (₹ in crores) (A)	5,291	8,121
Weighted average number of equity shares for basic EPS (B)	**2,40,21,45,868**	**2,40,46,25,681**
Effect of dilution:		
Weighted average number of treasury shares held through ESOP trust	1,50,74,572	1,25,94,759
Weighted average number of equity shares adjusted for the effect of dilution (C)	**2,41,72,20,440**	**2,41,72,20,440**
Basic EPS (Amount in ₹) (A/B)	22.03	33.77
Diluted EPS (Amount in ₹) (A/C)	21.89	33.60

For details regarding treasury shares held through ESOP trust (refer note 18(a)).

39. Employee share based payment plans

ESOP SCHEME 2016

The Board of Directors of the Company at its meeting held on 29 January 2016, formulated the JSWSL EMPLOYEES STOCK OWNERSHIP PLAN 2016 ("ESOP Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its' subsidiaries in India.

Three grants would be made under ESOP plan 2016 to eligible employees on the rolls of the Company as at 1 April 2016, 1 April 2017 and 1 April 2018.

During the year the Company has made supplementary grants under the JSWSL Employee stock ownership Plan 2016 to its permanent employees who are on the rolls of the Company and its Indian subsidiaries as on 5 December 2019 and the same was approved by the ESOP committee in its meeting held on 5 December 2019.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 50% of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the fourth year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price is determined by the ESOP committee at a certain discount to the primary market price on the date of grant.

A total of 2,86,87,000 options are available for grant to the eligible employees of the Company and a total of 31,63,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

The details of an employee share based payments plan operated through a trust for ESOP 2016 are as follows:

Option series	Options granted	Options vested	Grant date	Vesting period	Exercise price	Average Fair value at grant date	Method of settlement
1st Grant	70,24,090	58,02,065	17 May 2016	17 May 2016 till 31 March 2020 (for 50% of the grant) and 17 May 2016 to 31 March 2020 (for remaining 50% of the grant)	103.65	67.48	Equity
2nd Grant	48,40,425	20,81,697	16 May 2017	16 May 2017 till 31 March 2020 (for 50% of the grant) and 16 May 2017 to 31 March 2021 (for remaining 50% of the grant)	161.36	104.04	Equity
3rd Grant	31,69,393	NIL	14 May 2018	14 May 2018 till 31 March 2021 (for 50% of the grant) and 14 May 2018 to 31 March 2022 (for remaining 50% of the grant)	263.24	167.15	Equity
Supplementary Grant	1,85,595	NIL	5 December 2019	up to 6 December 2020	207.84	91.07	Equity
	1,19,910			up to 6 December 2020 for 50% of the options granted and upto 31 March 2021 for remaining 50% of the options granted	207.84	92.55	
	55,002			up to 31 March 2021 for 50% of the options granted and upto 31 March 2022 for remaining 50% of the options granted	207.84	98.63	

The outstanding position as at 31 March 2020 is summarised below:

Particulars	ESOP 2016		
	1st Grant	2nd Grant	3rd Grant
Date of grant			
- original grant	17 May 2016	16 May 2017	14 May 2018
- supplementary grant	5 December 2019	5 December 2019	5 December 2019
Share Price on date of grant			
- original grant	129.56	201.70	329.05
- supplementary grant	259.80	259.80	259.80
Outstanding as on 1 April 2018	66,72,800	47,70,020	-
Transfer in	1,00,110	48,264	19,690
Transfer Out	4,29,270	2,20,726	13,027
Granted during the period	-	-	31,69,393
Forfeited during the period	23,640	-	-
Lapsed during the period	-	-	-
Exercised during the period	-	-	-
Outstanding as on 31 March 2019	63,20,000	45,97,558	31,76,056
Granted during the period*	1,85,595	1,19,920	55,002
Transfer in	28,370	31,678	8,329
Transfer Out	4,18,990	2,78,188	1,93,376
Forfeited during the period	1,27,315	1,87,655	1,32,092
Lapsed during the period	-	-	-
Exercised during the period	8,11,215	-	-
Outstanding as on 31 March 2020	51,76,445	42,83,313	29,13,919
of above – vested outstanding options	49,90,850	20,81,697	-
of above – unvested outstanding options	1,85,595	22,01,617	29,13,919
Vesting Period			
- Original	17 May 2016 till 31 March 2019 (for 50% of the grant) and 17 May 2016 to 31 March 2020 (for remaining 50% of the grant)	16 May 2017 till 31 March 2020 (for 50% of the grant) and 16 May 2017 to 31 March 2021 (for remaining 50% of the grant)	14 May 2018/5 December 2019 till 31 March 2021 (for 50% of the grant) and 14 May 2018/5 December 2019 to 31 March 2022 (for remaining 50% of the grant)
- Supplementary	5 December 2019 to 6 December 2020 for the subsequent grants	5 December 2019 to 6 December 2020 for 50% of the options granted and upto 31st March, 2021 for remaining 50% of the options granted	
Exercise Period	4 years from vesting date	4 years from vesting date	4 years from vesting date

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

Particulars	ESOP 2016		
	1st Grant	2nd Grant	3rd Grant
Weighted average remaining contract life			
- original grant	42 months	54 months	66 months
- Supplementary grant	57 months	59 months	66 months
Exercise price			
- Original grants	103.65	161.36	263.24
- Supplementary grants	207.84	207.84	207.84
Weighted average share price for shares exercised during the year	249.05	Not applicable	Not applicable
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:
Expected volatility	Volatility was calculated using standard deviation of daily change in stock price	Volatility was calculated using standard deviation of daily change in stock price	Volatility was calculated using standard deviation of daily change in stock price.
Original grants	The volatility used for valuation is 39.23 % for options with 3 years vesting and 39.62 % with 4 years vesting	The volatility used for valuation is 33.76 % for options with 3 years vesting and 37.43 % with 4 years vesting	The volatility used for valuation is 33.23 % for options with 3 years vesting and 33.28 % with 4 years vesting
Supplementary grants	The volatility used for valuation is 32.30 % for options with 1 year vesting	The volatility used for valuation is 32.30 % for options with 1 year vesting and 32.10% with 1.32 years vesting	The volatility used for valuation is 32.10 % for options with 1.32 years vesting and 32.21% with 2.32 years vesting
Expected option life	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2
Expected dividends			
Original grants	₹ 1.10 per share	₹ 0.75 per share	₹ 2.25 per share
Supplementary grants	₹ 4.10 per share	₹ 4.10 per share	₹ 4.10 per share
Risk-free interest rate	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option
Original grants	The rate used for calculation is 7.36% (for 3 years vesting) & 7.44% (for 4 years vesting)	The rate used for calculation is 6.87% (for 3 years vesting) & 6.96% (for 4 years vesting)	The rate used for calculation is 7.85% (for 3 years vesting) & 7.92% (for 4 years vesting)
Supplementary grants	The rate used for calculation is 5.67% (for 1 year vesting)	The rate used for calculation is 5.67% (for 1 year vesting) & 5.76% (for 1.32 years vesting)	The rate used for calculation is 5.76% (for 1.32 years vesting) & 6.02% (for 2.32 years vesting)
The method used and the assumptions made to incorporate the effects of expected early exercise	Black-Scholes Options pricing model	Black-Scholes Options pricing model	Black-Scholes Options pricing model
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield		

*as part of supplementary grants

40. Segment reporting

The Company is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below

a) REVENUE FROM OPERATIONS

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Domestic	54,273	69,162
Export	9,989	8,025
Total	**64,262**	**77,187**

Revenue from operations have been allocated on the basis of location of customers.

b) NON-CURRENT ASSETS

All non-current assets other than financial instruments of the Company are located in India.

c) CUSTOMER CONTRIBUTING MORE THAN 10% OF REVENUE

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
JSW Steel Coated Products Limited	8,635	10,128

41. Employee benefits

a) DEFINED CONTRIBUTION PLAN

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

Company's contribution to provident fund & family pension scheme recognised in statement of profit and loss of ₹ 57 crores (31 March 2019: ₹ 49 crores) (included in note 33).

Contribution towards Company owned trust is detailed in Defined benefit plans

b) DEFINED BENEFIT PLANS

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

The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days' salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

The fund is managed by JSW Steel limited Employee Gratuity Trust and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in Government securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

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TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2020 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(i) Gratuity:

₹ in crores

	For the year ended 31 March 2020	For the year ended 31 March 2019	
	Funded	Funded	Unfunded
a) Liability recognised in the balance sheet			
i) Present value of obligation			
Opening balance	243	205	2
Service cost	16	14	#
Interest cost	18	16	#
Actuarial loss on obligation	19	15	#
Benefits paid	(10)	(10)	-
Liability in	#	3	-
Liability transfer	-	(2)	-
Closing balance	286	241	2
Less:			
ii) Fair value of plan assets			
Opening balance	77	74	
Interest Income	5	6	
Actuarial (loss)/gain on plan assets	#	#	
Employers' contribution	-	3	
Benefits paid	(7)	(6)	
Closing balance	75	77	
Amount recognised in balance sheet (refer note 22)	211	164	2
b) Expenses recognised in statement of profit and loss			
Service cost	16	14	
Interest cost	18	16	
Expected return on plan assets	(5)	(5)	
Component of defined benefit cost recognised in statement of profit and loss	29	25	-
Remeasurement of net defined benefit liability			
- Actuarial (gain)/loss on defined benefit obligation	19	15	#
- Return on plan assets (excluding interest income)	#	#	
Component of defined benefit cost recognised in other comprehensive income	19	15	#
Transferred to preoperative expenses	#	(2)	-
Total	48	38	#
c) Actual return on plan assets	5	6	-
d) Break up of plan assets:			
(i) ICICI Prudential Life Insurance Co. Limited (ICICI)			
Balanced fund	3	3	
Debt fund	3	#	
Short-term debt fund	#	#	
Group Short Term Debt Fund III	-	3	
(ii) HDFC Standard Life Insurance Co. Limited (HDFC)			
Defensive managed fund	#	#	
Secure managed fund	7	6	
Stable managed fund	-	#	
(iii) SBI Life Insurance Co. Limited – Cap assured fund (SBI)	44	47	
(iv) LIC of India – Insurer managed fund (LIC)	17	18	
Total	75	77	

represents amounts below ₹ 0.5 crores

During the year, entire unfunded liabilities have been funded.

e) Principal actuarial assumptions:

₹ in crores

	Valuation as at 31 March 2020	Valuation as at 31 March 2019	
	Funded	Funded	Unfunded
Discount rate	6.84%	7.79%	7.79% -7.88%
Expected rate(s) of salary increase	6%	6%	6%
Expected return on plan assets	6.84%	7.79%	-
Attrition rate	2%	2%	2%
Mortality rate during employment	Indian assured lives mortality (2006-2008)		

f) Experience adjustments:

₹ in crores

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Defined benefit obligation	286	243	196	175	143
Plan assets	75	77	65	53	50
Surplus/(deficit)	(211)	(166)	(131)	(122)	(93)
Experience adjustments on plan liabilities – Loss/(gain)	19	15	3	17	3
Experience adjustments on plan assets – Gain/(loss)	#	#	#	#	#

represents amounts below ₹ 0.50 crore

g) The Company expects to contribute ₹ 39 crores (previous year ₹ 37 crores) to its gratuity plan for the next year.

h) The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (31 March 2019: 10 years).

i) In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.

j) Expected return on plan assets is based on expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

k) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

l) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plan is as follows:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Defined benefit obligation	286	243
Plan assets	75	77
- net liability/(asset) arising from defined benefit obligation	**211**	**166**

Sensitivity Analysis:

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

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(23)	26	(19)	22
Future salary growth (1% movement)	26	(23)	22	(19)
Attrition rate (1% movement)	2	(2)	3	(3)

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

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Fund Allocation

Particulars	SBI	HDFC	ICICI	LIC
As on 31 March 2020	**58.69%**	**9.83%**	**8.39%**	**23.09%**
As on 31 March 2019	60.79%	8.50%	7.57%	23.14%

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Category of assets average percentage allocation fund wise as on 31 March 2020

Particulars	SBI	HDFC	ICICI	LIC
Government securities	-	44.57%	34.14%	20%
Debt	92.51%	51.43%	51.81%	Balance invested in approved investments as specified in schedule 1 of IRDA guidelines
Equity	6.39%	0.14%	8.12%	
Others	1.10%	3.85%	5.93%	

Maturity analysis of projected benefit obligation

₹ in crores

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31 March 2020				
Projected benefit payable	23	81	487	591
As at 31 March 2019				
Projected benefit payable	19	67	451	537

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

(ii) Provident fund:

Provident Fund for certain eligible employees is managed by the Company through JSW Steel Employees Provident Fund Trust, in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The Company makes monthly contributions to provident fund managed by trust for qualifying employees. The Trustees of JSW Steel Employees Provident Fund Trust are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and the relevant provisions prescribed under the law.

The members of the Provident Fund Trust are entitled to the rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952. The shortfall, if any, is made good by the Company in the year in which it arises.

As per Ind AS 19 on "Employee Benefits", employer established provident fund trusts are treated as defined benefit plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees. According to the defined benefit obligation of interest rate guarantee on exempted provident fund in respect of employees of the Company as at 31 March 2020 is 8.50%.

Out of the total contribution made for Provident Fund in Defined Contribution Plan, ₹ 27 crores (previous year ₹ 20 crores) is made to the JSW Steel Employees Provident Fund Trust.

The funds of the Trust have been invested under various securities in accordance with the rules prescribed by the Government of India.

The Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund and interest rate guarantee shortfall of ₹ 4 crores (Previous year – ₹ 1 crore) is recognised in the Statement of Profit and Loss.

Actuarial assumptions made to determine interest rate guarantee on exempt provident fund liabilities are as follows:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Total plan assets @	588	505
Total plan liabilities @	593	499
Discount rate	6.84%	7.79%
Rate of return on assets	8.49%	8.55%
Guaranteed rate of return	8.50%	8.65%

@ JSW Steel Employees Provident Fund Trust as at 31 March 2020 as per the unaudited financial statements

(iii) Other long-term benefits:

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

(b) Long Service Award

The Company has a policy to recognise the long service rendered by employees and celebrate their long association with the Company. This scheme is called – Long Association of Motivation, Harmony & Excitement(LAMHE). The award is paid at milestone service completion years of 10, 15, 20 and 25 years.

42. Financial Instruments

42.1 CAPITAL RISK MANAGEMENT

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Long-term borrowings	39,247	27,666
Current maturities of long-term debt	5,109	10,315
Current maturities of finance lease obligation	-	352
Short-term borrowings	6,813	5,371
Less: Cash and cash equivalent	(3,438)	(5,366)
Less: Bank balances other than cash and cash equivalents	(7,963)	(447)
Net debt	**39,768**	**37,891**
Total equity	**38,362**	**34,893**
Gearing ratio	**1.04**	**1.09**

(i) Equity includes all capital and reserves of the Company that are managed as capital.

(ii) Debt is defined as long and short term borrowings (excluding derivatives and financial guarantee contracts), as described in notes 20 and 25.

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42.2 CATEGORIES OF FINANCIAL INSTRUMENTS

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

As at 31 March 2020

₹ in crores

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relationship	Total carrying value	Total fair value
Financial assets						
Investments	417	378	447	-	1,242	1,250
Trade receivables	3,166	-	-	-	3,166	3,166
Cash and cash equivalents	3,438	-	-	-	3,438	3,438
Bank balances other than cash and cash equivalents	7,963	-	-	-	7,963	7,963
Loans	9,026	-	-	-	9,026	9,026
Derivative Assets	-	-	275	-	275	275
Other financial assets	3,356	-	-	-	3,356	3,356
Total	**27,366**	**378**	**722**	**-**	**28,466**	**28,474**
Financial liabilities						
Long term Borrowings*	44,356	-	-	-	44,356	45,039
Lease Liabilities	3,489	-	-	-	3,489	3,720
Short-term Borrowings	6,813	-	-	-	6,813	6,813
Trade payables	13,354	-	-	-	13,354	13,354
Derivative liabilities	-	-	78	241	319	319
Other financial liabilities	8,179	-	-	-	8,179	8,179
Total	**76,191**	**-**	**78**	**241**	**76,510**	**77,193**

* including current maturities of long-term debt

As at 31 March 2019

₹ in crores

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relationship	Total carrying value	Total fair value
Financial assets						
Investments	374	633	410	-	1,417	1,418
Trade receivables	6,770	-	-	-	6,770	6,770
Cash and cash equivalents	5,366	-	-	-	5,366	5,366
Bank balances other than cash and cash equivalents	447	-	-	-	447	447
Loans	7,811	-	-	-	7,811	7,811
Derivative Assets	#	-	148	81	229	229
Other financial assets	2,692	-	-	-	2,692	2,692
Total	**23,460**	**633**	**558**	**81**	**24,732**	**24,732**
Financial liabilities						
Long-term borrowings *	38,333	-	-	-	38,333	39,120
Short-term borrowings	5,371	-	-	-	5,371	5,371
Trade payables	13,128	-	-	-	13,128	13,128
Derivative liabilities	-	-	296	36	332	332
Other financial liabilities	5,834	-	-	-	5,834	5,834
Total	**62,666**	**-**	**296**	**36**	**62,998**	**63,785**

* including current maturities of long-term debt and finance lease obligations
# represents amounts below ₹ 0.5 crore

43. Fair value hierarchy of financial instruments

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

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

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019	Level	Valuation techniques and key inputs
Quoted investments in equity shares measured at FVTOCI	364	619	1	Quoted bid prices in an active market
Unquoted investments in equity shares measured at FVTOCI	9	9	3	Net Asset value of share arrived has been considered as fair value
Unquoted investments in equity shares measured at FVTOCI	5	5	3	Cost is approximate estimate of fair value
Non-current investments in unquoted compulsory convertible debentures measured at FVTPL	59	-	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Non-current investments in unquoted preference shares measured at FVTPL	388	410	3	Discounted cash flow - Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks
Derivative Assets	275	229	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Derivative Liabilities	319	332		

SENSITIVITY ANALYSIS OF LEVEL 3:

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate of 8.85 %	0.50%	0.50% Increase (decrease) in the discount would decrease (increase) the fair value by ₹ 5 crores (₹ 5 crores)
Investments in unquoted equity shares	NAV method	Cost is approximate estimate of fair value	-	No sensitivity in the fair value of the investments.

RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENT

₹ in crores

Particulars	Amount
Balance as at 1 April 2018	**358**
Additions made during the period	103
Allowance for loss	(2)
Gain recognised in the statement of profit and loss	(35)
Balance as at 31 March 2019	**424**
Additions made during the period	2
Allowance for loss	(40)
Gain recognised in the statement of profit and loss	16
Balance as at 31 March 2020	**402**

DETAILS OF FINANCIAL ASSETS/LIABILITIES MEASURED AT AMORTISED COST BUT FAIR VALUE DISCLOSED IN CATEGORY-WISE

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019	Level	Valuation techniques and key inputs
Loans				Discounted cash flow on observable Future cash flows are based on terms of discounted at a rate that reflects market risks
Carrying value	9,026	7,811	2	
Fair value	9,026	7,811		
Investments				Discounted cash flow on observable Future cash flows are based on terms of discounted at a rate that reflects market risks
Carrying value	417	374	2	
Fair value	425	375		
Long Term Borrowing				Discounted cash flow on observable Future cash flows are based on terms of discounted at a rate that reflects market risks
Carrying value	44,356	38,333	2	
Fair value	45,039	39,120		

There have been no transfers between Level 1 and Level 2 during the period.

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The Asset and Liability position of various outstanding derivative financial instruments is given below:

₹ in crores

Particulars	Underlying	Nature of Risk being Hedged	31-Mar-20			31-Mar-19		
			Asset	Liability	Net Fair Value	Asset	Liability	Net Fair Value
Cash Flow Hedges								
Designated & Effective Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	-	(49)	(49)	59	-	59
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate Risk	-	(130)	(130)	20	(27)	(7)
Commodity Contract		Price Risk	-	(61)	(61)	6	-	6
Designated & Ineffective hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	-	(33)	(33)	100	-	100
Fair Value Hedges								
Designated Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	213	(3)	210	4	(304)	(300)
Non-Designated Hedges								
Forwards Currency Contracts	Trade payables & Acceptance	Exchange rate movement risk	16	(0)	16	-	-	-
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	-	(1)	(1)	-	-	-
Forwards Currency Contracts	Loans and advance	Exchange rate movement risk	-	(37)	(37)	-	-	-
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate Risk	1	-	1	-	-	-
Options Contract	Trade payables & Acceptance	Exchange rate movement risk	15	(3)	12	1	(0)	1
			245	**(317)**	**(72)**	**190**	**(331)**	**(141)**
Cancellation of forwards Contracts			30	(2)	28	39	(1)	38
Total			**275**	**(319)**	**(44)**	**229**	**(332)**	**(103)**

DETAILS OF NON-DERIVATIVE FINANCIAL INSTRUMENTS DESIGNATED AS HEDGING INSTRUMENTS DURING THE YEAR:

Cash Flow hedges	31 March 2020	
	Value in USD Mio	Fair Value ₹ in Crs
Long term borrowings	638	(333)
Acceptances	328	(118)
	966	**(451)**

43.1 FINANCIAL RISK MANAGEMENT

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

› Market risk

› Credit risk; and

› Liquidity risk

43.2 MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

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

43.3 FOREIGN CURRENCY RISK MANAGEMENT

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

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency.

In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts, options and other non-derivative financial instruments like long-term foreign currency borrowings and acceptances. At any point in time, the Company hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months using derivative instruments. Forecasted sales beyond the period of 6 months are hedged using non-derivative financial instruments basis the tenure of the specific long term foreign currency borrowings. In respect of imports and other payables, the Company hedges its payables as when the exposure arises. Short term exposures are hedged progressively based on their maturity.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

The Company basis its assessment believes that the probability of the occurrence of the forecasted sales transactions is not impacted by COVID-19 pandemic. The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company continues to believe that there is no impact on effectiveness of its hedges.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting year are as follows:

Currency exposure as at 31 March 2020

₹ in crores

Particulars	USD	EURO	INR	JPY	Other	Total
Financial assets						
Non-current investments	-	217	1,025	-	-	1,242
Loans	7,848	85	1,080	-	13	9,026
Trade receivables	263	21	2,882	-	-	3,166
Cash and cash equivalents	-	-	3,438	-	-	3,438
Bank balances other than cash and cash equivalents	-	-	7,963	-	-	7,963
Derivative assets	275	-	-	-	-	275
Other financial assets	202	2	3,152	-	-	3,356
Total financial assets	**8,588**	**325**	**19,540**	**-**	**13**	**28,466**
Financial liabilities						
Long-term borrowings	21,686	929	16,099	533	-	39,247
Lease liabilities	-	-	3,489	-	-	3,489
Short-term borrowings	-	-	6,813	-	-	6,813
Trade payables	8,607	40	4,674	31	2	13,354
Derivative liabilities	319	-	-	-	-	319
Other financial liabilities	4,588	2,061	6,342	234	63	13,288
Total financial liabilities	**35,200**	**3,030**	**37,417**	**798**	**65**	**76,510**

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Currency exposure as at 31 March 2019

₹ in crores

Particulars	USD	EURO	INR	JPY	Other	Total
Financial assets						
Non-current investments	-	254	1,163	-	-	1,417
Loans	7,253	2	546	-	10	7,811
Trade receivables	808	272	5,690	-	-	6,770
Cash and cash equivalents	-	-	5,366	-	-	5,366
Bank balances other than cash and cash equivalents	-	-	447	-	-	447
Derivative Assets	228	-	1	-	-	229
Other financial assets	637	-	2,055	-	-	2,692
Total financial assets	**8,926**	**528**	**15,268**	**-**	**10**	**24,732**
Financial liabilities						
Long-term borrowings	11,298	268	15,686	414	-	27,666
Short-term borrowings	-	-	5,371	-	-	5,371
Trade payables	9,831	71	3,193	32	1	13,128
Derivative liabilities	332	-	-	-	-	332
Other financial liabilities	6,961	1,502	7,554	463	21	16,501
Total financial liabilities	**28,422**	**1,841**	**31,804**	**909**	**22**	**62,998**

The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

₹ in crores

Particulars	Increase (strengthening of INR)		Decrease (weakening of INR)	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
Receivable				
USD/INR	**(70)**	(90)	**70**	90
Payable				
USD/INR	**274**	208	**(274)**	(208)

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

As at	Nature	No. of Contracts	Type	US$ Equivalent (Millions)	INR Equivalent (crores)	MTM of Option (₹ in crores)
31 March 2020	**Assets**	**125**	**Buy**	**886**	**6,683**	**229**
		-	**Sell**	**-**	**-**	**-**
	Liabilities	**10**	**Buy**	**118**	**886**	**(4)**
		27	**Sell**	**398**	**3,003**	**(119)**
31 March 2019	Assets	20	Buy	190	1,311	4
		48	Sell	503	3,481	159
	Liabilities	125	Buy	1,207	8,351	(304)
		0	Sell	-	-	-

Currency options to hedge against fluctuations in changes in exchange rate:

As at	Nature	No. of Contracts	US$ Equivalent (Millions)	INR Equivalent (crores)	MTM (₹ in crores)
31 March 2020	**Assets**	**20**	**317**	**2,390**	**15**
	Liabilities	**1**	**15**	**113**	**(3)**
31 March 2019	Assets	3	40	277	1
	Liabilities	1	10	69	(0)

Unhedged currency risk position:

I) Amounts receivable in foreign currency

	As at 31 March 2020		As at 31 March 2019	
	US$ equivalent (Millions)	INR Equivalent (crores)	US$ equivalent (Millions)	INR Equivalent (crores)
Trade receivables	38	284	156	1080
Balances with banks	-	-		
- in Fixed deposit account	-	-	-	-
- in Current account	-	-	-	-
Advances/Loans to subsidiaries	894	6,736	1,142	7,902

II) Amounts payable in foreign currency

	As at 31 March 2020		As at 31 March 2019	
	US$ equivalent (Millions)	INR Equivalent (crores)	US$ equivalent (Millions)	INR Equivalent (crores)
Loans payable	3,352	25,266	2,467	17,579
Acceptances	-	-	21	147
Trade payables	-	-	7	47
Payable for capital projects	332	2,502	334	2,307
Interest accrued but not due on borrowings	59	446	38	265
Other provisions	116	871	75	516

43.4 COMMODITY PRICE RISK:

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company is subject to fluctuations in prices for the purchase of iron ore, coking coal, ferro alloys, zinc, scrap and other raw material inputs. The Company purchased primarily all of its iron ore and coal requirements at prevailing market rates during the year ended 31 March 2020.

The Company aims to sell the products at prevailing market prices. Similarly, the Company procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

Commodity hedging is used primarily as a risk management tool to secure the future cash flows in case of volatility by entering into commodity forward contracts.

Hedging commodity is based on its procurement schedule and price risk. Commodity hedging is undertaken as a risk offsetting exercise and, depending upon market conditions hedges, may extend beyond the financial year. The Company is presently hedging maximum up to 100% of its consumption.

The following table details the Company’s sensitivity to a 5% movement in the input price of iron ore and coking coal. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5% and vice-versa.

₹ in crores

Commodity	Increase for the year ended		Decrease for the year ended	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Iron ore lumps/fines	514	611	(514)	(611)
Coal/Coke	920	1,178	(920)	(1,178)

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The commodity forward contracts entered into by the Company and outstanding at the year-end are as under:

As at	Nature	No. of Contracts	Commodity Name	Quantity (Iron Ore, Coking Coal – MT) (Brent Crude – Mio Barrels)	US$ Equivalent of notional value (Millions)	INR equivalent (crores)	MTM of Commodity contract (₹ in crores)
31 March 2020	**Assets**						
	Liabilities	**20**	**Liquified Natural Gas**	**9,702,000**	**37**	**281**	**(56)**
31 March 2019	Assets	1	BRENT CRUDE	45,000	2	17	4
	Liabilities						

The commodity option contracts entered into by the Company and outstanding at the year-end are as under:

As at	Nature	No. of Contracts	Commodity Name	US$ Equivalent of notional value (Millions)	INR equivalent (crores)	MTM of Commodity contract (₹ in crores)
31 March 2020	**Assets**					
31 March 2019	Assets	6	COKING COAL	9	65	#

represents amounts below ₹ 0.5 crore

43.5 INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Company hedges up to 20% of interest risk in US dollars. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short-term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Fixed rate borrowings	20,459	20,231
Floating rate borrowings	24,209	18,310
Total gross borrowings	**44,668**	**38,541**
Less: Upfront fees	(312)	(208)
Total borrowings (refer note 20)	**44,356**	**38,333**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended 31 March 2020 would decrease/increase by ₹ 242 crores (for the year ended 31 March 2019: decrease/increase by ₹ 183 crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

The following table details the nominal amounts and remaining terms of interest rate swap contracts outstanding at the year-end.

As at	Nature	No. of Contracts	US$ Equivalent of notional value (Millions)	MTM of IRS (₹ in crores)
31 March 2020	**Assets**	**3**	**60**	**1**
	Liabilities	**22**	**335**	**(130)**
31 March 2019	Assets	13	220	20
	Liabilities	15	245	(27)

43.6 CREDIT RISK MANAGEMENT:

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets, financial guarantees and derivative financial instruments. The Company has assessed the change in counterparty credit risk due to COVID 19 and believe that the same are fully recoverable.

Moreover, given the diverse nature of the Company's business trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer (other than the Group Companies) accounted for 10% or more of the trade receivables in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties. In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. The assessment is carried out considering the segment of customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable. Basis this assessment, the allowance for doubtful trade receivables as at 31 March 2020 is considered adequate.

Movements in allowances for bad and doubtful debts

₹ in crores

Particulars	Amount
As at 1 April 2018	**78**
Additional Allowance	4
As at 31 March 2019	**82**
Additional Allowance	71
As at 31 March 2020	**153**

For current investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for Company's mutual fund and bond investments. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 28,466 crores as at 31 March 2020 and ₹ 24,732 crores as at 31 March 2019, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Company based on past experiences does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss ('ECL').

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

43.7 LIQUIDITY RISK MANAGEMENT

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity

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management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment Years and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting year. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Liquidity exposure as at 31 March 2020

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Non-current investments	-	67	1,175	1,242
Loans	321	8,680	25	9,026
Trade receivables	3,166	-	-	3,166
Cash and cash equivalents	3,438	-	-	3,438
Bank balances other than cash and cash equivalents	7,963	-	-	7,963
Derivative assets	275	-	-	275
Other financial assets	2,794	562	-	3,356
Total financial assets	**17,957**	**9,309**	**1,200**	**28,466**
Financial liabilities				
Long-term borrowings	-	30,179	9,068	39,247
Lease liabilities	773	2,142	574	3,489
Short-term borrowings	6,813	-	-	6,813
Trade payables	13,354	-	-	13,354
Derivative liabilities	189	130	-	319
Other financial liabilities	11,979	1,302	7	13,288
Total financial liabilities	**33,108**	**33,815**	**9,587**	**76,510**
Interest pay out liability	2,240	6,326	1,236	9,802

Liquidity exposure as at 31 March 2019

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Non-current investments	-	#	1,417	1,417
Loans	136	7,640	35	7,811
Trade receivables	6,770	-	-	6,770
Cash and cash equivalents	5,366	-	-	5,366
Bank balances other than cash and cash equivalents	447	0	-	447
Derivative Assets	229	-	-	229
Other financial assets	2,069	390	233	2,692
Total financial assets	**15,017**	**8,030**	**1,685**	**24,732**
Financial liabilities				
Long-term borrowings	366	22,386	4,914	27,666
Short-term borrowings	5,371	-	-	5,371
Trade payables	13,128	-	-	13,128
Derivative Liabilities	332	-	-	332
Other financial liabilities	15,471	1,023	7	16,501
Total financial liabilities	**34,668**	**23,409**	**4,921**	**62,998**
Interest pay out liability	3,511	4,393	241	8,145

represents amounts below ₹ 0.5 crores

The amount of guarantees/standby letter of credit given on behalf of subsidiaries included in Note 46 represents the maximum amount the Company could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting year, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

Collateral

The Company has pledged part of its trade receivables, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered. (Refer note 20 and 25).

44. Related party disclosures as per Ind AS 24 :

A.	**Name of related parties**
1	**Subsidiaries**
	JSW Steel (Netherlands) B.V.
	JSW Steel (UK) Limited
	JSW Steel (USA) Inc.
	Periama Holdings, LLC
	Purest Energy, LLC
	Meadow Creek Minerals, LLC
	Hutchinson Minerals, LLC
	R.C. Minerals, LLC
	Keenan Minerals, LLC
	Peace Leasing, LLC
	Prime Coal, LLC
	Planck Holdings, LLC
	Rolling S Augering, LLC
	Periama Handling, LLC
	Lower Hutchinson Minerals, LLC
	Caretta Minerals, LLC
	JSW Panama Holdings Corporation
	Inversiones Eurosh Limitada
	Santa Fe Mining
	Santa Fe Puerto S.A.
	JSW Natural Resources Limited
	JSW Natural Resources Mozambique Limitada
	JSW ADMS Carvo Lda
	Nippon Ispat Singapore (PTE) Limited
	Erebus Limited
	Arima Holding Limited
	Lakeland Securities Limited
	JSW Steel Processing Centres Limited (merged with JSW Steel Limited w.e.f. 01.04.2019)
	JSW Bengal Steel Limited
	JSW Natural Resources India Limited
	JSW Energy (Bengal) Limited
	JSW Natural Resource Bengal Limited
	JSW Jharkhand Steel Limited
	Amba River Coke Limited
	JSW Steel Coated Products Limited
	Peddar Realty Private Limited
	JSW Steel (Salav) Limited (merged with JSW Steel Limited w.e.f. 01.04.2019)
	Dolvi Minerals & Metals Private Limited (merged with JSW Steel Limited w.e.f. 01.04.2019)
	Dolvi Coke Projects Limited (merged with JSW Steel Limited w.e.f. 01.04.2019)
	JSW Industrial Gases Private Limited
	JSW Realty & Infrastructure Private Limited
	JSW Steel Italy S.r.l.
	JSW Utkal Steel Limited
	Hasaud Steel Limited
	Creixent Special Steels Limited (ceased w.e.f. 27.08.2018)
	Milloret Steel Limited (ceased w.e.f. 31.08.2018)
	Acero Junction Holdings, Inc. (w.e.f. 15.06.2018)
	JSW Steel USA Ohio, Inc. (w.e.f. 15.06.2018)
	JSW Steel Italy Piombino S.p.A. (formerly known as Aferpi S.p.A.) (w.e.f. 24.07.2018)
	Piombino Logistics S.p.A.- A JSW Enterprise (formerly known as Piombino Logistics S.p.A.) (w.e.f. 24.07.2018)
	GSI Lucchini S.p.A. (w.e.f. 24.07.2018)
	JSW Retail Limited (w.e.f. 20.09.2018)
	Makler Private Limited (w.e.f. 06.06.2019)
	Piombino Steel Limited (w.e.f. 06.06.2019)
	JSW Vijayanagar Metallics Limited (w.e.f. 24.12.2019)
	Vardhman Industries Limited (w.e.f. 31.12.2019)
	JSW Vallabh Tinplate Private Limited (w.e.f. 31.12.2019)
2	**Joint Ventures**
	Vijayanagar Minerals Private Limited
	Rohne Coal Company Private Limited
	JSW Severfield Structures Limited
	Gourangdih Coal Limited
	GEO Steel LLC (ceased w.e.f. 28.01.2020)
	JSW Structural Metal Decking Limited
	JSW MI Steel Service Centre Private Limited
	JSW Vallabh Tinplate Private Limited (ceased w.e.f. 31.12.2019)

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A.	**Name of related parties**
	Accialtalia S.p.A. (ceased w.e.f. 16.04.2018)
	Creixent Special Steels Limited (w.e.f. 28.08.2018)
	Monnet Ispat & Energy Limited (w.e.f. 31.08.2018)
3	**Key Management Personnel**
	Mr. Sajjan Jindal (Non-Independent Executive Director)
	Mr. Seshagiri Rao M V S (Non-Independent Executive Director)
	Dr. Vinod Nowal (Non-Independent Executive Director)
	Mr. Jayant Acharya (Non-Independent Executive Director)
	Mr. Rajeev Pai (Chief Financial Officer)
	Mr. Lancy Varghese (Company Secretary)
4	**Independent Non-Executive Director**
	Mr. Ganga Ram Baderiya – Nominee Director, KSIIDC
	Mr. Hiroyuki Ogawa – Nominee Director, JFE Steel Corporation
	Mrs. Punita Kumar Sinha
	Mr. Malay Mukherjee
	Mr. Haigreve Khaitan
	Mr. Seturaman Mahalingam
	Mrs. Nirupama Rao
	Mr. Harsh Charandas Mariwala
5	**Relatives of Key Management Personnel**
	Mrs. Savitri Devi Jindal
	Mr. Prithvi Raj Jindal
	Mr. Naveen Jindal
	Mrs. Nirmala Goyal
	Mrs. Urmila Bhuwalka
	Mrs. Seema Jajodia
	Mrs. Sangita Jindal
	Mrs. Tarini Jindal Handa
	Mrs. Tanvi Shete
	Mr. Parth Jindal
6	**Other Related Parties**
	JSW Energy Limited
	JSW Energy (Barmer) Limited (formerly known as Raj West Power Limited)
	JSW Power Trading Company Limited (formerly known JSW Green Energy Limited)
	JSW Hydro Energy Limited (formerly known as Himachal Baspa Power Company Limited)
	JSW Energy (Kutehr) Limited
	JSW Solar Limited
	Jindal Stainless Limited
	JSL Lifestyle Limited
	Jindal Saw Limited
	Jindal Saw USA LLC
	Jindal Tubular (India) Limited
	Jindal Urban Waste Management Limited
	Jindal Rail Infrastructure Limited
	Jindal Steel & Power Limited
	India Flysafe Aviation Limited
	JSW Infrastructure Limited
	JSW Jaigarh Port Limited
	South West Port Limited
	JSW Dharamatar Port Private Limited
	JSW Paradip Terminal Private Limited
	Jaigarh Digni Rail Limited
	JSW Cement Limited
	JSW Cement, FZE
	South West Mining Limited
	JSW Projects Limited
	JSW IP Holdings Private Limited
	JSoft Solutions Limited
	Reynold Traders Private Limited
	JSW Techno Projects Management Limited
	JSW Global Business Solutions Limited
	Everbest Consultancy Services Private Limited
	Jindal Industries Private Limited
	JSW Foundation
	Jindal Technologies & Management Services Private Limited
	Epsilon Carbon Private Limited
	JSW Living Private Limited
	JSW International Tradecorp Pte. Limited
	Jindal Education Trust

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A.	**Name of related parties**
	JSW Paints Private Limited
	Toshiba JSW Power System Private Limited
	MJSJ Coal Limited
	JSW Bengaluru Football Club Private Limited
	JSW Shipping & Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)
	Epsilon Aerospace Private Limited
	Neotrex Steel Wires Private Limited
	Neotrex Steel Private Limited
	Khaitan & Company
	Vinar Systems Private Limited (ceased w.e.f. 31.05.2018)
	Eurokids International Private Limited
	J Sagar Associates
	Danta Enterprises Private Limited
	Glebe Trading Private Limited
	JSW Holdings Limited
	JSW Investments Private Limited
	JSW Logistics Infrastructure Private Limited
	Sahyog Holdings Private Limited
	Virtuous Tradecorp Private Limited
	S K Jindal and Sons HUF
	P R Jindal HUF
7	**Post-Employment Benefit Entity**
	JSW Steel EPF Trust
	JSW Steel Group Gratuity Trust
	JSW Steel Limited Employee Gratuity Fund

B. Transactions with related parties for year ended

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties^		Total	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
Purchase of goods/power & fuel/services/branding expenses								
Amba River Coke Limited	3,655	4,971	-	-	-	-	3,655	4,971
JSW Energy Limited	-	-	-	-	2,174	2,609	2,174	2,609
JSW International Tradecorp Pte. Limited	-	-	-	-	13,348	16,300	13,348	16,300
Others	296	304	84	106	1,746	1,794	2,126	2,204
Total	**3,951**	**5,275**	**84**	**106**	**17,268**	**20,703**	**21,303**	**26,084**
Reimbursement of expenses incurred on our behalf by								
JSW Retail Limited	13	2	-	-	-	-	13	2
JSW Steel Coated Products Limited	5	-	-	-	-	-	5	-
Amba River Coke Limited	5	-	-	-	-	-	5	-
JSW MI Steel Service Center Private Limited	-	-	-	1	-	-	-	1
JSW Energy Limited	-	-	-	-	3	3	3	3
Others	1	-	-	-	1	-	2	-
Total	**24**	**2**	**-**	**1**	**4**	**3**	**28**	**6**
Sales of goods/power & fuel/services/assets								
JSW Steel Coated Products Limited	8,635	10,128	-	-	-	-	8,635	10,128
Others	1,778	637	792	873	2,532	3,128	5,102	4,638
Total	**10,413**	**10,765**	**792**	**873**	**2,532**	**3,128**	**13,737**	**14,766**
Other income/interest income/dividend income								
JSW Steel Coated Products Limited	12	50	-	-	-	-	12	50
Amba River Coke Limited	48	49	-	-	-	-	48	49
Acero Junction Holdings, Inc.	95	25	-	-	-	-	95	25
JSW Industrial Gases Private Limited	22	125	-	-	-	-	22	125
Others	2	-	20	11	52	35	74	46
Total	**179**	**249**	**20**	**11**	**52**	**35**	**251**	**295**
Liabilities written back								
JSW Steel Coated Products Limited	-	3	-	-	-	-	-	3
JSW MI Steel Service Center Private Limited	-	-	-	3	-	-	-	3
South West Port Limited	-	-	-	-	-	3	-	3
Jindal Saw Limited	-	-	-	-	-	3	-	3
JSW Projects Limited	-	-	-	-	-	3	-	3
JSW Infrastructure Limited	-	-	-	-	-	11	-	11
Others	-	-	-	-	-	1	-	1
Total	**-**	**3**	**-**	**3**	**-**	**21**	**-**	**27**
Purchase of assets								
JSW Severfield Structures Limited	-	-	762	416	-	-	762	416
Jindal Steel & Power Limited	-	-	-	-	238	228	238	228
JSW Cement Limited	-	-	-	-	228	124	228	124
Others	84	19	16	6	121	17	221	42
Total	**84**	**19**	**778**	**422**	**587**	**369**	**1,449**	**810**

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties^		Total	
	FY 2019-20	FY 2018-19	**FY 2019-20**	FY 2018-19	**FY 2019-20**	FY 2018-19	**FY 2019-20**	FY 2018-19
Capital/revenue advances given								
Amba River Coke Limited	400	300	-	-	-	-	400	300
Jindal Steel & Power Limited	-	-	-	-	200	-	200	-
JSW Dharamatar Port Private Limited					200	-	200	-
Others	13	3	-	-	-	-	13	3
Total	**413**	**303**	**-**	**-**	**400**	**-**	**813**	**303**
Capital/revenue advances received back								
Amba River Coke Limited	400	-	-	-	-	-	400	-
Jindal Steel & Power Limited	-	-	-	-	200	-	200	-
Others	13	-	-	-	-	-	13	-
Total	**413**	**-**	**-**	**-**	**200**	**-**	**613**	**-**
Security deposits given/(received back)								
JSW Shipping & Logistics Private Limited	-	-	-	-	116	60	116	60
India Flysafe Aviation Limited	-	-	-	-	(10)	(11)	(10)	(11)
Total	**-**	**-**	**-**	**-**	**106**	**49**	**106**	**49**
Lease deposits received								
JSW Realty & Infrastructure Private Limited	-	3	-	-	-	-	-	3
JSW Cement Limited	-	-	-	-	-	11	-	11
Total	**-**	**3**	**-**	**-**	**-**	**11**	**-**	**14**
Lease and other advances refunded								
Amba River Coke Limited	-	100	-	-	-	-	-	100
JSW Infrastructure Limited	-	-	-	-	-	53	-	53
Total	**-**	**100**	**-**	**-**	**-**	**53**	**-**	**153**
Donation/ CSR expenses								
JSW Foundation	-	-	-	-	72	25	72	25
Total	**-**	**-**	**-**	**-**	**72**	**25**	**72**	**25**
Recovery of expenses incurred by us on their behalf								
JSW Steel Coated Products Limited	91	73	-	-	-	-	91	73
JSW Cement Limited	-	-	-	-	45	43	45	43
JSW International Tradecorp Pte. Limited	-	-			119	-	119	-
Others	21	28	5	19	46	50	72	97
Total	**112**	**101**	**5**	**19**	**210**	**93**	**327**	**213**
Investments/share application money given								
JSW Steel Coated Products Limited	750	-	-	-	-	-	750	-
Creixent Special Steels Limited	-	5	-	370	-	-	-	375
JSW Realty & Infrastructure Private Limited	2	103	-	-	-	-	2	103
Others	187	48	1	38	-	-	188	86
Total	**939**	**156**	**1**	**408**	**-**	**-**	**940**	**564**
Investments /share application money refunded								
Rohne Coal Company Private Limited	-	-	*	-	-	-	*	-
Total	**-**	**-**	*****	**-**	**-**	**-**	*****	**-**
Sale of investment								
Hasaud Steel Limited	*	-	-	-	-	-	*	-
Total	*****	**-**	**-**	**-**	**-**	**-**	*****	**-**

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₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties^		Total	
	FY 2019-20	FY 2018-19	**FY 2019-20**	FY 2018-19	**FY 2019-20**	FY 2018-19	**FY 2019-20**	FY 2018-19
Interest expenses								
JSW Steel Coated Products Limited	18	-	-	-	-	-	18	-
Amba River Coke Limited	-	1	-	-	-	-	-	1
Total	**18**	**1**	**-**	**-**	**-**	**-**	**18**	**1**
Guarantees and collaterals provided by the company on behalf								
JSW Steel (Netherlands) B.V.	1,037	323	-	-	-	-	1,037	323
JSW Steel (USA) Inc.	97	913	-	-	-	-	97	913
Acero Junction Holdings, Inc.	569	983	-	-	-	-	569	983
JSW Steel Italy Piombino S.p.A.	472	589	-	-	-	-	472	589
Others	-	25	-	-	-	-	-	25
Total	**2,175**	**2,833**	**-**	**-**	**-**	**-**	**2,175**	**2,833**
Guarantees and collaterals released								
JSW Steel (USA) Inc.	-	363	-	-	-	-	-	363
JSW Steel (Netherlands) B.V.	-	582	-	-	-	-	-	582
Periama Holdings, LLC	-	343	-	-	-	-	-	343
Total	**-**	**1,288**	**-**	**-**	**-**	**-**	**-**	**1,288**
Provision for loans & advances written back to profit & loss								
JSW Steel (Netherlands) B.V.	326	-	-	-	-	-	326	-
Total	**326**	**-**	**-**	**-**	**-**	**-**	**326**	**-**
Provision for corporate guarantee								
JSW Steel (Netherlands) B.V.	376	-	-	-	-	-	376	-
Total	**376**	**-**	**-**	**-**	**-**	**-**	**376**	**-**
Provision for loans & advances/interest receivable								
Periama Holdings, LLC	377	-	-	-	-	-	377	-
Inversiones Eurosh Limitada	814	-	-	-	-	-	814	-
Total	**1,191**	**-**	**-**	**-**	**-**	**-**	**1,191**	**-**
Adjustment of receivable/(payable)								
JSW Steel Coated Products Limited	605	110	-	-	-	-	605	110
Total	**605**	**110**	**-**	**-**	**-**	**-**	**605**	**110**
Lease interest cost								
Amba River Coke Limited	206	290	-	-	-	-	206	290
JSW Industrial Gases Private Limited	18	-	-	-	-	-	18	-
JSW Projects Limited	-	-	-	-	132	156	132	156
JSW Techno Projects Management Limited	-	-	-	-	84	54	84	54
JSW Jaigarh Port Limited	-	-	-	-	4	-	4	-
JSW Dharamatar Port Private Limited	-	-	-	-	13	-	13	-
Total	**224**	**290**	**-**	**-**	**233**	**210**	**457**	**500**
Lease liabilities/finance lease obligations repayments								
Amba River Coke Limited	190	80	-	-	-	-	190	80
JSW Industrial Gases Private Limited	27	-	-	-	-	-	27	-
JSW Projects Limited	-	-	-	-	228	204	228	204
JSW Techno Projects Management Limited	-	-	-	-	17	8	17	8
JSW Jaigarh Port Limited	-	-	-	-	2	-	2	-
JSW Dharamatar Port Private Limited	-	-	-	-	7	-	7	-
Total	**217**	**80**	**-**	**-**	**254**	**212**	**471**	**292**

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties^		Total	
	FY 2019-20	FY 2018-19	**FY 2019-20**	FY 2018-19	**FY 2019-20**	FY 2018-19	**FY 2019-20**	FY 2018-19
Redemption/sale of Shares								
Amba River Coke Limited	-	12	-	-	-	-	-	12
JSW Steel Coated Products Limited	-	38	-	-	-	-	-	38
Total	**-**	**50**	**-**	**-**	**-**	**-**	**-**	**50**
Loans given								
JSW Steel (Netherlands) B.V.	83	779	-	-	-	-	83	779
Periama Holdings, LLC	723	975	-	-	-	-	723	975
Acero Junction Holdings, Inc.	596	1,406	-	-	-	-	596	1,406
Others	130	32	90	125	-	-	220	157
Total	**1,532**	**3,192**	**90**	**125**	**-**	**-**	**1,622**	**3,317**
Dividend paid								
JSW Holdings Limited	-	-	-	-	73	57	73	57
JSW Techno Projects Management Limited	-	-	-	-	101	74	101	74
Sahyog Holdings Private Limited	-	-	-	-	46	35	46	35
Others	-	-	-	-	98	77	98	77
Total	**-**	**-**	**-**	**-**	**318**	**243**	**318**	**243**
Loans given received back								
JSW Steel (Netherlands) B.V.	1,193	-	-	-	-	-	1,193	-
Acero Junction Holdings, Inc.	-	580	-	-	-	-	-	580
Periama Holdings, LLC	6	274	-	-	-	-	6	274
Others	35	12	-	-	2	11	37	23
Total	**1,234**	**866**	**-**	**-**	**2**	**11**	**1,236**	**877**

^ Includes relatives of Key Management Personnel, *Less than ₹ 0.50 crores

Notes:

1. The Company makes monthly contributions to provident fund managed by JSW Steel EPF Trust for qualifying Vijayanagar employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. During the year, the Company contributed ₹ 22 crores. (FY 2018-19: ₹ 20 crores)
2. The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). During the year, the Company did not contribute. (FY 2018-19: ₹ 3 crores)
3. In view of the uncertainty involved in collectability, interest income of ₹ 531 crores have not been recognised on loan provided to certain overseas subsidiaries.
4. During the year, JSW Steel Limited has transferred environment clearance certificate issued for its slag grinding & mixing unit to JSW Cement Limited for no consideration.

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Compensation to key management personnel:

₹ in crores

Nature of Transaction	FY 2019-20	FY 2018-19
Short-term employee benefits	56	86
Post-employment benefits	1	1
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total Compensation to key management personnel	**57**	**87**

Notes:

1. As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
2. The Company has recognised an expenses of ₹ 3 crores (previous year ₹ 4 crores) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
3. Dividend paid to key management personnel is ₹ 0.18 crores (FY 2018-19: ₹ 0.14 crores), not included above.
4. The Independent Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable to the Non-Executive Directors is based on the number of meetings of the Board attended by them and their Chairmanship/Membership of Audit Committee during the year, subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹ 20,000/- for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during FY 2019-20 is ₹ 3 crores (FY 2018-19 is ₹ 3 crores), which is not included above.

Terms and conditions

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31st March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Loans to overseas subsidiaries:

The Company had given loans to subsidiaries for general corporate purposes. The loan balances as on 31 March 2020 was ₹ 8,979 crores (As on 31 March 2019: ₹ 7,978 crores). These loans are unsecured and carry an interest rate ranging from LIBOR + 395-615 basis points and repayable within a period of three years.

Guarantees to subsidiaries:

Guarantees provided to the lenders of the subsidiaries are for availing term loans and working capital facilities from the lender banks.

The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis.

C. Amount due to/from related parties

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Party's Name								
Trade payables								
JSW Energy Limited	-	-	-	-	306	214	306	214
JSW International Tradecorp Pte. Limited	-	-	-	-	1321	1241	1321	1241
Others	50	82	115	7	378	199	543	288
Total	**50**	**82**	**115**	**7**	**2,005**	**1,654**	**2,170**	**1,743**
Advance received from customers								
JSW Steel Coated Products Limited	147	-	-	-	-	-	147	-
JSW Steel Italy Piombino S.p.A.	-	1	-	-	-	-	-	1
Others	*	-	3	-	2	*	5	*
Total	**147**	**1**	**3**	**-**	**2**	*****	**152**	**1**
Lease & other deposits received								
JSW Severfield Structures Limited	-	-	13	13	-	-	13	13
JSW Energy Limited	-	-	-	-	11	11	11	11
JSW Cement Limited	-	-	-	-	11	11	11	11
Others	13	13	-	-	17	16	30	29
Total	**13**	**13**	**13**	**13**	**39**	**38**	**65**	**64**
Trade receivables								
Peddar Realty Private Limited	110	155	-	-	-	-	110	155
JSW Steel Coated Products Limited	-	700	-	-	-	-	-	700
JSW Vallabh Tinplate Private Limited	53	-	-	66	-	-	53	66
JSW MI Steel Service Center Private Limited	-	-	44	41	-	-	44	41
Epsilon Carbon Private Limited	-	-	-	-	101	115	101	115
Others	-	12	-	22	43	77	43	111
Total	**163**	**867**	**44**	**129**	**144**	**192**	**351**	**1,188**
Share application money given								
JSW Bengal Steel Limited	63	-	-	-	-	-	63	-
JSW Utkal Steel Limited	38	-	-	-	-	-	38	-
Others	*	-	*	*	-	-	*	*
Total	**101**	**-**	*****	*****	**-**	**-**	**102**	*****
Capital/revenue advances (including other receivables)								
Amba River Coke Limited	21	445	-	-	-	-	21	445
JSW Projects Limited	-	-	-	-	49	49	49	49
JSW Dharamatar Port Private Limited	-	-	-	-	200	-	200	-
Others	16	-	63	67	16	50	95	117
Total	**37**	**445**	**63**	**67**	**265**	**99**	**365**	**611**
Loan and advances given								
Periama Holdings, LLC	6,134	4,936	-	-	-	-	6,134	4,936
JSW Steel (Netherlands) B.V.	267	1,318	-	-	-	-	267	1,318
Acero Junction Holdings, Inc.	1,509	799	-	-	-	-	1,509	799
Others	1,069	925	216	125	13	14	1,298	1,064
Total	**8,979**	**7,978**	**216**	**125**	**13**	**14**	**9,208**	**8,117**

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

₹ in crores

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019	**31 March 2020**	31 March 2019	**31 March 2020**	31 March 2019
Interest receivable								
Inversiones Eurosh Limitada	**209**	192	**-**	-	**-**	-	**209**	192
Periama Holdings, LLC	**431**	396	**-**	-	**-**	-	**431**	396
Acero Junction Holdings, Inc.	**116**	19	**-**	-	**-**	-	**116**	19
Others	**36**	29	**-**	-	**11**	-	**47**	29
Total	**792**	**636**	**-**	**-**	**11**	**-**	**803**	**636**
Allowances for loans & advances given/interest receivable								
JSW Steel (Netherlands) B.V.	**207**	476	**-**	-	**-**	-	**207**	476
Periama Holdings, LLC	**377**	-	**-**	-	**-**	-	**377**	-
Inversiones Eurosh Limitada	**1,011**	197	**-**	-	**-**	-	**1,011**	197
Others	**4**	3	**-**	-	**-**	-	**4**	3
Total	**1,599**	**676**	**-**	**-**	**-**	**-**	**1,599**	**676**
Security & other deposits given								
JSW Shipping & Logistics Private Limited	**-**	-	**-**	-	**175**	59	**175**	59
India Flysafe Aviation Limited	**-**	-	**-**	-	**193**	203	**193**	203
Total	**-**	**-**	**-**	**-**	**368**	**262**	**368**	**262**
Lease liabilities/ finance lease obligations								
Amba River Coke Limited	**1,364**	2,032	**-**	-	**-**	-	**1,364**	2,032
JSW Industrial Gases Private Limited	**185**	-	**-**	-	**-**	-	**185**	-
JSW Projects Limited	**-**	-	**-**	-	**1,052**	1,280	**1,052**	1,280
JSW Techno Projects Management Limited	**-**	-	**-**	-	**550**	567	**550**	567
JSW Jaigarh Port Limited	**-**	-	**-**	-	**46**	-	**46**	-
JSW Dharamatar Port Private Limited	**-**	-	**-**	-	**138**	-	**138**	-
Total	**1,549**	**2,032**	**-**	**-**	**1,786**	**1,847**	**3,335**	**3,879**
Guarantees and collaterals provided by the company on behalf								
JSW Steel (Netherlands) B.V.	**1,582**	518	**-**	-	**-**	-	**1,582**	518
Periama Holdings, LLC	**503**	922	**-**	-	**-**	-	**503**	922
JSW Steel (USA) Inc.	**1,033**	488	**-**	-	**-**	-	**1,033**	488
Acero Junction Holdings, Inc.	**1,658**	968	**-**	-	**-**	-	**1,658**	968
JSW Steel Italy Piombino S.p.A.	**985**	396	**-**	-	**-**	-	**985**	396
Others	**146**	143	**-**	-	**-**	-	**146**	143
Less : Loss allowance against aforesaid	**(873)**	(516)	**-**	-	**-**	-	**(873)**	(516)
Total	**5,034**	**2,919**	**-**	**-**	**-**	**-**	**5,034**	**2,919**

*Less than ₹ 0.50 crores

Note:

1. The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). As on 31 March 2020, the fair value of plan assets was as ₹ 75 crores. (As at 31 March 2019: ₹ 68 crores).

45. Contingent liabilities:

(i) DISPUTED CLAIMS/LEVIES (EXCLUDING INTEREST, IF ANY) IN RESPECT OF:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Excise Duty	481	452
Customs Duty	467	456
Income Tax	32	19
Sales Tax/VAT/Special Entry tax	1,433	1,251
Service Tax	685	644
Miscellaneous	-	3
Levies by local authorities – Statutory	53	53
Levies relating to Energy/Power Obligations	277	208
Claims by suppliers and other parties	46	60
Total	**3,474**	**3,146**

a) Excise duty cases includes disputes pertaining to availment of CENVAT credit, valuation methodologies, classification of gases under different chapter heading.

b) Customs duty cases includes disputes pertaining to import of Iron ore fines and lumps under different chapter headings, utilisation of SHIS licences for clearance of imported equipment, payment of customs duty Steam Coal through Krishnapatnam Port and anti-dumping duty on Met Coke used in Corex.

c) Sales Tax/VAT/Special Entry tax cases includes disputes pertaining to demand of special entry tax in Karnataka and demand of cess by department of transport in Goa.

d) Service Tax cases includes disputes pertaining to availment of service tax credit on ineligible services, KKC amount paid but no credit availed, denial of credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents.

e) Income Tax cases includes disputes pertaining to transfer pricing and other matters.

f) Levies by local authorities – Statutory cases includes disputes pertaining to payment of water charges and enhanced compensation.

g) Levies relating to Energy/Power Obligations cases includes disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., belated payment surcharge, claims for the set off of renewable power obligations against the power generated in its captive power plants and dues relating to additional surcharge imposed on captive consumption by Maharashtra State Electricity Distribution Company Ltd.

h) Claims by Suppliers and other parties includes quality claims issues raised by suppliers and others.

i) There are several other cases which has been determined as remote by the Company and hence not been disclosed above.

(ii) FOREST DEVELOPMENT TAX/FEE:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Claims related to Forest Development Tax/Fee	2,588	2,160
Amount paid under protest	920	920

In response to a petition filed by the iron ore mine owners and purchasers (including the Company) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated 3 December 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognised provision for FDT of ₹ 1,043 crores (including paid under protest – ₹ 665 crores) and treated it as a contingent liability.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

The State of Karnataka on 27 July 2016, has amended Section 98-A of the Forest Act retrospectively substituting the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the Company and others, the Honourable High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the SCI, and based on merits of the case duly supported by a legal opinion and a favourable order from the High Court, the Company has not recognised provision for FDF amount of ₹ 1,545 crores (including paid under protest – ₹ 255 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.

46. Financial guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by its group companies.

Refer below for details of financial guarantees issued:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Guarantees	5,278	2,386
Standby letter of credit facility	503	922
Less: Loss allowance against aforesaid	(873)	(516)
Total	**4,908**	**2,792**

47. Commitments

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	11,789	15,025

OTHER COMMITMENTS:

(a) The Company from time to time provides need based support to subsidiaries and joint ventures entity towards capital and other requirements.

(b) The Company has entered into a five-year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. ("DSA") for supply of Steel Products. Duferco S.A. has provided an interest bearing advance amount of US $700 million under this agreement, secured by committed export of steel products to Duferco S.A. Out of this US $590 million is pending towards fulfilment.

(c) The Company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated year. Such export obligations at year end aggregate to

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Export promotion capital goods scheme	15,225	10,146

(d) The Company has given guarantees aggregating ₹ 127 crores (previous year ₹ 127 crores) on behalf of subsidiaries to Commissioner of Customs in respect of goods imported.

48. In assessing the carrying amounts of Investments in and loans/advances (net of impairment loss/loss allowance) to certain subsidiaries and a joint ventures and financial guarantees to certain subsidiaries (listed below), the Company considered various factors as detailed there against and concluded they are recoverable.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

(a) INVESTMENT, LOANS AND FINANCIALS GUARANTEES AS PER TABLE BELOW:

As at 31 March 2020	JSW Steel (Netherlands) B.V. ("NBV")	Periama Holdings LLC ("PHL")	Acero Junction Holdings LLC ("Acero")	JSW Steel Italy Piombino S.p.A. ("JSIP")	GSI Lucchini S.p.A. ("GSI")
Investments	221	-	536	*	*
Loans (including interest accrued)	68	6,189	1,625	85	-
Financial Guarantees	711	1,536	1,658	985	20

As at 31 March 2019	JSW Steel (Netherlands) B.V. ("NBV")	Periama Holdings LLC ("PHL")	Acero Junction Holdings LLC ("Acero")	JSW Steel Italy Piombino S.p.A. ("JSIP")	GSI Lucchini S.p.A. ("GSI")
Investments	259	-	536	*	*
Loans (including interest accrued)	848	5,332	818	85	-
Financial Guarantees	-	1,410	968	396	16

*represents ₹ 0.19 crores

Estimate of values of the businesses and assets by independent external values based on cash flow projections/implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to discount rate, future margins, increase in operational performance on account of committed capital expenditure and significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, availability of infrastructure facilities for mines and the likely impact of COVID-19 on the said operations.

(b) Equity shares of JSW Bengal Steel Limited, a subsidiary (carrying amount of investments: ₹ 446 crores as at 31 March 2020 ₹ 446 crores as at 31 March 2019 and share application money of ₹ 62 crores as at 31 March 2020; Nil as at 31 March 2019) - Evaluation of the status of its integrated Steel Complex (including power plant) to be implemented in phases at Salboni of district Paschim Medinipur in West Bengal by the said subsidiary and the plans for commencing construction of the said complex.

(c) Equity shares of JSW Jharkhand Steel Limited, a subsidiary (carrying amount: ₹ 93 crores as at 31 March 2020; ₹ 88 crores as at 31 March 2019 and share application money of ₹ 1 crore as at 31 March 2020; Nil as at 31 March 2019) - Evaluation of the status of its integrated Steel Complex to be implemented in phases at Ranchi, Jharkhand by the said subsidiary and the plans for commencing construction of the said complex.

(d) Equity shares of Peddar Realty Private Limited (PRPL), a subsidiary (carrying amount of investments: ₹ 24 crores as at 31 March 2020; ₹ 24 crores as at 31 March 2019, and receivable of ₹ 110 crores as at 31 March 2020; ₹ 155 crores as at 31 March 2019) -Valuation by an independent valuer of the residential complex in which PRPL holds interest.

(e) Investment of ₹ 4 crores (₹ 4 crores as at 31 March 2019) and loan of ₹ 163 crores (₹ 147 crores as at 31 March 2019) relating to JSW Natural Resources Mozambique Limitada and JSW ADMS Carvo Limitada (step down subsidiaries) - Assessment of minable reserves by independent experts based on the plans to commence operations after mining lease arrangements are in place for which application has been submitted to regulatory authorities, and infrastructure is developed.

(f) Equity shares of JSW Severfield Structures Limited, a joint venture (carrying amount: ₹ 198 crores as at 31 March 2020; ₹ 198 crores as at 31 March 2019) - Cash flow projections approved by the said JV which are based on estimates and assumptions relating to order book, capacity utilisation, operational performance, market prices of materials, inflation, terminal value, etc.

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

(g) Preference shares of JSW Realty & Infrastructure Private Limited, a subsidiary (carrying amount: ₹ 166 crores as at 31 March 2020; ₹ 150 crores as at 31 March 2019 and loans of ₹ 16 crores as at 31 March 2020; Nil as at 31 March 2019) - Estimates of value of business based on the cash flow projections approved by the Management. The assessments include significant assumptions relating to operational performance, expansion, rentals and other charges, inflation and terminal value.

(h) Equity and Preference shares of, Creixent Special Steels Limited, a joint venture, (carrying amount: ₹ 442 crores as at 31 March 2020; ₹ 399 crores as at 31 March 2019) and loan of ₹ 1 crore as at 31 March 2020; Nil as at 31 March 2019) - Estimates of value of business based on the cash flow projections approved by the management. The assessments include significant assumptions such as expansion, capacity utilization, operational performance, future margins, discount rates, and terminal value.

49. Pursuant to the Corporate insolvency resolution process under the Insolvency Bankruptcy Code, the resolution plan submitted by the Company for Vardhman Industries Limited (VIL) was approved, by the Hon'ble National Company Law Tribunal (NCLT), New Delhi, by its order dated 19 December 2018 and as clarified by its order dated 16 April 2019 and by the Hon'ble National Company Law Appellate Tribunal (NCLAT) by its order dated 4 December 2019 and as clarified by its order dated 11 December 2019.

The Company completed the acquisition of VIL on 31 December 2019 by infusing ₹ 63.50 crores in VIL and has been issued equity shares and compulsorily convertible debentures (CCDs) by VIL in lieu thereof. Accordingly, VIL has become a wholly owned subsidiary of the Company.

VIL is mainly engaged in the manufacturing and marketing of Colour Coated Coils & Sheets and has a production capacity of 3,000 tonnes per month with manufacturing facility located at Rajpura, Patiala (Punjab).

50. The Company submitted the Resolution Plan in respect of Bhushan Power and Steel Limited (BPSL), a company currently undergoing insolvency resolution process under the provisions of the Insolvency and Bankruptcy Code. The Committee of Creditors (CoC) approved the Resolution Plan and the Resolution Professional issued the Letter of Intent to the Company on 11 February 2019, which was duly accepted by the Company. The Resolution Plan is approved by the National Company Law Tribunal (NCLT) vide its order dated 5 September 2019, and subsequently an appeal preferred by the Company has been allowed by the National Company Law Appellate Tribunal (NCLAT) vide its order 17 February 2020. The erstwhile promoters and few operation creditors preferred an Appeal before the Hon'ble Supreme Court against the NCLAT order. The said Appeals along with the Petition of CoC are pending before the Hon'ble Supreme Court for adjudication.

51. Exceptional items for the year ended 31 March 2020 includes impairment provision of:

Particulars	Inversiones Eurosh Limitada	JSW Netherlands B.V. (NBV)	Periama Holdings LLC ("PHL")	Total
Allowance on doubtful loans	605	-	-	605
Allowance on doubtful interest receivables	209	-	377	586
Fair value Loss on preference shares designated as FVTPL	-	38	-	38
	814	**38**	**377**	**1,229**
Impairment on property plant & equipment	-	-	-	80
Total				**1,309**

(a) ₹ 852 crores relating to overseas subsidiaries towards the value of investments made and loans given and interest accrued thereon based on the overall assessment of recoverable value considering increased uncertainty in restarting the Iron ore mining operations at Chile on account of COVID 19 outbreak.

(b) ₹ 377 crores on interest receivables from an overseas subsidiary in USA based on the assessment of recoverable value of the US operations. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, mining production, future margins, and the likely impact of COVID 19 on the said operations; and

(c) ₹ 80 crores towards identified items of property, plant and equipment of the Company.

52. During the quarter ended 30 September 2019, the Mumbai Bench of the National Company Law Tribunal (NCLT), through its order dated 6 June 2019 and the Ahmedabad Bench of the NCLT, through its order dated 14 August 2019, had approved the scheme of Amalgamation of its wholly-owned subsidiaries, Dolvi Minerals and Metals Private Limited, Dolvi Coke Projects Limited, JSW Steel Processing Centre Limited, and JSW Steel (Salav) Limited with the Company. All these subsidiaries are in the business of manufacture of steel, raw materials required for making steel and other ancillary services. Accordingly, the Company had accounted for the merger under the pooling of interest method retrospectively for all periods presented as prescribed in IND AS 103 – Business Combinations of entities under common control. The previous period/year numbers have been accordingly restated. The Impact of the merger on these financial statements is as under:

₹ in crores

Particulars	Net Assets acquired	Consideration paid/Investments made	Capital Reserve
Dolvi Minerals and Metals Private Limited ('DMMPL')	350	399	(49)
Capital reserve on additional stake acquisition of DMMPL in 2019-20	-	-	(87)
JSW Steel Processing Centre Limited ('SPCL')	50	50	-
JSW Steel (Salav) Limited	1,335	424	911
Total Capital reserve recognised on merger			**774**

This resulted in restatement of financial statement, the changes in major heads are as below:

₹ in crores

Particulars	As at 31 March 2019	
	Reported	Restated
Property Plant and equipment	49,245	51,600
Borrowings including current maturities of long-term borrowings and short-term borrowings	41,937	43,703
Total Equity	35,162	34,893

₹ in crores

Particulars	Year ended 31 March 2019	
	Reported	Restated
Revenue from operations	76,727	77,187
Profit before tax	11,817	11,707
Profit after tax	8,259	8,121

53. Previous year figures have been re-grouped/re-classified wherever necessary.

54. Events occurring after balance sheet

On 22 May 2020 the board of directors recommended a final dividend of ₹ 2.00 per equity share be paid to shareholders for financial year 2019-20, which is subject to approval by the shareholders at the Annual General Meeting to be held on 23 July 2020. If approved, the dividend would result in a cash outflow of ₹ 483 crores.

55. Standards issued but not yet effective

There are no standards that have been issued but not yet effective.

56. Additional information

A) C.I.F. VALUE OF IMPORTS:

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
- Capital goods	**4,382**	3,345
- Raw materials (including power and fuel)	**15,444**	22,198
- Stores & spare parts	**872**	1,330
- Traded Goods	**-**	12

NOTES

TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

B) EXPENDITURE IN FOREIGN CURRENCY:

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest and finance charges	1,370	1,168
Ocean freight	490	387
Technical know-how	27	64
Commission on sales	18	17
Legal & professional fees	28	7
Others	48	75

C) EARNINGS IN FOREIGN CURRENCY:

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
F.O.B. value of exports	9,580	7,699
Interest Income	97	-

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

For and on behalf of Board of Directors

per VIKRAM MEHTA
Partner
Membership No.: 105938

Place: Mumbai
Date: 22 May 2020

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No.: FCS 9407

Place: Mumbai
Date: 22 May 2020

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of JSW Steel Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of JSW Steel Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its joint ventures, comprising of the consolidated Balance sheet as at March 31 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Recoverability of Goodwill, Property plant and Equipment (PPE), Capital work in progress (CWIP), Right-of-use assets and Advances related to certain business (as described in note 48 of the consolidated Ind AS financial statements)</td></tr>
<tr><td>As at March 31, 2020, the Group has carrying amount of:
• Goodwill of ₹ 396 crores,
• Property plant and Equipment, capital work in progress, advances and license fees of ₹ 8,126 crores
• Inventories ₹ 91 crores
• Right-of-use assets ₹ 78 crores
• Investment in equity and preference share ₹ 449 crores
• Loan to related party ₹ 1 crore
related to certain businesses incurring losses or where projects are on hold.
The Group has also recognised impairment allowance of ₹ 725 crores during the year ended March 31, 2020 in respect of property plant and equipment and goodwill and other receivables related to certain overseas businesses, as described in note 47 of the consolidated Ind AS financial statements.
Assessment of the recoverable amount of Goodwill, Property plant and Equipment (PPE), capital work in progress, Capital work in progress (CWIP), Leasehold land, Inventories and Advances related to certain businesses has been identified as a key audit matter due to:
• Significance of the carrying amount of these balances.
• The assessment requires management to make significant estimates concerning the estimated future cash flows, qualitative assessments of the status of the project and its future depending on balance work to be performed or approvals to be received, associated discount rates and growth rates based on management's view of future business prospects including any possible impact arising out of the pandemic on these estimates.
• Changes to any of these assumptions could lead to material changes in the estimated recoverable amount, impacting both potential impairment charges and potential reversals of impairment taken in prior years.</td><td>Our audit procedures included the following:
• We obtained and read management's assessment for impairment.
• We performed test of controls over impairment process through inspection of evidence of performance of these controls.
• We assessed the impairment model prepared by the management and the assumptions used, with particular attention to the following:
- Benchmarking or assessing key market related assumptions used in the impairment models, including discount rates, long term growth rate, risk free rate of return, weight average cost of capital, production schedule against external data.
- assessing the cash flow forecasts including possible impact on account of global pandemic through analysis of actual past performance and comparison to previous forecasts;
- testing the mathematical accuracy and performing sensitivity analyses of the models and scenarios built into these models for varied potential impact on account of pandemic;
- understanding the commercial prospects of the assets/ projects, and comparison of assumptions with external data sources;
• We assessed the competence, capabilities and objectivity of the experts used by the Group in the process of determining recoverable amounts.
• We assessed the conclusions reached by management and those charged with governance on account of various estimates and judgements including possible impact of pandemic.
• We assessed the compliance of the disclosures made in note 48 of the consolidated Ind AS financial statements with the accounting standards.</td></tr>
<tr><td colspan="2">Recoverability of VAT deferral / refunds under the GST regime (as described in note 31 of the consolidated Ind AS financial statements)</td></tr>
<tr><td>The Group's units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible and have been availing interest free VAT deferral loan / Net VAT refunds as an incentive under the incentive schemes notified by the State of Maharashtra and Karnataka.
The Group has recognised income in relation these grants being the difference between the net present value of these interest free loans granted to the Group and the nominal value of such loans to the extent of SGST collected by the Group in respect of sales eligible for such grants, eligible incentive of Net SGST paid, as applicable, in accordance with the Industrial Promotion subsidy schemes and notifications issued by the State of Maharashtra and Karnataka.
The State Government of Maharashtra ('GoM') vide its Government Resolution (GR) dated 20 December 2018, revised on 8 March 2019, has issued the modalities for sanction and disbursement of Incentives under GST regime, which includes certain additional conditions for eligibility and prescribed a new formula for determination of the incentives. Further during the year GOM vide its GR dated 16 September 2019 amended definition of 'Gross SGST', 'Net SGST' and certain conditions related to eligibility of incentive prescribed in GR dated 20 December 2018.
The State Government of Karnataka vide its circular dated 26 February 2019, has issued guidelines for certification of the eligible incentive amount.
The amount of incentive recognized during the year amounts to ₹ 1,089 crores and cumulative balance of these receivables amount to ₹ 2,917 crores</td><td>Our audit procedures included the following:
• We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the recognition and measurement of government grants and income accruing therefrom.
• We read eligibility certificates in respect of VAT deferral / refund incentives available to Company.
• We read the notification issued by the Government of Maharashtra and Government of Karnataka stating eligibility of VAT deferral / refunds under the GST regime.
• We read Government Resolution dated 20 December 2018, revision made on 8 March 2019, and amendment made on 16 September 2019 issued by Government of Maharashtra in respect of modalities for sanction and disbursement of Incentives under GST regime.
• We read circular dated 26 February 2019 issued by the State Government of Karnataka in respect of guidelines for certification of the eligible incentive amount.
• We read letter dated October 18, 2019 issued by Director of Industries of Maharashtra for in-principle approval for issuance of eligibility certificate for availing incentive under PSI 2007 scheme.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>We considered VAT deferral / refund incentive as a Key audit matter due to:
• Significance of amount accrued during the year and carrying amount of these receivables as at March 31, 2020
• Significant judgement involved in assessment of the eligibility of incentive under the new GST regime.</td><td>• We read the legal opinion obtained by the management for assessing the impact of new eligibility conditions and formula for determination incentives based on latest Government Resolution issued by GoM including assessing the amounts withheld by the GOM on eligibility of certain duties which were refundable in the erstwhile VAT regime but have been denied in the new GST regime.
• We involved specialists to assist us in reviewing and evaluating the management's assessment of latest Government Resolution issued by GoM.
• We have tested the calculation of incentives accrued for the year ended March 31, 2020.</td></tr>
<tr><td colspan="2">Capital Expenditure in respect of property, plant and equipment and capital work in progress (as described in note 4 and 5 of the consolidated Ind AS financial statements)</td></tr>
<tr><td>The Group has incurred significant expenditure on capital projects, as reflected by the total value of additions in property plant and equipment and capital work in progress in notes 4 and 5 of the consolidated Ind AS financial statements.
The Group is in process of executing various projects for setting up new facilities expansions of existing capacity across the locations. These projects take a substantial period of time to get ready for intended use.
We considered Capital expenditure as a Key audit matter due to:
• Significance of amount incurred on such items during the year ended March 31, 2020.
• Judgement and estimate required by management in assessing assets meeting the capitalisation criteria set out in Ind AS 16 Property, Plant and Equipment.
• Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalisation as per the criteria set out in Ind AS 16 Property, Plant and Equipment.</td><td>Our audit procedures included the following:
• We obtained an understanding of the Group's capitalisation policy and assessed for compliance with the relevant accounting standards;
• We obtained as understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalisation of assets;
• We performed substantive testing on a sample basis for each element of capitalised costs including inventory issued to contractors for the purpose of these projects and physical verification performed by management alongwith reconciliation and directly attributable cost including verification of underlying supporting evidence and understanding nature of the costs capitalised.
• In relation to borrowing costs we obtained the supporting calculations, verified the inputs to the calculation and tested the arithmetical accuracy of the model.
• We assessed accounting for costs incurred when projects are suspended or delayed for any reasons including the global pandemic
• We obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.</td></tr>
<tr><td colspan="2">Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI (LODR) 2015') (as described in note 44 of the consolidated Ind AS financial statements)</td></tr>
<tr><td>We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the consolidated Ind AS financial statements as a key audit matter due to:
• the significance of transactions with related parties during the year ended March 31, 2020.
• Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.</td><td>Our audit procedures in relation to the disclosure of related party transactions included the following:
• We obtained an understanding of the Group's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the consolidated Ind AS financial statements.
• We obtained an understanding of the Group's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors.
• We agreed the amounts disclosed with underlying documentation and read relevant agreements, evaluation of arms-length by management, on a sample basis, as part of our evaluation of the disclosure.
• We assessed management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015.
• We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
Claims and exposures relating to taxation and litigation *(as described in note 45 of the consolidated Ind AS financial statements)*	
The Group has disclosed in Note 45 of the consolidated Ind AS financial statements contingent liabilities of ₹ 4,019 crores in respect of disputed claims/ levies under various tax and legal matters and ₹ 2,588 crores towards Claims related to Forex development tax/ fee. Taxation and litigation exposures have been identified as a key audit matter due to: • Significance of these amounts and large number of disputed matters with various authorities. • Significant judgement and assumptions required by management in assessing the exposure of each case to evaluate whether there is a need to set up a provision and measurement of exposures as well as the disclosure of contingent liabilities. We focused on this matter because of the potential financial impact on the consolidated Ind AS financial statements. Additionally, the treatment of taxation and litigation cases require significant judgement due to the complexity of the cases, timescales for resolution and involvement of various authorities.	Our audit procedures included the following: • We obtained understanding, evaluated the design, and tested the operating effectiveness of the controls related to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities. • We obtained the details of legal and tax disputed matters and evaluation made by the management and assessed management's position through discussions on both the probability of success in significant cases, and the magnitude of any potential loss. • We read external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. • We involved tax specialists to assist us in evaluating tax positions taken by management. • We assessed the relevant disclosures made in the consolidated Ind AS financial statements for compliance in accordance with the requirements of Ind AS 37.

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

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

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 Holding 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 ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of 25 subsidiaries, whose Ind AS financial statements include total assets of ₹ 7,445 crores as at March 31, 2020, and total revenues of ₹ 7,800 crores and net cash inflows of Re 1 crore for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 122 crores for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of 6 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of such other auditors.

Certain of these subsidiaries and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 3 subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 1,197 crores as at March 31, 2020, and total revenues of ₹ 107 crores and net cash outflows of ₹ 0.19 crores for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 32 crores for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of 3 joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

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

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

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint ventures, none of the directors of the Group's companies, its joint ventures incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, and joint ventures incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company, its subsidiaries and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph:

  i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint ventures in its consolidated Ind AS financial statements – Refer Note 45 to the consolidated Ind AS financial statements;

  ii. The Group and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2020;

  iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures incorporated in India during the year ended March 31, 2020.

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

per Vikram Mehta
Partner
Membership Number: 105938
UDIN: 20105938AAAACB6991

Place of Signature: Mumbai
Date: May 22, 2020

ANNEXURE 1

Annexure 1 to the Independent Auditor's Report of even date on the consolidated Ind AS financial statements of JSW Steel Limited

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

In conjunction with our audit of the consolidated Ind AS financial statements of JSW Steel Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of JSW Steel Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated Ind AS 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these consolidated Ind AS financial statements

A company's internal financial control over financial reporting with reference to these consolidated Ind AS 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 control over financial reporting with reference to these consolidated Ind AS 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 Over Financial Reporting With Reference to these consolidated Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS 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 over financial reporting with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, insofar as it relates to these 16 subsidiary companies and 5 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and joint ventures incorporated in India.

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

per Vikram Mehta
Partner
Membership Number: 105938
UDIN: 20105938AAAACB6991

Place of Signature: Mumbai
Date: May 22, 2020

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2020

₹ in crores

	Notes	As at 31 March 2020	As at 31 March 2019
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	57,758	61,604
(b) Capital work-in-progress	5	26,857	11,540
(c) Right of use assets	6	3,471	-
(d) Goodwill	7	415	840
(e) Other intangible assets	8	350	200
(f) Intangible assets under development		334	349
(g) Investments in joint ventures	9	283	628
(h) Financial assets			
(i) Investments	10	974	1,184
(ii) Loans	11	772	433
(iii) Other financial assets	12	696	299
(i) Current tax assets (net)		385	240
(j) Deferred tax assets (net)	25	-	117
(k) Other non-current assets	13	2,956	3,925
Total non-current assets		**95,251**	**81,359**
(2) Current assets			
(a) Inventories	14	13,864	14,548
(b) Financial assets			
(i) Investments	15	2	82
(ii) Trade receivables	16	4,505	7,160
(iii) Cash and cash equivalents	17(a)	3,966	5,581
(iv) Bank balances other than (iii) above	17(b)	8,037	606
(v) Loans	11	742	561
(vi) Derivative assets	18	294	321
(vii) Other financial assets	12	2,858	2,217
(c) Current tax assets (net)		6	6
(d) Other current assets	13	2,286	2,461
(e) Assets classified as held for sale		9	12
Total current assets		**36,569**	**33,555**
TOTAL-ASSETS		**131,820**	**114,914**
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	19	301	301
(b) Other equity	20	36,298	34,494
Equity attributable to owners of the Company		**36,599**	**34,795**
Non-controlling interests		(575)	(450)
Total equity		**36,024**	**34,345**
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	44,673	29,656
(ii) Lease liabilities	6	1,744	-
(iii) Derivative liabilities	22 (a)	130	-
(iv) Other financial liabilities	23	464	532
(b) Provisions	24	348	258
(c) Deferred tax liabilities (net)	25	1,677	3,894
(d) Other non-current liabilities	26	3,072	4,221
Total non-current liabilities		**52,108**	**38,561**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	27	8,325	6,333
(ii) Trade payables	28		
(a) Total outstanding, dues of micro and small enterprises		142	39
(b) Total outstanding, dues of creditors other than micro and small enterprises		17,776	16,120
(iii) Derivative liabilities	22 (b)	251	379
(iv) Lease liabilities	6	306	
(iv) Other financial liabilities	29	14,143	16,831
(b) Provisions	24	161	134
(c) Other current liabilities	30	2,455	1,976
(d) Current tax liabilities (net)		129	196
Total current liabilities		**43,688**	**42,008**
Total liabilities		**95,796**	**80,569**
TOTAL-EQUITY AND LIABILITIES		**131,820**	**114,914**

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

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

per VIKRAM MEHTA
Partner
Membership No. 105938

Place: Mumbai
Date: 22 May 2020

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No.: FCS 9407
Place: Mumbai
Date: 22 May 2020

For and on behalf of the Board of Directors

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

SESHAGIRI RAO M. V. S.
Jt. Managing Director & Group CFO
DIN 00029136

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2020

₹ in crores

		Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
I	**Revenue from operations**		72,610	84,757
	Fees for assignment of procurement contract		250	-
	Government grant income – VAT/GST incentive relating to earlier years		466	-
	Total Revenue from operations	31	**73,326**	**84,757**
II	Other income	32	546	204
III	**Total income (I + II)**		**73,872**	**84,961**
IV	**Expenses**			
	Cost of materials consumed		38,865	43,476
	Purchases of stock-in-trade		135	320
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	(270)	(590)
	Employee benefits expense	34	2,839	2,489
	Finance costs	35	4,265	3,917
	Depreciation and amortisation expense	36	4,246	4,041
	Other expenses	37	19,884	20,110
	Total expenses		**69,964**	**73,763**
V	**Profit before share of profit/(loss) from joint ventures (net), exceptional items and tax (III-IV)**		**3,908**	**11,198**
VI	Share of profit/(loss) from joint ventures (net)		(90)	(30)
VII	**Profit before exceptional items and tax (V+VI)**		**3,818**	**11,168**
VIII	Exceptional items	47	805	-
IX	**Profit before tax (VII-VIII)**		**3,013**	**11,168**
X	**Tax expense/(credit)**	25		
	Current tax		943	2,473
	Deferred tax		(1,849)	1,171
	Total tax expense/(credit)		**(906)**	**3,644**
XI	**Profit for the year (IX-X)**		**3,919**	**7,524**
XII	**Other comprehensive income / (loss)**			
A	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement losses of the defined benefit plans	42	(23)	(19)
	(b) Equity instruments through other comprehensive income		(304)	(2)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		7	7
	Total (A)		**(320)**	**(14)**
B	(i) Items that will be reclassified to profit or loss			
	(a) The effective portion of gain/(loss) on hedging instruments		(825)	85
	(b) Changes in Foreign currency monetary item translation difference account (FCMITDA)		87	(49)
	(c) Foreign currency translation reserve (FCTR)		(316)	(60)
	(ii) Income tax relating to items that will be reclassified to profit or loss		253	(12)
	Total (B)		**(801)**	**(36)**
	Total other comprehensive income/(loss) (A+B)		**(1,121)**	**(50)**
XIII	**Total comprehensive income/(loss) (XI+XII)**		**2,798**	**7,474**
	Total Profit /(loss) for the year attributable to:			
	- Owners of the Company		4,030	7,639
	- Non-controlling interests		(111)	(115)
			3,919	**7,524**
	Other comprehensive income/(loss) for the year attributable to:			
	- Owners of the Company		(1,076)	(24)
	- Non-controlling interests		(45)	(26)
			(1,121)	**(50)**
	Total comprehensive income/(loss) for the year attributable to:			
	- Owners of the Company		2,954	7,615
	- Non-controlling interests		(156)	(141)
			2,798	**7,474**
XIV	**Earnings per equity share of ₹ 1 each**	38		
	Basic (in ₹)		16.78	31.77
	Diluted (in ₹)		16.67	31.60

See accompanying notes to the Consolidated Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No. 105938

Place: Mumbai
Date: 22 May 2020

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No.: FCS 9407
Place: Mumbai
Date: 22 May 2020

For and on behalf of the Board of Directors
SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

SESHAGIRI RAO M. V. S.
Jt. Managing Director & Group CFO
DIN 00029136

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

A. Equity share capital

₹ in crores

As at 1 April 2018	Movement during 2018-19	As at 31 March 2019	**Movement during 2019-20**	**As at 31 March 2020**
302	@@	301	@	**301**

@ - ₹ (0.07) crore; @@ – ₹(0.45) crore

B. Other equity

₹ in crores

	Reserves and surplus								Other comprehensive income / (loss)				Attributable to owners of the parent	Non-controlling interest	Total
	Capital reserve	Securities premium reserve	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Equity settled share-based payment reserve	General reserve	Capital reserve on bargain purchase	FCTR	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	FCMITDA			
Balance as at 1 April 2018	**3,585**	**5,417**	**149**	**141**	**7,528**	**41**	**10,281**	**609**	**(518)**	**478**	**10**	**(25)**	**27,696**	**(464)**	**27,232**
Profit for the year	-	-	-	-	7,639	-	-	-	-	-	-	-	7,639	(115)	7,524
Other comprehensive income for the year, net of income tax (refer note 25)	-	-	-	-	(12)	-	-	-	(34)	(2)	56	(32)	(24)	(26)	(50)
Dividends including dividend distribution tax	-	-	-	-	(933)	-	-	-	-	-	-	-	(933)	-	(933)
Impact of ESOP trust consolidation	-	-	-	-	(149)	-	-	-	-	-	-	-	(149)	-	(149)
Recognition of share-based payments	-	-	-	-	-	50	-	-	-	-	-	-	50	-	50
Transfer between reserves	-	-	382	144	(144)	-	(382)	-	-	-	-	-	-	-	-
Acquisition of business	-	-	-	-	-	-	-	408	-	-	-	-	408	59	467
Acquisition of non-controlling interests	-	-	-	-	(190)	-	-	-	-	-	-	-	(190)	81	(109)
Equity component of compound financial instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	15	15
Others	-	-	-	-	(3)	-	-	-	-	-	-	-	(3)	-	(3)
Balance as at 31 March 2019	**3,585**	**5,417**	**531**	**285**	**13,736**	**91**	**9,899**	**1,017**	**(552)**	**476**	**66**	**(57)**	**34,494**	**(450)**	**34,044**

₹ in crores

	Reserves and surplus								Other comprehensive income / (loss)				Attributable to owners of the parent	Non-controlling interest	Total
	Capital reserve	Securities premium reserve	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Equity settled share-based payment reserve	General reserve	Capital reserve on bargain purchase	FCTR	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	FCMITDA			
Balance as at 1 April 2019	3,585	5,417	531	285	13,736	91	9,899	1,017	(552)	476	66	(57)	34,494	(450)	34,044
Profit for the year	-	-	-	-	4,030	-	-	-	-	-	-	-	4,030	(111)	3,919
Other comprehensive income for the year, net of income tax (refer note 25)	-	-	-	-	(16)	-	-	-	(271)	(304)	(542)	57	(1,076)	(45)	(1,121)
Dividends including dividend distribution tax	-	-	-	-	(1,195)	-	-	-	-	-	-	-	(1,195)	-	(1,195)
Impact of ESOP trust consolidation	-	-	-	-	10	-	-	-	-	-	-	-	10	-	10
Recognition of share-based payments	-	-	-	-	-	37	-	-	-	-	-	-	37	-	37
Transfer between reserves	-	-	243	(285)	-	-	42	-	-	-	-	-	-	-	-
Acquisition of business (refer note 40)	-	-	-	-	-	-	-	2	-	-	-	-	2	25	27
Equity component of compound financial instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	5	5
Transfer to general reserve after exercise of options	-	-	-	-	-	(6)	6	-	-	-	-	-	-	-	-
Others	-	-	-	-	(4)	-	-	-	-	-	-	-	(4)	1	(3)
Balance as at 31 March 2020	**3,585**	**5,417**	**774**	**-**	**16,561**	**122**	**9,947**	**1,019**	**(823)**	**172**	**(476)**	**-**	**36,298**	**(575)**	**35,723**

See accompanying notes to the Consolidated Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No. 105938

Place: Mumbai
Date: 22 May 2020

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No.: FCS 9407
Place: Mumbai
Date: 22 May 2020

For and on behalf of the Board of Directors
SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

SESHAGIRI RAO M. V. S.
Jt. Managing Director & Group CFO
DIN 00029136

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

₹ in crores

	For the year ended 31 March 2020		For the year ended 31 March 2019	
A. Cash flow from operating activities				
Profit before tax		3,013		11,168
Adjustments for:				
Depreciation and amortisation expense	4,246		4,041	
Loss on sale of property, plant and equipment (net)	30		8	
Gain on sale of financial investments designated as FVTPL	(5)		(19)	
Export obligation deferred income amortisation	(144)		(165)	
Interest income	(439)		(134)	
Dividend income	(10)		-	
Interest expense	3,924		3,582	
Unrealised exchange loss	687		155	
Gain on financial instruments designated as FVTPL	(4)		(6)	
Unwinding of interest on financial assets carried at amortised cost	(45)		(25)	
Fair value gain on joint venture's previously held stake on acquisition of control	(13)		-	
Share-based payment expense	37		50	
Share of loss from joint ventures (net)	90		30	
Fair value loss on financial instrument designated as FVTPL	2		1	
Allowances for doubtful receivable and advances	113		152	
Non-cash expenditure debit to the consolidated statement of profit and loss	14		6	
Exceptional items	805		-	
		9,288		7,676
Operating profit before working capital changes		12,301		18,844
Adjustments for:				
Decrease / (Increase) in inventories	744		(1,741)	
Decrease / (Increase) in trade receivables	2,458		(2,203)	
(Increase) in other assets	(1,837)		(1,084)	
Increase in trade payable and other liabilities	183		3,406	
Increase in provisions	91		41	
		1,639		(1,581)
Cash flow from operations		13,940		17,263
Income taxes paid (net of refund received)		(1,155)		(2,630)
Net cash generated from operating activities		12,785		14,633
B. Cash flow from investing activities				
Purchases of property, plant and equipment and intangibles assets (including under development and capital advances)		(12,810)		(10,206)
Proceeds from sale of property, plant and equipment		43		44
Cash outflow on acquisition of a subsidiary		(64)		(1,014)
Investment in joint ventures		-		(413)
Proceeds from sale of stake in joint venture		164		-
Purchase of current investments		(762)		(8,340)
Sale of current investments		847		8,591
Bank deposits not considered as cash and cash equivalents (net)		(7,517)		(268)
Interest received		503		158
Dividend received		10		-
Net cash used in investing activities		(19,586)		(11,448)
C. Cash flow from financing activities				
Proceeds from sale of treasury shares		107		-
Payment for purchase of treasury shares		(101)		(153)
Proceeds from non-current borrowings		20,814		8,999
Repayment of non-current borrowings		(11,107)		(6,273)
Proceeds from / (repayment) of current borrowings (net)		1,940		4,155

₹ in crores

	For the year ended 31 March 2020	For the year ended 31 March 2019
Repayment of lease liabilities / finance lease obligations	(177)	(227)
Interest paid	(4,520)	(3,815)
Dividend paid (including corporate dividend tax)	(1,195)	(933)
Premium paid on redemption of debentures	(572)	-
Net cash generated from financing activities	**5,189**	**1,753**
Net (decrease) / increase in cash and cash equivalents(A+B+C)	**(1,612)**	**4,938**
Cash and cash equivalents at the beginning of year	**5,581**	**582**
Add: Translation adjustment in cash and cash equivalents	(6)	3
Add: Cash and cash equivalents pursuant to business combinations (refer note 40)	3	58
Cash and cash equivalents at the end of year	**3,966**	**5,581**

Reconciliation forming part of Statement of Cash flows

₹ in crores

Particulars	1 April 2019	Cash flows (net)	Foreign exchange difference	Changes in fair values	New leases	Others	31 March 2020
Borrowings (non-current) other than Lease liabilities) (including current maturities of long-term borrowing included in other financial liabilities note 29)	39,106	9,707	2,401	(113)	-	(52)	**51,049**
Lease liabilities (including Current maturities)*	1,957	(177)	-	-	405	(135)	**2,050**
Borrowings (current)	6,333	1,940	-	-	-	52	**8,325**

* All finance lease obligations are now reclassified as lease liabilities and shown separately in the balance sheet.

₹ in crores

Particulars	1 April 2018	Cash flows (net)	Foreign exchange difference	Changes in fair values	New leases	Other	31 March 2019
Borrowings (non-current) other than finance lease obligations (including current maturities of long-term borrowing included in other financial liabilities note 29)	35,435	2,726	926	32	-	(13)	**39,106**
Finance lease obligations (including current maturities of finance lease obligations)	1,781	(227)	-	-	403	-	**1,957**
Borrowings (current)	2,177	4,155	1	-	-	-	**6,333**

Other comprises of upfront fees amortisation and interest cost accrual on preference shares.

Notes:

The cash flow statement is prepared using the "indirect method" set out in Ind AS 7 – Statement of Cash Flows.

See accompanying notes to the Consolidated Financial Statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No. 105938

Place: Mumbai
Date: 22 May 2020

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No.: FCS 9407
Place: Mumbai
Date: 22 May 2020

For and on behalf of the Board of Directors

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

SESHAGIRI RAO M. V. S.
Jt. Managing Director & Group CFO
DIN 00029136

1. General Information

JSW Steel Limited ("the Company" or "the Parent") is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Parent and its subsidiaries (together referred to as "the Group") are manufacturer of diverse range of steel products with its manufacturing facilities located in states of Karnataka, Maharashtra and Tamil Nadu in India and also in the United States of America and Italy.

JSW Steel Limited is a public limited company incorporated in India on 15 March 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.

2. Significant Accounting policies

I. Statement of compliance

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act, 2013, (Ind AS Compliant Schedule III),as applicable to Consolidated financial statements.

Accordingly, the Company has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March 2020, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "financial statements").

These financial statements are approved for issue by the Board of Directors on 22 May 2020.

II. Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year as explained in the accounting policies below, and acquisition of subsidiaries where assets and liabilities are measured at fair values as at the date of acquisition in accordance with Ind AS 103.

Fair value is the price 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 price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Financial Statement is presented in INR and all values are rounded to the nearest crores except when otherwise stated.

Current and non-current classification

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

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

- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

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

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;

- it is due to be settled within 12 months after the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

III. Basis of consolidation

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

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

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

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

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

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

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

IV. Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition-related costs are generally recognised in Statement of Profit and Loss as incurred.

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

› deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

› liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and

› assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

If the initial accounting for a business combination is incomplete by the end of the financial year, the provisional amounts for which the accounting is incomplete shall be disclosed in the financial statements and provisional amounts recognised at the acquisition date shall be retrospectively adjusted during the measurement period. During the measurement period, the group shall also recognise additional assets or liabilities if the new information is obtained about facts and circumstances that existed as of the acquisition date and if known, would have resulted in the recognition of those assets and liabilities as of that date. However, the measurement period shall not exceed the period of one year from the acquisition date.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

V. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described at note 2(VI) below.

VI. Investment in associates and joint ventures

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

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

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

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

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

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

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

VII. Revenue recognition

A. Sale of Goods

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

The Group has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Group recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Group and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices.

For 'Bill and Hold' sales in which delivery is delayed at the buyers request but the buyer takes title and accepts billing, revenue is recognised when the buyer takes title, provided the product is separately identified as belonging to the buyer, is ready for physical transfer to the buyer and the Company does not have the ability to use the product or direct it to another customer.

Revenue from sale of by products are included in revenue. Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

Contract balances

i) Contract assets including trade receivables

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

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

ii) Contract liabilities

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

iii. Refund liabilities

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

B. Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentives payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract cost incurred that it is probable will be recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

C. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

VIII. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases.

Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. and the lease term is follows:

Class of assets	Years
Leasehold land	75 to 99 Years
Buildings	3 to 30 years
Plant & Machinery	3 to 15 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below ₹ 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

IX. Foreign currencies

The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

› Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:

› exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

› exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (XXI) (B) (f));

› exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items; and

› exchange difference arising on settlement/ restatement of long-term foreign currency monetary items recognised in the financial statements for the year ended 31 March 2016 prepared under previous GAAP, are capitalised as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity year/ up to the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable.

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

Goodwill, capital reserve on bargain purchase and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

X. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the year in which they are incurred.

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

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

XI. Government grants

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

Government grants are recognised in the Consolidated Statement of Profit and Loss on a systematic basis over the years in which the Group recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

The benefit of a government loan at a below-market rate of interest and effect of this favourable interest is treated as a government grant. The Loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the Consolidated Statement of Profit and Loss immediately on fulfillment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

XII. Employee benefits

Retirement benefit costs and termination benefits

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

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

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

The Group presents the first two components of defined benefit costs in Consolidated Statement of Profit and Loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

Short-term and other long-term employee benefits

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

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

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

XIII. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 39.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Consolidated Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

XIV. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred tax asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in consolidated statement of profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

XV. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalised in the assets under Capital work-in-progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

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

Class of assets	Years
Plant and equipment	8 to 40 years
Work-rolls (shown under Plant and equipment)	1 to 5 years

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

Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

The Group has applied Ind AS 116 w.e.f. 1 April 2019 and all lease are covered under Right of use assets.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Depreciation on the property, plant and equipment of the Company's foreign subsidiaries and jointly controlled entities has been provided on straight-line method as per the estimated useful life of such assets as follows:

Class of assets	Years
Buildings	15 to 50 years
Plant and machinery	3 to 30 years
Furniture and fixtures	3 to 10 years
Vehicles and aircrafts	4 to 5 years
Office equipment	3 to 10 years

XVI. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Computer software	3 to 5 years
Licenses	Over the period of license

Mining assets are amortised over the useful life of the mine or lease period whichever is lower.

The Group has elected to continue with carrying value of all its intangible assets recognised as on transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XVII. Mining Assets

Exploration and evaluation

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The Company measures its exploration and evaluation assets at cost and classifies as Property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

Acquisition costs – costs associated with acquisition of licenses and rights to explore, including related professional fees.

General exploration costs – costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.

Costs of exploration drilling and equipping exploration – Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

Stripping cost

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

Developmental stripping costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

Site restoration, rehabilitation and environmental costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to consolidated statement of profit and loss over the life of the asset through depreciation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology. Details of such provisions are set out in note 24.

XVIII. Impairment of Non-financial assets

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

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

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

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

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

XIX. Inventories

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

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

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

XX. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

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

XXI. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Consolidated Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI) and fair value through profit and loss.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in consolidated statement of profit and loss. The net gain or loss recognised in consolidated statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when:

› The Group's right to receive the dividends is established,

› It is probable that the economic benefits associated with the dividends will flow to the entity,

› The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

d) Impairment

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

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

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

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

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, The Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

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

The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets.

e) Effective interest method

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

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

B. Financial liabilities and equity instruments

a) Classification as debt or equity

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

b) Equity instruments

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

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

c) Financial liabilities

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

Financial liabilities at FVTPL:

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

A financial liability is classified as held for trading if:

› it has been incurred principally for the purpose of repurchasing it in the near term; or

› on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

› it is a derivative that is not designated and effective as a hedging instrument.

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

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

› the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

› it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Consolidated Statement of Profit and Loss. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI.

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

Other financial liabilities:

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne by the Group on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

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

d) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts, commodity forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Consolidated Statement of Profit and Loss depends on the nature of the hedge item.

e) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit and loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss, unless designated as effective hedging instruments.

f) Hedge accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge or hedges of net investments in foreign operations. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) **Fair value hedges**

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Consolidated Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in the Consolidated Statement of Profit and Loss in the line item relating to the hedged item.

The Group designates only the spot component for derivative instruments in fair value Hedging relationship. The Group defers changes in the forward element of such instruments in hedging reserve and the same is amortised over the period of the contract.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. For fair value hedges relating to items carried at amortised cost, the fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit and loss from that date.

(ii) **Cash flow hedges**

The effective portion of changes in fair value derivatives and non-derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in Consolidated Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit and loss in the years when the hedged item affects profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit and loss.

(iii) **Hedges of net investments in a foreign operation**

Hedges of net investments in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gains or losses relating to the ineffective portion are recognised immediately in the profit or loss.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to Consolidated Statement of Profit and Loss on the disposal of the foreign operation.

XXII. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

XXIII. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Consolidated Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

XXIV. Earnings per share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

3. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under Section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

A) Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

ii) Impairment of investments in joint ventures and associate

Determining whether the investments in joint ventures and associate are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capacity utilisation of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies as more fully described in note 48. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

iii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the Group are not disclosed.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

iv) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

v) Taxes

Pursuant to the announcement of the changes in corporate tax regime, the Companies have an option to either opt for the new tax regime or continue to pay taxes as per the old applicable tax structure together with the other benefits available to the Companies including utilisation of the MAT credit available. This requires significant estimation in determining in which year the Group would migrate to the new tax regime basis future year's taxable profits including the impact of ongoing expansion plans of the Company and consequential utilisation of available MAT credit. Accordingly, in accordance with IND AS 12 - Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised, or liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

During the year, the Group has assessed the outstanding deferred tax liability, and written back an amount to the extent of ₹2,225 crores to the Consolidated Statement of Profit and Loss. This is arising from the re-measurement of deferred tax liability that is expected to reverse in future when the Company and one of its subsidiary would migrate to the new tax regime.

vi) Impairment of Goodwill

Determining whether the goodwill acquired in business combinations are impaired, requires an estimate of recoverable amount of the Group's cash Generating unit (or groups of cash generating units). In considering the recoverable value of cash generating unit, the management have anticipated the future benefits to arise from commodity prices, capacity utilisation of plants, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying unit. If the recoverable amount of cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any Impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss.

vii) Relating to the global health pandemic from COVID-19

On 11 March 2020, the World Health Organisation characterised the outbreak of a strain of the new coronavirus ("COVID-19") as a pandemic. This outbreak is causing significant disturbances and slow down of economic activity. The Group's operations were impacted in the month of March 2020, due to scaling down / suspending production across all plants following nationwide lockdown announced by the Government of India in view of COVID-19. The Government of India permitted certain additional activities from 20 April 2020 in non-containment zones, subject to requisite approvals as may be required. The Group could secure the requisite approvals and has accordingly commenced operations and is gradually ramping up capacity since then.

In assessing the recoverability of carrying amounts of Group's assets such as property, plant & equipment, goodwill and other assets etc, the Group has considered various internal and external information up to the date of approval of these financial results and concluded that they are recoverable based on the estimate of values of the businesses and assets by independent external valuers which was based on cash flow projections/implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to operational performance including significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, and capacity expansion/availability of infrastructure facilities for mines.

The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

B) Critical accounting judgements

i) Control over JSW Realty & Infrastructure Private Limited (RIPL)

RIPL has developed a residential township in Vijayanagar, Karnataka on the land taken on lease from the Company for a period of 30 years and provides individual housing units on rent to the employees of the Company or other group companies. RIPL is not allowed to sub-let or assign its rights under the arrangement without prior written consent of the Company. Though the Company does not hold any ownership interest in RIPL, the Company has concluded that the Company has practical ability to direct the relevant activities of RIPL unilaterally, considering RIPL's dependency on the Company for funding significant portion of its operation through subscription to 73.89% of preference share capital amounting to ₹304 crore issued by RIPL and significant portion of RIPL's activities.

ii) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

iii) Joint control over Monnet Ispat and Energy Limited

The consortium of JSW Steel Limited and AION Investments Private II Limited. completed the acquisition of Monnet Ispat and Energy Limited ("MIEL") through their jointly controlled entity Creixent Special Steels Limited ("CSSL") on 31 August 2018. The Company has made an investment in the year 2018-19 of ₹ 375 crores through equity and redeemable preference shares in CSSL to acquire joint control in MIEL and have an effective shareholding of 23.1% in MIEL. As per the Shareholding agreement, all the relevant activities of CSSL that affect the Company's variable returns from its involvement with CSSL/ MIEL have to be decided unanimously by a Steering Committee on which the Company has representation and thus the Company has concluded that it has joint control over CSSL.

iv) Incentives under the State Industrial Policy

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds.

The State Government of Maharashtra ('GoM') vide its Government Resolution (GR) issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company including denying incentives in certain cases.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

Accordingly, the Company has recognised grant income without giving effect to the above restrictions and the cumulative amount receivable towards the same is considered to be good and recoverable.

C) New and amended accounting standards:

Ind AS 116 – Leases

Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Group adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.

Effective 1 April 2019, the Group has adopted Ind AS 116 "Leases' and applied the standard to all lease contracts existing on the date of initial application i.e. 1 April 2019. The Group has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognised at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 1 (IV) Leases for the accounting policy beginning 1 April 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the Group.

Leases previously classified as finance leases

The Group applied the practical expedients provided in Ind AS 116 and did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 was applied to these leases from 1 April 2019.

Leases previously accounted for as operating leases

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Most of the contracts that contains extension terms are on mutual agreement between both the parties and hence the potential future rentals cannot be assessed. Certain contracts where the extension terms are unilateral are with unrelated parties and hence there is no certainty about the extension being exercised.

The weighted average incremental borrowing rate applied to the newly recognised lease liabilities pursuant to Ind AS 116 adoption as at 1 April 2019 is 9%.

Based on the above, as at 1 April 2019:

Right-of-use asset of ₹ 3,702 crores and a lease liability of ₹ 2,331 crores on the date of initial application, including right-of-use asset amounting to ₹ 2,515 crores and lease liability amounting to ₹ 1,957 crores recognised as finance lease asset and obligation respectively under erstwhile lease standard as at 31 March 2019.

NOTES

AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

4. Property, plant and equipment

₹ in crores

Particulars	Freehold land	Leasehold land	Buildings (owned)	Buildings (on finance lease)	Plant and equipment (owned)	Plant and equipment (on finance lease)	Furniture and fixtures	Vehicles and aircrafts	Office equipment	Mining development and projects	Total
Cost / deemed cost											
At 1 April 2018	1,426	711	8,454	9	53,299	2,772	119	144	69	942	67,945
Additions	103	53	700	18	5,002	385	28	23	16	21	6,349
Acquired pursuant to business combination	254	-	205	-	1,262	-	-	@	1	-	1,722
Deductions	6	-	3	-	296	-	5	10	1	-	321
Other adjustments (refer note c below)	-	-	-	-	263	-	-	-	-	-	263
Translation reserve	(5)	-	49	-	289	-	@	@	@	61	394
At 31 March 2019	1,772	764	9,405	27	59,819	3,157	142	157	85	1,024	76,352
Transfer out to ROU assets	-	764	-	27	-	3,157	-	-	-	-	3,948
Additions	28	-	507	-	1,949	-	9	18	25	10	2,546
Acquired pursuant to business combination (refer note 40)	7	-	28	-	180	-	-	-	-	-	215
Deductions	17	-	4	-	204	-	1	11	-	-	237
Other adjustments (refer note c below)	-	-	-	-	311	-	-	-	-	-	311
Translation reserve	26	-	104	-	603	-	1	1	1	95	831
At 31 March 2020	1,816	-	10,040	-	62,644	-	151	165	111	1,129	76,056
Accumulated depreciation and impairment											
At 1 April 2018	4	25	1,163	1	8,520	487	47	38	29	577	10,891
Depreciation	-	9	390	1	3,382	180	14	17	13	6	4,012
Deductions	-	-	1	-	261	-	1	6	1	-	270
Translation reserve	@	-	10	-	67	-	@	@	-	38	115
At 31 March 2019	4	34	1,562	2	11,708	667	60	49	41	621	14,748
Transfer out to ROU assets	-	34	-	2	-	667	-	-	-	-	703
Depreciation	-	-	390	-	3,491	-	15	18	20	9	3,943
Deductions	-	-	1	-	164	-	1	5	-	-	171
Impairment (refer note 47)	-	-	3	-	77	-	-	-	-	143	221
Translation reserve	-	-	23	-	183	-	-	-	-	60	266
At 31 March 2020	4	-	1,977	-	15,287	-	74	62	61	833	18,298
Net book value											
At 31 March 2020	1,812	-	8,063	-	47,357	-	77	103	50	296	57,758
At 31 March 2019	1,768	730	7,843	25	48,111	2,490	82	108	44	403	61,604

@ - between ₹ (0.50) crore to ₹ 0.50 crore

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

Notes:

₹ in crores

			As at 31 March 2020	As at 31 March 2019
a)	Freehold land which is yet to be registered in the name group entities	Acre	20	21
		Deemed cost	9	14
b)	Freehold land and buildings which have been/agreed to be hypothecated/ mortgaged to lenders of related parties	Deemed cost	111	82
c)	Other adjustments comprises:			
	Borrowing cost		15	26
	Foreign exchange loss / (gain) (including regarded as an adjustment to borrowing costs)		296	237

d) Assets given on operating lease:

(i) The Group has entered into lease arrangements, for renting the following:

Category of Asset	Area	Period
Land at Vijayanagar	491 acres	8 months to 30 years
Land at Dolvi along with certain buildings	43 acres	3 years to 20 years
Land at Palwal	6 acres	15 years
Office Premises at Mittal Tower	1,885 sq. feet	24 months
Office Premises at CBD Belapur	33,930 sq. feet	5 years
Building for Vijayanagar Sports Institute	1,96,647 sq. feet	3 years
Hospital premises at Vijayanagar	81,500 sq. feet	20 years
Land at Vasind	22,303 sq. mtr.	25 years

The agreements are renewable & cancellable by mutual consent of both parties. The rent paid on above is based on mutually agreed rates.

(ii) Disclosure in respect of assets given on operating lease included in following heads:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Land		
Cost/Deemed cost	86	65
Building		
Cost/Deemed cost	119	102
Accumulated depreciation	10	8
Depreciation for the year	4	4

e) Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 21 and 27.

f) Property, plant and equipment includes proportionate share (50%) of assets under joint operation as below:

₹ in crores

Particulars	Buildings (Owned)	Plant and equipment (Owned)
Cost / deemed cost		
At 31 March 2018	476	7
Additions	-	-
At 31 March 2019	476	7
Additions	-	-
At 31 March 2020	476	7
Accumulated depreciation		
At 31 March 2018	48	2
Depreciation expense	16	1
At 31 March 2019	64	3
Depreciation expense	12	-
At 31 March 2020	76	3
Net book value		
At 31 March 2020	400	4
At 31 March 2019	412	4

5. Capital work-in-progress includes exchange fluctuation loss (including regarded as an adjustment to borrowing costs of ₹936 crores (previous year ₹317 crores) and borrowing cost of ₹ 648 crores (previous year ₹ 194 crores), capitalised during the year.

6. Right of Use assets and Lease liability

₹ in crores

Particulars	Land	Buildings	Plant and Equipment	Total
Transfer in Right of use assets				
Gross block	764	27	3,157	**3,948**
Accumulated depreciation	(34)	(2)	(667)	**(703)**
Additions (recognised pursuant to IND AS 116 adoption)	76	27	354	**457**
Right of use assets on initial recognition as on 1 April 2019	**806**	**52**	**2,844**	**3,702**
Additions	-	-	24	**24**
Depreciation	9	16	236	**261**
Translation reserve	-	-	6	**6**
At 31 March 2020	**797**	**36**	**2,638**	**3,471**

Leasehold land aggregating to ₹67 crores wherein the lease deed has expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.

Lease liabilities

Particulars	₹ in crores
At 1 April 2019 (transferred from finance lease obligations)	**1,957**
Additional leases (recognised pursuant to Ind AS 116 adoption)	374
Lease liabilities on initial recognition as on 1 April 2019	**2,331**
Additions	31
Interest accrued	252
Lease principal payments	(177)
Lease interest payments	(252)
Others	(135)
At 31 March 2020	**2,050**
Current	306
Non-current	1,744

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis:

Particulars	₹ in crores
Less than 1 year	552
1-5 years	1,589
More than 5 years	954
At 31 March 2020	**3,095**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Group has lease contracts for machinery that contains variable payments amounting to ₹ 427 crores shown under Cost of material consumed.

The Group has recognised ₹54 crores as rent expenses during the year which pertains to short-term lease/ low value asset which was not recognised as part of right of use asset.

The leases that the Group has entered with lessors are generally long-term in nature and no changes in terms of those leases are expected due to the COVID-19.

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7. Goodwill

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Cost / deemed cost		
Balance at the beginning of the year	1,831	1,642
Acquired pursuant to business combination (refer note 40)	15	90
Translation reserve	156	99
Balance at the end of the year (a)	2,002	1,831
Accumulated amortisation and impairment		
Balance at the beginning of the year	991	935
Impairment (refer note 47)	513	-
Translation reserve	83	56
Balance at the end of the year (b)	1,587	991
Net book value (a-b)	415	840

Allocation of goodwill to Cash Generating Units (CGU's)

₹ in crores

CGU	As at 31 March 2020	As at 31 March 2019
Coal mines at West Virginia, USA	266	244
Iron ore mines at Chile	-	471
Steel plant at Mingo Junction, USA	98	90
Others	51	35
Total	415	840

Alawest coal mines at West Virginia, USA

The recoverable amount of Alawest coal mines is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the directors covering the mining lease concession period, and a pre-tax discount rate of 16.7% per annum (18.0% for 31 March 2019). The discount rate commensurate with the risk specific to the projected cash flow and reflects the rate of return required by an investor.

Cash flow projections during the budget period are based on estimated coal extraction schedule and future prices of coal determined based on the average of coal prices published in various analyst reports. The projections do not consider growth rate in the coal prices from the year 2023-24 onwards.

Considering past trend of movement in coal prices, the management believes that the following changes in these key estimates would result into carrying amount exceeding the recoverable amount:

a) Decrease in coal prices by 1% would result into change in recoverable value by ₹ 29 crores.

b) Decrease in extraction schedule by 5% would result into change in recoverable value by ₹44 crores.

Steel plant at Mingo Junction, USA

The recoverable amount of steel plant is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the directors, and a pre-tax discount rate of 18.4% per annum. The discount rate commensurate with the risk specific to the projected cash flow and reflects the rate of return required by an investor.

Cash flow projections during the budget period are based on estimated steel production till FY 2023-24 and future prices of steel prices. The projections do not consider growth rate in production and price in terminal year.

Considering past trend of movement in steel prices, the management believes that the following changes in these key estimates would result into carrying amount exceeding the recoverable amount:

a) Decrease in steel prices by 1% would result into change in recoverable value by ₹ 119 crores.

b) Decrease in production schedule by 5% would result into change in recoverable value by ₹234 crores.

8. Other intangible assets

₹ in crores

Particulars	Computer software	Licences	Mining concession	Port concession	Total
Cost / deemed cost					
At 1 April 2018	**105**	**36**	**23**	**1**	**165**
Additions	29	-	105	-	134
Acquired pursuant to business combination	2	5	-	-	7
Disposals	@	-	-	-	@
Translation reserve	@	@	@	@	@
At 31 March 2019	**136**	**41**	**128**	**1**	**306**
Additions	34	9	154	-	197
Disposals	-	-	-	-	-
Translation reserve	-	2	1	-	3
At 31 March 2020	**170**	**52**	**283**	**1**	**506**
Accumulated amortisation and impairment					
At 1 April 2018	**62**	**15**	**1**	**-**	**78**
Amortisation	18	5	6	-	29
Disposals	@	-	-	-	@
Translation reserve	(1)	@	-	-	(1)
At 31 March 2019	**79**	**20**	**7**	**-**	**106**
Amortisation	20	8	14	-	42
Disposals	-	-	-	-	-
Impairment (refer note 47)	-	-	6	1	7
Translation reserve	1	-	-	-	1
At 31 March 2020	**100**	**28**	**27**	**1**	**156**
Net book value					
At 31 March 2020	**70**	**24**	**256**	**-**	**350**
At 31 March 2019	**57**	**21**	**121**	**1**	**200**

@ - Less than ₹0.50 crore

9. Investments in joint ventures

Particulars	Paid up value	As at 31 March 2020		As at 31 March 2019	
		No. of Shares	₹ in crores	No. of Shares	₹ in crores
Investment in equity shares accounted for using equity method					
Joint ventures					
Gourangdih Coal Limited					
Equity shares	₹ 10 each	2,450,000	2	2,450,000	2
Add: Share of profit/(loss) (net)			@		@
			2		2
JSW MI Steel Service Centre Private Limited					
Equity shares	₹ 10 each	66,500,000	67	66,500,000	67
Add: Share of profit/(loss) (net)			18		14
			85		81
JSW Severfield Structures Limited					
Equity shares	₹ 10 each	198,937,940	198	198,937,940	198
Add: Share of profit/(loss) (net)			(35)		(65)
			163		133
Rohne Coal Company Private Limited					
Equity shares	₹ 10 each	490,000	@@	490,000	@@
Add: Share of profit/(loss) (net)			@@@		@@@
			-		-
JSW Vallabh Tin Plate Private Limited (refer note 40)					
Equity shares	₹ 10 each		-	25,019,600	30
Add: Share of profit/(loss) (net)			-		(1)
			-		29
Vijayanagar Minerals Private Limited					
Equity shares	₹ 10 each	4,000	@@@@	4,000	@@@@
Add: Share of profit/(loss) (net)			2		2
			2		2

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Particulars	Paid up value	As at 31 March 2020		As at 31 March 2019	
		No. of Shares	₹ in crores	No. of Shares	₹ in crores
Creixent Special Steels Limited					
Equity shares	₹ 10 each	4,800,000	255	4,800,000	255
Add: Share of profit/(loss) (net)			(224)		(78)
			31		177
Monnet Ispat and Energy Limited					
Equity shares	₹ 10 each	399	&	399	&
			&		&
Geo Steel LLC (refer note a below)					
Investment			-		26
Add: Share of profit/(loss) (net)			-		178
			-		204
Total			283		628
Unquoted					
Aggregate book value			283		628

Note:

a) During the year, a subsidiary of the Company has sold 39% stake in Geo Steel LLC. Consequent to the sale, GEO Steel ceased to be a joint venture of the Group w.e.f. 28 January 2020.

@ - ₹ 0.18 crore (previous year 0.15 crore)
@@ - ₹ 0.49 crore
@@@ - ₹ (0.49) crore
@@@@ - ₹ 40,000/-
& - ₹ 3,990/-

10. Investments (non-current)

Particulars	Paid up value	As at 31 March 2020		As at 31 March 2019	
		No. of Shares	₹ in crores	No. of Shares	₹ in crores
A Investment in equity instruments					
Fully paid up					
Quoted (at fair value through other comprehensive income)					
JSW Energy Limited	₹ 10 each	101,605,500	434	101,605,500	738
Unquoted (at fair value through other comprehensive income)					
Tarapur Environment Protection Society	₹ 100 each	244,885	4	244,885	4
Toshiba JSW Power Systems Private Limited	₹ 10 each	11,000,000	-	11,000,000	-
MJSJ Coal Limited	₹ 10 each	10,461,000	9	10,461,000	9
SICOM Limited	₹ 10 each	600,000	5	600,000	5
Kalyani Mukand Limited	₹ 1 each	480,000	$	480,000	$
Ispat Profiles India Limited	₹ 1 each	1,500,000	$	1,500,000	$
Vallabh Steels Limited	₹ 10 each	295,000	$	-	-
SBI Infrastructure Fund	₹ 10 each	40,000	$	-	-
Geo Steel LLC			45	-	-
B Investments in preference shares					
Fully paid up					
Joint ventures					
Unquoted (at fair value through profit or loss)					
Rohne Coal Company Private Limited					
1% non-cumulative preference shares	₹ 10 each	23,642,580	-	23,642,580	-
1% Series-A non-cumulative preference shares	₹ 10 each	7,152,530	4	7,152,530	5
1% Series-B non-cumulative preference shares	₹ 10 each	1,661,686	2	1,370,786	1
Unquoted (at amortised cost)					
Creixent Special Steels Limited					
0.01% Redeemable preference shares I	₹ 10 each	171,969,200	207	171,969,200	184
0.01% Redeemable preference shares II	₹ 10 each	198,300,410	211	198,300,410	190
Monnet Ispat and Energy Limited					
0.01% compulsorily convertible, non-cumulative preference shares	₹ 10 each	601	@@	601	@@
Others					
Unquoted (at fair value through profit or loss)					
JSW Investments Private Limited					
8% Non-Cumulative Non-Convertible Preference shares	₹ 10 each	100,000,000	47	100,000,000	45
Unquoted (at cost)					
Metal interconnector SCPA	EUR 1 each	1,192,771	14	1,192,771	13

Particulars	Paid up value	As at 31 March 2020		As at 31 March 2019	
		No. of Shares	₹ in crores	No. of Shares	₹ in crores
C Investments in government securities (unquoted – Others) (at amortised cost)					
National Savings Certificates (pledged with commercial tax department)			@		@
Total			**982**		**1,194**
Less: Aggregate amount of provision for impairment in the value of investments			(8)		(10)
Total			**974**		**1,184**
Quoted					
Aggregate book value			434		738
Aggregate market value			434		738
Unquoted					
Aggregate book value (net of impairment)			540		446
Investment at cost/deemed cost			59		13
Investment at fair value through other comprehensive income			452		756
Investment at fair value through profit and loss			45		41
Investment at amortised cost			418		374

$ ₹ 1, @ - ₹ 0.15 crore, @@ - ₹6,010/-

11. Loans (unsecured)

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Loans				
to related parties	141	508	140	411
to other body corporates	17	13	9	57
Security deposits	623	223	294	93
Less: Allowance for doubtful loans	(9)	(2)	(10)	-
Total	**772**	**742**	**433**	**561**
Notes:				
Loans Receivable Considered good	772	742	433	561
Loans Receivable which have significant increase in Credit Risk				
Loans Receivable – credit impaired	-	2	1	-
Loans and advances to other body corporate	9	-	9	-

12. Other financial assets (unsecured)

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Export benefits and entitlements	25	115	25	115
Insurance claim receivable	-	-	43	-
Application money paid towards securities	1	-	@	-
Receivable for coal block development expenditure	117	-	117	-
Indirect tax balances refund due	-	22	-	73
Government grant incentive income receivable (refer note 31(a))	444	2,473	98	1,949
Interest receivable on loan to related parties	-	11	-	-
Others	121	328	16	160
Less: Allowance for doubtful balances	(12)	(91)	-	(80)
Total	**696**	**2,858**	**299**	**2,217**
Notes:				
Considered good	696	2,858	299	2,217
Considered doubtful, provided				
Export benefits and entitlements	12	4	-	-
Others	-	87	-	80

@ - Less than ₹ 0.50 crore

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13. Other assets (unsecured)

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Capital advances	1,000	-	2,064	-
Less: Allowances for doubtful advances	(7)	-	(8)	-
(A)	**993**	**-**	**2,056**	**-**
Advances to suppliers	271	1,154	272	882
Export benefits and entitlements	56	78	56	87
Advance royalty	94	-	90	-
Security deposits	164	86	156	159
Indirect tax balances/ recoverable/ credits	1,568	741	1,365	1,132
Prepayments and others	125	253	184	221
Less: Allowances for doubtful advances	(315)	(26)	(254)	(20)
(B)	**1,963**	**2,286**	**1,869**	**2,461**
Total (A+B)	**2,956**	**2,286**	**3,925**	**2,461**
Notes:				
Capital advances				
Considered good	993	-	2,056	-
Considered doubtful, provided	7	-	8	-
Other advances				
Considered good	1,963	2,279	1,869	2,461
Considered doubtful, provided				
Advance to suppliers	252	-	250	-
Prepayment and others	17	26	2	20
Indirect tax balances/recoverable/credits	3	-	2	-
Advance Royalty	53	-	-	-

14. Inventories

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Raw materials (at cost)	6,334	7,153
Work-in-progress (at cost)	451	583
Semi-finished/finished goods (at cost or net realisable value)	4,972	4,564
Production consumables, fuel stock and stores and spares (at cost)	2,085	2,248
Traded goods	22	-
Total	**13,864**	**14,548**
Notes:		
Details of stock-in-transit		
Raw materials	2,008	2,189
Production consumables and stores and spares	190	151
Total	**2,198**	**2,340**

Write down of inventories to net realisable value amounted to ₹ 291 crores (31 March 2019 – ₹ 47 crores). These were recognised as an expense during the year and included in cost of materials consumed and changes in inventories of finished goods, work-in-progress and stock-in-trade.

Inventories have been pledged as security against certain bank borrowings, the details relating to which have been described in note 21 and 27.

15. Investments (current)

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Mutual funds (quoted)	2	82
Total	**2**	**82**
Quoted		
Aggregate book value	2	82
Aggregate market value	2	82

16. Trade receivables

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Trade receivables considered good – Secured	-	4
Trade receivables considered good – Unsecured	4,488	7,068
Trade receivables which have significant increase in credit risk	160	160
Less: Allowance for doubtful debts	(143)	(72)
Trade Receivables – credit impaired	38	34
Less: Allowance for doubtful debts	(38)	(34)
Total	**4,505**	**7,160**

Ageing of receivables that are past due:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
60 – 90 days	91	97
91 – 180 days	164	315
>180 days	308	382
Total	**563**	**794**

The credit period on sales of goods ranges from 7 to 90 days with or without security.

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

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

Trade receivable have been given as collateral towards borrowings, the details relating to which has been described in note 21 and 27.

Credit risk management regarding trade receivables has been described in note 43 (H).

Trade receivables from related party has been disclosed in note 44.

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

17. (a) Cash and cash equivalents

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks		
In current accounts	1,887	566
In term deposit accounts with maturity less than 3 months at inception	2,078	4,908
Cheques on hand	-	100
Cash on hand	1	7
Total	**3,966**	**5,581**

17. (b) Bank balances other than cash and cash equivalents

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Earmarked balances in current account	35	29
Balance with banks		
In term deposit accounts		
with maturity more than 3 months but less than 12 months at inception	7,790	285
with maturity more than 12 months at inception	161	150
In margin money	51	142
Total	**8,037**	**606**

Earmarked bank balance are restricted in use and it relates to unclaimed dividend and balance with banks held as margin money for security against the guarantee.

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18. Derivative assets

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Forward contracts	278	250
Commodity contracts	@	50
Commodity options	-	@
Interest rate swaps	1	20
Currency options	15	1
Total	**294**	**321**

@ - Less than ₹ 0.50 crores

19. Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
	Number of shares		Amount (₹ in crores)	
Share Capital				
(a) Authorised				
Equity shares of the par value of ₹ 1 each	60,15,00,00,000	60,15,00,00,000	6,015	6,015
(b) Issued and subscribed				
(i) Outstanding at the beginning of the year fully paid up	2,41,72,20,440	2,41,72,20,440	242	242
(ii) Less: Treasury shares held under ESOP trust (refer note a below)	(1,48,16,254)	(1,55,08,976)	(2)	(2)
(iii) Outstanding at the end of the year fully paid up	2,40,23,26,186	2,40,17,11,464	240	240
(c) Equity shares forfeited (amount originally paid-up)			61	61
Total			**301**	**301**

a) Shares held under ESOP Trust:

The Company has created an Employee Stock Ownership Plan (ESOP) for providing share-based payment to its employees.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and it's subsidiaries in India. For the purpose of the scheme, the Company purchases shares from the open market under ESOP trust. The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares.

For the details of shares reserved for issue under the Employee Stock Ownership Plan (ESOP) of the Company (refer note 39).

Movement in treasury shares

Particulars	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Shares of ₹ 1 each fully paid up held under ESOP Trust	Number of shares		Amount (₹ in crores)	
Equity shares as at 1 April	1,55,08,976	1,09,88,860	2	1
Changes during the year	(6,92,722)	45,20,116	@	@
Equity shares as at 31 March	1,48,16,254	1,55,08,976	2	2

@ - ₹ (0.07) crore (previous year – ₹ 0.45 crore)

B) Rights, preferences and restrictions attached to Equity Shares

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shareholders Holding more than 5% share in The Company are set out below

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of shares	No. of shares	% of shares
Equity shares				
JFE Steel International Europe BV	36,25,83,070	15.00%	36,25,83,070	15.00%
JSW Holdings Limited	18,14,02,230	7.50%	17,88,37,230	7.40%
Vividh Finvest Private Limited	14,33,70,690	5.93%	14,19,95,690	5.87%
JSW Techno Projects Management Limited	25,70,51,220	10.63%	24,73,28,450	10.23%

d) Shares allotted as fully paid-up pursuant to contracts without payment being received in cash during the period of five years immediately preceding the date of the balance sheet are as under:

Nil

20. Other equity

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
General reserve	9,947	9,899
Retained earnings	16,561	13,736
Other comprehensive income		
Equity instruments through other comprehensive income	172	476
Effective portion of cash flow hedges	(476)	66
Foreign currency translation reserve	(823)	(552)
Foreign currency monetary item translation difference account	-	(57)
Other reserves		
Equity settled share-based payment reserve	122	91
Capital reserve	3,585	3,585
Capital redemption reserve	774	531
Capital reserve on bargain purchase	1,019	1,017
Securities premium reserve	5,417	5,417
Debenture redemption reserve	-	285
Total	**36,298**	**34,494**

(i) General reserve

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10.0% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserve for that year.

Consequent to introduction of Companies Act, 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss account to the general reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

(ii) Retained earnings

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

(iii) Equity instruments through other comprehensive income

The Group has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(iv) Effective portion of cash flow hedges

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Group accounting policy.

(v) Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Indian rupees) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Gains and losses on hedging instruments that are designated as hedging instruments for hedges of net investments in foreign operations are included in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to profit or loss on the disposal of the foreign operation.

(vi) Foreign currency monetary item translation difference account

The Group has continued with the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the consolidated financial statements prepared under previous GAAP for the year ended 31 March 2016. The reserve pertains to exchange differences relating to long-term foreign

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currency monetary items in so far as they do not relate to acquisition of depreciable capital assets, which are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised in the Statement of Profit and Loss over the balance period of such long-term foreign currency monetary items. The Company has fully amortised the balance in the current year and the outstanding balance as on 31 March 2020 stands to Nil.

(vii) Equity settled share-based payment reserve

The Group offers ESOP, under which options to subscribe for the Company's shares have been granted to certain employees and senior management. The share-based payment reserve is used to recognise the value of equity settled share-based payments provided as part of the ESOP scheme

(viii) Capital reserve

Reserve is created primarily on amalgamation as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

(ix) Capital redemption reserve

Reserve is created on redemption of preference shares as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

(x) Securities Premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

(xi) Debenture redemption reserve

Untill previous year, the Indian Companies Act requires companies that issue debentures to create a debenture redemption reserve (DRR) from annual profits until such debentures are redeemed. Companies are required to maintain 25% as a reserve of outstanding redeemable debentures. Accordingly, the Company creates DRR at 25% in the penultimate year to the year in which the repayment obligation arises on the Company. The amounts credited to the debenture redemption reserve will not be utilised except to redeem debentures. On redemption the amount will be reclassified to Retained Earnings.

As per the recent amendment in Companies Act, 2013, issued by the Ministry of Corporate Affairs, listed companies are not required to create debenture redemption reserve (DRR). Accordingly, the Company has transferred the such reserve balance to general reserve as on 31 March 2020.

21. Borrowings

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Bonds (unsecured)	10,554	-	3,459	3,459
Debentures (secured)	5,180	120	2,300	1,841
Term loans:				
Secured	13,022	3,301	12,474	2,760
Unsecured	14,296	2,841	9,790	2,905
Acceptances for capital projects with maturity more than 1 year				
Secured	673	61	-	-
Unsecured	1,057	115	-	-
Deferred government loans (unsecured)	142	25	88	33
Other loans:				
Finance lease obligations (unsecured)	-	-	1,697	260
Preference shares (unsecured)	24	-	20	231
Unamortised upfront fees on borrowing	(275)	(88)	(172)	(82)
Total	**44,673**	**6,375**	**29,656**	**11,407**
Less: Current maturities of long-term debt clubbed under other financial liabilities (current) (refer note 29)	-	(6,375)	-	(11,407)
Total	**44,673**	-	**29,656**	-

Details of security and terms of repayment

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non- Current	**Current**	Non-Current	Current		
A. Bonds/Debentures					
Bonds (Unsecured)					
-	**-**	-	3,459	4.75% Repaid on 12 November 2019	
3,769	**-**	3,459	-	5.25% Repayable on 13 April 2022	
3,769	**-**	-	-	5.95% Repayable on 18 April 2024	
3,014	**-**	-	-	5.375% Repayable on 4 April 2025	
10,554	**-**	**3,459**	**3,459**		
Debentures (secured)					
1,000	**-**	1,000	-	10.02% secured NCDs of ₹ 10,00,000 each are redeemable in two tranches a. ₹ 500 crores on 20 May 2023 b. ₹ 500 crores on 19 July 2023	First pari passu charge on 3.8 mtpa property, plant and equipment located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
1,000	**-**	1,000	-	10.34% secured NCDs of ₹ 10,00,000 each are redeemable in three tranches a) ₹ 330 crores on 18 January 2022 b) ₹ 330 crores on 18 January 2023 c) ₹ 340 crores on 18 January 2024	First pari passu charge on property, plant and equipment related to 2.8 mtpa expansion project located at Vijayanagar Works, Karnataka and a flat at Vasind, Maharashtra.
2,000	**-**	-	-	8.79% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a) ₹ 500 crores on 18 October 2026 b) ₹ 500 crores on 18 October 2027 c) ₹ 500 crores on 18 October 2028 d) ₹ 500 crores on 18 October 2029	First pari passu charge on property, plant and equipment up to 5 mtpa capacity situated at Dolvi works, Maharashtra (other than specifically carved out).
1,000	**-**	-	-	8.90% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a) ₹ 250 crores on 23.01.2027 b) ₹ 250 crores on 23.01.2028 c) ₹ 250 crores on 23.01.2029 and d) ₹ 250 crores on 23.01.2030.	First pari passu charge on property, plant and equipment related to Cold Rolling Mill 1 and 2 complex located at Vijayanagar Works, Karnataka (other than specifically carved out).
-	**-**	-	400	9.72% secured NCDs of ₹ 10,00,000 each are redeemed on 23 December 2019	First pari passu charge on 3.2 mtpa property, plant and equipment located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
-	**-**	-	250	10.40% secured NCDs of ₹ 10,00,000 each are redeemed on 19 August 2019	First pari passu charge on 3.2 mtpa property, plant and equipment located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
-	**-**	-	425	10.60% secured NCDs of ₹ 10,00,000 each are redeemed on 19 August 2019	First pari passu charge on 3.2 mtpa property, plant and equipment located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
-	**-**	-	44	10.60% secured NCDs of ₹ 7,50,000 each are redeemed as 2 half yearly instalments of ₹21.875 crores each from 2 August 2019 to 2 February 2020	Pari passu first charge by way of legal mortgage on land situated in the State of Gujarat. Pari passu first charge by way of equitable mortgage on property, plant and equipment related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka

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As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non- Current	Current	Non-Current	Current		
-	-	-	22	10.60% secured NCDs of ₹ 6,25,000 each are redeemed on 2 July 2019.	Pari passu first charge by way of legal mortgage on land situated in the State of Gujarat. Pari passu first charge by way of equitable mortgage on property, plant and equipment related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka
-	-	-	700	Secured zero coupon NCDs redeemed at a premium of 12.15% p.a. accrued quarterly on 22 October 2019	Secured by way of a pledge of 40,000,000 equity shares of an erstwhile subsidiary Dolvi Minerals and Metals Private Limited (DMMPL) held by the Company. (DMMPL merged into the Company with an appointed date 1 April 2019).
180	-	180	-	8.75% Secured NCDs of ₹ 10,00,000 each is redeemable on 10 February 2022.	Secured by way of first ranking charge on all movable and immovable property, plant and equipment both present and future and on lease hold rights over immovable property of pellet project situated at Village JuiBapuji, Taluka Alibaug, District Raigad, Maharashtra.
-	120	120	-	8.65% Secured NCDs of ₹ 10,00,000 each aggregating ₹ 120 crores is redeemable on 12 May 2020.	Secured by way of first ranking charge on all movable and immovable property, plant and equipment both present and future and on lease hold rights over immovable property of pellet project situated at Village JuiBapuji, Taluka Alibaug, District Raigad, Maharashtra.
5,180	**120**	**2,300**	**1,841**		
B. Term Loans					
Term Loans From Banks (Secured)				**Weighted average interest rate – 8.39 %**	
563	75	638	75	2 Quarterly instalments of ₹ 18.75 crores each from 27 July 2020 – 27 October 2020 16 Quarterly instalments of ₹ 37.50 crores each from 27 January 2021 – 27 October 2024	First pari passu charge on property, plant and equipment up to 5 mtpa capacity situated at Dolvi works, Maharashtra.
600	200	750	125	16 Quarterly instalment of ₹ 50 crores each from 30 June 2020 – 31 March 2024	First charge on 3.2 mtpa expansion property, plant and equipment situated at Vijayanagar Works, Karnataka
937	94	1,031	63	2 Quarterly instalments of ₹ 15.625 crores each from 31 July 2020 – 31 October 2020 4 Quarterly instalments of ₹ 62.50 crores each from 31 January 2021 – 31 October 2021 8 Quarterly instalments of ₹ 93.75 crores each from 31 January 2022 – 31 October 2023	First charge on property, plant and equipment up to 5 mtpa capacity situated at Dolvi works, Maharashtra.
700	150	812	150	8 quarterly instalments of ₹ 37.5 crores each from 30 June 2020 – 31 March 2022 4 quarterly instalments of ₹ 43.75 crores each from 30 June 2022 – 31 March 2023 2 quarterly instalments of ₹ 187.5 crores each from 30 June 2023 – 30 September 2023	First pari passu charge on 3.8 mtpa upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
1,250	200	1,400	200	5 Quarterly instalments of ₹ 50 crores each from 30 June 2020 – 30 June 2021	First charge on property, plant and equipment up to 5 mtpa capacity situated at Dolvi works, Maharashtra.

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non- Current	Current	Non-Current	Current		
				4 Quarterly instalments of ₹ 125 crores each from 30 September 2021 – 30 June 2022 2 Quarterly instalments of ₹ 350 crores each from 30 September 2022- 31 December 2022	
388	150	500	150	5 quarterly instalments of ₹ 37.5 crores each from 30 June 2020 – 30 June 2021 4 quarterly instalments of ₹ 43.75 crores each from 30 June 2021 – 30 June 2022 2 quarterly instalments of ₹ 87.5 crores each from 30 September 2022 – 31 December 2022.	First pari passu charge on 3.8mtpa upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
758	192	902	192	7 quarterly instalments of ₹ 48 crores each from 30 June 2020 – 31 December 2021 9 quarterly instalments of ₹ 64 crores each from 31 March 2022 – 31 March 2024 1 quarterly instalment of ₹ 38.35 crores on 30 June 2024.	First charge on entire movable and immovable property, plant and equipment up to 5 mtpa capacity situated at Dolvi works, Maharashtra (excluding those specifically charged and equipment/machinery procured out of proceeds of ECA/ ECB/ FCL) both present and future.
125	50	163	50	14 Quarterly instalments of ₹ 12.5 crores each from 30 June 2020 – 30 September 2023.	First charge on property, plant and equipment up to 5 mtpa capacity situated at Dolvi works, Maharashtra.
90	160	215	125	2 quarterly instalments of ₹ 35 crores each from 30 June 2020 – 30 September 2020 4 quarterly instalments of ₹ 45 crores each from 31 December 2020 – 30 September 2021	First charge on 3.2 mtpa expansion property, plant and equipment (other than assets specifically carved out) situated at Vijayanagar Works, Karnataka
225	100	325	100	13 quarterly instalments of ₹ 25 crores each from 1 June 2020 to 1 June 2023	First charge on 3.2 mtpa expansion property, plant and equipment situated at Vijayanagar Works, Karnataka
-	375	338	337	2 quarterly instalments of ₹ 37.50 crores each from 30 June 2020 to 30 September 2020 2 quarterly instalments of ₹ 150 crores each from 31 December 2020 to 31 March 2021	First charge on 3.2 mtpa expansion property, plant and equipment (other than assets specifically carved out) situated at Vijayanagar Works, Karnataka
319	75	375	75	5 quarterly instalments of ₹ 18.75 crores each from 30 June 2020 to 30 June 2021 12 quarterly instalments of ₹ 25 crores each from 30 September 2021 to 30 June 2024	First pari passu charge on 3.8 mtpa property, plant and equipment located at Vijayanagar Works, Karnataka (other than specifically carved out).
394	66	450	37	1 quarterly instalment of ₹ 9.375 crores on 30 June 2020 8 quarterly instalments of ₹ 18.75 crores each from 30 September 2020 to 30 June 2022 12 quarterly instalments of ₹ 25 crores each from 30 September 2022 to 30 June 2025	First pari passu charge on 3.8 mtpa property, plant and equipment located at Vijayanagar Works, Karnataka (other than specifically carved out).
109	63	156	63	11 quarterly instalments of ₹ 15.625 crores each from 30 June 2020 to 31 December 2022.	First pari passu charge on 3.8 mtpa property, plant and equipment located at Vijayanagar Works, Karnataka (other than specifically carved out).

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As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non- Current	Current	Non-Current	Current		
709	-	110	-	12 quarterly instalments of ₹ 8.861 crores each from 30 June 2021 to 31 March 2024 4 quarterly instalments of ₹ 44.306 crores each from 30 June 2024 to 31 March 2025 8 quarterly instalments of ₹ 53.167 crores each from 30 June 2025 to 31 March 2027	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 mtpa to 10 mtpa capacity (other than specifically carved out).
375	100	475	25	19 quarterly instalments of ₹ 25 crores each from 15 June 2020 to 15 December 2024	First pari passu charge on property, plant and equipment situated at Salem Works, Tamil Nadu.
1,164	-	-	-	4 quarterly instalments of ₹ 116.40 crores each from 30 June 2021 to 31 March 2022 4 quarterly instalments of ₹ 174.60 crores each from 30 June 2022 to 31 March 2023	First pari passu charge on the mining rights/assets proposed to be acquired for the 4 iron ore blocks acquired in the State of Odisha.
400	100	-	-	20 quarterly instalments of ₹ 25 crores each from 30 June 2020 to 31 March 2025	First pari passu charge on property, plant and equipment related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
418	86	393	47	23 equal quarterly instalments of ₹ 21.43 crores each from 30 June 2020 to 31 December 2025 1 instalment of ₹ 11.06 Crore on 31 March 2026	First pari passu charge on property, plant and equipment of 1.5 mtpa coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd.) at Dolvi Works, Maharashtra.
219	31	-	-	23 Quarterly instalments of ₹ 10.41 Crore each from 30 September 2020 – 31 March 2026 1 instalment of ₹ 10.57 crore on 30 June 2026	First pari passu charge on property, plant and equipment related to new 5 mtpa Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
470	105	550	100	3 quarterly instalments of ₹ 25 crores each from 30 June 2020 to 31 December 2020 12 quarterly instalments of ₹ 30 crores each from 31 March 2021 to 31 December 2023 4 quarterly instalments of ₹ 35 crores each from 31 March 2024 to 31 December 2024	First charge on entire immovable and movable property, plant and equipment located at Salav works, Maharashtra.
377	80	457	96	12 quarterly instalments of ₹26.56 crore each from 30 April 2020 to 31 January 2023 2 quarterly instalments of ₹69.06 crore each from 30 April 2023 to 31 July 2023	First charge by way of legal mortgage on 2,400 sq. feet land at Toranagallu village in the state of Karnataka. First charge on the entire property, plant and equipment of the Company situated at Vasind, Tarapur and Kalmeshwar both present and future.
500	-	-	-	4 equal quarterly instalments of ₹ 35 crores each from 30 November 2021 to 30 August 2022 4 equal quarterly instalments of ₹ 40 crores each from 16 March 2022 to 16 December 2022 4 equal quarterly instalments of ₹ 50 crores each from 7 May 2022 to 7 February 2023	First pari passu charge on the entire property, plant and equipment of the Company situated at Vasind, Tarapur and Kalmeshwar both present and future.
167	103	244	103	9 quarterly instalments of ₹ 25.675 crores each from 30 June 2020 to 30 June 2022 4 quarterly instalments of ₹ 9.65 crores each from 30 June 2022 to 31 March 2023.	First ranking charge/ mortgage/ collateral on all movable and immovable property, plant and equipment both present and future and on lease hold rights over immovable property of coke oven project situated at Village JuiBapuji, Taluka Alibag, District Raigad, Maharashtra.

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non- Current	Current	Non-Current	Current		
150	86	214	86	11 quarterly instalments of ₹ 21.43 crores from 30 June 2020 to 31 December 2022	First ranking charge/ mortgage/ security interest on all movable and immovable property, plant and equipment both present and future and on lease hold rights over immovable property of pellet project situated at Village JuiBapuji Taluka Ali bag, District Raigad, Maharashtra.
115	40	92	33	Repayable in equal monthly instalment in 10 years.	Secured by way of equitable mortgage by deposit of title deeds of project assets and by way of mortgage of Phase III of JSW township at Basapur village site, extension of mortgage of phase I & II of housing colony at Torangallu, assignment of receivables from the property financed and comfort letter from the parent for loan repayment.
18	13	-	-	3 quarterly instalments of ₹ 3 crores each from 30 June 2020 to 31 December 2020 5 quarterly instalments of ₹ 3.75 crores each from 31 March 2021 to 31 March 2022 1 quarterly instalment of ₹ 3.32 crores on 30 June 2022	First pari passu charge on all the fixed assets and current assets of the respective entity situated at Rajpura, Punjab.
1	2	-	-	2 quarterly instalments of ₹ 0.45 crores each from 30 June 2020 to 30 September 2020 7 quarterly instalments of ₹ 0.36 crores each from 31 December 2020 to 30 June 2022 1 quarterly instalment of ₹ 0.05 crores on 30 September 2022	First pari passu charge on all the fixed assets and current assets of the respective entity situated at Rajpura, Punjab.
8	6	-	-	8 quarterly instalments of ₹ 1.51 crores each from 30 June 2020 to 31 March 2022 1 quarterly instalment of ₹ 1.46 crores on 30 June 2022	First pari passu charge on all the fixed assets and current assets of the respective entity situated at Rajpura, Punjab.
530	96	556	66	24 equal quarterly instalments of USD 3.214 mio (equivalent ₹ 24.23 crores) each from 30 June 2020 to 31 March 2026 1 instalment of USD 6.11 mio (equivalent ₹ 46.09 crores) on 30 June 2026	First pari passu charge on property, plant and equipment of 1.5 mtpa coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd.) at Dolvi Works, Maharashtra.
-	503	461	461	1 instalment of USD 66.67 mio (equivalent ₹ 503 crores) on 9 September 2020	Secured through an unconditional and irrevocable standby letter of credit (SBLC) to the bank. The SBLC is secured corporate guarantee of JSW Steel Limited, India and a 1st charge on property, plant and equipment of Dolvi unit up to 3.3 mtpa.
1	1	2	1	18 varying instalments commencing from April 20 to September 2021	Secured against equipment for its Preparation plant
942	-	865	-	2 equal instalments of USD 41.25 mio each (equivalent ₹ 311 crores each) from August 2021 to August 2022 and USD 42.5 mio (equivalent to ₹ 320 crores) payable in August 2023	Secured against the property, plant and equipment (as on date of agreement i.e. August 2018) located at Mingo Junction, Ohio, USA.
13,022	**3,301**	**12,474**	**2,760**		

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As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non- Current	Current	Non-Current	Current		
Term Loans From Banks (Unsecured)				**Weighted average interest rate – 4.06 %**	
30	120	150	120	5 quarterly instalments of ₹ 30 crores each from 20 June 2020 to 20 June 2021	
-	250	250	500	1 instalment of ₹ 250 crores each on 20 May 2020	
750	-	-	-	1 instalment of ₹ 250 crores on 5 April 2021 and 1 instalment of ₹ 500 crore on 5 September 2021	
300	218	475	200	3 half yearly instalments of ₹ 62.70 crores each from 31 May 2020 to 31 May 2021	-
				7 half yearly instalments of ₹ 40.07 crores each from 30 April 2020 to 30 April 2023	
				8 half yearly instalments of ₹ 6.10 crores each from 18 September 2020 to 18 March 2024.	
43	14	53	13	8 half yearly instalments of ₹ 7.18 crores each from 28 August 2020 to 28 February 2024	
91	21	103	20	8 half yearly instalments of ₹ 3.40 crores each from 31 July 2020 to 31 July 2024.	
				9 half yearly instalments of ₹ 1.21 crores each from 30 April 2020 to 30 April 2024	
				12 semi-annual instalments of ₹2.23 crores each from 25 September 2020 to 25 March 2026	
				12 semi-annual instalments of ₹2.27 crores each from 25 September 2020 to 25 March 2026	
				13 semi-annual instalments of ₹1.596 crores each from 25 June 2020 to 25 September 2026	
43	14	53	13	8 half yearly instalments of ₹ 7.22 crores each from 30 September 2020 to 31 March 2024	
-	-	-	1,729	Repaid on 20 March 2020	
246	84	300	76	8 half yearly instalments of ₹ 18.01 crores each from 19 July 2020 to 19 January 2024	
				7 half yearly instalments of ₹ 24.02 crores each from 19 July 2020 to 19 July 2023 and 1 half yearly instalment of ₹ 18.24 crores on 19 January 2024	
150	39	172	35	9 equal semi-annual instalments of ₹ 6.32 crores each from 9 July 2020 to 9 July 2024 and 1 semi-annual instalment of ₹ 5.57 crores on 9 January 2025	
				9 equal semi-annual instalments of ₹ 13.004 crores each from 9 July 2020 to 9 July 2024 and 1 semi-annual instalment of ₹ 9.42 crores on 9 January 2025	
141	111	231	102	9 equal semi-annual instalments of ₹3.45 crores each from 25 September 2020 to 25 September 2024 and 1 semi-annual instalment of ₹ 2.906 crores on 25 March 2025	
				2 equal annual instalments of ₹ 100.51 crores from 13 August 2020 to 13 August 2021	
				10 equal semi-annual instalments of ₹ 1.697 crores each from 25 September 2020 to 25 March 2025	

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non- Current	Current	Non-Current	Current		
30	10	37	9	8 equal semi-annual instalments of ₹4.966 crores each from 15 June 2020 to 15 December 2023.	
277	260	493	-	Repayable in two tranches a) ₹260.29 crores on 27 April 2020 b) ₹276.56 crores on 27 April 2021	
54	9	59	8	14 semi-annual instalments of ₹4.533 crores each from 31 July 2020 to 31 January 2027	
-	1,131	1,037	-	3 equal instalments of ₹ 376.93 crores each on 7 April 2020, 21 September 2020 and 21 March 2021	
69	14	76	13	12 semi-annual instalments of ₹ 4.715 crores each from 23 July 2020 to 23 January 2026 12 semi-annual instalments of ₹2.21 crores each from 6 August 2020 to 5 February 2026	
678	-	623	-	Repayable in three tranches a) ₹376.93 crores on 21 February 2022 b) ₹37.69 crores on 6 March 2022 c) ₹263.85 crores on 3 July 2022	
1,583	-	1,452	-	4 annual instalments of ₹ 395.78 crores from 12 October 2021 to 12 November 2024	
302	-	277	-	4 annual instalments of ₹ 75.386 crores from 12 July 2022 to 12 July 2025	
942	-	865	-	4 annual instalments of ₹ 235.58 crores from 16 July 2022 to 16 July 2025	
754	-	692	-	Repayable on 5 April 2024	
565	-	519	-	4 equal instalment of ₹ 141.35 crores from 19 October 2022 to 19 October 2025	
176	20	110	-	20 equal semi-annual instalment of ₹ 9.798 crores from 31 August 2020 to 28 February 2030	
142	16	78	-	20 equal semi-annual instalment of ₹ 7.892 crores from 30 June 2020 to 31 December 2029	
364	52	210	11	16 equal semi-annual instalments of ₹ 13.56 crores from 25 September 2020 to 25 March 2028 and 1 instalment of ₹ 0.24 crore on 25 September 2028 16 equal semi-annual instalments of ₹ 12.252 crores from 25 September 2020 to 25 March 2028 and 1 instalment of ₹ 2.637 crores on 25 September 2028	
181	23	168	-	17 equal semi-annual instalments of ₹ 6.515 crores from 25 June 2020 to 25 June 2028 and 1 instalment of ₹ 2.683 crores on 25 December 2028 17 equal semi-annual instalments of ₹ 5.205 crores from 25 June 2020 to 25 June 2028 and 1 instalment of ₹ 1.809 crores on 25 December 2028	
-	188	173	35	USD 25 mio (equivalent ₹ 188.46 crores) is repayable on 9 March 2021	
332	-	-	-	6 equal instalments of EUR 2.5 mio each (equivalent ₹ 20.76 crores) from 21 July 2021 to 21 October 2022 5 equal instalments of EUR 5.0 mio each (equivalent ₹ 41.52 crores) from 21 January 2023 to 21 January 2024	

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As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non- Current	Current	Non-Current	Current		
377	-	-	-	2 annual equal instalment of USD 25 mio each (equivalent ₹ 188.46 crores) payable on 14 May 2023 and 14 May 2024	
377	-	-	-	3 annual equal instalment of USD16.67 mio each (equivalent ₹125.67 crores) from 24 March 2022 to 24 March 2024	
225	83	291	19	5 equal instalments of EUR 2.5 mio each (equivalent ₹ 20.76 crores) from 25 April 2020 to 25 April 2021 5 equal instalments of EUR 5 mio each (equivalent ₹ 41.52 crores) from 25 July 2021 to 25 July 2022	
4	2	5	2	3 equal annual instalments of USD 0.24 mio each (equivalent ₹ 1.81 crores)	
204	23	-	-	2 equal semiannual instalments of USD 3 mio each (equivalent ₹ 22.62 crores) from 26 February 2021 to 27 August 2021. 2 equal semiannual instalments of USD 5.25 mio each (equivalent ₹ 39.58 crores) from 26 February 2022 to 27 August 2022. 2 equal semiannual instalments of USD 6.75 mio each (equivalent ₹ 50.89 crores) from 26 February 2023 to 27 August 2023	
1,131	-	727	-	3 equal annual instalments of USD 1.67 mio each (equivalent ₹ 12.59 crores) from 28 March 2023 to 28 March 2025 3 equal annual instalments of USD 6.67 mio each (equivalent ₹ 50.28 crores) from 19 April 2023 to 19 April 2025 3 equal annual instalments of USD 10 mio each (equivalent ₹ 75.38 crores) from 11 July 2023 to 11 July 2025 3 equal annual instalments of USD 6.67 mio each (equivalent ₹ 50.28 crores) from 9 October 2023 to 9 October 2025 3 equal annual instalments of USD 3.33 mio each (equivalent ₹ 25.10 crores) from 11 January 2024 to 11 January 2026 3 equal annual instalments of USD 6.67 mio each (equivalent ₹ 50.28 crores) from 29 January 2024 to 29 January 2026 3 equal annual instalments of USD 15 mio each (equivalent ₹ 113.08 crores) from 29 January 2024 to 29 January 2026	
183	20	111	-	20 equal half-yearly instalments of USD 1.35 mio each (equivalent ₹ 10.18 crores) from 30 June 2020 to 31 December 2029	
186	33	-	-	13 equal semi-annual instalments of ₹ 16.42 crores from 25 June 2020 to 25 June 2026 and 1 instalment of ₹ 5.274 crores on 25 December 2026	
1,885	-	-	-	2 annual instalments of ₹ 621.934 crores from 19 March 2024 to 19 March 2025 and 1 instalment of ₹ 640.78 crores on 19 March 2026	

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non- Current	Current	Non-Current	Current		
286	15	-	-	20 equal semi-annual instalment of ₹ 15.05 crores from 31 October 2020 to 30 April 2030	
786	-	-	-	3 annual instalments of ₹ 238.72 crores from 27 December 2023 to 26 December 2025	
				3 annual instalments of ₹ 23.216 crores from 22 January 2024 to 22 January 2026	
116	37	-	-	8 equal semi-annual instalments of ₹ 18.634 crores from 30 August 2020 to 29 February 2024 and 1 instalment of ₹ 3.987 crores on 31 December 2026	
293	34	-	-	19 equal semi-annual instalment of ₹ 17.238 crores from 30 June 2020 to 30 June 2029	
14,296	**2,842**	**9,790**	**2,905**		
C. Acceptances for capital projects with more than 1 year					
Acceptances for capital projects with more than 1 year (Secured)					
9	-	-	-	Repayment of ₹ 9.12 crores on 1 August 2022	First pari passu charge on movable fixed assets of 1.5 mtpa Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
8	61	-	-	Repayment of 5 cases in 2020-21 - ₹ 61.12 crores	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 mtpa to 10 mtpa capacity (other than specifically carved out).
				Repayment of 3 cases 2021-22 - ₹ 7.67 crores	
633	-	-	-	Repayment of 10 cases 2021-22 - ₹ 56.96 crores	First pari passu charge on movable fixed assets of 1.5 mtpa Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
				Repayment of 77 cases 2022-23 - ₹ 576.11 crores	
23	-	-	-	Repayment of 3 cases 2022-23 – ₹ 23.39 crores	Pari-passu first charge over the fixed asset of the respective subsidiary.
673	**61**	**-**	**-**		
Acceptances for capital projects with more than 1 year (Unsecured)					
268	101	-	-	Repayment of 10 cases in 2020-21 – ₹101.23 crores	
				Repayment of 38 cases in 2021-22 – ₹141.59 crores	
				Repayment of 23 cases in 2022-23 – ₹126.42 crores	
662	14	-	-	Repayment of 4 cases in 2020-21 – ₹14.03 crores	
				Repayment of 57 cases in 2021-22 – ₹196.24 crores	
				Repayment of 117 cases in 2022-23 – ₹465.35 crores	
127	-	-	-	Repayment of 4 cases in 2021-22 – ₹17.84 crores	
				Repayment of 2 cases of ₹2.26 crores each on 22 March 2022	
				Repayment of 67 cases in 2022-23 – ₹93.82 crores	
				Repayment of 14 cases in 2022-23 - ₹2.76 crores	
1,057	**115**	**-**	**-**		

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TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

As at 31 March 2020		As at 31 March 2019		Terms of Repayments	Security
Non- Current	Current	Non-Current	Current		
D. Deferred Payment Liabilities					
Deferred Sales Tax Loan (Unsecured)					
1	25	21	31	Interest free loan and payable in 42 varying monthly instalments starting from 12 April 2018 to 12 September 2021.	
134	-	58	-	Interest free loan Payable after 14 years by 31 March 2032.	
7	@	9	2	6 annual equal instalments starting after 12 years of disbursement till July 2032	
-	-	-	1	Repaid in June 19	
142	**25**	**88**	**33**		
E. Finance Lease Obligations					
-	-	1,697	260	Varying monthly instalments from 8 to 15 years	
F. Preference Shares					
-	-	-	231	0.01% CPRS Redeemed by 15 March 2020	
23	-	20	-	10% non-cumulative, Redeemable at their face value after 15 years from the date of allotment at 20% per annum on or before 31 March of each year starting from the 16th year and ending on or before 31 March of the 20th year.	
23	**-**	**20**	**231**		
G. Unamortised Upfront Fees on Borrowing					
(275)	(87)	(172)	(82)		
Total Amount in ₹ Crores					
44,673	**6,375**	**29,656**	**11,407**		

@ - less than ₹ 0.50 crores

Pursuant to the Covid 19 pandemic, the Reserve Bank of India, vide its notification reference RBI/2019-20/186 dated 27 March 2020, announced a "Covid 19 Regulatory Package" to mitigate the adverse impact of the pandemic and ensure continuity of viable businesses. As per this package banks were inter alia permitted to grant a moratorium of three months on payment of all instalments (principal and interest) on Term loans falling due between 1 March 2020 and 31 May 2020. The Company and an Indian subsidiary opted to avail the package relating to term loans and the same was approved by the lenders in line with RBI's notification. Accordingly, the financial statement has been prepared giving effect to the above.

22. Derivative liabilities

A. Non-current

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Interest rate swaps	130	-
Total	**130**	**-**

B. Current

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Forward contract	181	322
Commodity contract	67	30
Interest rate swaps	-	27
Currency options	3	@
Total	**251**	**379**

@ - less than ₹ 0.50 crores

23. Other financial liabilities (non-current)

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Rent and other deposits	44	66	43	58
Retention money for capital projects	407	1,082	481	182
Premium on redemption of debentures	-	-	-	490
Other payables	13	-	8	-
Total	**464**	**1,148**	**532**	**730**
Less: Amount clubbed under other financial liabilities (refer note 29)	-	(1,148)	-	(730)
Total	**464**	**-**	**532**	**-**

24. Provisions

₹ in crores

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
Provision for compensated absences	123	43	98	36
Provision for gratuity (refer note 42)	181	95	134	84
Provision for long-term service award (refer note 42)	12	2	-	-
Provision for provident fund (refer note 42)	-	5	-	1
Other provisions				
Provision for contingency	-	-	2	-
Mine closure provision	29	*	18	-
Others	3	16	6	13
Total	**348**	**161**	**258**	**134**

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for contingency		
Balance at the beginning of the year	2	2
Utilisation during the year	2	-
Balance at the end of the year	**-**	**2**
Mine closure provision #		
Balance at the beginning of the year	18	12
Created during the year	9	5
Unwinding of discount and changes in the discount rate	1	*
Movement on account of exchange rate variation	1	1
Balance at the end of the year	**29**	**18**
Others		
Balance at the beginning of the year	19	13
Movement during the year	1	6
Balance at the end of the year	**20**	**19**

* - less than ₹ 0.50 crore

Site restoration expenditure is incurred on an ongoing basis until the closure of the site. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

25. Income Tax

India

Indian companies are subject to Indian income tax on a standalone basis. For each fiscal year, the respective entities profit or loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Statutory income tax is charged at 30% plus a surcharge and education cess with tax benefits or 22% plus a surcharge and education cess without tax benefits.

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2019-20 is 15% plus a surcharge and education cess. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

United States of America (USA)

Some of the subsidiaries of the Group are a C corporation for federal tax purposes and files a consolidated tax return. The subsidiaries records income taxes pursuant to the liability method and the applicable tax rate is 21%.

Italy

The subsidiaries in Italy records income taxes pursuant to the liability method. The nominal tax rates in Italy are 24% for the Income Tax of the Companies (IRES) and 3.9% for the Regional Tax on Productive Activities (IRAP), calculated on a different tax base.

a) Income tax expense/(benefit)

₹ in crores

Particulars	For the year ended	
	31 March 2020	31 March 2019
Current tax		
Current tax (including earlier years reversal/ adjustments)	943	2,473
Total	**943**	**2,473**
Deferred tax		
Deferred tax	133	1,325
MAT credit entitlement	198	(154)
(Restoration)/Reversal of MAT credit entitlement	(16)	-
Reversal of DTL on measurement due to change in tax rate (Refer note b below)	(2,225)	-
Tax provision/(reversal) for earlier years	61	-
Total	**(1,849)**	**1,171**

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

₹ in crores

Particulars	For the year ended	
	31 March 2020	31 March 2019
Profit before tax	**3,013**	**11,168**
Enacted tax rate in India	34.944%	34.944%
Expected income tax expense at statutory tax rate	**1,053**	**3,903**
Expenses not deductible in determining taxable profits	34	38
Income exempt from taxation/taxable separately	(150)	(314)
Tax holiday allowances	(382)	(371)
Effect of different tax rates of subsidiaries	309	191
Deferred tax assets not recognised	751	250
Dividend distribution tax	-	(46)
Elimination of allowances for loan to subsidiaries on consolidation	(212)	-
Reversal of DTL on measurement due to change in tax rate (refer note b below)	(2,323)	-
Others	(31)	(7)
Total	**(906)**	**3,644**
Effective tax rate	**(30.07)%**	**32.63%**

a) There are certain income-tax related legal proceedings which are pending against the Group. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 45).

b) Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions.

During the year ended 31 March 2020, the Group had made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit. Based on the detailed assessment carried out the management, deferred tax liabilities on temporary differences expected to reverse during the year in which the Company and one of its subsidiaries would be under the new tax regime and accordingly applied the new rate for measuring the said deferred tax liabilities in accordance with the requirements of IND AS 12 - 'Income Taxes". This has resulted in reversal of deferred tax liabilities amounting to ₹ 2,225 crores.

Further, certain components of the Group have opted for the new tax rate from financial year 2019-20 which has resulted into a reversal of deferred tax liabilities upto 31 March 2019 amounting to ₹ 98 crores during the year ended 31 March 2020.

There are certain income-tax related legal proceedings which are pending against the Group and its Joint ventures. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 45).

b) Deferred tax assets / (liabilities)

The following is the analysis of deferred tax assets / (liabilities) balances presented in the balance sheet:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax liabilities	(1,677)	(3,894)
Deferred tax assets	-	117
Total	**(1,677)**	**(3,777)**

Significant component of deferred tax assets / (liabilities) and movement during the year are as under:

₹ in crores

Deferred tax balance in relation to	As at 31 March 2019	Acquired pursuant to business combination	For the year ended 31 March 2020			As at 31 March 2020
			Recognised / (reversed) through profit and loss	Recognised in / (reclassified) from OCI	Others	
Property, plant and equipment	(11,174)	(6)	1,813	-	(87)	(9,454)
Carried forward business loss / unabsorbed depreciation	1,207	-	(596)	-	50	661
Provision for employee benefit / loans and advances	673	-	517	7	-	1,197
Minimum alternate tax (MAT) credit entitlement	4,626	-	(182)	-	-	4,444
Cashflow hedges / FCMITDA	1	-	-	253	-	254
Finance lease obligations	621	-	58	-	-	679
Others	269	(3)	239	-	37	542
Total	**(3,777)**	**(9)**	**1,849**	**260**	**-**	**(1,677)**

₹ in crores

Deferred tax balance in relation to	As at 1 April 2018	Acquired pursuant to business combination	For the year ended 31 March 2019			As at 31 March 2019
			Recognised / (reversed) through profit and loss	Recognised in / (reclassified) from OCI	Others	
Property, plant and equipment	(10,549)	(211)	(362)	-	(52)	(11,174)
Carried forward business loss / unabsorbed depreciation	2,322	181	(1,333)	-	37	1,207
Provision for employee benefit / loans and advances	597	-	69	7	-	673
Minimum alternate tax (MAT) credit entitlement	4,473	-	153	-	-	4,626
Cashflow hedges / FCMITDA	19	-	(10)	(8)	-	1
Finance lease obligations	575	-	46	-	-	621
Others	7	-	266	(4)	-	269
Total	**(2,556)**	**(30)**	**(1,171)**	**(5)**	**(15)**	**(3,777)**

The Group offsets deferred tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and relates to income taxes levied by the same tax authority.

Deferred tax assets on carry forward business loss/unabsorbed depreciation have been recognised to the extent of deferred tax liabilities on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax asset at respective entities.

The deferred tax liabilities on temporary differences associated with investment in subsidiaries which have not been recognised aggregate to ₹628 crores (31 March 2019: ₹278 crores), where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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The Group expects to utilise the MAT credit within a period of 15 years.

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

₹ in crores

Expiry of losses (as per local tax laws)	2020-21	2021-22	2022-23	2023-24	2024-25	Beyond 5 years	Indefinite	Total
I. Business losses	88	89	96	128	116	387	5,981	6,885
II. Unabsorbed depreciation	-	-	-	-	-	-	69	69
III. Long-term capital losses	-	203	3	-	2,025	-	-	2,231
IV. Short-term capital losses	-	-	@	-	677	-	-	677
Total	**88**	**292**	**99**	**128**	**2,818**	**387**	**6,050**	**9,862**

@ - Less than ₹ 0.50 crores

26. Other non-current liabilities

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Advance from customer #	3,044	4,079
Share warrants	14	14
Export obligation deferred income*	-	117
Other payables	14	11
Total	**3,072**	**4,221**

Advance from customer includes the amount outstanding relating to a five year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. for supply of Steel Products. Duferco S.A. has provided an interest bearing advance amount of USD 700 million under this agreement. The advance and interest will be adjusted by export of steel products to Duferco S.A. Current portion of ₹ 1,010 crores (as at 31 March 2019 - 763 crores) has been included in note 30.

* Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme and Special Economic Zone (SEZ) scheme on purchase of property, plant and equipment accounted for as government grant and being amortised over the useful life of such assets.

27. Borrowings (current) (at amortised cost)

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Loan repayable on demand		
Working capital loans from banks (secured)		
Rupee loans	3,092	734
Foreign currency loans	1,150	958
Export Packing Credit in Rupee from banks (unsecured)	200	69
Commercial papers (unsecured)	3,883	4,572
Total	**8,325**	**6,333**

Borrowing have been drawn at following rate of interest

Particulars	Rates of interest
Working capital loans from banks	0.25% p.a. to 8.65% p.a.
Commercial papers	8.50% p.a. to 8.65% p.a.
Export packing credit	8.50% p.a. to 8.65% p.a.

Working capital loans of ₹ 4,242 crores (31 March 2019 – ₹ 1,692 crores) are secured by:

i) pari passu first charge by way of hypothecation of stocks of raw materials, finished goods, work-in-process, consumables (stores and spares) and book debts / receivables of the Company and the respective subsidiary, both present and future.

ii) pari passu second charge on movable properties and immovable properties forming part of the property, plant and equipment of the Company and the respective subsidiary, both present and future except such properties as may be specifically excluded.

28. Trade payables

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Total outstanding, dues of micro and small enterprises	142	39

Disclosure pertaining to micro, small and medium enterprises (as per information available with the Group):

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Principal amount due outstanding as at end of year	142	39
Principal amount overdue more than 45 days	-	-
Interest due on (1) above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	*	-
Interest due and payable for the year of delay	*	-
Interest accrued and remaining unpaid as at end of year	-	1
Amount of further interest remaining due and payable in succeeding year	-	1

* Under legal evolution

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
b) Total outstanding, dues of creditors other than micro and small enterprises		
Acceptances	9,798	10,228
Other than acceptances	7,978	5,892
Total	**17,776**	**16,120**

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

Payables other than acceptances payables are normally settled within 180 days.

Trade payables to related parties has been disclosed in note 44.

29. Other financial liabilities (current)

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of long-term borrowings (refer note 21)	6,375	11,147
Current maturities of finance lease obligations (refer note 21)	-	260
Current dues of other financial liabilities (refer note 23)	1,148	730
Payables for capital projects		
Acceptances	2,710	1,332
Other than acceptances	2,461	1,832
Interest accrued but not due on borrowings	651	451
Payables to employees	313	183
Unclaimed matured debentures and accrued interest thereon	@	@
Unclaimed dividends	32	26
Unclaimed amount of sale proceeds of fractional shares	3	3
Others	450	867
Total	**14,143**	**16,831**

@ - less than ₹ 0.50 crore.

Acceptance includes credit availed by the group from banks for payment to suppliers for capital items. The arrangements are interest-bearing and are payable within one year.

30. Other current liabilities

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Advances from customers	1,459	1,154
Statutory liabilities	419	634
Export obligation deferred income	561	154
Others	16	34
Total	**2,455**	**1,976**

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Advance from customer includes current portion ₹ 1,010 crores (as at 31 March 2019 – ₹ 763 crores relating to APSA. Refer note 26.

Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) scheme on purchase of property, plant and equipment accounted for as government grant and accounted in revenue on fulfillment of export obligation.

31. Revenue from operations

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of products (including shipping services)	**71,116**	**82,499**
Other operating revenues		
Government grant income		
Gain on fair value of deferred GST government loan	623	1,174
Export obligation deferred income amortisation	144	165
Export benefits and entitlements income	395	374
Unclaimed liabilities written back	144	263
Miscellaneous income*	188	282
Total (a)	**72,610**	**84,757**
Government grant income - VAT / GST incentive relating to earlier years (refer note (a) below)	466	-
Fees for assignment of procurement contract (refer note (b) below)	250	-
Total (b)	**716**	**-**
Total Revenue from operations (a+b)	**73,326**	**84,757**

*includes income from scrap sales, CST incentive etc.

Notes:

a) Incentives under the State Industrial Policy

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds historically. The Company currently recognises income for such government grants based on the State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST).

i) During October 2019, the Company has received an in-principle approval for eligibility from the Government of Maharashtra in response to the application filed by the Company for incentive under PSI Scheme 2007 on its investment for expansion from 3.3 mtpa to 5 mtpa at Dolvi unit for the period beginning May 2016 onwards.

Accordingly, the Company had recognised grant income during the year including ₹466 crores in relation to earlier years.

ii) The State Government of Maharashtra (GoM) vide its Government Resolution (GR) dated 20 December 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

b) During the year, the Company received an amount of ₹ 250 crores as consideration from a vendor for assignment of its long-term supply contract in favour of a third party with same terms and conditions over the remaining term of the contract and have accordingly recognised one-time income in relation to the same.

c) Ind AS 115 Revenue from Contracts with Customers

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

The Group has assessed that impact of COVID-19 on its revenue stream due to disruption in supply chain, drop in demand, termination or deferment of contracts by customers etc. and have recognised revenue only when the control over the goods or services is transferred to the customer.

The Group sales to customers was affected in the last week of March 2020 as measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses in India, resulting in an economic slowdown.

The Group has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 41):

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from contracts with customer – Sale of products (including shipping services)	71,116	82,499
Other operating revenue	2,210	2,258
Total revenue from operations	**73,326**	**84,757**
India	55,419	69,085
Outside India	17,907	15,672
Total revenue from operations	**73,326**	**84,757**
Timing of revenue recognition		
At a point in time	73,326	84,757
Total revenue from operations	**73,326**	**84,757**

Product-wise turnover

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
MS slabs	856	1,274
Hot rolled coils/steel plates/sheets	26,554	31,339
Galvanised coils/sheets	7,643	9,080
Color Coated Galvanised and Galvalume coils/sheets	4,571	4,432
Cold rolled coils/sheets	8,340	10,774
Steel billets & blooms	389	1,728
Long rolled products	16,593	16,222
Plates and pipes	2,780	2,918
Others	3,390	4,732
Total	**71,116**	**82,499**

Contract Balances

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Trade Receivables (gross) (refer note 16)	4,505	7,160
Contract liabilities		
Advance from customers (refer note 26 and 30)	4,503	5,233

The credit period on sales of goods ranges from 7 to 90 days with or without security.

The acquisition of the subsidiaries resulted in increase in trade receivables of ₹98 crores in FY 2019-20.

As at 31 March 2020, ₹ 181 crores (previous year: ₹ 106 crores) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include long-term and short-term advances received for sale of goods. The outstanding balances of these accounts increased in due to the continuous increase in the customer base. Long-term advances is detailed in note 26.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹ 1,154 crores (previous year: ₹370 crores) and performance obligations satisfied in previous years is ₹ Nil (previous year: ₹ Nil).

Out of total contract liabilities outstanding as on 31 March 2020 ₹ 1,459 crores will be recognised by 31 March 2021, and remaining thereafter.

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Refund liabilities

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Arising from volume rebates and discount (included in Other financial liabilities – Note 29)	343	663

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

32. Other income

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income earned on financial assets that are not designated as FVTPL		
Loans to related parties	76	20
Bank deposits	315	21
Others	48	93
Dividend income from non-current investments designated as FVTOCI	10	-
Gain on sale of current investments designated as FVTPL	5	19
Fair value gain on financial instruments designated as FVTPL	4	6
Unwinding of interest on financial assets carried at amortised cost	45	25
Fair value gain on joint venture's previously held stake on acquisition of control	13	-
Miscellaneous income (insurance claim received, rent income etc.)	30	20
Total	**546**	**204**

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

₹ in crores

Particulars		For the year ended 31 March 2020	For the year ended 31 March 2019
Opening stock:			
Work-in-progress		583	773
Semi-finished/ finished goods/ stock-in-trade		4,564	3,700
	A	**5,147**	**4,473**
Semi-finished /finished goods/stock-in-trade		28	84
Acquired pursuant to business combination (refer note 40):			
	B	**28**	**84**
Closing stock:			
Work-in-progress		451	583
Semi-finished/ finished goods/ stock-in-trade		4,994	4,564
	C	**5,445**	**5,147**
Total	**D=A+B-C**	**(270)**	**(590)**

34. Employee benefits expense

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus	2,343	2,053
Contribution to provident and other funds (refer note 42)	327	186
Gratuity expense	7	10
Expense on employees stock ownership plan	31	48
Staff welfare expenses	131	192
Total	**2,839**	**2,489**

The JSWSL Employees Samruddhi Plan 2019 (Plan) was approved by a special resolution passed by the shareholders of the Company by way of a postal ballot on 17 May, 2019. The Plan was effective from 1 April, 2019.

The scheme is a one-time scheme applicable only for certain permanent employees (Eligible Employee) of the Company and its subsidiaries. The Eligible Employee can purchase the Equity Shares from the open market by availing a loan provided by a bank / non-banking financial institution ("Lending Agency") identified by the Company to facilitate acquisition of Equity Shares by the Eligible Employees under the Plan. The plan provides that the Company shall service 75% of the total interest liability owed to the Lending Agency and the balance 25% will be borne by the Eligible Employee. The interest expense recognised in the financial statements during the year was ₹7 crores.

35. Finance costs

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense		
on bonds and debentures	838	893
Others	2,792	2,406
Dividend on redeemable preference shares	12	41
Interest on lease liabilities / finance lease obligations	252	220
Unwinding of interest on financial liabilities carried at amortised cost	30	21
Exchange differences regarded as an adjustment to borrowing costs	89	143
Other borrowing costs	248	188
Interest on income tax	4	5
Total	**4,265**	**3,917**

36. Depreciation and amortisation expense

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation of property, plant and equipment	3,943	4,012
Amortisation of intangible assets	42	29
Depreciation of right of use assets	261	-
Total	**4,246**	**4,041**

37. Other expenses

₹ in crores

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Stores and spares consumed	3,781	4,109
Power and fuel	6,272	7,053
Royalty / Premium on captive mines	651	272
Rent	54	81
Repairs and maintenance		
Plant and equipment	1,201	1,124
Buildings	29	44
Others	24	37
Insurance	146	107
Rates and taxes	204	90
Carriage and freight	3,898	4,015
Jobwork and processing charges	659	829
Commission on sales	46	51
Net loss / (gain) on foreign currency transactions and translation #	829	554
Donations and contributions	56	33
Fair value loss on financial instruments designated as FVTPL	2	1
Miscellaneous expenses	1,889	1,550
Allowance for doubtful debts and advances	113	152
Loss on sale of property, plant and equipment (net)	30	8
Total	**19,884**	**20,110**

including hedging cost of ₹332 crores (previous year ₹ 470 crores) and loss on disposal of stake in Geo Steel LLC (erstwhile joint venture) amounting to ₹ 42 crores, which has been reclassified from foreign currency transaction reserve.

38. Earnings per share

₹ in crores

Particulars		For the year ended 31 March 2020	For the year ended 31 March 2019
Profit attributable to equity shareholders (A) (₹ in crores)		4,030	7,639
Weighted average number of equity shares for basic EPS (B)		2,402,145,868	2,404,625,681
Effect of dilution:			
Weighted average number of treasury shares held through ESOP trust		15,074,572	12,594,759
Weighted average number of equity shares adjusted for the effect of dilution(C)		2,417,220,440	2,417,220,440
Earnings per share of ₹ 1 each			
Basic (₹)	(A / B)	16.78	31.77
Diluted (₹)	(A / C)	16.67	31.60

For details regarding treasury shares held through ESOP trust (refer note 19(a) and 39).

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39. Employee share-based payment plans

ESOP SCHEME 2016

The Board of Directors of the Company at its meeting held on 29 January 2016, formulated the JSWSL EMPLOYEES STOCK OWNERSHIP PLAN 2016 ("ESOP Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

ESOP 2016 is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and it's subsidiaries in India.

Three grants have been made under ESOP plan 2016 to eligible employees on the rolls of the Company as at 1 April 2016, 1 April 2017 and 1 April 2018.

During the year the Company has made supplementary grants under the JSWSL Employee stock ownership Plan 2016 to its permanent employees who are on the rolls of the Company and its Indian subsidiaries as on 5 December 2019 and the same was approved by the ESOP committee in its meeting held on 5 December 2019.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 50% of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the fourth year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price would be determined by the ESOP committee as a certain discount to the primary market price on the date of grant.

A total of 28,687,000 options would be available for grant to the eligible employees of the Company and a total of 3,163,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

The details of an employee share-based payments plan operated through a trust for ESOP 2016 are as follows:

Option series	Options granted	Options vested	Grant date	Vesting period	Exercise price	Fair value at grant date	Method of settlement
1st Grant	7,436,850	7,436,850	17 May 2016	17 May 2016 till 31 March 2019 (for 50% of the grant) and 17 May 2016 to 31 March 2020 (for remaining 50% of the grant)	103.65	67.48	Equity
2nd Grant	5,118,977	2,559,489	16 May 2017	16 May 2017 till 31 March 2020 (for 50% of the grant) and 16 May 2017 to 31 March 2021 (for remaining 50% of the grant)	161.36	104.04	Equity
3rd Grant	3,388,444	Nil	14 May 2018	14 May 2018 till 31 March 2021 (for 50% of the grant) and 14 May 2017 to 31 March 2022 (for remaining 50% of the grant)	263.24	167.15	Equity
Supplementary grant	185,595	NIL	5 December 2019	up to 6 December, 2020	207.84	91.07	Equity
	129,154			up to 6 December, 2020 for 50% of the options granted and up to 31 March 2021 for remaining 50% of the options granted		94.02	
	55,002			up to 31 March 2021 for 50% of the options granted and up to 31 March 2022 for remaining 50% of the options granted		103.24	

The outstanding position as at 31 March 2020 is summarised below:

Particulars	ESOP 2016		
	1st grant (L-16 and above Grade)	2nd grant (L-16 and above Grade)	3rd grant (L-16 and above Grade)
Date of grant			
– original grant	17 May 2016	16 May 2017	14 May 2018
– supplementary grant	5 December 2019	5 December 2019	5 December 2019
Share price on date of grant			
– original grant	129.56	201.70	329.05
– supplementary grant	259.80	259.80	259.80
Outstanding as on 1 April 2018	**6,772,140**	**4,910,871**	**-**
Granted during the year	-	-	3,388,444
Transfer in	-	-	-
Transfer out	371,390	192,383	13,027
Forfeited \ lapsed during the year	23,640	-	-
Exercised during the year	-	-	-
Outstanding as on 31 March 2019	**6,377,110**	**4,718,488**	**3,375,417**
Granted during the year *	185,595	129,154	211,002
Transfer in	28,370	19,926	-
Transfer out	418,990	278,188	193,376
Forfeited \ lapsed during the year	127,315	187,655	132,092
Exercised during the year	824,510	4,617	-
Outstanding as on 31 March 2020	**5,220,260**	**4,397,108**	**3,260,951**
of above - vested outstanding options	5,034,665	2,559,489	-
of above - unvested outstanding options	185,595	1,837,619	3,260,951
Vesting Period			
– Original	17 May 2016 till 31 March 2019 (for 50% of the grant) and 17 May 2016 to 31 March 2020 (for remaining 50% of the grant)	16 May 2017 till 31 March 2020 for 50% of the options granted and upto 31 March 2021 for remaining 50% of the options granted	14 May 2018 till 31st March, 2021 for 50% of the options granted and upto 31st March, 2022 for remaining 50% of the options granted
– Supplementary	5 December 2019 to 6 December 2020 for the subsequent grants	5 December 2019 to 6th December 2020 for 50% of the options granted and upto 31st March, 2021 for remaining 50% of the options granted	
Exercise period	4 years from vesting date		
Weighted average remaining contract life			
– original grant	42 months	54 months	66 months
– supplementary grant	57 months	59 months	66 months
Exercise Price			
– Original grants	103.65	161.36	263.24
– Subsequent grants	207.84	207.84	207.84
Weighted average share price on exercise date	Not Applicable	Not Applicable	Not Applicable
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The fair value of options has been calculated by using Black Scholes Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Scholes Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Scholes Method. The assumptions used in the above are:
Weighted-average values of share price	Not applicable	Not applicable	Not applicable
Weighted-average exercise prices	Not applicable	Not applicable	Not applicable
Expected volatility	Volatility was calculated using standard deviation of daily change in stock price.	Volatility was calculated using standard deviation of daily change in stock price.	Volatility was calculated using standard deviation of daily change in stock price.
Original grants	The volatility used for valuation is 39.23 % for options with 3 year vesting and 39.62 % with 4 years vesting	The volatility used for valuation is 39.76 % for options with 3 year vesting and 37.43 % with 4 years vesting	The volatility used for valuation is 33.23 % for options with 3 year vesting and 33.28% with 4 years vesting
Subsequent grants	The volatility used for valuation is 32.30 %	The volatility used for valuation is 32.10 %	The volatility used for valuation is 32.21 %

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Particulars	ESOP 2016		
	1st grant (L-16 and above Grade)	2nd grant (L-16 and above Grade)	3rd grant (L-16 and above Grade)
Expected option life	The expected option life is assumed to be midway between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be mid way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2
Expected dividends			
– Original grants	Rs.1.10 per share	Rs.0.75 per share	Rs.2.25 per share
– Subsequent grants	Rs.4.10 per share	Rs.4.10 per share	Rs.4.10 per share
Risk-free interest rate	Zero coupon sovereign bond yields were utilized with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilized with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilized with maturity equal to expected term of the option
Original grants	The rate used for calculation is 7.36% (for 3 years vesting) & 7.44%(for 4 years vesting)	The rate used for calculation is 6.87% (for 3 years vesting) & 6.96%(for 4 years vesting)	The rate used for calculation is 7.85% for options with 3 year vesting and 7.92% for options with 4 years vesting
Subsequent grants	The rate used for calculation is 5.67%	The rate used for calculation is 5.76%	The rate used for calculation is 6.02%
The method used and the assumptions made to incorporate the effects of expected early exercise;	Black-Scholes Options pricing model		
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	The following factors have been considered: a) Share price b) Exercise prices c) Historical volatility d) Expected option life e) Dividend Yield		

*Includes grants as part of supplementary grants.

40. Business combination

a) On 6 June 2019, the Company acquired 100% stake in Piombino Steel Limited (PSL), which in turn acquired 100% stake in Makler Private Limited (MPL). These entities are acquired with the purpose to be utilised as an investment vehicle for acquisitions.

The Company completed the acquisition by infusing ₹ 0.02 crore as a cash consideration in PSL group and has been issued equity shares in lieu thereof. Accordingly, PSL has become a wholly owned subsidiary of the Company.

As per Ind AS 103 on Business Combination, purchase consideration has been allocated on a basis of the fair value of the acquired assets and liabilities. The resulting differential has been accounted as goodwill. The financial statements include the results of PSL and MPL for the period from 6 June 2019 to 31 March 2020.

Details of the purchase consideration, net assets acquired and goodwill are as follows:

₹ in crores

Particulars	PSL (consolidated)
Assets	
Trade receivables	**46**
Other assets	**1**
Cash and cash equivalents	**@**
Total (A)	**47**
Liabilities	
Borrowings	**6**
Trade Payables	**47**
Other current liabilities and provision	**@**
Total (B)	**53**
Total identifiable net assets acquired at fair value (C) = (A-B)	**(6)**
Purchase Consideration transferred in cash (D)	**@**
Goodwill arising on acquisition (D-C)	**6**

Basis the purchase price allocation, the goodwill of ₹6 crores is recognised in the consolidated financial statements.

At the date of the acquisition, the fair value of the trade receivables approximated their gross contractual amount.

From the date of acquisition, PSL and MPL has contributed ₹ 66 crores of revenue and net loss after tax of ₹ 1 crore. The Company has not incurred any material transaction costs for the above acquisition.

b) Pursuant to the Corporate insolvency resolution process under the Insolvency Bankruptcy Code, the resolution plan submitted by the Company for Vardhman Industries Limited (VIL) was approved, by the Hon'ble National Company Law Tribunal (NCLT), New Delhi, by its order dated 19 December 2018 and as clarified by its order dated 16 April 2019 and by the Hon'ble National Company Law Appellate Tribunal (NCLAT) by its order dated 4 December 2019 and as clarified by its order dated 11 December 2019.

The Company completed the acquisition of VIL on 31 December 2019 by infusing ₹ 63.50 crores as a cash consideration in VIL and has been issued equity shares and compulsorily convertible debentures (CCDs) by VIL in lieu thereof. Accordingly, VIL has become a wholly owned subsidiary of the Company.

VIL is mainly engaged in the manufacturing and marketing of Colour Coated Coils & Sheets and has a production capacity of 3,000 tonnes per month with manufacturing facility located at Rajpura, Patiala (Punjab).

The Company held 50% stake in JSW Vallabh Tin Plate Limited (JSWVTPL), a joint venture, and Vardhman Industries Limited (VIL) held 23.55% stake in JSWVTPL. Consequently, to the above acquisition of VIL, the shareholding of the Group in JSWVTPL has increased from 50% to 73.55% due to which the Group gained control over JSW VTPL and accordingly considered it as a subsidiary w.e.f. 31 December 2019.

JSWVTPL is into tin plate business and has a capacity of 1.0 lakh tonnes.

As per Ind AS 103 on Business Combination, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities. The resulting differential has been accounted as goodwill/capital reserve. The financial statements include the results of VIL and JSWVTPL for the period from 1 January 2020 to 31 March 2020.

Details of the purchase consideration, net assets acquired and goodwill/ capital reserve are as follows:

₹ in crores

Particulars	VIL	JSW VTPL
Assets		
Property Plant and Equipment including intangible assets	24	191
Capital work-in-progress	-	3
Investments	23	-
Inventories	10	49
Trade receivables	2	35
Other receivables	9	22
Cash and cash equivalents	3	@
Total (A)	**71**	**300**
Liabilities		
Borrowings	-	103
Trade Payables	2	91
Other current liabilities and provision	3	8
Long-term liabilities and provision	1	2
Deferred Tax Liabilities	-	9
Contingent liabilities	-	@
Total (B)	**5**	**213**
Total identifiable net assets acquired at fair value (C) = (A-B)	**66**	**87**
Purchase Consideration transferred in cash (D)	**64**	**-**
Existing value of investment held by the Company in JSWVTPL (E)	**-**	**35**
Gain on re-measurement of existing stake held by Company in JSWVTPL (F)	**-**	**13**
Fair value of Investment in JSWVTPL held by VIL (G)	**-**	**23**
Non-controlling interest accounted (H)	**-**	**25**
Goodwill/ (Capital reserve) arising on acquisition (I)	**(2)**	**9**

@ - less than ₹ 0.50 crore.

Basis the purchase price allocation carried out by independent valuation expert, the capital reserve arising on VIL acquisition is not material. The goodwill of ₹9 crores recognised for JSWVTPL acquisition is primarily attributable to the expected synergies and other benefits from integrating JSWVTPL into the Group's existing steel business.

At the date of the acquisition, the fair value of the trade receivables approximated their gross contractual amount.

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From the date of acquisition, VIL and JSWVTPL has contributed ₹147 crores of revenue and net loss after tax of ₹1 crore. The Company has not incurred any material transaction costs for the above acquisition.

If both the acquisition had taken place at the beginning of the period, management estimates that consolidated revenue from operation and profit for the combined entity would be ₹73,811 crores and ₹3,943 crores respectively. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2019.

41. Segment reporting

The Group is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Group's performance and resource allocation. The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed below:

Information about geographical revenue and non-current assets

a) Revenue from operations

₹ in crores

Particulars	For the year ended 31 March 2020			For the year ended 31 March 2019		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from operations	55,419	17,907	73,326	69,085	15,672	84,757

Revenue from operations has been allocated on the basis of location of customers.

b) Non-current assets

₹ in crores

Particulars	As at 31 March 2020			As at 31 March 2019		
	Within India	Outside India	Total	Within India	Outside India	Total
(a) Property, plant and equipment	50,923	6,835	57,758	55,051	6,553	61,604
(b) Capital work-in-progress	26,434	423	26,857	11,363	177	11,540
(c) Right of Use assets	3,371	100	3,471	-	-	-
(d) Goodwill	43	372	415	28	812	840
(e) Other intangible assets	325	25	350	176	24	200
(f) Intangible assets under development	331	3	334	344	5	349
(g) Investment in joint ventures	283	-	283	424	204	628
(h) Other non-current assets	2,704	252	2,956	3,557	368	3,925
(i) Current tax assets (net)	385	-	385	240	-	240
(j) Financial assets			2,442			1,916
(k) Deferred tax assets (net)			-			117
Total non-current assets			**95,251**			**81,359**

Non-current assets have been allocated on the basis of their physical location.

42. Employee benefits

a) Defined contribution plan

The Group operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the Group in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

Group's contribution to provident fund and 401 (K) plan recognised in the Consolidated Statement of Profit and Loss is ₹137 crores (previous year: ₹62 crores) (included in note 34).

b) Defined benefit plans

The Group sponsors funded defined benefit plans for qualifying employees. The defined benefit plans are administered by a separate Fund that is legally separated from the entity.

The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

Under the Compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2020 by independent qualified actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(i) Gratuity

₹ in crores

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Funded	**Unfunded**	Funded	Unfunded
a) Liability recognised in the Balance Sheet				
i) Present value of obligation				
Opening balance	**310**	**5**	**265**	**5**
Service cost	**21**	**2**	16	@
Interest cost	**21**	**1**	21	@
Actuarial loss / (gain) on obligation	**22**	**-**	17	2
Benefits paid	**(14)**	**(1)**	(14)	-
Experience adjustments	**-**	**-**	3	-
Transfer on business combination	**-**	**2**	-	-
Liability In	**-**	**-**	2	-
Liability transfer	**-**	**-**	(2)	-
Closing balance	**360**	**9**	**308**	**7**
Less:				
ii) Fair value of plan assets				
Opening balance	**97**	**-**	**95**	**-**
Expected return on plan assets less loss on investments	**7**	**-**	7	-
Actuarial (loss)/gain on plan assets	**-**	**-**	@	-
Employers' contribution	**-**	**-**	5	-
Benefits paid	**(11)**	**-**	(10)	-
Closing balance	**93**	**-**	**97**	**-**
Amount recognised in Balance Sheet (refer note 24)	**267**	**9**	**211**	**7**
b) Expenses during the year				
Service cost	**21**	**2**	16	@
Interest cost	**21**	**1**	21	@
Expected return on plan assets	**(7)**	**-**	(7)	-
Transferred to preoperative expenses	**-**	**-**	(2)	-
Component of defined benefit cost recognised in statement of profit & loss (a)	**35**	**3**	**28**	**@**
Remeasurement of net defined benefit liability				
- Actuarial (gain)/loss on defined benefit obligation	**22**	**1**	17	2
- Return on plan assets (excluding interest income)	**@**	**-**	-	-
Component of defined benefit cost recognised in other comprehensive income (b)	**22**	**1**	**17**	**2**
Total (a+b)	**57**	**2**	**45**	**2**

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₹ in crores

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Funded	Unfunded	Funded	Unfunded
c) Actual return on plan assets	7	-	7	-
d) Break up of plan assets:				
(i) ICICI Prudential Life Insurance Co. Ltd.				
Balanced Fund	3	-	3	-
Debt Fund	3	-	@	-
Short-Term Debt Fund	-	-	@	-
Short-Term Debt Fund III	-	-	3	
Endowment Plan	-	-	-	-
(ii) HDFC Standard Life Insurance Co. Ltd.				
Defensive Managed Fund	1	-	2	-
Secure Managed Fund	21	-	22	-
Stable Managed Fund	-	-	@	-
(iii) SBI Life Insurance Co. Ltd. – Cap Assured Fund	44	-	47	-
(iv) LIC of India – Insurer Managed Fund	9	-	18	-
(v) Bajaj Allianz Fund	11	-	3	-

@ - less than ₹ 0.50 crore.

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.

e) Principal actuarial assumptions

Particulars				
Discount rate	6.84%-6.89%	6.80%-6.87%	7.54%-7.83%	7.76%-7.88%
Expected return on plan assets	6.84%-6.89%	-	7.54%-7.83%	-
Expected rate of increase in salaries	6.00%-8.00%	6.00%-8.00%	6.00%	6.00%
Attrition rate	2.00%	2.00%-10.00%	2.00%	2.00%

Based on India's standards mortality table with modifications to reflect expected changes in mortality.

f) Experience adjustments

₹ in crores

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Defined benefit obligation	368	315	270	243	208
Plan assets	93	97	95	80	77
Surplus / (deficit)	(275)	(218)	(175)	(163)	(131)
Experience adjustments on plan liabilities – loss/(gain)	23	19	5	20	6
Experience adjustments on plan assets – gain/(loss)	@	@	@	@	@

@ - less than ₹ 0.50 crore.

g) The Group expects to contribute ₹95 crores (previous year ₹ 84 crores) to its gratuity plan for the next year.

h) The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (31 March 2019: 10 years).

i) In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.

j) Expected return on plan assets is based on expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

k) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

l) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

m) The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plan is as follows:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Defined benefit obligation	368	315
Plan assets	93	97
Net liability arising from defined benefit obligation	**275**	**218**

Sensitivity Analysis

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

₹ in crores

Particulars	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(27)	32	(22)	26
Future salary growth (1% movement)	31	(28)	26	(23)
Attrition rate (1% movement)	2	(2)	3	(4)

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

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Category of assets average percentage allocation fund-wise

	SBI	HDFC	ICICI	Bajaj Allianz	LIC
Government securities	0.00%	44.37%	34.14%	51.40%	20.00%
Debt	92.51%	49.69%	51.81%	14.29%	Balance invested in approved investments as specified in Schedule I of IRDA guidelines
Equity	6.39%	1.48%	8.12%	18.15%	
Others	1.10%	4.46%	5.93%	16.16%	

Maturity analysis of projected benefit obligation

₹ in crores

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31 March 2020				
Projected benefit payable	32	110	582	724
As at 31 March 2019				
Projected benefit payable	27	98	550	675

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

(ii) Provident fund

Provident Fund for certain eligible employees is managed by the Company through JSW Steel Employees Provident Fund Trust, in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The Company makes monthly contributions to provident fund managed by trust for qualifying employees. The Trustees of JSW Steel Employees Provident Fund Trust are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and the relevant provisions prescribed under the law.

The members of the Provident Fund Trust are entitled to the rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952. The shortfall, if any, is made good by the Company in the year in which it arises.

As per Ind AS 19 on "Employee Benefits", employer established provident fund trusts are treated as defined benefit plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees. According to the defined benefit obligation of interest rate guarantee on exempted provident fund in respect of employees of the Company as at 31 March 2020 is 8.50%.

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Out of the total contribution made for Provident Fund in Defined Contribution Plan, ₹27 crores (previous year ₹ 20 crores) is made to the JSW Steel Employees Provident Fund Trust.

The funds of the Trust have been invested under various securities in accordance with the rules prescribed by the Government of India.

The Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund and interest rate guarantee shortfall of ₹4 crores (Previous year – ₹1 crore) is recognised in the Statement of Profit and Loss.

Actuarial assumptions made to determine interest rate guarantee on exempt provident fund liabilities are as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Total plan assets @	588	505
Total plan liabilities @	593	499
Discount rate	6.84%	7.79%
Rate of return on assets	8.49%	8.55%
Guaranteed rate of return	8.50%	8.65%

@ JSW Steel Employees Provident Fund Trust as at 31 March 2020 as per the unaudited financial statements.

(iii) Other long-term benefits:

(a) Compensated absences

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

(b) Long Service Award

The Company has a policy to recognise the long service rendered by employees and celebrate their long association with the Company. This scheme is called – Long Association of Motivation, Harmony & Excitement (LAMHE). The award is paid at milestone service completion years of 10, 15, 20 and 25 years.

43. Financial instruments

A. Capital management

The Group being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Group is not subject to any externally imposed capital requirements.

The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Long-term borrowings	44,673	29,656
Lease liabilities	1,744	-
Current maturities of long-term debt	6,375	11,407
Current maturities of lease liabilities	306	-
Short-term borrowings	8,325	6,333
Total borrowings	**61,423**	**47,396**
Less:		
Cash and cash equivalents	3,966	5,581

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Bank balances other than cash and cash equivalents	8,037	606
Current investments	2	82
Net debt	**49,418**	**41,127**
Total equity	**36,024**	**34,345**
Gearing ratio	**1.37**	**1.20**

(i) Equity includes capital and all reserves of the Group that are managed as capital.

(ii) Debt is defined as long-and short-term borrowings (excluding derivatives and financial guarantee contracts), as described in notes 21 and 27.

B. Categories of financial instruments

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

As at 31 March 2020

₹ in crores

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relations	Total Carrying Value	Fair value
Financial assets						
Loans	1,514	-	-	-	1,514	1,514
Other financial assets	3,554	-	-	-	3,554	3,554
Trade receivables	4,505	-	-	-	4,505	4,505
Cash and cash equivalents	3,966	-	-	-	3,966	3,966
Bank balances other than cash and cash equivalents	8,037	-	-	-	8,037	8,037
Derivative assets	-	-	294	-	294	294
Investments	477	452	47	-	976	984
Total financial assets	**22,053**	**452**	**341**	**-**	**22,846**	**22,854**
Financial liabilities						
Long-term borrowings*	51,048	-	-	-	51,048	51,731
Lease liabilities	2,050	-	-	-	2,050	2,276
Short-term borrowings	8,325	-	-	-	8,325	8,325
Trade payables	17,918	-	-	-	17,918	17,918
Derivative liabilities	-	-	84	297	381	381
Other financial liabilities	8,232	-	-	-	8,232	8,232
Total financial liabilities	**87,573**	**-**	**84**	**297**	**87,954**	**88,863**

As at 31 March 2019

₹ in crores

	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relations	Total Carrying Value	Fair value
Financial assets						
Loans	994	-	-	-	994	994
Other financial assets	2,516	-	-	-	2,516	2,516
Trade receivables	7,160	-	-	-	7,160	7,160
Cash and cash equivalents	5,581	-	-	-	5,581	5,581
Bank balances other than cash and cash equivalents	606	-	-	-	606	606
Derivative assets	-	-	159	162	321	321
Investments	387	756	123	-	1,266	1,268
Total financial assets	**17,244**	**756**	**282**	**162**	**18,444**	**18,446**
Financial liabilities						
Long-term borrowings*	41,063	-	-	-	41,063	41,816
Short-term borrowings	6,333	-	-	-	6,333	6,333
Trade payables	16,159	-	-	-	16,159	16,159
Derivative liabilities	-	-	313	66	379	379
Other financial liabilities	5,956	-	-	-	5,956	5,929
Total financial liabilities	**69,511**	**-**	**313**	**66**	**69,890**	**70,616**

* including current maturities of long-term borrowings.

C. Financial risk management

The Group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

– Market risk
– Credit risk and
– Liquidity risk

D. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

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

E. Financial currency risk management

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

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Group's overall debt position in Rupee terms without the Group having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Group's receivables in foreign currency. In order to hedge exchange rate risk, the Group has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and hedges. At any point in time, the Group hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months. In respect of imports and other payables, the Company hedges its payables as when the exposure arises. Short-term exposures are hedged progressively based on their maturity.

In order to hedge exchange rate risk, the Group has a policy to hedge cash flows up to a specific tenure using forward exchange contracts, options and other non-derivative financial instruments like long-term foreign currency borrowings and acceptances. At any point in time, the Group hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months using derivative instruments. Forecasted sales beyond the period of 6 months are hedged using non-derivative financial instruments basis the tenure of the specific long term foreign currency borrowings. In respect of imports and other payables, the Group hedges its payables as when the exposure arises. Short term exposures are hedged progressively based on their maturity.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

The Group basis its assessment believes that the probability of the occurrence of the forecasted sales transactions is not impacted by COVID-19 pandemic. The Group has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Group continues to believe that there is no impact on effectiveness of its hedges.

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

As at	Nature	No. of Contracts	Type	US$ Equivalent (millions)	INR Equivalent (crores)	MTM (₹ in crores)
31 March 2020	**Assets**	**136**	**Buy**	**936**	**7,058**	**241**
		12	**Sell**	**166**	**1,255**	**8**
	Liabilities	**20**	**Buy**	**215**	**1,618**	**(60)**
		27	**Sell**	**398**	**3,003**	**(119)**
31 March 2019	Assets	20	Buy	190	1,311	4
		63	Sell	653	4,518	200
	Liabilities	154	Buy	1,292	8,944	(320)

Currency options to hedge against fluctuations in changes in exchange rate:

As at	Nature	No. of Contracts	US$ equivalent (million)	INR equivalent (crores)	MTM of Option (₹ in crores)
31 March 2020	**Assets**	**20**	**317**	**2,390**	**15**
	Liabilities	**1**	**15**	**113**	**(3)**
31 March 2019	Assets	3	40	277	1
	Liabilities	1	10	69	@

@ - less than ₹ 0.50 crore.

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

As at 31 March 2020

₹ in crores

Particulars	INR	USD	Euro	JPY	Others	Total
Financial assets						
Investments	917	-	14	-	45	976
Loans	1,514	-	-		-	1,514
Trade receivables	3,031	802	672	-	-	4,505
Cash and cash equivalents	3,835	69	62	-	-	3,966
Bank balances other than cash and cash equivalents	7,982	54	-	-	1	8,037
Derivative assets	19	275	-	-	-	294
Other financial assets	3,481	28	43	-	2	3,554
Total financial assets	**20,779**	**1,228**	**791**	**-**	**48**	**22,846**
Financial liabilities						
Borrowings	24,940	25,682	1,843	533	-	52,998
Trade payables	5,653	10,542	1,627	31	65	17,918
Derivative liabilities	61	319	-	-	1	381
Lease liabilities	1,964	33	53	-	-	2,050
Other financial liabilities	7,176	4,815	2,151	234	231	14,607
Total financial liabilities	**39,794**	**41,391**	**5,674**	**798**	**297**	**87,954**

As at 31 March 2019

₹ in crores

Particulars	INR	USD	Euro	JPY	Others	Total
Financial assets						
Investments	1,253	-	13	-	-	1,266
Loans	993	1	-	-	-	994
Trade receivables	5,039	1,461	660	-	-	7,160
Cash and cash equivalents	5,451	31	98	-	1	5,581
Bank balances other than cash and cash equivalents	467	139	-	-	-	606
Derivative assets	-	321	@	-	-	321
Other financial assets	2,455	25	36	-	-	2,516
Total financial assets	**15,658**	**1,978**	**807**	**-**	**1**	**18,444**
Financial liabilities						
Borrowings	20,436	14,827	312	414	-	35,989
Trade payables	3,550	11,565	1,011	32	1	16,159
Derivative liabilities	340	39	-	-	-	379
Other financial liabilities	10,235	5,347	1,323	432	26	17,363
Total financial liabilities	**34,561**	**31,778**	**2,646**	**878**	**27**	**69,890**

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The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

a) Amounts receivable in foreign currency on account of the following:

Particulars	As at 31 March 2020		As at 31 March 2019	
	US$ equivalent (million)	INR equivalent (crores)	US$ equivalent (million)	INR equivalent (crores)
Trade receivables	66	496	160	1,106

b) Amounts payable in foreign currency on account of the following:

Particulars	As at 31 March 2020		As at 31 March 2019	
	US$ equivalent (million)	INR equivalent (crores)	US$ equivalent (million)	INR equivalent (crores)
Borrowings	3,514	26,488	2,661	18,406
Acceptances			3	20
Trade payables	65	489	41	280
Payables for capital projects	337	2,539	368	2,544
Interest accrued but not due on borrowings	59	446	42	288

The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

Impact on Profit / (loss) for the year for a 1% change:

₹ in crores

Particulars	Increase		Decrease	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
USD / INR	482	202	(482)	(202)
YEN / INR	62	9	(62)	(9)
EURO / INR	8	13	(8)	(13)

F. Commodity price risk

The Group's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Group. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Group earns from the sale of its steel products.

The Group is subject to fluctuations in prices for the purchase of iron ore, coking coal, ferro alloys, zinc, scrap and other raw material inputs. The Group purchased primarily all of its iron ore and coal requirements in the open market at prevailing price during the year ended 31 March 2020.

The Group aims to sell the products at prevailing market prices. Similarly, the Group procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

Commodity hedging is used primarily as a risk management tool to secure the future cash flows in case of volatility by entering into commodity forward contracts.

Hedging commodity is based on its procurement schedule and price risk. Commodity hedging is undertaken as a risk offsetting exercise and, depending upon market conditions hedges, may extend beyond the financial year. The Group is presently hedging maximum up to 100% of its consumption.

The following table details the Group's sensitivity to a 5% movement in the input price of iron ore and coking coal net of hedge accounting impact. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5%. For a 5% reduction in commodity prices, there would be a comparable impact on profit or equity, and the balances below would be negative.

Impact on Profit / (loss) for the year for a 5% change:

₹ in crores

Particulars	Increase for the year ended		Decrease for the year ended	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
Iron ore	**(512)**	(609)	**512**	609
Coal/Coke	**(795)**	(1,153)	**795**	1,153
Zinc	**(38)**	-	**38**	-

The commodity forward and option contracts entered into by the Group and outstanding at the year-end are as under:

As at	Nature	No. of Contracts	Commodity Name	Quantity (Iron Ore, Coking Coal, Zinc – MT) (Brent Crude – Mio Barrels)	US$ Equivalent of notional value (million)	INR equivalent (crores)	MTM of Commodity contract (₹ in crores)
31 March 2020	**Assets**	**3**	**Zinc**	**1,250**	**2**	**18**	**@**
	Liabilities	**20**	**Liquified natural gas**	**9,702,000**	**(37)**	**(281)**	**(56)**
		4	**Zinc**	**1,500**	**3**	**25**	**(3)**
31 March 2019	Assets	1	Brent Crude	45,000	2	17	4
		12	Iron Ore	375,003	24	165	45
	Liabilities	10	Iron Ore	375,003	(26)	(179)	(30)

@ - less than ₹ 0.50 crore.

G. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Group hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Group hedges up to 20% of interest risk in US dollars. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short-term loans. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

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

₹ in crores

Particulars	**As at 31 March 2020**	As at 31 March 2019
Fixed rate borrowings	**22,810**	19,624
Floating rate borrowings	**36,926**	27,999
Total borrowings	**59,736**	**47,623**
Total borrowings	**59,373**	47,396
Add: Upfront fees	**363**	227
Total gross borrowings	**59,736**	**47,623**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were being constant, the Group's profit for the year ended 31 March 2020 would decrease / increase by ₹339 crores (for the year ended 31 March 2019: decrease/ increase by ₹248 crores). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

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The following table detail the nominal amounts and remaining terms of interest rate swap contracts outstanding at the year-end.

As at	Nature	No. of Contracts	US$ Equivalent of notional value (million)	MTM of IRS (₹ in crores)
31 March 2020	**Assets**	**3**	**60**	**1**
	Liabilities	**22**	**335**	**(130)**
31 March 2019	Assets	13	220	20
	Liabilities	15	245	(27)

H. Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets, financial guarantees and derivative financial instruments. The Company has assessed the change in counterparty credit risk due to COVID-19 and believe that the same are fully recoverable.

Moreover, given the diverse nature of the Group's business trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of the trade receivables in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties. In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. The assessment is carried out considering the segment of customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable. Basis this assessment, the allowance for doubtful trade receivables as at 31 March 2020 is considered adequate.

Movements in allowances for bad and doubtful debts

₹ in crores

Particulars	Amount
As at 1 April 2018	**96**
Movement during the year	10
As at 31 March 2019	**106**
Movement during the year	76
As at 31 March 2020	**181**

For current investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for Group's mutual fund and bond investments. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 22,846 crores as at 31 March 2020 and, ₹ 18,444 crores as at 31 March 2019, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments and other financial assets.

In respect of financial guarantees provided by the Group to banks and financial institutions, the maximum exposure which the Group is exposed to is the maximum amount which the Group would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Receivables are deemed to be past due or impaired with reference to the Group's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Group based on past experiences does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss ('ECL').

The credit quality of the Group is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Group uses simplified approach for (i.e. lifetime expected credit loss model) impairment of trade receivable / contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Group actively seeks to recover the amounts in question and enforce compliance with credit terms.

For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

I. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds both for short-term operational needs as well as for long-term capital expenditure growth projects. The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short-term investments provide liquidity in the short-term and long-term. The Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the group may be required to pay.

Liquidity exposure as at 31 March 2020

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Investments	2	-	974	976
Trade receivables	4,505	-	-	4,505
Cash and cash equivalents	3,966	-	-	3,966
Bank balances other than cash and cash equivalents	8,037	-	-	8,037
Loans	742	734	38	1,514
Derivative assets	294	-	-	294
Other financial assets	2,858	696	-	3,554
Total	**20,404**	**1,430**	**1,012**	**22,846**
Financial liabilities				
Long-term borrowings	-	34,990	9,683	44,673
Short-term borrowings	8,325	-	-	8,325
Trade payables	17,918	-	-	17,918
Derivative liabilities	251	130	-	381
Lease liabilities	306	1,162	582	2,050
Other financial liabilities	14,143	457	7	14,607
Total	**40,943**	**36,739**	**10,272**	**87,954**

Liquidity exposure as at 31 March 2019

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Investments	82	-	1,184	1,266
Trade receivables	7,160	-	-	7,160
Cash and cash equivalents	5,581	-	-	5,581
Bank balances other than cash and cash equivalents	606	-	-	606
Loans	561	269	164	994
Derivative assets	321	-	-	321
Other financial assets	2,217	299	-	2,516
Total	**16,528**	**568**	**1,348**	**18,444**
Financial liabilities				
Long-term borrowings	-	26,033	3,623	29,656
Short-term borrowings	6,333	-	-	6,333
Trade payables (including acceptances)	16,159	-	-	16,159
Derivative liabilities	379	-	-	379
Other financial liabilities	16,831	531	2	17,363
Total	**39,702**	**26,563**	**3,625**	**69,890**

The amount of guarantees given included in Note 45(i) represents the maximum amount the Group could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the group considers that it is more likely than not that such an amount will not be payable under the arrangement.

Collateral

The Group has pledged part of its trade receivables, short-term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is obligation to return the securities to the Group once these banking facilities are surrendered (refer note 21 and 27).

J. Level-wise disclosure of financial instruments

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019	Level	Valuation technique and key inputs
Quoted investments in the equity shares measured at FVTOCI	434	738	I	Quoted bid prices in an active market.
Quoted investments in the equity shares measured at FVTPL	2	82	I	Quoted bid prices in an active market.
Derivative assets	294	321	II	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Derivative liabilities	381	379	II	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Unquoted investments in the equity shares measured at FVTOCI	13	13	III	Net asset value of share arrived has been considered as fair value.
Unquoted investments in the equity shares measured at FVTOCI	5	5	III	Cost is approximate estimate of fair value.
Non-current investments in unquoted Preference shares measured at FVTPL	54	51	III	Discounted cash flow – Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks.

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

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

Sensitivity analysis of Level III:

	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate 8.40%	0.50%	0.50% Increase / (decrease) in the discount would decrease / (increase) the fair value by ₹ 2 crores / (₹ 2 crores)

Reconciliation of Level III fair value measurement:

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance	69	67
Purchases / (sale) (net)	@	@
Gain / (loss) recognised in the Consolidated statement of Profit and Loss	3	2
Gain / (loss) recognised in the Other comprehensive income	-	-
Closing balance	**72**	**69**

@ - Less than ₹0.50 crore.

Details of financial assets / liabilities measured at amortised but fair value disclosed in category-wise

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019	Level	Valuation technique and key inputs
Long-term borrowings			II	Discounted cash flow method – Future cash flows are discounted by using rates which reflect market risks.
Fair value	51,731	41,816		
Carrying value	51,048	41,063		
Investments			II	Discounted cash flow on observable Future cash flows are based on terms of discounted at a rate that reflects market risks.
Fair value	485	389		
Carrying value	477	387		
Premium payable on redemption of debentures	-	463	II	Discounted cash flow method –Future cash flows are discounted by using rates which reflect market risks.
Loans – financial assets			II	Discounted cash flow method – Future cash flows are discounted by using rates which reflect market risks.
Fair value	1,514	994		
Carrying value	1,514	994		

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

The Asset and Liability position of various outstanding derivative financial instruments is given below:

₹ in crores

Particulars	Underlying	Nature of Risk being Hedged	As at 31 March 2020			As at 31 March 2019		
			Asset	Liability	Net Fair Value	Asset	Liability	Net Fair Value
Cash Flow Hedges								
Designated and effective hedges								
Forwards Currency Contract	Highly probable forecast sales	Exchange rate movement risk	-	(100)	(100)	102	-	102
Interest rate swap	Long-term foreign currency borrowings	Interest rate Risk	-	(130)	(130)	20	(27)	(7)
Commodity Contract		Price Risk	-	(67)	(67)	50	(30)	20
Designated and ineffective hedges								
Forwards Currency Contract	Highly probable forecast Sales	Exchange rate movement risk	-	(37)	(37)	105	-	105
Fair Value Hedges								
Designated Hedges								
Forwards Currency Contract	Highly probable forecast Sales	Exchange rate movement risk	221	(3)	218	4	(312)	(308)
Non Designated Hedges								
Forwards Currency Contracts	Trade payables & Acceptance	Exchange rate movement risk	27	(1)	26	-	(9)	(9)
Forwards Currency Contracts	Long-term foreign currency borrowings	Exchange rate movement risk	-	(1)	(1)	-	-	-
Forwards Currency Contracts	Loans and advance	Exchange rate movement risk	-	(37)	(37)	-	-	-
Interest rate Swap	Long-term foreign currency borrowings	Interest rate risk	1	-	1	-	-	-
Options Contract	Trade payables & acceptance		15	(3)	12	1	-	1
			264	(379)	(115)	282	(378)	(96)
Cancellation of forwards contracts			30	(2)	28	39	(1)	38
Total			294	(381)	(87)	321	(379)	(58)

Details of non-derivative financial instruments designated as hedging instruments during the year:

	31 March 2020	
Cash Flow hedges	Value in USD Mio	Fair Value Rs in Crs
Long term borrowings	638	(333)
Acceptances	328	(118)
	966	(451)

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44. Related party disclosures

A.	**List of related parties**
1.	**Joint ventures**
	Vijayanagar Minerals Private Limited
	Rohne Coal Company Private Limited
	JSW Severfield Structures Limited
	Gourangdih Coal Limited
	Geo Steel LLC (Ceased w.e.f. 28 January 2020)
	JSW Structural Metal Decking Limited
	JSW MI Steel Service Center Private Limited
	JSW Vallabh Tinplate Private Limited (Ceased w.e.f. 31 December 2019)
	Accialtalia S.p.A. (ceased w.e.f. 16 April 2018)
	Creixent Special Steels Limited (w.e.f. 28 August 2018)
	Monnet Ispat & Energy Limited (w.e.f. 31 August 2018)
2.	**Key Management Personnel (KMP)**
a)	**Non-Independent Executive Director**
	Mr. Sajjan Jindal
	Mr. Seshagiri Rao M V S
	Dr. Vinod Nowal
	Mr. Jayant Acharya
b)	**Independent Non-Executive Director**
	Mr. Ganga Ram Baderiya – Nominee Director, KSIIDC
	Mr. Hiroyuki Ogawa – Nominee Director, JFE Steel Corporation
	Mrs. Punita Kumar Sinha
	Mr. Malay Mukherjee
	Mr. Haigreve Khaitan
	Mr. Seturaman Mahalingam
	Mrs. Nirupama Rao
	Mr. Harsh Charandas Mariwala
c)	**Mr. Rajeev Pai – Chief Financial Officer**
d)	**Mr. Lancy Varghese – Company Secretary**
3.	**Relatives of KMP**
	Mrs. Savitri Devi Jindal
	Mr. Prithvi Raj Jindal
	Mr. Naveen Jindal
	Mrs. Nirmala Goyal
	Mrs. Urmila Bhuwalka
	Mrs. Sangita Jindal
	Mrs. Tarini Jindal Handa
	Mrs. Tanvi Shete
	Mr. Parth Jindal
4.	**Other Related Parties**
	JSW Energy Limited
	JSW Energy (Barmer) Limited (formerly known as Raj West Power Limited)
	JSW Power Trading Company Limited (formerly known as JSW Green Energy Limited)
	JSW Hydro Energy Limited (formerly known as Himachal Baspa Power Company Limited)
	JSW Energy (Kutehr) Limited
	JSW Solar Limited
	Jindal Stainless Limited
	JSL Lifestyle Limited
	Jindal Saw Limited
	Jindal Saw USA LLC
	Jindal Tubular (India) Limited
	Jindal Urban Waste Management Limited
	Jindal Rail Infrastructure Limited
	Jindal Steel & Power Limited
	India Flysafe Aviation Limited
	JSW Infrastructure Limited
	JSW Jaigarh Port Limited
	South West Port Limited
	JSW Dharamatar Port Private Limited
	JSW Paradip Terminal Private Limited
	Jaigarh Digni Rail Limited
	JSW Cement Limited
	JSW Cement, FZE

	South West Mining Limited
	JSW Projects Limited
	JSW IP Holdings Private Limited
	JSoft Solutions Limited (merged into Everbest Consultancy Services Private Limited)
	Reynold Traders Private Limited
	JSW Techno Projects Management Limited
	JSW Global Business Solutions Limited
	JSW Minerals Trading Private Limited
	Everbest Consultancy Services Private Limited
	Jindal Industries Private Limited
	JSW Foundation
	JSW Sports Limited
	JSW Realty Private Limited
	JSW Green Energy Limited
	Ganga Ferro Alloys Private limited
	Jindal Technologies & Management Services Private Limited
	Epsilon Carbon Private Limited
	JSW Living Private Limited
	JSW International Trade Corp PTE Limited
	Jindal Education Trust
	JSW Paints Private Limited
	Toshiba JSW Power System Private Limited
	MJSJ Coal Limited
	JSW Bengaluru Football Club Private Limited
	JSW Shipping & Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)
	Epsilon Aerospace Private Limited
	Neotrex Steel Wires Private Limited
	Neotrex Steel Private Limited
	Khaitan & Company #
	Vinar Systems Private Limited ## (ceased w.e.f. 31 May 2018)
	Eurokids International Private Limited
	J Sagar Associates
	Danta Enterprises Private Limited
	Glebe Trading Private Limited
	JSW Holdings Limited
	JSL Architecture Limited
	JSW GMR Cricket Private Limited
	JSW Investments Private Limited
	JSW Logistics Infrastructure Private Limited
	Sahyog Holdings Private Limited
	Virtuous Tradecorp Private Limited
	S K Jindal and Sons HUF
	P R Jindal HUF
	Windsor Residency Private Limited
	Tranquil Homes & Holdings Private Limited

Mr. Haigreve Khaitan is a partner in Khaitan & Company
Mr. Haigreve Khaitan was a director in Vinar Systems Private Limited up to 31 May 2018

5)	**Post-Employment Benefit Entity**
	JSW Steel EPF Trust
	JSW Steel Group Gratuity Trust
	JSW Steel Limited Employee Gratuity Fund

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TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

B. Transactions with related parties

₹ in crores

Particulars	Joint ventures		Other related parties #		Total	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
Party's Name						
Purchase of Goods/ Power & fuel/ Services/ Branding expenses						
JSW Energy Limited	-	-	2,489	2,944	2,489	2,944
JSW International Tradecorp PTE Limited	-	-	15,478	18,418	15,478	18,418
Others	84	106	2,166	2,040	2,250	2,146
Total	84	106	20,133	23,402	20,217	23,508
Reimbursement of expenses incurred on our behalf by						
JSW Energy Limited	-	-	3	3	3	3
JSW MI Steel Service Centre Private Limited	-	1	-	-	-	1
JSW Cement, FZE	-	-	1	-	1	-
Others	@	-	@	@	@	@
Total	@	1	4	3	4	4
Sales of Goods/ Power & fuel/ Services/ Assets						
JSW Vallabh Tin Plate Private Limited	312	431	-	-	312	431
Jindal Saw Limited	-	-	1,165	1,198	1,165	1,198
JSW Energy Limited	-	-	404	525	404	525
Jindal Industries Private Limited	-	-	374	646	374	646
Epsilon Carbon Private Limited	-	-	530	543	530	543
Others	497	523	165	346	662	869
Total	809	954	2,638	3,258	3,447	4,212
Other income/ Interest income/ Dividend income						
JSW Energy Limited	-	-	11	2	11	2
JSW Global Business Solutions Limited	-	-	6	6	6	6
JSW Techno Projects Management Limited	-	-	8	11	8	11
India Flysafe Aviation Limited	-	-	20	21	20	21
JSW Projects Limited	-	-	40	2	40	2
Monnet Ispat & Energy Limited	16	7	-	-	16	7
Others	4	4	21	9	25	13
Total	20	11	106	51	126	62
Purchase of assets						
JSW Severfield Structures Limited	762	416	-	-	762	416
Jindal Steel & Power Limited	-	-	238	228	238	228
JSW Cement Limited	-	-	243	148	243	148
Others	16	6	120	44	136	50
Total	778	422	601	420	1,379	842
Capital / revenue advances aiven						
JSW Dharmatar Port Private Limited	-	-	200	-	200	-
Jindal Steel & power Limited	-	-	200	-	200	-
Others	-	@	39	1	39	1
Total	-	@	439	1	439	1
Capital / revenue advances received back						
Jindal Steel & power Limited	-	-	200	-	200	-
JSW Energy Limited	-	-	-	1	-	1
JSW Cement Limited	-	-	-	5	-	5
Total	-	-	200	6	200	6
Security deposit given						
JSW Shipping and Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)	-	-	116	59	116	59
Total	-	-	116	59	116	59
Lease and other deposit received back						
India Flysafe Aviation Limited	-	-	10	10	10	10
Others	-	-	1	1	1	1
Total	-	-	11	11	11	11
Lease deposit received						
JSW Cement Limited	-	-	-	11	-	11
Others	-	-	-	@	-	@
Total	-	-	-	11	-	11
Lease and other advances refunded						
JSW Infrastructure Limited	-	-	-	53	-	53
Total	-	-	-	53	-	53

B. Transactions with related parties

₹ in crores

Particulars	Joint ventures		Other related parties #		Total	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
Loan given received back						
JSW Techno Projects Management Limited	-	-	96	-	96	-
JSW Projects Limited	-	-	15	-	15	-
JSW Global Business Solutions Private Limited	-	-	2	11	2	11
Total	-	-	113	11	113	11
Loan given						
JSW Projects Limited	-	-	130	300	130	300
Monnet Ispat & Energy Limited	90	125	-	-	90	125
Others	1	-	-	5	1	5
Total	91	125	130	305	221	430
Donation/ CSR expenses						
JSW Foundation	-	-	75	26	75	26
Total	-	-	75	26	75	26
Recovery of expenses incurred by us on their behalf						
JSW Energy Limited	-	-	9	19	9	19
JSW Cement Limited	-	-	45	43	45	43
JSW International Tradecorp Pte Limited	-	-	119	-	119	-
JSW Jaigarh Port Limited	-	-	3	7	3	7
JSW Infrastructure Limited	-	-	7	6	7	6
Monnet Ispat & Energy Limited	1	15	-	-	-	15
Others	6	4	27	19	33	23
Total	6	19	210	94	216	113
Investments / Share application money given						
JSW Severfield Structures Limited	-	38	-	-	-	38
Rohne Coal Company Private Limited	1	-	-	-	1	-
Creixent Special Steels Limited	-	370	-	-	-	370
Others	@	@	-	-	@	@
Total	1	408	-	-	1	408
Investments / share application money refunded						
Rohne Coal Company Private Limited	@	-	-	-	@	-
Total	@	-	-	-	@	
Interest expenses						
JSW Techno Projects Management Limited	-	-	2	-	2	-
Total	-	-	2	-	2	-
Lease interest cost						
JSW Projects Limited	-	-	132	156	132	156
JSW Techno Projects Management Limited	-	-	84	54	84	54
Others	-	-	17	-	17	-
Total	-	-	233	210	233	210
Lease liabilities / Finance lease obligation repayment						
JSW Projects Limited	-	-	228	204	228	204
Others	-	-	26	8	26	8
Total	-	-	254	212	254	212
Loan refunded						
JSW Techno Projects Management Limited	-	-	6	-	6	-
Total	-	-	6	-	6	-
Liabilities written back						
JSW MI Steel Service Centre Private Limited	-	3	-	-	-	3
South West Port Limited	-	-	-	3	-	3
Jindal Saw Limited	-	-	-	3	-	3
JSW Projects Limited	-	-	-	3	-	3
JSW Infrastructure Limited	-	-	-	11	-	11
Others	-	@	-	1	-	2
Total	-	3	-	21	-	25
Dividend paid						
JSW Holdings Limited	-	-	73	57	73	57
JSW Techno Projects Management Limited	-	-	101	74	101	74
Sahyog Holdings Private Limited	-	-	46	35	46	35
Others	-	-	99	76	99	76
Total	-	-	319	242	319	242

@ less than ₹ 0.50 crore.

includes relatives of KMP.

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Notes:

1. The Group makes monthly contributions to provident fund managed by JSW Steel EPF Trust for qualifying Vijayanagar employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. During the year, the Group contributed ₹ 22 crores (previous year ₹ 20 crores).
2. The Group maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). During the year, the Group contributed ₹Nil crores (previous year ₹ 5 crores).
3. During the year, the Company has transferred environment clearance certificate issued for its slag grinding & mixing unit to JSW Cement Limited for no consideration.

Compensation to Key Management Personnel

₹ in crores

Nature of transaction	FY 2019-20	FY 2018-19
Short-term employee benefits	56	86
Post-employment benefits	1	1
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	**57**	**87**

Notes:

1. As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
2. The Company has recognised an expenses of ₹3 crores (previous year ₹ 4 crores) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
3. Dividend paid to KMP is ₹0.18 crores (FY 2018-19: ₹0.14 crores), not included above.
4. The Independent Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable to the Non-Executive Directors is based on the number of meetings of the Board attended by them and their Chairmanship/Membership of Audit Committee during the year, subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹ 20,000/- for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during FY 2019-20 is ₹3 crores (FY 2018-19 is ₹3 crores), which is not included above.

Terms and conditions

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31 March 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis.

D. Amount due to / from related parties

₹ in crores

Particulars	Joint ventures		Other related parties		Total	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Party's Name						
Trade payables						
JSW Energy Limited	-	-	377	245	377	245
JSW International Trade Corp PTE Limited	-	-	1,499	1,398	1,499	1,398
Others	115	8	532	303	647	311
Total	115	8	2,408	1,946	2,523	1,954
Advance received from customers						
JSW Structural Metal Decking Limited	1	-	-	-	1	-
Monnet ipat & Energy limited	2	-	-	-	2	-
Jindal Saw Limited	-	-	1	-	1	-
Others	-	-	@	@	@	@
Total	3	-	1	@	4	@
Lease & other deposit received						
JSW Severfield Structures Limited	13	13	-	-	13	13
JSW Energy Limited	-	-	11	11	11	11
Jindal Saw Limited	-	-	5	5	5	5
JSW Cement Limited	-	-	11	11	11	11
Others	-	-	12	12	12	12
Total	13	13	39	39	52	52
Trade receivables						
JSW Vallabh Tin Plate Private Limited	-	83	-	-	-	83
JSW MI Steel Service Centre Private Limited	44	42	-	-	44	42
Jindal Industries Private Limited	-	-	8	24	8	24
Jindal Saw Limited	-	-	34	34	34	34
Epsilon Carbon Private Limited	-	-	109	124	109	124
Others	@	22	6	26	6	48
Total	44	147	157	208	201	355
Share application money given						
Gourangdih Coal Limited	1	@	-	-	1	@
Others	-	@	-	-	-	@
Total	1	@	-	-	1	@
Capital / Revenue advance						
Monnet Ispat & Energy Limited	36	1	-	-	36	1
Rohne Coal Company Private Limited	22	19	-	-	22	19
JSW Severfield Structures Limited	-	42	-	-	-	42
JSW Projects Limited	-	-	49	50	49	50
Jindal Steel & Power Limited	-	-	-	33	-	33
JSW IP Holdings Private Limited	-	-	10	18	10	18
JSW Dharamatar Port Private Limited	-	-	200	-	200	-
Others	6	5	8	2	14	7
Total	64	67	267	103	331	172
Lease and other deposits given						
JSW Shipping and Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)	-	-	175	59	175	59
India Flysafe Aviation Limited	-	-	193	203	193	203
Total	-	-	368	262	368	262
Loan and advances given						
JSW Shipping and Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)	-	-	-	105	-	105
JSW Projects Limited	-	-	415	300	415	300
Monnet Ispat & Energy Limited	215	125	-	-	215	125
Others	1	@	18	20	19	20
Total	216	125	433	425	649	550
Interest receivable						
JSW Techno Projects Management Limited	-	-	9	-	9	-
Others	-	-	1	-	1	-
Total	-	-	10	-	10	-

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₹ in crores

Particulars	Joint ventures		Other related parties		Total	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Lease liabilities / Finance lease obligation						
JSW Projects Limited	-	-	1,052	1,280	1,052	1,280
JSW Techno Projects Management Limited	-	-	550	567	550	567
JSW Jaigarh Port Limited	-	-	46	-	46	-
JSW Dharamatar Port Private Limited	-	-	138	-	138	-
Total	-	-	1,786	1,847	1,786	1,847

@ less than ₹ 0.50 crore.

Note:

The Group maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). As on 31 March 2020, the fair value of plan assets was as ₹92 crores (As at 31 March 2019: ₹87 crores).

45. Contingent liabilities:

₹ in crores

	Particulars	As at 31 March 2020	As at 31 March 2019
(i)	Guarantees	82	47
(ii)	Disputed claims/levies (excluding interest, if any), in respect of:		
	Excise duty	491	463
	Custom-duty	774	741
	Income tax	32	21
	Sales tax / Special entry tax	1,509	1,334
	Service tax	702	659
	Miscellaneous	-	9
	Levies by local authorities	54	53
	Levies relating to Energy / Power Obligations	277	208
	Claim by suppliers and other parties	98	90

a) Excise duty cases includes disputes pertaining to availment of CENVAT credit, valuation methodologies, classification of gases under chapter heading.

b) Custom-duty cases includes disputes pertaining to import of Iron ore fines and lumps under wrong heading, utilisation of SHIS licences for clearance of imported equipment, payment of customs duty for Steam Coal through Krishnapatnam Port and anti-dumping duty on Met Coke used in Corex.

c) Sales Tax/ VAT/ Special Entry Tax cases includes disputes pertaining to demand of special entry tax in Karnataka and demand of cess by department of transport in Goa.

d) Service Tax cases includes disputes pertaining to availment of service tax credit on ineligible services, KKC amount paid but no credit not availed, denial of credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents.

e) Income Tax cases includes disputes pertaining to transfer pricing, deduction u/s 80-IA and other matters.

f) Levies by local authorities – statutory cases include disputes pertaining to payment of water charges and enhanced compensation.

g) Levies relating to Energy/Power Obligations cases includes disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., belated payment surcharge, claims for the set off of renewable power obligations against the power generated in its captive power plants and dues relating to additional surcharge imposed on captive consumption by Maharashtra State Electricity Distribution Company Limited.

h) Claims by Suppliers and other parties includes Quality Claims issues raised by suppliers and others.

i) There are several other cases which has been determined as remote by the Group and hence not been disclosed above.

(iii)	Claims related to Forest Development Tax / Fee	2,588	2,160
	Amount paid under protest	920	920

In response to a petition filed by the iron ore mine owners and purchasers (including the Company) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated 3 December 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognised provision for FDT of ₹ 1,043 crores (including paid under protest – ₹ 665 crores) and treated it as a contingent liability.

The State of Karnataka on 27 July 2016, has amended Section 98-A of the Forest Act retrospectively substituting the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the Company and others, the Honourable High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the SCI, and based on merits of the case duly supported by a legal opinion and a favourable order from the High Court, the Company has not recognised provision for FDF amount of ₹ 1,545 crores (including paid under protest - ₹255 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.

46. Commitments

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	13,929	18,044
Other commitments		
a) The Group has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports. Such export obligations at year end aggregate to	17,407	11,742
b) The Group has given guarantees to Commissioner of Customs in respect of goods imported.	127	127
c) The Company has entered into a five-year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. ("DSA") for supply of Steel Products. Duferco S.A has provided an interest bearing advance amount of US $700 million under this agreement, secured by committed export of steel products to Duferco S.A. Out of this US $590 million is pending towards fulfilment.		
d) Minimum commission payable under a purchase contract - ₹ 111 crores.		

47. Exceptional items for the year ended 31 March 2020 includes impairment provision of:

i) ₹725 crores relating to overseas subsidiaries towards the value of Property, plant and equipment (PPE) (including CWIP), Goodwill, Intangibles and other assets based on the overall assessment of recoverable value considering increased uncertainty in restarting the Iron ore mining operations at Chile on account of COVID-19 outbreak.

The provision of ₹ 725 crores include ₹ 143 crores towards PPE, ₹ 9 crores towards CWIP, ₹ 7 crores towards Intangible assets, ₹ 513 crores towards Goodwill and ₹ 53 crores towards advances.

ii) ₹ 80 crores towards identified items of property, plant and equipment of the Company.

48. In assessing the carrying amounts of Goodwill, PPE, Capital work-in-progress (CWIP), ROU, Inventories and Advances (net of impairment loss / loss allowance) aggregating to ₹ 9,141 crores (₹ 6,875 crores as at 31 March 2019) relating to certain businesses (listed below), the Company considered various factors as detailed there against and concluded that they are recoverable.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

i. PPE (including CWIP and advances) of ₹ 4,314 crores (₹ 3,886 crores as at 31 March 2019) relating to steel operations at Baytown, USA – Estimate of values of the businesses and assets by independent external valuers based on cash flow projections at a pre-tax discount rate of 12.7 %. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, future margins and the likely impact of COVID-19 on the said operations.

ii. Goodwill, PPE, CWIP and Capital advances of ₹266 crores (₹244 crores as at 31 March 2019),

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₹446 crores (₹421 crores as at 31 March 2019), ₹9 crores (₹2 crores as at 31 March 2019) and ₹3 crores (₹5 crores as at 31 March 2019) respectively relating to coal mines at West Virginia, USA – Estimate of values of the businesses and assets by independent external valuers based on cash flow projections over a period of the lease at a pre-tax discount rate of 16.7 %. In making the said projections, reliance has been placed on estimates of future prices of coal, mineable resources, and assumptions relating to operational performance, availability of infrastructure facilities for mines and likely impact of COVID-19 on the said operations.

iii. PPE (including CWIP) of ₹ 1,812 crores and goodwill of ₹ 98 crores relating to steel operations at Ohio, USA – Estimate of values of the businesses and assets by independent external valuers based on cash flow projections at a pre-tax discount rate of 18.4 %. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, future margins and the likely impact of COVID-19 on the said operations.

iv. PPE (including CWIP) of ₹ 543 crores relating to steel operations at Piombino, Italy - Estimate of values of the businesses and assets by independent external valuers based on cash flow projections at a pre-tax discount rate ranging from 11.5% to 12.9%. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, future margins and the likely impact of COVID-19 on the said operations.

v. Integrated Steel Complex at Salboni, Bengal [PPE ₹219 crores (₹229 crores as at 31 March 2019), CWIP ₹14 crores (₹ 15 crores as at 31 March 2019), ROU assets ₹78 crores (₹74 crores as at 31 March 2019) and advances ₹148 crores (₹148 crores as at 31 March 2019)] – Evaluation of current status of the integrated Steel Complex (including power plant) to be implemented in phases at Salboni of district Paschim Medinipur in West Bengal and the plans for commencing construction of the said complex.

vi. Integrated Steel Complex at Ranchi, Jharkhand [PPE ₹45 crores (₹45 crores as at 31 March 2019), CWIP ₹31 crores (₹31 crores as at 31 March 2019) and Advances ₹1 crore (₹1 crore as at 31 March 2019)] – Evaluation of current status of the integrated Steel Complex to be implemented in phases at Ranchi, Jharkhand and the plans for commencing construction of the said complex.

vii. Goodwill ₹24 crores (₹24 crores as at 31 March 2019) and Inventories ₹91 crores (₹121 crores as at 31 March 2019) relating to interest in a real estate property – Valuation of the property by an independent expert.

viii. PPE ₹ 95 crores including mining development and projects ₹84 crores (₹87 crores including mining development and projects ₹76 crores as at 31 March 2019) and goodwill ₹8 crores (₹7 crores as at 31 March 2019) relating to coal mines at Mozambique – Assessment of mineable reserves by independent experts based on plans to commence operations after mining lease arrangements are in place for which application has been submitted to regulatory authorities and infrastructure is developed.

ix. PPE (including CWIP) of ₹ 446 crores (₹ 374 crores as at 31 March 2019) of a subsidiary JSW Realty & Infrastructure Private Limited, – Estimates of value of business based on the cash flow projections approved by the Management. The assessments includes significant assumptions relating to operational performance, expansion, rentals and other charges, inflation and terminal value.

x. Investment in equity shares (net of share of profits) and preference shares of Creixent Special Steels Limited, a joint venture, ₹ 449 crores (₹ 551 crores as at 31 March 2019) and a loan of ₹ 1 crore– Estimates of value of business based on the cash flow projections approved by the management. The assessments include significant assumptions such as expansion, capacity utilisation, operational performance, future margins, discount rates, and terminal value.

49. Research and development activities

The manufacturing and other expenses include ₹ 33 crores (previous year – ₹ 37 crores) in respect of research and development activities undertaken during the year. Depreciation expenditure includes ₹13 crores (previous year – ₹13 crores) in respect of research and development activities undertaken during the year.

50. Joint ventures

Details of the Group's material joint ventures are as follows:

Name of the Joint venture	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Principal activity
		31 March 2020	31 March 2019	
JSW Severfield Structures Limited	India	50%	50%	Design, fabrication and erection of structural steel works
JSW Structural Metal Decking Limited	India	33.33%	33.33%	Metal Deckings
Rohne Coal Company Private Limited	India	49%	49%	Coal mining company
JSW MI Steel Service Center Private Limited	India	50%	50%	Steel service centre
JSW Vallabh Tin Plate Private Limited (up to 31 December 2019)	India	-	50%	Steel plant
Vijayanagar Minerals Private Limited	India	40%	40%	Supply of iron ore
Gourangdih Coal Limited	India	50%	50%	Coal mining company
Accialtalia S.p.A. (up to 16 April 2018)	Italy	-	-	Trading in steel products
Geo Steel LLC	Georgia	-	49%	Manufacturing of TMT rebar
Creixent Special Steels Limited (w.e.f. 27 August 2018)	India	48%	48%	Investment in steel related & allied businesses and trading in steel products
Monnet Ispat & Energy Limited (w.e.f. 31 August 2018)	India	23.10%	23.10%	Manufacturing & marketing of sponge iron, steel & Ferro alloys

The above joint ventures are accounted using the equity method in these consolidated financial statements.

Summarised financial information in respect of the Group's, material joint ventures are set out below. The summarised financial information below represents amounts shown in joint ventures financial statements prepared in accordance with the local GAAP (adjusted by the Group for equity accounting purposes).

a) Financial information of joint ventures as at 31 March 2020

₹ in crores

Particulars	JSW Severfield Structures Limited	JSW MI Steel Service Center Private Limited	Creixent Special Steels Limited
Current Assets	716	119	1,259
Non-current Assets	318	240	3,587
Current liabilities	686	74	1,344
Non-current liabilities	19	116	2,906
The above amount of assets and liabilities include the following:			
Cash and cash equivalents	3	21	36
Current financial liabilities (excluding trade and other payables and provisions)	146	14	817
Non-current financial liabilities (excluding trade and other payables and provisions)	16	113	2,880
Revenue	995	305	2,639
Profit / (loss) for the year	59	7	(549)
Other comprehensive income for the year	@	2	(29)
Total comprehensive income for the year	59	9	(578)
Dividends received from the joint venture during the year	-	-	-
The above profit/(loss) for the year include the following:			
Depreciation and amortisation	21	9	213
Interest income	4	3	12
Interest expense	33	8	319
Income tax expense (income)	1	4	-
Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:			
Net assets of the joint venture	326	170	65
Proportion of the Group's ownership interest in the joint venture	50%	50%	48%
Other adjustments	-	-	-
Carrying amount of the Group's interest in the joint venture	163	85	31

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b) Financial information of joint ventures as at 31 March 2019

₹ in crores

Particulars	JSW Severfield Structures Limited	JSW MI Steel Service Center Private Limited	JSW Vallabh Tin Plate Private Limited	Geo Steel LLC	Creixent Special Steels Limited
Current Assets	741	127	95	637	1,106
Non-current Assets	220	206	180	144	3,611
Current liabilities	688	64	172	364	976
Non-current liabilities	2	108	45	-	2,570
The above amount of assets and liabilities include the following:					
Cash and cash equivalents	89	36	2	125	166
Current financial liabilities (excluding trade and other payables and provisions)	2	22	77	345	576
Non-current financial liabilities (excluding trade and other payables and provisions)	-	108	43	-	2,567
Revenue	788	258	626	469	-
Profit / (loss) for the year	30	12	(4)	61	-
Other comprehensive income for the year	@	-	@	-	-
Total comprehensive income for the year	30	12	(4)	61	-
Dividends received from the joint venture during the year	-	-	-	-	-
The above profit/(loss) for the year include the following:					
Depreciation and amortisation	16	7	11	17	129
Interest income	4	5	@	3	9
Interest expense	21	7	16	1	148
Income tax expense (income)	1	3	-	11	-
Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:					
Net assets of the joint venture	267	161	58	416	370
Proportion of the Group's ownership interest in the joint venture	50%	50%	50%	49%	48%
Other adjustments	-	-	-	-	-
Carrying amount of the Group's interest in the joint venture	133	81	29	204	178

@- between ₹ (0.50) crore to ₹ 0.50 crore.

a) Aggregate information of joint ventures that are not individually material

₹ in crores

Particulars	As at 31 March 2020	As at 31 March 2019
Aggregate carrying amount of the Group's interest in these joint ventures	4	4
Profit / (loss) from continuing operations	@	@
Post tax profit/(loss) from continuing operations	@	@
Other comprehensive income	-	-
Total comprehensive income	@	@

@ between ₹ (0.50) crore to ₹ 0.50 crore.

51. Subsidiaries

Details of the Group's subsidiaries at the end of reporting period are as follows:

Name of the subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Principal activity
		31 March 2020	31 March 2019	
JSW Steel (Netherlands) B.V.	Netherlands	100%	100%	Acquisition and investment in steel related & allied businesses and trading in steel products
JSW Steel Italy S.r.L.	Italy	100%	100%	Trading in steel products and Holding company of JSW Steel Italy Piombino S.p.A., Piombino Logistics S.p.A. – A JSW Enterprise and GSI Lucchini S.p.A.
JSW Steel Italy Piombino S.p.A. (formerly known as Aferpi S.p.A.) (w.e.f. 24 July 2018)	Italy	100%	100%	Produces & distributes special long steel products
Piombino Logistics S.p.A. – A JSW Enterprise (formerly known as Piombino Logistics S.p.A.) (w.e.f. 24 July 2018)	Italy	100%	100%	Manages the logistic infrastructure of piombino's port area
GSI Lucchini S.p.A. (w.e.f. 24 July 2018)	Italy	69.27%	69.27%	Producer of forged steel balls
JSW Steel (UK) Limited	United Kingdom	100%	100%	Investment in steel related and steel allied businesses
Periama Holdings, LLC	United States of America	100%	100%	Holding company of JSW Steel (USA) Inc. and West Virginia operations
JSW Steel (USA) Inc.	United States of America	90%	90%	Manufacturing plates, pipes and double jointing
Purest Energy, LLC	United States of America	100%	100%	Holding company
Meadow Creek Minerals, LLC	United States of America	100%	100%	Mining company
Hutchinson Minerals, LLC	United States of America	100%	100%	Mining company
R.C. Minerals, LLC	United States of America	100%	100%	Mining company
Keenan Minerals, LLC	United States of America	100%	100%	Mining company
Peace Leasing, LLC	United States of America	100%	100%	Mining company
Prime Coal, LLC	United States of America	100%	100%	Management company
Planck Holdings, LLC	United States of America	100%	100%	Holding company
Rolling S Augering, LLC	United States of America	100%	100%	Mining company
Periama Handling, LLC	United States of America	100%	100%	Coal loading company
Lower Hutchinson Minerals, LLC	United States of America	100%	100%	Mining company
Caretta Minerals, LLC	United States of America	100%	100%	Mining company
JSW Panama Holdings Corporation	Republic of Panama	100%	100%	Holding company for Chile based companies and trading in iron ore
Inversiones Eurosh Limitada	Chile	100%	100%	Holding company (LLP) of Santa Fe Mining
Santa Fe Mining	Chile	70%	70%	Mining company and Holding company of Santa Fe Pureto S.A.
Santa Fe Puerto S.A.	Chile	70%	70%	Port company
JSW Natural Resources Limited	Republic of Mauritius	100%	100%	Holding company of JSW Natural Resources Mozambique Limitada and JSW Mali Resources SA
JSW Natural Resources Mozambique Limitada	Mozambique	100%	100%	Mining company
JSW ADMS Carvao Limitada	Mozambique	100%	100%	Mining company
Acero Junction Holdings, Inc (w.e.f. 15 June 2018)	United States of America	100%	100%	Investment in steel related and steel allied businesses
JSW Steel (USA) Ohio, Inc. (w.e.f. 15 June 2018)	United States of America	100%	100%	Manufacturing of slabs and hot rolled coils.
JSW Bengal Steel Limited	India	98.69%	98.69%	Steel plant
JSW Natural Resources India Limited	India	98.69%	98.69%	Mining related company
JSW Energy (Bengal) Limited	India	98.69%	98.69%	Power plant
JSW Natural Resources Bengal Limited	India	98.69%	98.69%	Mining related company

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Name of the subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group 31 March 2020	31 March 2019	Principal activity
JSW Jharkhand Steel Limited	India	100%	100%	Steel plant and mining
JSW Steel Coated Products Limited	India	100%	100%	Steel plant
Amba River Coke Limited	India	100%	100%	Coke oven and Pellet plant
Nippon Ispat Singapore (PTE) Limited	Singapore	100%	100%	Mining company
Erebus Limited	Mauritius	100%	100%	Mining company
Arima Holdings Limited	Mauritius	100%	100%	Mining company
Lakeland Securities Limited	Mauritius	100%	100%	Mining company
Peddar Realty Private Limited	India	100%	100%	Real estate
JSW Realty & Infrastructure Private Limited	India	0%	0%	Construction and development of residential township
JSW Industrial Gases Private Limited	India	100%	100%	Production of gaseous and liquid form of oxygen, nitrogen, argon and other products recoverable from separation of air
JSW Utkal Steel Limited	India	100%	100%	Steel plant
JSW Retail Limited (w.e.f. 20 September 2018)	India	100%	100%	Trading in steel and allied products
Hasaud Steel Limited	India	100%	100%	Investment in steel related activities
Vardhman Industries Limited (w.e.f. 31 December 2019)	India	100%	-	Steel plant
JSW Vallabh Tin Plate Private Limited (w.e.f. 31 December 2019)	India	73.55%	-	Steel plant
JSW Vijayanagar Metallics Limited (w.e.f. 24 December 2019)	India	100%	-	Steel plant
Piombino Steel Limited (w.e.f. 6 June 2019)	India	100%	-	Trading in steel products
Makler Private Limited (w.e.f. 6 June 2019)	India	100%	-	Trading in steel products

Summarised financial information in respect of the Group's, material subsidiary that has non-controlling interests is set out below. The amount disclosed for each subsidiary are before inter-company elimination.

Financial information of non-controlling interest as on 31 March 2020

₹ in crores

Particulars	JSW Realty & Infrastructure Limited	JSW Vallabh Tin Plate Private Limited	Santa Fe Mining (Consolidated)	JSW Steel (USA), Inc.	GSI Luchhini S.p.A
Non-current assets	504	214	-	4,314	29
Current assets	54	101	16	1,318	305
Non-current liabilities	394	37	-	4,631	8
Current liabilities	60	183	489	1,676	187
Equity attributable to owners of the Company	-	70	(331)	(164)	80
Non-controlling interest	104	25	(142)	(511)	59
Revenue	41	107	-	2,207	362
Expenses	48	108	218	3,155	361
Profit/ (loss) for the year	33	(1)	(218)	423	1
Profit / (loss) attributable to owners of the Company	-	(1)	(153)	380	1
Profit / (loss) attributable to the non-controlling interest	33	@	(65)	42	@
Profit / (loss) for the year	33	(1)	(218)	423	1
Other comprehensive income attributable to owners of the Company	-	@	-	-	-
Other comprehensive income attributable to the non-controlling interests	@	@	-	-	@
Other comprehensive income for the year	@	@	-	-	@
Total comprehensive income attributable to the owners of the Company	-	(1)	(153)	380	1
Total comprehensive income attributable to the non-controlling interests	33	@	(65)	42	-
Total comprehensive income for the year	33	(1)	(218)	423	1
Net cash inflow / (outflow) from operating activities	38	4	(9)	323	10
Net cash inflow / (outflow) from investing activities	(60)	(1)	-	(442)	(2)
Net cash inflow / (outflow) from financing activities	49	(3)	9	133	2
Net increase / (decrease) in cash and cash equivalents	27	@	@	14	10

@ between ₹ (0.50) crore to ₹ 0.50 crore.

Financial information of non-controlling interest as on 31 March 2019

₹ in crores

Particulars	JSW Realty & Infrastructure Limited	Santa Fe Mining	JSW Steel (USA), Inc.	GSI Luchhini S.p.A
Non-current assets	436	186	3,926	29
Current assets	18	21	1,349	199
Non-current liabilities	53	10	3,960	7
Current liabilities	335	417	1,120	89
Equity attributable to owners of the Company	-	(154)	583	76
Non-controlling interest	66	(66)	(388)	56
Revenue	32	-	2,927	162
Expenses	75	18	3,389	169
Profit/ (loss) for the year	(20)	(18)	(373)	(6)
Profit / (loss) attributable to owners of the Company	-	(13)	(336)	(4)
Profit / (loss) attributable to the non-controlling interest	(20)	(5)	(37)	(2)
Profit / (loss) for the year	(20)	(18)	(373)	(6)
Other comprehensive income attributable to owners of the Company	-	-	-	-
Other comprehensive income attributable to the non-controlling interests	@	-	-	-
Other comprehensive income for the year	@	-	-	-
Total comprehensive income attributable to the owners of the Company	-	(13)	(336)	(4)
Total comprehensive income attributable to the non-controlling interests	(20)	(5)	(37)	(2)
Total comprehensive income for the year	(20)	(18)	(373)	(6)
Net cash inflow / (outflow) from operating activities	(78)	(19)	(345)	4
Net cash inflow / (outflow) from investing activities	(76)	-	(297)	@
Net cash inflow / (outflow) from financing activities	150	19	563	16
Net cash inflow / (outflow)	(4)	@	(79)	20

@ between ₹ (0.50) crore to ₹ 0.50 crores

52. The Company submitted the Resolution Plan in respect of Bhushan Power and Steel Limited (BPSL), a company currently undergoing insolvency resolution process under the provisions of the Insolvency and Bankruptcy Code. The Committee of Creditors (CoC) approved the Resolution Plan and the Resolution Professional issued the Letter of Intent to the Company on 11 February 2019, which was duly accepted by the Company. The Resolution Plan was approved by the National Company Law Tribunal (NCLT) vide its order dated 5 September 2019, and subsequently an appeal preferred by the Company has been allowed by the National Company Law Appellate Tribunal (NCLAT) vide its order 17 February 2020. The erstwhile promoters and few operational creditors preferred an Appeal before the Hon'ble Supreme Court against the NCLAT order. The said Appeals along with the Petition of CoC are pending before the Hon'ble Supreme Court for adjudication.

53. Subsequent events

On 22 May 2020, the board of directors recommended a final dividend of ₹ 2.00 (Rupees two only) per equity share of ₹1 each to be paid to the shareholders for the financial year 2019-20, which is subject to approval by the shareholders at the Annual General Meeting to be held on 23 July 2020. If approved, the dividend would result in cash outflow of ₹ 483 crores.

54. Previous year figures have been re-grouped / re-classified wherever necessary.

NOTES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

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

₹ in crores

Name of entity in the group	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
PARENT COMPANY								
JSW Steel Limited	71.35	25,702	161.85	6,343	60.57	(679)	202.43	5,664
SUBSIDIARIES								
INDIAN								
Vardhmaan Industries Limited	0.18	64	0.03	1	-	@	0.04	1
JSW Bengal Steel – Group	1.29	464	(0.28)	(11)	-	-	(0.39)	(11)
Amba River Coke Limited	5.38	1,939	5.87	230	2.77	(31)	7.11	199
JSW Steel Coated Products Limited	6.68	2,405	7.35	288	8.47	(95)	6.90	193
JSW Jharkhand Steel Limited	0.21	77	(0.15)	(6)	-	@	(0.21)	(6)
Peddar Realty Private Limited	0.32	114	0.28	11	-	-	0.39	11
JSW Vallabh Tinplate Private Limited	0.37	135	0.05	2	-	@	0.07	2
JSW Realty & Infrastructure Private Limited	1.70	612	(0.79)	(31)	-	-	(1.11)	(31)
JSW Industrial Gases Private Limited	0.65	233	1.12	44	-	@	1.57	44
JSW Utkal Steel Limited	0.23	82	(0.08)	(3)	-	-	(0.11)	(3)
Hasaud Steel Limited	-	@	-	@	-	-	-	-
JSW Vijayanagar Metallics Limited	-	@	-	@	-	-	-	-
Piombino Steel Limited – Group	0.02	7	(0.03)	(1)	-	-	(0.04)	(1)
JSW Retail Limited	(0.00)	(1)	0.03	1	-	-	0.04	1
FOREIGN								
JSW Steel (Netherlands) B.V.	(5.10)	(1,836)	(1.15)	(45)	-	-	(1.61)	(45)
Periama Holding LLC – Group	13.26	4,777	(17.45)	(684)	-	-	(24.45)	(684)
JSW Panama Holdings Corporation – Group	0.23	83	(16.89)	(662)	-	-	(23.66)	(662)
JSW Steel (UK) Limited	0.37	134	(0.13)	(5)	-	-	(0.18)	(5)
JSW Natural Resources Limited – Group	0.35	125	-	@	-	-	-	-
Arima Holding Limited	-	@	-	@	-	-	-	-
Lakeland Securities Limited	-	@	-	@	-	-	-	-
Erebus Limited	-	@	-	@	-	-	-	-
Nippon Ispat Singapore (PTE) Limited	-	@	-	@	-	-	-	-
JSW Steel Italy S.R.L. – Group	-	@	(0.28)	(11)	-	-	(0.39)	(11)
Acero Holdings Junction Inc. – Group	2.12	763	(24.16)	(947)	-	-	(33.85)	(947)
JSW Steel Italy Piombino S.p.A	0.72	260	(9.11)	(357)	-	-	(12.76)	(357)
Piombino Logistics S.p.A	0.18	65	(0.66)	(26)	-	-	(0.93)	(26)
GSI Luchini S.p.A.	0.14	51	(0.28)	(11)	-	-	(0.39)	(11)
NON-CONTROLLING INTEREST IN ALL SUBSIDIARIES	(1.43)	(515)	(2.83)	(111)	4.01	(45)	(5.58)	(156)

NOTES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

₹ in crores

Name of entity in the group	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
JOINT VENTURES (investment as per the equity method)								
INDIAN								
Vijayanagar Minerals Private Limited	0.01	2	-	@	-	-	-	-
Rohne Coal Company Private Limited	-	-	-	-	-	-	-	-
JSW Severfield Structures Limited – Group	0.45	163	0.33	13	-	-	0.46	13
Gourangdih Coal Limited	0.01	2	-	@	-	-	-	-
JSW MI Steel Service Center Private Limited	0.24	86	0.10	4	-	-	0.14	4
JSW Vallabh Tinplate Private Limited	-	-	0.15	6	-	-	0.21	6
Creixent Special Steels Limited - Group	0.09	31	(3.57)	(140)	-	-	(5.00)	(140)
FOREIGN								
Geo Steel LLC	-	-	0.69	27	-	-	0.96	27
Foreign currency translation reserve	-	-	-	-	24.17	(271)	(9.69)	(271)
Total	**100.00**	**36,024**	**100.00**	**3,919**	**100.00**	**(1,121)**	**100.00**	**2,798**

@ Less than ₹ 0.50 crore.

Note: The balances and amounts presented above are net of intercompany eliminations and consolidation adjustments.

56. Standards issued but not yet effective

There are no standards that have been issued but not yet effective.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No.: 105938

Place: Mumbai
Date: 22 May 2020

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No.: FCS 9407
Place: Mumbai
Date: 22 May 2020

For and on behalf of the Board of Directors
SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

SESHAGIRI RAO M. V. S.
Jt. Managing Director & Group CFO
DIN 00029136

Form AOC-I

(Information of Subsidiaries, JVs and Associates as required under first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A: Subsidiaries

₹ in crores

	Name of the Subsidiary	JSW Steel Coated Products Limited	Amba River Coke Limited	JSW Industrial Gases Private Limited	JSW Retail Limited	JSW Vallabh Tin Plate Private Limited #	Vardhman Industries Limited #	JSW Bengal Steel Limited	JSW Natural Resources India Limited	JSW Energy (Bengal) Limited	JSW Natural Resources Bengal Limited
A	Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
B	Exchange Rate	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
C	Share Capital	800.05	931.90	92.08	0.01	50.04	4.50	458.21	107.33	29.86	64.20
D	Reserves and Surplus	1,959.99	928.01	173.38	1.31	19.79	29.92	37.60	(5.05)	38.54	(3.95)
E	Total Assets	7,675.60	3,497.00	296.24	4.29	279.21	92.08	503.99	102.30	68.74	60.26
F	Total Liabilities	4,915.56	1,637.09	30.78	2.97	209.38	57.66	8.18	0.02	0.34	0.01
G	Investment	42.82	30.79	0.03	-	-	14.46	137.19	-	64.28	1.67
H	Turnover	11,675.28	3,902.74	574.57	17.16	537.35	92.49	-	-	-	-
I	Profits/(Losses) Before Taxes	276.17	204.05	49.29	1.75	17.33	(12.27)	(10.36)	(0.13)	(0.06)	0.03
J	Provision for Taxation	(19.69)	9.62	5.18	0.44	5.27	(12.76)	0.40	0.08	0.07	0.01
K	Profits/(Losses) After Taxes	295.86	194.43	44.11	1.31	12.06	0.49	(10.76)	(0.21)	(0.13)	0.02
L	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
M	% of shareholding	100.00%	100.00%	100.00%	100.00%	73.55%	100.00%	98.69%	98.69%	98.69%	98.69%

₹ in crores

	Name of the Subsidiary	Peddar Realty Private Limited	JSW Utkal Steel Limited	JSW Jharkhand Steel Limited	JSW Realty & Infrastructure Private Limited	Hasaud Steel Limited	JSW Vijayanagar Metallics Limited	Makler Private Limited *	Piombino Steel Limited*	JSW Steel (USA) Inc.	JSW Steel (USA) Ohio Inc
A	Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INR	USD	USD
B	Exchange Rate	NA	NA	NA	NA	NA	NA	NA	NA	75.39	75.39
C	Share Capital	0.01	49.75	93.03	0.01	0.22	0.01	4.15	7.80	6,053.49	246.78
D	Reserves and Surplus	(20.20)	31.55	(16.27)	104.17	(0.21)	(0.03)	(3.77)	(3.51)	(6,713.20)	(1,750.46)
E	Total Assets	91.63	91.45	78.10	558.46	0.01	0.19	68.71	4.97	5,617.53	2,029.69
F	Total Liabilities	111.82	10.15	1.34	454.28	-	0.21	68.33	0.68	6,277.24	3,533.37
G	Investment	-	-	-	48.39	-	-	-	4.15	-	-
H	Turnover	45.30	-	-	56.26	-	-	66.25	-	2,347.86	1,395.38
I	Profits/(Losses) Before Taxes	13.90	(2.23)	(5.56)	27.39	(0.01)	(0.03)	(0.81)	(0.74)	(1,008.16)	(1,020.19)
J	Provision for Taxation	2.43	-	0.10	(5.39)	-	-	-	-	(146.25)	-
K	Profits/(Losses) After Taxes	11.47	(2.23)	(5.66)	32.78	(0.01)	(0.03)	(0.81)	(0.74)	(861.91)	(1,020.19)
L	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
M	% of shareholding	100.00%	100.00%	100.00%	0.00%	100.00%	100.00%	100.00%	100.00%	90.00%	100.00%

Part A: Subsidiaries (Continued)

₹ in crores

	Name of the Subsidiary	JSW Steel Italy Piombino S.p.A.	Piombino Logistics S.p.A. - A JSW Enterprise	GSI Luchini S.p.A.	Caretta Minerals LLC	Prime Coal LLC	Planck Holdings LLC	Rolling S Augering LLC	Periama Handling LLC	Lower Hutchinson Minerals LLC	Meadow Creek Minerals LLC
A	Reporting Currency	EURO	EURO	EURO	USD	USD	USD	USD	USD	USD	USD
B	Exchange Rate	83.05	83.05	83.05	75.39	75.39	75.39	75.39	75.39	75.39	75.39
C	Share Capital	175.01	11.80	22.72	610.97	0.79	560.51	33.27	30.17	12.22	30.63
D	Reserves and Surplus	(176.32)	(12.99)	89.93	(266.37)	(106.31)	(177.16)	(83.85)	(78.85)	(21.96)	(88.94)
E	Total Assets	1,782.84	110.54	303.57	834.67	0.41	649.66	0.04	-	0.83	0.25
F	Total Liabilities	1,784.15	111.73	190.92	490.07	105.93	266.31	50.62	48.68	10.57	58.56
G	Investment	14.33	-	-	-	-	613.69	-	-	-	-
H	Turnover	2,861.34	75.78	381.23	205.86	-	-	-	-	-	-
I	Profits/(Losses) Before Taxes	(281.93)	(14.18)	1.15	(37.80)	(6.31)	(20.96)	(2.62)	(2.85)	(0.80)	(3.50)
J	Provision for Taxation	(24.12)	-	0.10	-	-	26.86	-	-	-	-
K	Profits/(Losses) After Taxes	(257.81)	(14.18)	1.05	(37.80)	(6.31)	(47.82)	(2.62)	(2.85)	(0.80)	(3.50)
L	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
M	% of shareholding	100.00%	100.00%	69.27%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

₹ in crores

	Name of the Subsidiary	Keenan Minerals LLC	Hutchinson Minerals LLC	Peace Leasing LLC	R.C. Minerals LLC	Purest Energy LLC	JSW Steel (Netherlands) B.V.	Periama Holdings LLC	Acero Junction Holdings Inc	JSW Steel Italy S.R.L.	JSW Steel (UK) Limited
A	Reporting Currency	USD	USD	USD	USD	USD	USD	USD	USD	EURO	GBP
B	Exchange Rate	75.39	75.39	75.39	75.39	75.39	75.39	75.39	75.39	83.05	93.08
C	Share Capital	4.06	38.50	-	58.24	93.10	345.30	108.18	246.78	103.98	142.19
D	Reserves and Surplus	(8.77)	(55.58)	(0.25)	(69.94)	(168.20)	(1,504.97)	(1,149.64)	1.68	(2.91)	(132.29)
E	Total Assets	-	0.29	-	-	-	917.21	7,024.59	1,873.56	612.85	134.07
F	Total Liabilities	4.71	17.37	0.25	11.70	75.10	2,076.88	8,066.05	1,625.10	511.78	124.17
G	Investment	-	-	-	-	-	284.24	1,799.82	246.78	611.68	-
H	Turnover	-	-	-	-	-	-	-	-	-	-
I	Profits/(Losses) Before Taxes	(0.04)	(0.15)	(0.01)	(0.01)	(2.12)	(40.40)	(408.01)	3.02	(62.31)	(11.72)
J	Provision for Taxation	-	-	-	-	-	-	138.09	-	-	-
K	Profits/(Losses) After Taxes	(0.04)	(0.15)	(0.01)	(0.01)	(2.12)	(40.40)	(546.10)	3.02	(62.31)	(11.72)
L	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
M	% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Part A: Subsidiaries (Continued)

₹ in crores

	Name of the Subsidiary	JSW Panama holdings Corporation	Inversiones Eurosh Limitada	Santa Fe Mining	Santa Fe Puerto S.A.	JSW Natural Resources Limited	JSW Natural Resources Mozambique Limitada	JSW ADMS Carvao Limitada	Nippon Ispat Singapore (PTE) Limited	Arima Holdings Limited	Erebus Limited	Lakeland Securities Limited
A	Reporting Currency	USD	USD	USD	USD	USD	USD	USD	SGD	USD	USD	USD
B	Exchange Rate	75.39	75.39	75.39	75.39	75.39	75.39	75.39	53.80	75.39	75.39	75.39
C	Share Capital	0.75	0.33	14.83	0.37	102.94	141.79	-	4.22	37.99	162.40	0.26
D	Reserves and Surplus	44.93	(754.71)	(274.84)	(13.49)	(68.02)	(115.16)	2.14	(9.36)	(38.30)	(162.71)	(0.58)
E	Total Assets	45.70	484.49	228.63	-	223.91	114.62	87.97	-	0.02	0.02	0.02
F	Total Liabilities	0.02	1,238.87	488.64	13.12	188.99	87.99	85.83	5.14	0.33	0.33	0.34
G	Investment	0.31	10.38	-	-	141.79	8.07	-	-	-	-	-
H	Turnover	-	-	-	-	-	-	-	-	-	-	-
I	Profits/(Losses) Before Taxes	1.38	(42.28)	(19.17)	-	(4.82)	(0.18)	0.63	(0.01)	(0.07)	(0.07)	(0.07)
J	Provision for Taxation	-	-	-	-	-	-	-	-	-	-	-
K	Profits/(Losses) After Taxes	1.38	(42.28)	(19.17)	-	(4.82)	(0.18)	0.63	(0.01)	(0.07)	(0.07)	(0.07)
L	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-
M	% of shareholding	100.00%	100.00%	70.00%	70.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Note: The financial statements of subsidiaries are converted into Indian Rupees on the basis of exchange rate as on closing day of the financial year.

* subsidiary w.e.f. 6 June 2019,
# subsidiary w.e.f. 31 December 2019

The financial information disclosed above in respect of entities acquired during the year are for the full financial year.

Additional disclosure	Name of subsidiaries
Subsidiaries yet to commence operation	JSW Bengal Steel Limited
	JSW Natural Resources India Limited
	JSW Energy (Bengal) Limited
	JSW Natural Resources Bengal Limited
	JSW Jharkhand Steel Limited
	Inversiones Eurosh Limitada
	Santa Fe Puerto S.A.
	JSW Natural Resources Mozambique Limitada
	JSW ADMS Carvo Limitada
	JSW Utkal Steel Limited
	Hasaud Steel Limited
	JSW Vijayanagar Metallics Limited
	Piombino Steel Limited
Subsidiaries liquidated or sold during the year	None

Part B: Associates and Joint Ventures

₹ in crores

Name of Associates/Joint Ventures	Joint ventures									
	Vijaynagar Minerals Private Limited	Rohne Coal Company Private Limited	JSW Severfield Structures Limited	JSW Structural Metal Decking Limited	Gourangdih Coal Limited	JSW MI Service centre Private Limited	Monnet Ispat & Energy Limited	Creixent Special Steels Limited	JSW Vallabh Tinplate Private Limited#	Geo Steel LLC *
1. Latest audited Balance Sheet Date	31 March 2020	31 March 2020	31 March 2020	31 March 2020	31 March 2019	31 March 2020	31 March 2020	31 March 2020	NA	NA
2. Shares of Associate/ Joint Ventures held by the Company on the year end										
Number of shares	4,000	490,000	197,937,940	4,482,925	2,450,000	66,500,000	108,448,611	4,800,000	NA	NA
Amount of Investment	-	0.49	197.94	4.48	2.45	66.50	108.45	4.80	NA	NA
Extend of Holding %	40.00%	49.00%	50.00%	33.33%	50.00%	50.00%	23.10%	48.00%	NA	NA
3. Description of how there is significant influence	Joint Venture Agreement									
4. Reason why the associate/ joint venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	1.77	(1.95)	159.39	6.37	1.59	84.79	270.92	(20.97)	NA	NA
6. Profit / Loss for the year										
i. Considered in Consolidation	(0.09)	-	25.01	2.91	(0.03)	4.49	(113.40)	(30.18)	5.90	26.52
ii. Not Considered in Consolidation	-	(1.74)	-	-	-	-	-	-	-	-

ceased to a joint venture and considered as a subsidiary w.e.f. 31 December 2019; * ceased to be a joint venture w.e.f. 28 January 2020.

Additional disclosure	Name of associates and Joint Ventures
Associates and Joint Ventures yet to commence operation	Rohne Coal Company Private Limited
	Gourangdih Coal Limited
Associates and Joint Ventures liquidated or sold during the year	Geo Steel LLC
	JSW Vallabh Tinplate Private Limited

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No.: FCS 9407

SESHAGIRI RAO M. V. S.
Jt. Managing Director & Group CFO
DIN 00029136

Place: Mumbai
Date: 22 May 2020

FINANCIAL HIGHLIGHTS (STANDALONE)

	2015-16	2016-17	2017-18	2018-19@	2019-20
REVENUE ACCOUNTS (₹ in crores)					
Gross Turnover	40,354	56,244	66,235	75,210	**62,315**
Net Turnover	36,202	51,621	64,976	75,210	**62,315**
Operating EBIDTA	6,369	11,544	13,741	18,512	**12,517**
Depreciation and Amortization	2,847	3,025	3,054	3,421	**3,522**
Finance Costs	3,219	3,643	3,591	3,789	**4,022**
Exceptional Items	5,860	-	234	-	**1,309**
Profit Before Taxes	(5,239)	5,131	7,075	11,707	**4,292**
Provision for Taxation	(1,710)	1,554	2,450	3,586	**(999)**
Profit after Taxes	(3,530)	3,577	4,625	8,121	**5,291**
CAPITAL ACCOUNTS (₹ in crores)					
Net Fixed Asset (including ROU assets)	46,560	50,266	49,568	51,772	**50,542**
Debt*	35,658	38,273	36,181	48,539	**58,713**
Net Debt	35,059	36,946	35,580	42,725	**47,312**
Equity Capital	240	240	241	240	**240**
Other Equity (Reserve & Surplus)	20,109	23,797	27,605	34,592	**38,061**
Shareholders' Funds	20,410	24,098	27,907	34,893	**38,362**
RATIOS					
Book Value Per Share (₹)	84.44	99.69	115.45	144.35	**158.70**
Market price Per Share (₹)	128.33	188.20	288.15	293.05	**146.25**
Earning per Share (Diluted) (₹)	(14.75)	14.80	19.14	33.60	**21.89**
Market Capitalisation (₹ in crores)	31,019	45,492	69,652	70,837	**35,352**
Equity Dividend per Share (₹)	0.75	2.25	3.20	4.10	**2.00**
Fixed Assets Turnover Ratio	0.78	1.03	1.31	1.45	**1.23**
Operating EBIDTA Margin	17.4%	22.1%	20.7%	24.0%	**19.5%**
Interest Service Coverage Ratio	2.17	3.38	4.05	5.26	**3.61**
Net Debt Equity Ratio	1.71	1.53	1.27	1.22	**1.23**
Net Debt to EBIDTA	5.50	3.20	2.59	2.31	**3.78**

* including Lease liabilities, APSSA and excluding acceptance
@ restated pursuant to Merger

FINANCIAL HIGHLIGHTS (CONSOLIDATED)

	2015-16	2016-17	2017-18	2018-19	2019-20
REVENUE ACCOUNTS (₹ in crores)					
Gross Turnover	45,288	59,560	71,349	82,499	**71,116**
Net Turnover	40,858	54,628	70,071	82,499	**71,116**
Operating EBIDTA	6,401	12,174	14,794	18,952	**11,873**
Depreciation and Amortization	3,323	3,430	3,387	4,041	**4,246**
Finance Costs	3,601	3,768	3,701	3,917	**4,265**
Exceptional Items	2,125	-	264	-	**805**
Profit Before Taxes	(2,468)	5,128	7,651	11,168	**3,013**
Provision for Taxation	(1,966)	1,674	1,538	3,644	**(906)**
Profit after Taxes	(481)	3,467	6,113	7,524	**3,919**
CAPITAL ACCOUNTS (₹ in crores)					
Net Fixed Asset (including ROU assets)	55,185	57,858	57,141	61,804	**61,579**
Debt*	42,204	43,334	39,393	52,238	**65,477**
Net Debt	41,184	41,549	38,019	45,969	**53,473**
Equity Capital	240	240	241	240	**240**
Other Equity (Reserve & Surplus)	18,665	22,346	27,696	34,494	**36,298**
Shareholders' Funds	18,771	22,401	27,534	34,345	**36,024**
RATIOS					
Book Value Per Share (₹)	77.65	92.67	113.91	142.08	**149.03**
Market price Per Share (₹)	128.33	188.20	288.15	293.05	**146.25**
Earning per Share (Diluted) (₹)	(1.40)	14.58	25.71	31.60	**16.67**
Market Capitalisation (₹ in crores)	31,019	45,492	69,652	70,837	**35,352**
Equity Dividend per Share (₹)	0.75	2.25	3.20	4.10	**2.00**
Fixed Assets Turnover Ratio	0.74	0.94	1.23	1.33	**1.15**
Operating EBIDTA Margin	15.4%	21.9%	20.6%	22.4%	**16.2%**
Interest Service Coverage Ratio	1.84	3.34	4.15	5.02	**3.11**
Net Debt Equity Ratio	2.18	1.85	1.38	1.34	**1.48**
Net Debt to EBIDTA	6.39	3.41	2.57	2.43	**4.50**

* including Lease liabilities, APSSA and excluding acceptance

JSW Steel Limited

Corporate Identification No. **(CIN)** - L27102MH1994PLC152925
Regd. Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Tel.: +91-22-4286 1000 **Fax:** +91-22-4286 3000
Email id: jswsl.investor@jsw.in **Website:** www.jsw.in

Notice

Notice is hereby given that the TWENTY-SIXTH ANNUAL GENERAL MEETING of **JSW STEEL LIMITED** will be held on Thursday the July 23, 2020 at 11.00 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

    a) the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon; and

    b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Auditors thereon.

2. To confirm the payment of dividend made on the 0.01% Cumulative Redeemable Preference Shares of the Company for the period April 01, 2019 upto the date of its redemption i.e. upto March 13, 2020.

3. To declare dividend on the Equity Shares of the Company for the financial year 2019-20.

4. To appoint a Director in place of Dr. Vinod Nowal (DIN 00046144), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. Ratification of Remuneration Payable to M/s. Shome & Banerjee, Cost Auditors of the Company for the financial year ending March 31st, 2021.

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 17 lakhs (Rupees seventeen lakhs only) plus taxes as applicable and reimbursement of actual travel and out of pocket expenses, to be paid to M/s. Shome & Banerjee (ICWAI Registration No.000001), Cost Auditors of the Company, for the financial year 2020-21, as approved by the Board of Directors of the Company, be and is hereby ratified."

6. Re-appointment of Mr. Malay Mukherjee (DIN 02861065) as a Director of the Company, in the category of Independent Director.

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 16 (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Malay Mukherjee (DIN 02861065), who was appointed as a Director of the Company in the category of Independent Director, and who holds office up to the conclusion of the 26th Annual General Meeting of the Company, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose his candidature for the office of Director, be and is hereby re-appointed as a Director of the Company, in the category of Independent Director, for a term upto July 22, 2025 or upto the conclusion of the 31st Annual General Meeting of the Company in the calendar year 2025, whichever is earlier."

7. Re-appointment of Mr. Haigreve Khaitan (DIN 00005290) as a Director of the Company, in the category of Independent Director.

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 16 (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Haigreve Khaitan (DIN 00005290), who was appointed as a Director of the Company in the category of Independent Director, and who holds office up to the conclusion of the 26th Annual General Meeting of the Company, and in respect of whom the Company has received a notice received a notice in writing under Section 160 of the Act from a member signifying his intention to propose his candidature for the office of Director, be and is hereby re-appointed as a Director of the Company, in the category of Independent Director, for a term upto July 22, 2025 or upto the conclusion of the 31st Annual General Meeting of the Company in the calendar year 2025, whichever is earlier."

8. **Re-appointment of Mr. Seshagiri Rao M.V.S. (DIN 00029136) as a Whole Time Director of the Company.**

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** subject to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Remuneration Policy of the Company and the Articles of Association of the Company, the Company hereby approves the re-appointment of Mr. Seshagiri Rao M.V.S. (DIN 00029136) as a Whole-time Director of the Company, designated as 'Jt. Managing Director and Group CFO', for a period of three years, with effect from April 6, 2020, upon such terms and conditions as are set out in the Statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to the Notice of this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any duly authorised committee of the Board) to alter and vary the terms and conditions of the said re-appointment, including the remuneration which shall not exceed an overall ceiling of ₹ 50,00,000/- (Rupees fifty lakhs only) per month, as may be agreed to between the Board and Mr. Seshagiri Rao M.V.S.

RESOLVED FURTHER THAT subject to the provisions of Sections 196, 197 and 198 read with Schedule V, including limits imposed thereunder and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Articles of Association of the Company, the perquisite value, computed in terms of the Income-tax Act, 1961 and the rules and regulations framed thereunder, upon exercise of options, granted under the JSWSL Employees Stock Ownership Plan - 2016 and those which may be granted under any other Employees Stock Ownership Plans of the Company in future, by Mr. Seshagiri Rao M.V.S. during his tenure as a Wholetime Director of the Company, shall not be included in the aforesaid overall ceiling on remuneration (including salary and perquisites) of ₹ 50,00,000/-.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Seshagiri Rao M.V.S. as a Whole-time Director, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Seshagiri Rao M.V.S. the above remuneration, for a period not exceeding 3 (three) years from the date of appointment or such other period as may be statutorily permitted, by way of salary, perquisites and other allowances and benefits as specified above, subject to receipt of requisite approvals, if any, notwithstanding that the above specified remuneration may be in excess of the limits specified in Section 197 of the Companies Act, 2013 and Part-II of Section II of Schedule V to the Companies Act, 2013 or any amendments thereto".

9. **Consent for issue of specified securities to Qualified Institutional Buyers (QIBs).**

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in supersession of the Special Resolution adopted at the 25th Annual General Meeting of the Company held on July 25, 2019 and in accordance with the provisions of Sections 23, 42, 62, 71 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), read with the rules made and circulars issued thereunder, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (hereinafter referred to as the "SEBI ICDR Regulations"), the applicable listing agreements entered into by the Company with the stock exchange(s) where the equity shares of the Company of face value of ₹1 each ("Equity Shares") are listed, the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder including, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Foreign Exchange Management (Debt Instruments) Regulations, 2019, the Consolidated FDI Policy Circular of 2017, as amended, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("DPIIT") and such other applicable statutes, notifications, clarifications, circulars, regulations, and guidelines (including any amendment thereto or re-enactment thereof) issued by the Government of India ("GOI"), the Ministry of Corporate Affairs ("MCA"), the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges") and any other appropriate authorities, institutions or bodies, as may be applicable, and the enabling provisions of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015, as amended and the Memorandum of Association and Articles of Association of the Company, and subject to all such approvals, consents, permissions and sanctions, if any, of the GOI, RBI, SEBI, Stock Exchanges and any other appropriate authorities, institutions or bodies, as may be necessary or desirable, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and/or sanctions (hereinafter singly or collectively referred to as the "Approvals") which may be agreed to by the Board of Directors of the Company ("Board", which term shall be deemed to include any committee(s), constituted or hereafter constituted by the Board), the Board be and is hereby authorised in its discretion, to create, offer, issue and allot in one or more tranches:

i. Non-Convertible Debentures with warrants which are convertible into or exchangeable with Equity Shares at a later date, for an amount not exceeding ₹7,000 crores (Rupees seven thousand crores only), inclusive of such premium as may be decided by the Board; and / or

ii. Equity Shares and/or convertible securities (other than warrants) for an amount not exceeding ₹7,000 crores (Rupees seven thousand crores only), inclusive of such premium as may be decided by the Board

(hereinafter collectively referred to as the "Specified Securities")

to Qualified Institutional Buyers (as defined in the SEBI ICDR Regulations) ("QIBs") by way of a Qualified Institutions Placement ("QIP"), whether or not they are members of the Company, as provided under Chapter VI of the SEBI ICDR Regulations, on such terms and conditions, including terms of the issuance, security and fixing of record date, as the Board may decide and at a price to be determined at the discretion of the Board, which price shall not be less than the price determined in accordance with the pricing formula stipulated under Chapter VI of the SEBI ICDR Regulations ("Floor price"), provided however that the Board may, in accordance with applicable law, offer a discount of not more than 5% (five per cent) or such percentage as permitted under applicable law, on the Floor price.

RESOLVED FURTHER THAT the Specified Securities shall be allotted as fully paid-up, subject to allottees having the option to pay either full or part consideration for warrants, with the balance consideration being payable at or by the time of exercise of such warrants in accordance with applicable law, provided however that the tenure of any convertible or exchangeable Securities shall not exceed 60 (sixty) months from the date of allotment or such other time prescribed under applicable law.

RESOLVED FURTHER THAT the allotment of the Specified Securities shall be completed within 365 days from the date of passing of this resolution approving the QIP or such other time as may be permitted under the SEBI ICDR Regulations.

RESOLVED FURTHER THAT the QIP shall be made only to "QIBs" who are eligible under the extant foreign exchange rules and regulations issued by the RBI and the GOI and the Consolidated FDI Policy Circular of 2017, as amended, issued by the and other applicable laws, to subscribe to such Specified Securities.

RESOLVED FURTHER THAT the relevant date for the purpose of arriving at the aforesaid minimum issue price of the Specified Securities shall be subject to applicable law –

- in case of allotment of Equity Shares, the date of the meeting in which the Board decides to open the proposed QIP.
- in case of allotment of eligible convertible securities;
    i. either the date of the meeting in which the Board decides to open the issue of such convertible securities; or
    ii. the date on which the holders of such eligible convertible securities become entitled to apply for the Equity Shares, as may be determined by the Board.

RESOLVED FURTHER THAT:

i. the Specified Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company;

ii. the Equity Shares that may be issued and allotted through the Qualified Institutions Placement or on conversion of the Specified Securities issued through the Qualified Institutions Placement as aforesaid, shall rank pari passu with the then existing Equity Shares of the Company in all respects including dividend; and

iii. The number and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion of the Specified Securities that may be issued through the QIP shall be appropriately adjusted in accordance with the SEBI ICDR Regulations for corporate actions such as bonus issue, rights issue, split and consolidation of share capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Specified Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets and applicable law and the Board, subject to applicable laws, regulations and guidelines, be and is hereby authorised to dispose off such Specified Securities that are not subscribed, in such manner as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be required in furtherance of, or in relation to, or ancillary to the offer, issue and allotment of Specified Securities or for the purpose of giving effect to this resolution, including but not limited to finalisation and approval of the preliminary as well as final offer document(s), determining the form, manner and timing of the issue, including the investors to whom the Specified Securities are to be issued and allotted, the number of Specified Securities to be allotted, floor price (including giving of any discount as permitted under SEBI ICDR Regulations), face value, premium amount on issue/ conversion of Specified Securities, if any, rate of interest, execution of various agreements/ deeds/ documents/ undertakings, creation of mortgage charge / encumbrance in addition to the existing mortgages, charges and hypothecation by the Company as may be necessary on such of the assets of the Company both present and future, in such manner as the Board may direct, in accordance with Section 180(1)(a) of the Companies Act, 2013, in respect of any of the Specified Securities issued through the QIP, and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of the Specified Securities and utilisation of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members to that end and intent that the Members shall be deemed to have given their approval thereto expressly by virtue of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint such consultants, lead managers, underwriters, guarantors, depositories, custodians, registrars, trustees, bankers, solicitors, lawyers, merchant bankers and any such agencies and intermediaries as may be involved or concerned in such offerings of Specified Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and to enter into or execute agreements / arrangements / memorandums of understanding with any such agency or intermediary and also to seek the listing of any or all of such Specified Securities or securities representing the same on one or more Stock Exchanges.

RESOLVED FURTHER THAT the Board be and is hereby authorised to constitute or form a committee or delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company."

10. Consent for issue of Foreign Currency Convertible Bonds / Global Depository Receipts / American Depository Receipts/ Warrants and/or other Instruments convertible into equity shares optionally or otherwise for an aggregate sum of upto USD 1 Billion.

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in supersession of the Special Resolution adopted at the Twenty Third Annual General Meeting of the Company held on June 29, 2017 and in accordance with the provisions of Sections 23, 41, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("Companies Act"), read with the rules made thereunder, the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, the Master Direction - External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the Reserve Bank of India ("RBI"), the Consolidated FDI Policy Circular of 2017, as amended, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("DPIIT") the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 ("FCCB Scheme"), the Depository Receipts Scheme, 2014 ("DR Scheme"), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Framework for issue of Depository Receipts issued by the Securities and Exchange Board of India ("SEBI") by circulars dated October 10, 2019 and November 28, 2019 ("DR Framework"), as applicable, as also the provisions of any other applicable laws, rules, regulations, and guidelines (including any amendment thereto or re-enactment thereof) and the enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE" and together with NSE, the "Stock Exchanges") where the equity shares of the Company ("Equity Shares") are listed, and in accordance with the regulations and guidelines issued by and subject to all such approvals, consents, permissions and sanctions of the Government of India, Ministry of Finance ("MoF"), Ministry of Corporate Affairs, DPIIT, RBI, SEBI and all other appropriate and/or concerned authorities ("Appropriate Authorities") and subject to such terms, consents, approvals, sanctions, conditions and modifications, as may be prescribed by any of them while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s), which the Board may have constituted or hereafter constitute in this behalf to exercise the powers conferred on the Board by this resolution), which the Board be and is hereby authorised to accept, if it thinks fit in the interest of the Company, the consent of the Company be and is hereby accorded to the Board to create, offer, invite for subscription, issue and allot such number of Foreign Currency Convertible Bonds which are convertible into Equity Shares ("FCCB") and such number of Equity Shares upon conversion of the principal amount of the FCCB or Equity Shares through Global Depository Receipts ("GDR") / American Depository Receipts ("ADR") or [Warrants] and/or other instruments/securities convertible into Equity Shares optionally or otherwise (hereinafter referred to as "Securities") or any combination of such Securities, whether rupee denominated or denominated in foreign currency, for an aggregate sum of up to USD 1 Billion (United States Dollars One Billion only) or its equivalent in any other currency(ies), inclusive of such premium as may be determined by the Board, in the course of an international offering, in one or more foreign market(s), to all eligible investors including foreign/ resident/non-resident investors (whether institutions, incorporated bodies/ mutual funds/ trusts/ foreign portfolio investors/ banks and/ or otherwise, whether or not such investors are members of the Company) ("Investors"), by way of a public issue through circulation of an offering circular or prospectus or by way of private placement and/or other permissible offer documents or a combination thereof, at such time or times, in such tranche or tranches, at such price or prices, at a discount or a premium to market price or prices in such manner and on such terms and conditions and to such Investors as may be deemed appropriate by the Board at the time of such issue or allotment considering the prevailing market conditions and other relevant factors, wherever necessary in consultation with the lead managers, underwriters and other advisors and intermediaries.

RESOLVED FURTHER THAT:

i. the Securities to be created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company; and

ii. the conversion price for FCCBs shall be determined in accordance with the FCCB Scheme and other applicable pricing provisions issued by the MoF and RBI, the relevant date for the purpose of pricing the Securities to be issued pursuant to such issue shall be the date of the meeting in which the Board decides to open such issue after the date of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of underlying Equity Shares and the Equity Shares that may be allotted on conversion of the FCCBs which shall rank pari passu with the then existing Equity Shares of the Company in all respects including such rights as to dividend.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as GDRs or ADRs, the relevant date for the purpose of pricing the Securities shall be determined in accordance with the DR Scheme and DR Framework, and such other notifications, clarifications, circulars, guidelines, rules and regulations issued by the Appropriate Authorities (in each case including any statutory modifications, amendments or re-enactments thereof).

RESOLVED FURTHER THAT the issue of Equity Shares underlying the Securities, to the holders of the Securities shall, inter alia, be subject to the following terms and conditions:

a) The number and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion of Securities that may be issued shall be subject to and appropriately adjusted in accordance with applicable laws/regulations/ guidelines, for corporate actions such as bonus issue, split and consolidation of share capital, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares upon conversion, the entitlement to the Equity Shares shall stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall (subject to applicable law) be offered to the holders of the Securities at the same price at which they are offered to the existing shareholders, and in the event of any merger, amalgamation, takeover or any other reorganisation, the number of Equity Shares, the price and the time period shall be suitably adjusted.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of Securities in an international offering or placement may have all or any term or combination of terms or conditions in accordance with applicable regulations, prevalent market practices, including but not limited to the terms and conditions relating to payment of interest, premium on redemption at the option of the Company and/or holders of any Securities, terms for issue of Equity Shares upon conversion of the Securities or variation of the conversion price or period of conversion of the Securities into Equity Shares or issue of additional Equity Shares during the period of the Securities.

RESOLVED FURTHER THAT the Board may enter into any arrangement with any agency or body for the issue of the Securities, in registered or bearer form with such features and attributes as are prevalent in international markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the prevailing practices and regulations in international capital markets.

RESOLVED FURTHER THAT the limits for the purpose of subsequent issue and listing of the ADR/GDRs, pursuant to transfer by existing shareholders, under the DR Framework, shall be the applicable foreign investment limits under FEMA.

RESOLVED FURTHER THAT subject to applicable law, the Securities issued in an international offering or placement shall be deemed to have been made abroad and/or in the international markets and/or at the place of issue of the Securities and shall be governed by the applicable laws thereof.

RESOLVED FURTHER THAT subject to applicable laws, the Board be and is hereby authorised to dispose of such Securities as are to be issued and are not subscribed on such terms and conditions as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint such consultants, lead managers, underwriters, guarantors, depositories, custodians, registrars, trustees, bankers, solicitors, lawyers, merchant bankers and any such agencies and intermediaries as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and to enter into or execute agreements/ arrangements/ memorandums of understanding with any such agency or intermediary and also to seek the listing of any or all of such Securities on one or more stock exchanges within or outside India.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable in relation to or ancillary to the offer, issue and allotment of Securities or Equity Shares, as described herein above or for the purpose of giving effect to this resolution including but not limited to, to negotiate, modify, sign, execute, register, deliver including sign any declarations required in connection with the private placement offer letter, information memorandum, draft prospectus, prospectus, the draft offer document, abridged prospectus, offer letter, offer document, offer circular or placement document for issue of the Securities, term sheet, issue agreement, registrar agreement, escrow agreement, underwriting agreement, consortium agreement, trustee agreement, trust deed, subscription agreement, purchase agreement, agency agreement, agreements with the domestic and foreign depositories, security documents, and other necessary agreements, memorandum of understanding, deeds, general undertaking/indemnity, certificates, consents, communications, affidavits, applications (including those to be filed with the regulatory authorities, if any), the utilisation of issue proceeds, entering into of underwriting and marketing arrangements, finalization and approval of the preliminary as well as final offer documents, making application for consent/approval of the Appropriate Authorities, determining the form, manner and timing of the issue, including the Investors to whom the Securities are to be issued and allotted, the number of Securities to be allotted, floor price, face value, premium amount on issue/conversion of Securities, if any, rate of interest, execution of various agreements/ deeds/ documents/ undertakings, creation of mortgage / charge / encumbrance in addition to the existing mortgages, charges and hypothecation by the Company as may be necessary on such of the assets of the Company both present and future, in such manner as the Board may direct, in accordance with Section 180(1)(a) of the Companies Act, 2013, in respect of any of the Securities and to settle any questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of Securities, and utilisation of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members to that end and intent that the Members shall be deemed to have given their approval thereto expressly by virtue of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to constitute or form a committee or delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company."

By Order of the Board,
For **JSW STEEL LIMITED**

Sd/-
Lancy Varghese
Company Secretary
Membership No. FCS 9407

Place: Mumbai
Date: May 22, 2020

NOTES:

1. As one of the measures to contain the spread of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of Annual General Meetings through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the Annual General Meeting of the Company ("AGM") is being held through VC / OAVM.

2. 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 on his/her behalf and the proxy need not be a Member of the Company. However, as this AGM is being held through VC / OAVM, and physical attendance of Members has been dispensed with, the facility for appointment of proxies by the Members will not be available for the AGM and therefore the Proxy Form and Attendance Slip is not annexed to this Notice. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned certified copy (PDF/JPG Format) of their Board or governing body's Resolution/Authorization, authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting, to the Scrutinizer through e-mail at nilesh@ngshah.com. with a copy marked to KFin Technologies Private Limited at ramdas.g@kfintech.com.

4. The statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts in respect of the business under Item Nos. 5 to 10 set out above and the details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of the persons seeking appointment/ re-appointment as Director at the AGM, is annexed hereto.

5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.jsw.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

   Shareholders who have not registered their e-mail address and in consequence the Annual Report, Notice of AGM and e-voting notice could not be serviced, may also temporarily provide their email address and mobile number to the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, by clicking the link: https://ris.kfintech.com/email_registration/ for sending the same. Shareholders are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, shareholder may write to einward.ris@kfintech.com.

   Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.

6. The Register of Members and Share Transfer Books of the Company will remain closed from July 08, 2020 to July 10, 2020 (both days inclusive) for the purpose of determining entitlement of members for the payment of Dividend for the financial year ended March 31, 2020, if declared at the Meeting.

7. In order to provide protection against fraudulent encashment of dividend warrants, shareholders holding shares in electronic form, Bank account details provided by the Depository Participants (DPs) will be used by the Company for printing on dividend warrants. Shareholders who wish to change such bank accounts may advise their DPs about such change with complete details of Bank Account including MICR Code. Shareholders residing at the regions where NECS / NEFT/ Direct Credit/ RTGS/Swift Facility is available are advised to avail of the option to collect dividend by way of these Electronic Modes.

8. Equity shareholders holding shares in physical form are requested to send their NECS Mandate Form in the format available for download on the Company's website www.jsw.in, duly filled in, under the signature of the Sole/First joint holder, to the Registrars and Share Transfer Agent of the Company - KFin Technologies Private Limited (KFin). In case of Equity Shareholders holding shares in Electronic form, the NECS Mandate Form will have to be sent to the concerned Depository Participants (DPs) directly. For shareholders who have not updated their bank account details, dividend warrants/demand drafts/ cheques will be sent out to their registered addresses once the postal facility is available.

Pursuant to SEBI mandate vide circular dated April 20, 2018, Members holding shares in physical mode whose ledger folios have not been updated with Permanent Account Number (PAN) and Bank account details are required to submit the same to KFin, for updation.

9. Members are requested to note that, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. Accordingly, all unclaimed/ unpaid dividends of the erstwhile Jindal Iron & Steel Company Ltd. (now merged with JSW Steel Limited) in respect of financial years 1995-96 to 2003-04 has been transferred to IEPF. The Company's unpaid or unclaimed interim and final dividend for F.Y. 2004-05, final dividend for F.Ys 2005-06 to 2011-12 has also been transferred to the IEPF. Members who have not encashed their final dividend warrants for the F.Y. 2012-13 or thereafter are requested to write to the Company's Registrar and Share Transfer Agent.

10. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, the shares in respect of such unclaimed dividends are also liable to be transferred to the designated Demat account of the Investor Education and Protection Fund (IEPF) Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report and FAQ of investor page on the Company's website https://www.jsw.in/investors/steel/faq

11. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with KFin in case the shares are held by them in physical form.

    Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and the Registrar and Share Transfer Agent of the Company – KFin Technologies Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, in case the shares are held by them in physical form.

12. Members holding share certificates under different folio numbers but in the same order of name are requested to apply for consolidation of such folios and send relevant share certificates to KFin for consolidating their holdings under one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

13. In terms of the amended Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except in case of transmission or transposition, requests for effecting transfer of securities of listed companies shall not be processed unless the securities are held in dematerialised form with a Depository. In view of the above, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.jsw.in (under 'Investors' section). Members are requested to submit the said details to their depository participants ("DPs") in case the shares are held by them in electronic form and to KFin in case the shares are held by them in physical form.

15. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. To enable the Company to determine the appropriate TDS / withholding tax rate applicability, shareholders are requested to upload the requisite documents with the Registrar and Transfer Agent viz. KFin Technologies Private Limited ("RTA") at https://ris.kfintech.com/form15 not later than July 07, 2020. No communication on the tax determination / deduction shall be entertained thereafter. The shareholders are requested to update their PAN with the Company / KFin (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

16. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at an early date through email on jswsl.investor@jsw.in The same will be replied by the Company suitably.

17. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation

44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members have been provided with the facility to cast their vote electronically through the e-voting services provided by Kfin, on all resolutions set forth in this Notice. The business set out in the Notice can be transacted through such voting.

The instructions for e-voting are as under:

Open web browser by typing the following URL: https://evoting.karvy.com either on a Personal Computer or on a mobile.

i. Enter the login credentials i.e., user id and password mentioned below:

   User – ID

- For Members holding shares in Demat Form:-
    a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID
    b) For CDSL :- 16 digits beneficiary ID
- For Members holding shares in Physical Form:-

Event no. followed by Folio Number registered with the Company

Password: If you are already registered for e-Voting, then you can use your existing password to login and cast your vote. If you are using Kfin's e-Voting system for the first time, you will need to retrieve the 'initial password' communicated to you by e-mail. Shareholders who have not registered their email addresses can follow the steps provided at serial no xiii below to obtain the User ID and password.

Captcha: Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

ii. After entering the details appropriately, click on LOGIN.

iii. In case you are retrieving and using your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

Once you reach the Password change menu you will be required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, e-mail etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

You need to login again with the new credentials.

iv. On successful login, the system will prompt you to select the EVENT i.e., JSW STEEL LIMITED.

v. On the voting page, the number of shares as held by the shareholder as on the Cut-off Date will appear. If you desire to cast all the votes assenting/ dissenting to the Resolution, then enter all shares and click "FOR"/" AGAINST" as the case may be. You are not required to cast all your votes in the same manner. You may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option "ABSTAIN" in case you wish to abstain from voting. If you do not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

vi. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.

vii. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote.

viii. During the voting period, shareholders can login any number of times till they have voted on the resolution.

ix. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.

x. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e., July 16, 2020.

xi. The e-voting portal will be open for voting from Monday, July 20, 2020 (9.00 a.m. IST) to Wednesday, July 22, 2020 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on July 16, 2020, may cast their vote electronically. The e-voting module shall be disabled by Kfin for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.

xii. A person, whose name is recorded in the register of members as on the cut-off date, i.e. July 16, 2020 only shall be entitled to avail the facility of e-voting.

xiii. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. July 16, 2020, may obtain the User ID and password in the manner as mentioned below:

If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may:

a) Send SMS: MYEPWD <space>
E-Voting Event Number+Folio No. or DP ID Client

ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL :

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

b) On the home page of https://evoting.karvy.com, click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

xiv. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of https://evoting.karvy.com or contact Mr. S. V. Raju of KFin Technologies Pvt. Ltd. at 040 67161500 or at 1800 345 4001 (toll free). It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

xv. Mr. Nilesh Shah, Practicing Company Secretary, (Membership No. FCS 4554) has been appointed as the Scrutiniser to scrutinise the e-voting process.

18. The Company has appointed M/s KFin Technologies Private Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for the conduct of the AGM.

19. Members will be able to attend the AGM through VC/ OAVM or view the live webcast of AGM by logging on the e-voting website of Kfin at https://emeetings.kfintech.com/ using their secure login credentials.

20. Instructions for the Members for attending the AGM through Video Conference:

a. The Members can join the AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

b. Up to 1000 members will be able to join on a first come first served basis to the AGM.

c. No restrictions on account of First come first served basis entry into AGM will be applicable to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.

d. The attendance of the Members (members logins) attending the AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

e. Members may access the video conferencing platform provided by M/s KFin Technologies Private Limited at https://emeetings.kfintech.com/ by using their remote e-voting credentials. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.

f. Members will be required to allow Camera, if any, and hence are encouraged to use Internet with a good speed to avoid any disturbance during the meeting.

g. 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.

h. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker https://ris.kfintech.com/agmvcspeakerregistration/ from July 20, 2020 (9:00 a.m. IST) to July 21, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Please note that, members questions will be answered only if the shareholder continues to hold shares of the Company as of the cut-off date.

21. Only those Members/ shareholders, who will be present in the AGM through Video Conference OAVM / facility and have not cast their vote through remote e-Voting are eligible to vote in the AGM. However, members who have voted through Remote e-Voting will be eligible to attend the AGM.

The facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM is the same person mentioned for Remote e-voting.

Information and instructions for Insta Poll:

Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting.

22. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

23. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and submit, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

24. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.jsw.in and also communicated to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed, not later than 48 hours of the conclusion of the AGM.

25. The resolutions proposed will be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the resolutions.

26. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection during the meeting in electronic mode and same may be accessed upon log-in to https://evoting.karvy.com/.

27. The recorded transcript of the forthcoming AGM on July 23, 2020, shall be maintained by the Company and also be made available on the website of the Company www.jsw.in in the Investor Relations Section, at the earliest soon after the conclusion of the Meeting.

28. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

The statement pursuant to Section 102(1) of the Companies Act, 2013 for Item Nos. 5 to 10 of the accompanying notice is as under:

Item No. 5.

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on May 22, 2020, has considered and approved the appointment of M/s. Shome & Banerjee, Cost Accountants, as the Cost Auditor of the Company for the financial year 2020-21 at a remuneration of ₹ 17 lakhs (Rupees Seventeen lakhs only) per annum plus taxes as applicable and reimbursement of actual travel and out of pocket expenses.

Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, is required to be subsequently ratified by the Members of the Company.

The Resolution as at Item No. 5 of the Notice is therefore set out as an Ordinary Resolution for approval and ratification by the Members.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 5 of the Notice.

Your Directors recommend the resolution as at Item No.5 for your approval.

Item No. 6.

Mr. Malay Mukherjee (DIN 02861065) who was appointed as a Director of the Company in the category of Independent Director, holds office up to the conclusion of the ensuing Annual General Meeting of the Company ("first term" in terms of Section 149(10) of the Companies Act,2013 ("the Act")). The Company has received a Notice in writing under the provisions of Section 160 of the Act, from a Member proposing the candidature of Mr. Malay Mukherjee for the Office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act,2013.

Section 149(10) of the Act, provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) further provides that an independent director may hold office for up to two consecutive terms.

The Board taking into account the recommendation of the Nomination and Remuneration Committee and on the basis of the report of performance evaluation of Independent Directors, has recommended the re-appointment of Mr. Malay Mukherjee as a Director of the Company in the category of Independent Director, for a second term of upto July 22, 2025 or upto the conclusion of the 31st Annual General Meeting of the Company in the calendar year 2025, whichever is earlier.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribes that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. The Company has received a declaration from Mr. Malay Mukherjee that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

Mr. Malay Mukherjee is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director.

The aforesaid Independent Director is an eminent personality in his field. Your Board considers that his continued association with the Company would be of immense benefit to the Company. In the opinion of the Board, Mr. Malay Mukherjee fulfils the conditions for appointment as an independent Director as specified in the Act and the Listing Regulations. He is also independent of the management.

A Brief resume of Mr. Malay Mukherjee, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, are provided in the statement giving details pursuant to Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the Secretarial Standard-2 in respect of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting, annexed to this Notice.

A Copy of the draft letter of appointment of Mr. Malay Mukherjee setting out the terms and conditions of his appointment is available for inspection by the members at the registered office of the Company on all working days between 10.30 AM and 12.30 PM (except Sundays and Public Holidays) up to the date of the AGM and is also available on the website of the Company at www.jsw.in.

None of the Directors or Key Managerial Personnel of the Company or their relatives, other than Mr. Malay Mukherjee or his relatives (to the extent of their shareholding interest, if any, in the Company), are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

Your Directors recommend the resolution as at Item No. 6 for your approval.

Item No. 7.

Mr. Haigreve Khaitan (DIN 00005290) who was appointed as a Director of the Company in the category of Independent Director, holds office up to the conclusion of the ensuing Annual General Meeting of the Company ("first term" in terms of Section 149(10) of the Companies Act,2013 ("the Act")). The Company has received a Notice in writing under the provisions of Section 160 of the Act, from a Member proposing the candidature of Mr. Haigreve Khaitan for the Office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act,2013.

Section 149(10) of the Act, provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) further provides that an independent director may hold office for up to two consecutive terms.

The Board taking into account the recommendation of the Nomination and Remuneration Committee and on the basis of the report of performance evaluation of Independent Directors, has recommended the re-appointment of Mr. Haigreve Khaitan as a Director of the Company in the category of Independent Director, for a second term of upto July 22, 2025 or upto the conclusion of the 31st Annual General Meeting of the Company in the calendar year 2025, whichever is earlier.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribes that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. The Company has received a declaration from Mr. Haigreve Khaitan that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

Mr. Haigreve Khaitan is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director.

The aforesaid Independent Director is an eminent personality in his field. Your Board considers that his continued association with the Company would be of immense benefit to the Company. In the opinion of the Board, Mr. Haigreve Khaitan fulfils the conditions for appointment as an independent Director as specified in the Act and the Listing Regulations. He is also independent of the management.

A Brief resume of Mr. Haigreve Khaitan, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, are provided in the statement giving details pursuant to Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the Secretarial Standard-2 in respect of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting, annexed to this Notice.

A Copy of the draft letter of appointment of Mr. Haigreve Khaitan setting out the terms and conditions of his appointment is available for inspection by the members at the registered office of the Company on all working days between 10.30 AM and 12.30 PM (except Sundays and Public Holidays) up to the date of the AGM and is also available on the website of the Company at www.jsw.in.

None of the Directors or Key Managerial Personnel of the Company or their relatives, other than Mr. Haigreve Khaitan or his relatives (to the extent of their shareholding interest, if any, in the Company), are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

Your Directors recommend the resolution as at Item No. 7 for your approval.

Item No. 8.

Past Appointment

The Members of the Company had in their 23rd Annual General Meeting held on June 29, 2017 approved the re-appointment of Mr. Seshagiri Rao M.V.S. as a Whole-time Director of the Company, designated as 'Jt. Managing Director & Group CFO' for a period of three years commencing from April 6, 2017 upon a remuneration within an overall ceiling of ₹ 50,00,000/- (Rupees fifty lakhs only) per month. The term of Mr. Seshagiri Rao M.V.S. expired on April 5, 2020.

Board Approval

Your Directors have in their meeting held on May 22, 2020, based on the recommendations of the Nomination & Remuneration Committee, re-appointed Mr. Seshagiri Rao M.V.S. as a Whole-time Director of the Company, designated as 'Jt. Managing Director & Group CFO' for a period of three years w.e.f. April 6, 2020, subject to the approval of the members in General meeting.

INFORMATION PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013

The following information pursuant to Schedule V of the Companies Act, 2013 is given below:

I. General Information:

i. Nature of Industry:

The Company is in the business of manufacturing of Steel Products.

ii. Date or expected date of commencement of commercial production:

The Company was incorporated on 15th March 1994 and started commercial production in the same year.

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 audited financial results for the year ended March 31, 2020:

Particulars	₹ in crores
Revenue from Operations & Other Income	64,890.00
Net profit as per Statement of Profit & Loss (After Tax)	5,291.00
Computation of Net Profit in accordance with section 198 of the Companies Act, 2013	5,670.11
Net Worth	34,315.00

v. Foreign investments or collaborations, if any:

For details in relation to foreign investment in the Company, refer to the shareholding pattern of the Company available on the website of the Company & that of the St. Exchanges on which the Shares of the Company are listed.

The Company has a strategic collaboration with JFE Steel Corporation, Japan who also hold 15% of the paid-up equity share capital of the Company.

II. Information about the appointee:

i. Background details:

Mr. Seshagiri Rao, M.V.S aged 62 years, is a member of the Institute of Cost and Management Accountants of India and a Licentiate member of the Institute of Company Secretaries of India. He is also a Certified Associate of the Indian Institute of Bankers and a Diploma holder in Business Finance awarded by the Institute of Chartered Financial Analysts of India. Mr. Rao joined the Company as Chief Financial Officer in 1997. He became Director (Finance) in the year 1999 and has over the years grown with the Company progressively shouldering higher responsibilities.

ii. Past remuneration during the financial year ended March 31, 2020: ₹ 560 lakhs (Overall ceiling on remuneration is ₹ 50,00,000/- (Rupees fifty lakhs only) per month as approved by shareholders).

iii. Recognition or awards: In the year 2010, Mr. Rao was awarded the Best CFO Award by CNBC and in the year 2018 he was conferred the CFO of the Year Award by Financial Express.

iv. Job Profile and his suitability:

Mr. Rao has played an active role in the growth strategies of the Company. Prior to joining the Company, he has worked with various reputed organisations like VST Industries, Andhra Bank, ESSAR Steel Ltd. and Nicholas Piramal India Limited in various capacities. He possesses rich experience spanning over four decades in the areas of corporate finance and banking. In his present capacity as Jt. Managing Director & Group CFO, Mr. Rao is responsible for the overall operations of the Company including strategy formulations related to business development, expansion of existing businesses, joint ventures, mergers and acquisitions and cost management.

In view of his rich and vast experience and distinguished career, the re-appointment of Mr. Seshagiri Rao M.V.S. as a Whole-time Director of the Company, designated as 'Jt. Managing Director & Group CFO', would be in the best interest of the Company.

v. Remuneration proposed:

Remuneration not exceeding an overall ceiling of ₹ 50,00,000/- (Rupees fifty lakhs only) per month, inclusive of perquisites and allowances, as may be agreed to between the Board and Mr. Rao.

The remuneration of Mr. Rao is to be so fixed by the Board of Directors from time to time, such that the salary and the aggregate value of all perquisites and allowances like furnished accommodation or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs; bonus; performance incentive; medical reimbursement; club fees and leave travel concession for self and family; medical insurance; contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; Gratuity as per rules of the Company (which shall not exceed one half month's salary for each completed year of service); Earned leave with full pay or encashment as per rules of the Company; Provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr. Rao shall not, except as set out below, exceed the overall ceiling on remuneration approved by the members in General Meeting.

The following perquisites shall not be included in the computation of the ceiling on remuneration specified above:

a) Provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls);

b) Contribution to the provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;

c) Gratuity as per rules of the Company (which shall not exceed one half month's salary for each completed year of service); and

d) Earned leave with full pay or encashment as per rules of the Company.

For the purposes of calculating the above ceiling, perquisites shall be evaluated as per the provisions of the Income-tax Act, 1961, wherever applicable. In the absence of any such provision, perquisites shall be evaluated at actual cost.

Mr. Seshagiri Rao is also entitled to Stock Options granted under the JSWSL Employees Stock Ownership Plan - 2016 and those which may be granted under any other Employees Stock Ownership Plans of the Company in future. The number of Stock Options granted under the JSWSL Employees Stock Ownership Plan - 2016 and outstanding as on March 31, 2020, are 4,08,489 of which 2,56,664 (62.83%) have vested and are unexercised and the balance 1,51,825 (37.17 %) would vest during his tenure of appointment. The number of Stock Options to be granted during his period of appointment, under any other Employees Stock Ownership Plans of the Company in future, would depend on the plan, grade, and performance rating of Mr. Rao. The perquisite value, depending on the market price of equity shares of the Company and the actual number of options that may be granted, computed in terms of the Income-tax Act, 1961 and the rules and regulations framed thereunder, upon exercise of options granted under the JSWSL Employees Stock Ownership Plan - 2016 and those which may be granted under any other Employees Stock Ownership Plans of the Company in future, to Mr. Seshagiri Rao M.V.S, during his tenure as a Wholetime Director of the Company, shall not be included in the aforesaid overall ceiling on remuneration (including salary and perquisites) of ₹ 50,00,000/- per month.

Where in any financial year during the currency of the tenure of Mr. Rao as a Whole-time Director, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Rao, the above remuneration, for a period not exceeding 3 (three) years from the date of appointment or such other period as may be statutorily permitted, by way of salary, perquisites and other allowances and benefits as specified above, subject to receipt of requisite approvals, if any, even if the same be in excess of the limits specified in Part-II of Section II of Schedule V to the Companies Act, 2013 or any amendments thereto.

The Jt. Managing Director & Group CFO shall not be eligible for any sitting fees for attending the Company's Board or Committee Meetings. The Board of Directors may, at its discretion pay to the Jt. Managing Director & Group CFO lower remuneration than the maximum remuneration herein above stipulated and revise the same from time to time within the maximum limit stipulated by this resolution. The proposed remuneration is within the limits prescribed under Section I of Part II of Schedule V of the Companies Act, 2013. The terms of remuneration of the Jt. Managing Director & Group CFO has the approval of the Nomination and Remuneration Committee.

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 of the Company, the profile of Mr. Seshagiri Rao, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

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

Besides the remuneration proposed to be paid to him, Mr. Rao does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

III. Other Information:

(i) Reasons of loss or inadequate profits:

Not applicable, as the Company has posted a net profit after tax of ₹ 5,291 crores during the year ended March 31, 2020.

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

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

Not applicable as the Company has adequate profits.

IV. Disclosures:

The information and Disclosures of the remuneration package of the Jt. Managing Director and Group CFO have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading "Remuneration paid/payable to Whole-time Directors for the year ended March 31, 2020".

Mr. Rao satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of section 164 of the Act.

Brief resume of Mr. Rao, nature of his expertise, name of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships among directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 besides above, are provided in the Corporate Governance Report forming part of the Annual Report.

Termination of Office

The office of the Whole-time Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.

Inspection of Agreement

A copy of the draft agreement to be executed with Mr. Seshagiri Rao M.V.S. is available for inspection by the Members of the Company at the Company's Registered Office on all working days between 10.30 AM and date of the AGM and is also available on the website of the Company at www.jsw.in.

Disclosure of Interest/Concern

None of the Directors or Key Managerial Personnel of the Company or their relatives, other than Mr. Rao or his relatives (to the extent of their shareholding interest, if any, in the Company), are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No.8.

Board Recommendation

Your Directors recommend the resolution as at Item No. 8 for your approval.

Item Nos.9. & 10.

Your Company is in the midst of its growth journey, which it embarked in May 2018 for expanding its steelmaking capacity to 24 mtpa besides a number of cost reduction and efficiency improvement projects with investments of ₹ 48,715 Crore. Many of these projects are in advanced stage of implementation and are scheduled to be commissioned during the course of the current financial year. The Company, in addition to pursuing organic growth, continues to evaluate and pursue various M&A opportunities in India & Overseas, to achieve its long-term vision.

The Company has been consistently exploring opportunities to diversify its source of funding and access different pools of liquidity, as and when opportunity arises. Access to diverse source of funding helps in optimising capital structure/ finance cost. Company thus believes it is prudent to be in the state of readiness to tap the international market/ capital markets as and when market situation permits to augment its long-term funding resources to fuel its growth by way of Foreign Currency Convertible Bonds / Global Depository Receipts / American Depository Receipts/ Warrants and/or other Instruments convertible into equity shares optionally or otherwise OR by issue of specified securities to Qualified Institutional Buyers (QIBs).

The proceeds of the issue may be used for long-term funding to meet its planned capital expenditure or for refinancing of its debt or to reduce interest costs or for strengthening its liquidity profile and for general corporate purposes, in line with the applicable regulations.

Therefore, it is in the interest of the Company to raise long term resources inter alia with convertible option so as to optimise capital structure for future growth.

The Board of Directors of the Company ("Board") have approved the proposals in relation to capital raising at their meeting held on May 22, 2020. As the issuance will result in an issuance of equity shares by the Company to investors who may or may not be Members of the Company, consent of the Members is being sought pursuant to Sections 42 and 62 and other applicable provisions, if any, of the Companies Act, 2013 ("Companies Act"), and any other law for the time being in force and as may be applicable. by way of special resolution.

Necessary disclosures have been made and will be made to the Stock Exchanges, as may be required under the listing agreements entered into with the Stock Exchanges, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

I. Item 9:

The enabling resolution passed by the members at the Twenty Fifth Annual General meeting of the Company held on July 25, 2019 authorising the issuance of Specified Securities by way of a Qualified Institutions Placement is valid only for a period of one year from the date of the Annual General Meeting. It is therefore proposed that the Board of Directors (or any committee thereof) be authorised by way of a fresh enabling resolution as at Item No. 9 of this Notice, to raise additional long term resources depending upon market conditions by way of issuance of:

i. Non-Convertible Debentures with warrants ("NCD with Warrants") which are convertible into or exchangeable with equity shares of the Company of face value of ₹ 1 each (the "Equity Shares" and together with NCD with Warrants, the "Specified Securities") at a later date for an amount not exceeding ₹ 7,000 crores (Rupees seven thousand crores only), inclusive of such premium as may be decided by the Board; and/or

ii. Equity Shares and/or convertible securities (other than warrants) for an amount not exceeding ₹ 7,000 crores (Rupees seven thousand crores only), inclusive of such premium as may be decided by the Board;

to Qualified Institutional Buyers (as defined in the SEBI ICDR Regulations) ("QIBs") by way of a Qualified Institutions Placement ("QIP"), whether or not they are members of the Company, as provided under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations").

The price at which the Specified Securities will be issued will be determined by the Board of Directors of the Company in accordance with applicable law and in consultation with the experts/investment bankers/ advisors and securities may be offered, issued and allotted to investors who may not be Members of the Company, at the discretion of the Board in accordance with applicable law, however the basis of pricing of Specified Securities issued under Chapter VI of the SEBI ICDR Regulations shall be the pricing formula as prescribed under the SEBI ICDR Regulations, as amended from time to time.

The allotment of Specified Securities referred to in the resolution proposed under item no.9 of this Notice, would be completed within a period of 365 days from the date of approval by the members accorded by way of a special resolution approving the QIP or such other time as may be permitted under the SEBI ICDR Regulations.

II. Item 10:

The Company had also obtained the approval of members at the 23rd Annual General Meeting held on June 29, 2017 for raising of resources in the form of Foreign Currency Convertible Bonds ("FCCBs")/ Global Depository Receipts ("GDR") / American Depository Receipts ("ADR") / Warrants (collectively, the "Securities") or other instruments convertible into equity shares. The enabling resolution has not been acted upon and accordingly a fresh approval is being sought from shareholders at the ensuing Annual General Meeting under item no.10 of this Notice to raise additional long term resources depending upon market conditions, by way of FCCBs/ GDR/ ADR/ Warrants and/or other instruments convertible into equity shares optionally or otherwise for an aggregate sum of up to USD 1 billion or its equivalent in any other currency(ies), inclusive of premium.

As the pricing of the offer cannot be decided except at a later stage, it is not possible to state upfront the price of Securities to be issued. However, the same would be in accordance with the provisions of the SEBI ICDR Regulations, the SEBI Listing Regulations, the Foreign Exchange Management Act, 1999, the Companies Act, 2013, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, the Depository Receipts Scheme, 2014, Framework for issue of Depository Receipts issued by the Securities and Exchange Board of India by it circulars dated October 10, 2019 and November 28, 2019, the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, the Master Direction - External Commercial Borrowings, Trade Credits and Structured Obligations, 2019, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 or any other guidelines/ regulations/ consents, each as amended, as may be applicable or required.

The issue/ allotment/ conversion of the Specified Securities or Securities, as applicable, would be subject to the applicable regulatory approvals, if any. The issuance and allotment of Specified Securities or Securities including equity shares to be allotted on conversion to foreign/ non-resident investors would be subject to the applicable foreign investment cap.

The resolutions proposed under item nos. 9 and 10 are enabling approvals and the exact combination of instrument(s), exact price, proportion and timing of the issue of the Specified Securities or Securities, as the case may be, in one or more tranches and/or issuances and the detailed terms and conditions of such tranche(s)/ issuances will be decided by the Board in consultation with lead managers, advisors and such other authorities and agencies as may be required to be consulted by the Company in due consideration of prevailing market conditions and other relevant factors after meeting the specific requirements in a manner that the aggregate amount of proceeds in one or more issuances or tranches shall not exceed overall limit as set out in the respective resolutions or its equivalent in Indian rupees or in other currency(ies). The proposals therefore seek to confer upon the Board the absolute discretion and adequate flexibility to determine the terms of issue(s) and to take all steps which are incidental and ancillary.

The end use of the issue proceeds in each case will be in compliance with applicable laws and regulations.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested financially or otherwise in the resolutions set out at Item Nos.9 & 10 of this Notice.

Your Directors recommend the resolution as at Item Nos. 9 & 10 for your approval.

By Order of the Board,
For **JSW STEEL LIMITED**
Sd/-

Lancy Varghese
Company Secretary
Membership No. FCS 9407

Place: Mumbai
Date: May 22, 2020

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTH COMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2]

Name of the Director	Dr. Vinod Nowal	Mr. Malay Mukherjee	Mr. Haigreve Khaitan	Mr. Seshagiri Rao MVS
Date of Birth	11.06.1955	26-01-1948	13-07-1970	15-01-1958
Date of first Appointment on the Board	30.04.2007	29.07.2015	30.09.2015	06.04.1999
Qualification	Master's degree in Business Administration and Doctorate in Inventory Management. Acquired Advanced Management Program (AMP) – a comprehensive executive leadership programme from the prestigious Harvard Business School, Boston, USA.	Master's Degree in mining from the USSR State Commission in Moscow and a Bachelor of Science degree from the Indian Institute of Technology in Kharagpur, India.	LLB	AICWA, LCS, CAIIB, Diploma in Business Finance.
Experience/ Expertise in specific functional areas/ Brief resume of the Director	Dr. Vinod Nowal, Deputy Managing Director, JSW Steel Ltd. was appointed as Director (Commercial) in April 2007 and re-designated as Director & Chief Executive Officer in April 2009. He was subsequently re-designated as the Deputy Managing Director of JSW Steel Ltd. in May 2013. He has been associated with the Group since 1984 and has previously served in various positions. He currently serves as the President of Karnataka Iron and Steel Manufacturers' Association. He has also previously served as the President of the Bangalore Chamber of Industry and Commerce, Bangalore, President of Tarapur Industrial Manufacturers Associations, Tarapur, Chairman of Manufacturing Task Force Southern Region at ASSOCHAM, member of Manufacturing Task Force constituted by Government of Karnataka, member of a committee under Chief Minister of Karnataka for Employment in the Manufacturing Sector, member of Governing Body of M.S. Ramaiah Institute of Technology, Bangalore, Advisory Member on the Board of T John College, Bangalore and member of Advisory Committee of the Center of Excellence in Steel Technology (COEST) at IIT Bombay.	Mr. Malay Mukherjee has over 40 years of experience in a range of technical, commercial, and managerial roles in the mining and steel industry. Between October 2009 to 2011, Mr. Mukherjee served as the CEO of the Essar Steel Global, a large integrated steel company in India. Prior to joining Essar Steel, Mr. Mukherjee was a member of the Board of Directors at Arcelor Mittal between 2008 and 2009. Between 2006 and 2008, Mr. Malay Mukherjee served as the Senior Executive Vice President at Arcelor Mittal and a Member of the Group Management Board. He was in charge of mines and operations in Africa, Asia, southern Europe (Bosnia, Macedonia), CIS, Ukraine, Kazakhstan, and also responsible for Stainless Steel, Pipes and Tubes and Technology. He also served as the COO for Mittal Steel Company between 2004 and 2006. Prior to that, he served as President and Chief Operating Officer of Ispat International between 2002 and 2004. He joined Ispat International (now part of Arcelor Mittal) in 1993 serving as the Executive Director for Mexico until 1995, the Managing Director (Mexico) between 1995 and 1996 and the Managing Director Ispat Kazakhstan between 1996 and 1999. He later went on to serve as the CEO of Ispat Europe (Luxembourg) between 1999 and 2000 followed by serving as the COO of Ispat International (London).	Mr. Haigreve Khaitan has rich experience in all aspects of Mergers & Acquisitions-due diligence, structuring, documentation involving listed companies, cross border transactions, medium and small businesses etc., in restructuring – such as advice and documentation involving creditors restructuring, sick companies, demergers spin-offs, sale of assets etc and in Foreign Investment, Joint Ventures and Foreign Collaborations. He advises a range of large Indian Conglomerates and multinational clients in various business sectors including infrastructure, power, telecom, automobiles, steel, software and information technology, retail etc.	Mr. Seshagiri Rao M.V.S. is the Joint Managing Director & Group CFO, JSW Steel Ltd, responsible for the overall operations of the Company including Strategy formulations related to business development, expansion of existing businesses, joint ventures, mergers and acquisitions and Cost management. He possesses rich experience spanning over four decades in Steel Sector and in the areas of Corporate Finance and Banking. He joined JSW Group in 1997 as Chief Financial Officer and has played active role in growth strategies of JSW Group since then. He has been actively involved in all strategic decision making within the group and has over the years grown with JSW Steel progressively shouldering higher responsibilities. Prior to joining JSW Steel he has worked with various reputed organizations in various capacities. He is a member of the Institute of Cost and Works Accountants of India and a licentiate member of the Institute of Company Secretaries of India. He is also a Certified Associate of the Indian Institute of Bankers and a diploma holder in Business Finance awarded by the Institute of Chartered Financial Analysts of India.

Name of the Director	Dr. Vinod Nowal	Mr. Malay Mukherjee	Mr. Haigreve Khaitan	Mr. Seshagiri Rao MVS
Details of remuneration sought to be paid and remuneration last drawn.	Nil as a Director	Sitting Fees and Commission not exceeding 1% of the net profits in the aggregate for all of the Non-Executive Directors.	Sitting Fees and Commission not exceeding 1% of the net profits in the aggregate for all of the Non-Executive Directors.	The total remuneration including all allowances / perquisites but excluding Provision for use of the Company's car for official duties and telephone at residence, Company's contribution to Provident Fund and Superannuation or Annuity fund, to the extent these either singly or together are not taxable under the Income-tax Act and Gratuity at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of his tenure shall at any time not exceed ₹ 50,00,000/- per month.
Disclosure of Relationship with other Directors, Manager and Key Managerial Personnel of the Company.	Not inter-se related to any other Director or Key Managerial Personnel. The Company does not have a Manager.	Not inter-se related to any other Director or Key Managerial Personnel. The Company does not have a Manager.	Not inter-se related to any other Director or Key Managerial Personnel. The Company does not have a Manager.	Not inter-se related to any other Director or Key Managerial Personnel. The Company does not have a Manager.
Number of meetings of the Board of Directors attended during the F.Y. 2019-20.	5/5	5/5	5/5	5/5
Other Directorships held as on 31.03.2020	Jindal Steel & Alloys Limited Jindal Coated Steel Private Limited	Va Tech Wabag Limite	CEAT Limited Mahindra & Mahindra Limited Inox Leisure Limited Torrent Pharmaceuticals Limited Borosil Renewables Limited Tech Mahindra Limited Aditya Birla Sun Life Insurance Company Ltd.	Monnet Ispat & Energy Limited Creixent Special Steels Limited
Chairman/ Membership of Committees in other Indian Public Limited Companies as on 31.03.2020* (C = Chairman; M = Member)	Nil	Va Tech Wabag Limited • Audit Committee (M)	Inox Leisure Limited • Audit Committee (C) Torrent Pharmaceuticals Limited • Audit Committee (M) • Securities Transfer and Stakeholders Relationship Committee (C) Tech Mahindra Limited • Stakeholders Relationship Committee (M) Mahindra & Mahindra Limited • Stakeholders Relationship Committee (C) Aditya Birla Sun Life Insurance Company Ltd • Audit Committee (C)	Nil
Shareholding in the Company	1,20,560 equity shares	Nil	Nil	2,23,200 equity shares

*only two Committees namely, Audit Committee, Stakeholders Relationship Committee have been considered.