# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 33 MARCH 2020

						Average	
14141	etanied	veland	datar	Verting period	price	Pair value at grant data	Method of settlemont
14 Grant	YD.24,090	iselp2.065	17 May 2016	17 MeV 2016 UF 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 <i>4</i> 8	Equity
2nd Grunt	an, 40, 105	20.01.697	16 May 2017	16 May 2017 till 33 March 2020 (for SCK of the print) and 16 May 2017 to 11 March 2020 (for unnehning 50% of the pract)	152.3E	104 04	۲۹ نار ۲
3 ni Grant	31,69,393	NE	14 May 2018	14 May 2554 (fill 1a March 2021 (for 50% of the grav) and 14 May 2018 to 31 March 2022 (for remaining 50% of the grav)	364.74	367 <b>8</b> 5	Lanıly
Supplement ary Grant	1,45,595	MIL	5 Decem hex Actor	up to 6 December, 2020 up to 6 December, 2020 for 30% of the oppore		91.07	Equing
	1,19,910			granied and upto 31. March, 2021 for remaining 50% of the options protect	277 M	97.15	
	55.202			up to 31 March, 2023 for 50% of the options granted and agen 31 Adams, 2022 for remaining 50% of the option-granted		93.65	
Y						Ĩ	





### ANY BARLENING

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AY AND FOR THE YEAR ENDED BL MARKIN 2010

The outstanding position as at \$1 March 3020 + summarised below:

Particulary		CSOP 3016	
	Lui Granx	2nd Grant	2rd Grant
Date of grant	17 Nev 2016	15 May 2017	LA May 2014
-original grant	5 December 2019	5 Occumber 2019	S December 2018
Share Entre on date of mant			
-ofginal grant	129.56	203.70	329.06
-supplementary grant	258.65	259,80	259 80
Custo and Fig. as on 1 April 2015	68,73,830	47,75,320	
Transferin	1.00,110	48,264	19,690
freshe Out	4,79,770	2,20,726	13,037
Granted during the period			81.49.333
Forlieft et using the period	23,640		-
Lapsed during the period	-	-	
Exercised during the period			
Outriending as on 31 March 2019	53,20,000	45,97,553	31,78,056
Granced during the partod*	1,85,595	1,19,920	55,002
Transferén	28,370	41.67 <b>9</b>	6,329
Transfer Out	4,12,995	2,79,144	1.98,376
Forfe ted during the period	1.27,315	2,87,535	1,32,092
Lepsed Curling the period			-
Exercised during the period	8,11,215	· ·	
Oulstanding as an 31 March 2020	\$1,75,449	42,43,913	29,13,919
of shows - watted outstanding options	49.50.450	20,±1,687	-
of above - unversion pulstanding options	1,45.595	22,01.6ts	,rä,sä,muä
		15 May 2017 64 31	
	17 MAY 2016 64 31	Match 2020 (for VML of the events and 16 second	14 Mar 10047 5
vestile Fanod	March 2019 (fp- 50% of	2007 4a 31 March 2021	December 2019 El 1
- Original	Did gramp and 17 May	(for remaining 50% of	March 2013 for 50%
	Not remaining \$250 cf	the gravej	of the grand and 14
	the game)	1	May 2011/ 5
		S December 2019 to 6th	December 2019 to 31
. Samiemoriane	5 December 2019 to 5	of the options reacted	manual ALZZ MAY
	Geoember 2020 for the	and units line March	annet]
	subconjuerel grants	2073 for remaining Stra	
		of the coders pressed	
Exercise Period	4 years from vesting	A years here vesting	4 years from unlong
Minimum success considers compared by	6494	4He	¢##
original grant	42 montra	54 months	65 membrs
•		· · · · · ·	Page   82
<u>_</u>	28 <sup>7</sup> - 41		Actes
V	с	· · · /	
		i	Territor () Alternation
		· \	< <u>-</u> >

### Part Base Lerned

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED BI MARCH 2020

PartSourans		C90# 2015	
	Lat Grant	2nd Grant	3rd Grant
- Supp omheting grant	57 months	59 months	te months
Exercise price			
-Original gradus	103.65	163.36	263.24
Supplementary pravia	207.64	307 34	207 84
Weighted average share price for shares contributed during the year	249.01	Not applicable	Not applicable
A description of the method and deplecant	The tair value of codons has been	The fair value of ontions has been	The fair value of options has been
Interrotions used during the year to estimate	calculated by wring	calculated by upting	representation of the second
that less value of options including the following:	Black Schole's Method.	discit Schele's Method.	Black Schole's
Information.	The assumptions used	The assumptions used	hierhod. The
	to the above are:	In the shows are	assumptions used 'n
	11-d-1-11	Unite al l'annea	the above ane:
	POHIDINY WES	TOTAL (C) WHAT	
Excercised weight the	gange opperates	Texter designed	calcurator using
	dalla maner in sand	de la charge in store	station of the second states
	bike.	and as a second second second	and change in store
			pes.
	The volatility used for	The volatility used for which can be 33,76 % for	The valatility used for valuation is 33,23 %
Output frage	verse kan is 39.23 % for	options with 3 year	fer options with 3 year
	options with 3 year	vention sec 37,43 %	wishing and 33 28 %
	Wething and 39 62 W	WHICH & WERE MERCINE	with A years westing
	with a home reacting		
	Sector Management of the	The volatility used for	The volat#fly used for
	and warping used for	releasion is \$2.50 K for	volvedice is 32.10 %
Sendermentary erangs	official with 1 web	options with 1 year	propions with 1.32
	villion .	weeking and 32 10%	year westing and
		wer 1.32 years vegang	31-21% pMb 2-37
			Terra Maine
	The instactory option	The expected cooper	The expected option
	life is assumed to be	He is assumed to be	ife is assurand to be
	mid-way between the	with way between the	me way between the
	option vesting and	option vesting and	OCCOUNT AND INC. AND
	causing, Since the	engine Since the	PERFY. MINOR LINE
	writing period and	vesting period and	And state in the second s
	CONTRACTOR LEARN OF	contraction ( term of	
	each tranche is	such tranche is	different the
	offerent, the expected	different, the expected	expected it's for each
	life for each tranche	He for each vanche	banche will be
	we be different. The	will be efficient. The	different. The
	expected opcion titles	Expected option has is	expected option his is
	CHEVATED IN LOST TO	Carry Victorio as great real	calculated an (Year to
	And a Terrarian	Vicing + Contraction	Vesting + Contractual
	001001161-002	reform to which	Option 1emal/2
			Peop I P1
	•		
. <b>₩</b>			(1 <b>2</b> 5)
N		52 S	

F-792

### And the Games Constant

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

Particulars	_	PSOP 2016	
	Let Grant	2od Grant	3n5 Grant
Feperated devidends			
Crisical grants	No. 1, 10 per share	No 075 per share	Pa. 2 25 per share
-Supplementary grants	\$4.4.10 per share	a - 10 per share	Ps 4.10 per share
Righ-Area interest rate	Zera (oupon soveryign bond vicits were utilized with meuticy squal to appeared brim of the option	Zero coupon sovereign bond yields were utilized with matanty equal to expected term of the stoom	Zirio co speni sovenego condivisiós ware estázed with materity equal to especielo units of the option
Origina granes	The rate used for calculation is 7.36% (for 3 years vesting) & 7.64% (for 4 years westing)	The state used by: catc. becan is 6.67% (for 3 years vessing) 6 6.36%(for 4 years vesting)	The role used for calculation 4.7.85% (for 3 years wet ag) \$ 7.52%(for 4 years vesting)
5аррінтенкалу grame	The value used for calculation is 5.6796 (for 2 years vesiding)	The race used for extentional is 5.67% (for 3 pours moting) & 5.76% (for 1.32years venting)	The rate used for an culation in 5 765 Sion 1.32 years vesting: 6,6.02% (for 2.32 years vesting)
The method used and the assemptions made to incorporate the effects of expected early eventue	Back-Scholes Options pricing model	Plack Scholes Options photog model	Elacia Scholes Opports pricing model
How impected volatility was determined, including an explanation of the extent to which expected volatility was dened on hospecial volatility	The <b>k</b> ily	vang factors have been com (a) Share price (b) Exercise price	naleved,
Whether and new any other leatures of the option grane were incorporated into the measurement of fact value, such as a marker condition	- 	(c) Historical volumity (d) Expected option Ifa (e) Cretitand Weith	

art of Jupplementary grants

4

. •

### ANY Date Commo

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020.

### 40. Spemani reporting

The Company is in the business of manufacturing steel products having survive economic endestionation, premaily write operations of in tak and, explain incommentary the Chief Constant Departure Maker for Assessment of Company's carParitienter and thickness all scal phy-

The information relating to service from external concorners and local on of non-corners assets of its sample reportable. Suppress has been discrepted as by pay-

4) Reserve from operations

			His Ma Crippes		
	Pattern	For the year ended	For the year ended		
		31 March 2020	\$1 March 2019		
OCHWISH:		54 273	69,167		
Sagara I		0.589	8.025		
Total		64,763	77.187		

Revenue intercopmultant have been allottend on the basis of location of outcomers.

### b) Hon-current excets

All den divident assets other then Franciscicnyli unwrite of the Company are located in Indea.

# Contomer contributing more than 10% of Revenue

Particulans	File Che year endad 30 March 2020	For the year ended 31 March 2019
WW STAR COVING Products Limited	8.435	10.128

### 41 Employee benefits

### Defined cover-by-tion plan

The Company operands defined contribution retirement benefit plans for all qualitying employees. Under these plans, the Lancowery is extended to contribute a specified percentage of payrol costs.

Company's contribution to provident fund & family pension scheme recognized in statement of profil and loss of \$2.57 cores. (33 March 2019, Ry 47 provest (included as note (0)

Contribution towards Company durined trust is detunne in Cefficied Series); pluny

### a) Geffried benefit olives

**\**₩

The Company sources funded defined benefit plats for all qualifying remploymer. The level of benefits provided depends on the member's length of version and salary at reciperant age.

The graduity plan is covered by the Payment of Grabulty Act, 1972, Under the graduity plan, the anglete impuryoes are entitled to point retrement branfil at the rate of 15 days' so any for each easy of so was until the retrement age of 54, 00 and 42, without any payment unling. The welling period for growing as payable under The Payment of Gratues Act, 2073 B.5 years The fund is managed by Kink Stadi limited Implement Grute to Trust and it is governed by the Board of prusteen. The found of thatiatt are responsible for the administration of the plan assets pay for defining the interventional equi

. . . . . GZ Paga Ho

Ra de crome

اججا ومراجع المكاليين

### NOTES TO THE STANDALONE FRANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

the plans in -nd-a typically expose the Company to accusive institution as investment rule, interest rate into, itempinity rais and union role.

Investment dist	The present value of the defined banafit plan raylity is calculated using a discount rate determined by reference to government band yields, alme muther plan single below this rate, if will organic a plan deficit. Clarantity the plan has a relatively balanced investment in Government securities and debt instruments.
Witznest risk	• Secretase in the bond interest rate with increase the gain literative, however, this will be partie to plice by an increase in the value of the plan's orbit interationents.
LangenTry ( 1K	The pretent value of the defined broofit plan hability is calculated by reference to the best a estimate of the monthity of plan participants both during and after their employment. An summary in the life expectancy of the plan participants with increase the plan's lability.
<b>Val</b> ay net	2hv denner 1 value of the definet benefit plan Nobility is calculated by reference to the future talknet of plan part doants. Assoch, an extraor juice setury of the plan part cipants will ascesse the plan's fability

Ho other pest retirement benefits are provided to these employees.

The mont recent actuation wherehow of the plan assets and the present value of the defined benefit obligation, and the related out at 31. March 2023 by intersentient, Gualated Actuary. The ortscore value of the defined benefit obligation, and the related current service cost and past source cost, were measured using the projected Durb cost therein.

 $\langle \psi \rangle$ 

25 (Sec. ) 1 •

### Section Section Company

# NOTES TO THE SEANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED BL MARCH 2020

() Gratuins

3

	for the year unded	For the	ven ender
	F2 MArch 2020		March 2019
	FUNCES	runced	
al crace that is contrasted on the parameter stated			
4) Present years of obligation			
Cponing balance	243	2025	_ :
56010000	16	14	
Ini stat (M)	18	16	
Actualize as on equipment	19		
Benefits pava	(10)	1131	
taaliy n	<u>.</u>		
Leader Interior	<u>.</u>		
Coving balance	<u></u>		
Liffs.			
A HAN YOMA OF PHIL ISPAL			
Distant Constant	"	74	
Interest Income	5	<u> </u>	
Actuarial ( ossingain on pan assis	(D¢	<u></u>	
Lingtones control too	-	1	
Herefiti pud		6	
Clouing setsing	73		-
Amount recognized in Calance sheet/refer nate 22) b) Expanses recognized as platement of profit and loss	201	154	
Service cost	16	24	
Imeyes sost	18	16	
Expected return on plan assets	(3)	12)	
Component of defined benefit cost recognited in	_	25	-
statement of profit and loss	N		
Remeasurement of net defined benefit Rability			
Actuarial (gen)/loss on defined benefit obligation	19	15	
Return on plan asses (excluding interest income)	ő	×.	
Complement of defined benefit cost recognized in other			
Lomprehensive income	19	15	
Transferred to presperative expenses	``o	(0)	
(ota)			
<) Actual returns on plan arrety	5	4	,
de breek up of plan access:			
II OC Prodendal Die Inscribence Co. Limited (ICIC)			
balances fund	3	3	
Debt fund	*		
Short Terre debt fund	4		
Group Start Telen Cebt Fund II		3	
(K) HORE Standard Life Investigate Co. Limited (HDFC)			
Defensive managed fund	•		
Seture managed 4.nd	7	6	

Page | 37

### FOR Deal L mind

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 11 MARCH 2020

	For the year unded 31 March 2020	For the year eached 31 March 2055
Stable managed fond		4
(1) SBI UAs ansurance Co. Meridad Caro assured fland (SBC		47
(v) =0 of india – inswer managed fund (JC)	17	12
Tetal	75	

Prepresents amounts below Rs C.5 crores

During the year, entire unlanded kap knes have been funded.

### c) Principal extracted assumptions :

Particulars	Valuation as at 31 March 2020	Vefuali 34 Mer	Vefuation as as 34 March 2019	
	Fundae	F, readed	Unfunded	
LARCON WITH	5 34N	7,79%	7.79%-7.88%	
Expector rate(s) of salary increase	6%	65	6%	
frame of return on plan procts	6 62%	7 79%		
Астлюе газа	<i>a</i>		25	
Mortally rate during employment	noian assured thes more Ray (2006-2028)			

# 1) Experience adjustments:

ᢣ

Particulars	2015-20	2012-19	2017-10	2016-12	5. in crores
Defined haneful abigation	286	243	196	.75	143
Peoloveta	74	77	65	<b>\$</b> 7	şñ
Surplus / (dzf at)	1111	(196)	(131)	(122)	(93)
Experience adjustments on plan Bat Pixies — I madige nj	19	55	1	v	3
Experience adjustments on plan assets - Gern/Jose	•	¢	Ł		ŧ

Propresence amounts below 61, Q.50 crow

g) The Company expects to contribute 34, 39 crores (previous year An, 37 crores) to its gradulty grain for the next year

higher average duration of the delined benefit plan obligation at the end of the reporting portiod is 30 years (38 March 2019, 10, years)

() in assessing the Company's pair contracted lighting), the Company monitors montality assumptions and uses up-to-date mortality tables, the pairs being the belief exactly frequencies by (2006-06) all materia.

Despected scium onp an assets is based on expectation of the average long term rate of return expected on sweptiments of the fund during the retwrated term of the oblight and after cars acting www.sl.approalde factors such as the composition of plan works, investment statlegy, market scenario, etc.

k) The enumated of future relievy intrease, considered in actualized valuation, cake account of inflation, surfacing, gromotion and other relevant factors, such as supply and demand in the employment market.

() The descent rate is basing on the previous granted welds of Government of india securities as at the valuese sale for the minimized terms of the obligations.

:: <u>.</u>

B.

### . الماد (11) (جو الو <mark>مشکل مر</mark>

### NOTES TO THE STANDALSING FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

The ampiret included in the financial statements arrang from the entry's obligation in suspect of its defined benefit plan is as follows:

		4. ID 010136
Perdeulars	As at 33 March 2020	As at 31 March 2015
Ordined benefit choosilos	246	243
Plan sseete	75	71
-ren Bability/(acces) taking from defined benefit obligation	211	166

### Service Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and attivities. The sensitivity analyses defew have been determined based on reasonably growing with energy of the respective attivities downing at the end of the reporting year, while holding all other assumptions constant.

	 As at 31	Munch 2010	RA. SP:	EL IN COURT 33 March 2018 Once EA
Discount_rate (1% movement)	 (23)	26	(L <u>a)</u>	22
Future salary growth (1% movement)	26	123;	22	[10
NEW YORK AND A THE INCOMENTION OF		_ ",	5	N

The servicity analysis processed above may not be representative of the securit enange in the defined bedefit obligation as it is unbiety that the charge in assumptions would occur in solution of one another as some of the security that the some becometed. Furthermore, to presenting the above servicities analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method of the reporting year, which is the some as that applied in calculating the defited benefit obligation recognised in the balance sheet.

These was no the upt in the methods and assumptions used in preparing the semittriky analysis from prior years,

### Ford Alleration

Pantosian,	50 I	XOK		Ľ
An eas 21. March 2020	58,69%	9.89K	6.39K	21.0166
Ap on 31 March 2019	60 796	8 50%	2 57%	23.14%

### Offerjory of etsets inverse percentage effocation level whe as on 33 Merch 2023

Particulars	*	MDAC		UC
Government securities	-	44.57%	14 14 %	73%
2464	92.S1X	5L(3%	51.60%	Balance lowested in approved
6qu'ny	6.99 <b>%</b>	0.14%	\$ 12%	Revealments as specified in
Others	1.0%	3.85%	5.93%	Schedule 1 of MDA guidelines

7

### Parties Man Londad

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

### Maturity analysis of projected banafic obligation

			Ra	. In erores
Particulars	Loss than a year	Between 1 to 5 years	Over Sygna	Total
As an 31 Manda 2010	-			
Projected benefit payable	23	81	467	591
As at \$1 Marsh 2019	_			
Projected becallt payable	19		451	547

Each year an Asset Bability Matching study is performed as which the convergences of the strategic investment policies are undysed in terms of risk and values profiles.

### (ii) Provident Rent

Provident fund for certain eligible employees is managed by the Company through JSW Steel Employees Provident Fund, Fruit, In The with the monitlent rund and Migophaneous Provisions Act, 1952. The Company makes monitally contributions to provident fund managed by trust for the initial employees. The Trustees of JSW Steel Employees Provident Fund Trust are responsible for the overall powernance of the plan and to act in accordance with the providions of the trust riged and the relevant provisions press fixed under the law.

The members of the Providers Fund Trust are entitled to the rate of interest declared by the Central Communitant ander the Employees Provident Punds and Miscellaneous Provisions Act, 1952. The shortfall, if any, is made good by the Company in the year in which it arbses.

As per ind AS 39 on "Employee Benefits", employee exactlyingd provident ford toxics are stated as defined benefit plans, since The Company is obliged to meet interest aborthat, if any, with impact to movined imployees. According to the defined benefit obliget on of interest rate guarantee on exampled providers fund in sequent of employees of the Company is at 32 March 2020 e. 8 90%

Out of the total contribution made for Provident Fand in Column Contribution Plan, Rs. 27 cronet sprevious year 7s, 20 croret, is made to the INW Steel Employees Provident Pand Trust.

The funds of the Trust have been invested under various securioes in accurdance with the rules prescribed by the Government of India.

The Company has obtained the actuartal valuation of interest rate obtainion in respect of Provident Fund and Interest use government shortfall of Rs. 4 crores (Previous year – 2 crore) is receptived in the Scatement of Provident Fund Loss.

### Accounts' accomptions much to determine interest rate purnates on scenes provident fund Rebiblies are enfotoes:

Particulars	As int 31 March 2020	As an 31 minute 201 m
Total plan assets 🖗	588	505
Staniples Beblickes P	593	497
Oncourt rate	6.84%	7.1996
Aste of return on assess	1 494	8.55%
Guaranteed sate of return	3.50%	4.67%

🗶 JSW Steel Employees Provident Sand Truck as at 31 March 2020 to per the unevolted financial statements.

- (\*\*

Page ( 90

### , **SEV** 7 and Original

# NOTES TO THE STANDALONE HMANCIAL STATEMENTS AS AT AND FOR THE TRAK ENDED 31 MARCH 2020

### [80] Other long term beceffer:

3 Under the componential absences plan, leave encodement is payable to all e-giple employees on separation from the Company due to death, redrement, superannuation or resignation. Employee are ensided to essays leave while paying in the Company as the role of daily salary, as per current accumulation of leave days.

### b. Kong Service Arrand

The Company has a using in mangaize the long service rendered by employees and selectate these long encrusive with the Company. This (theme is called - Long Association of Additional Harmony & Excitement(LAMinF). The association of additional service service companion point of 10, 1% 20 and 25 years.

### 42. Feanchi Indower u

### 43.1 Capital rationarragement

The Company being in a capital intended transmits the return to statemptoten through optimum mix of debt and easing.

The Company's capital requiriment consistly to fund its capabity expension, repayment of principal and expertexcer its corrowings and strategic acquiritions. The principal sparse of funding of the Company has over, and is expected to company to be, only patiented from its operations applemented by funding from bank borrowings and the capital markets. The Company is not subject to any externative report spectal requirements.

The Company regularly densitien other financing and retriancing opportunates to diversity its columnistic, unloar interact columnist and clangain the metor ty of its cells control of, and classly monitors to publiclour adocation amongst to repeting Lapital expansion projects and strategic accels clore, to capture market opportunities of minimum rate.

The Connective monitors to search using exterior ratio, which want dependent vited to core equity. Not departments, internationaring over 1 and borrowings, less cash and cash equivalents, bank halonges other than cash and cash equivalents and current overtiments.

		-
Particulars	Ao et	44
	11 May on 2003	31 Weich 2019
Long einer barram Agy	39,247	27.666
Content metalities of long term data	\$,109	10,425
Content maturities of finance scale out gauge		352
Ston term benowings	5,813	5,373
Level Cesh and cash equivalent	(3/438)	(5.266)
LEIS Back lotances other than cash and cash e	equitationas (2,963)	(447)
Net dobt	29,748	37,691
Total copily	98,997	34,498
Gearing ratio	1.04	1-09

of the symplectes all capital and reserves of the Company that are manyged as capital

In Debt is defined as long and short term borrowings (excluding demetwork and financial guarantee contracts), as described an nodes 20 and 25.



# ALL Des Lana

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

### 42.2 Esteportes of Fossielan Instruments

The accounting classef callon of each category of financial interconcerts, and their derived amounts, we set null below

### As at 31 March 2020

					Rs. In crores
Anton Vered cont	Fair value Incourt other comprehensive incomp	Raie value through profit and Rous	Denivalives in Bedging relationably	Tatal camping railer	fojel fair value
		-			
417	37B	44.7	· ·	3.242	L 256
3,306				3,156	3.166
3,458	-	:	· ·	3.438	3.436
7,953				7.963	7,963
9,035	-			9,026	9 025
·		275		175	444
2,355			<u> </u>	1,156	3,396
27,356	373	722		21,466	25.474
					·
41,356			_	44,356	45,022
3,429				3,489	3,720
6.513				6.613	6.813
23.354				13,154	33,554
-		7.8	24;	319	919
3.179	-			- 8.179	6,179
76,191		72	241	76,510	17.110
	Arter Un + 6 cm/ 417 3.106 3.435 7.963 9.025 2.355 2.7.366 41.356 41.356 41.356 - 3.423 - 3.459 - 3.459 - 3.179 76,391	Arder/Level         Fail values           device/Level         10 rough other comprehensive Lecome           417         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.106         378           3.107         3.108           3.109         3.109           3.179         3.179           76,391         3.179	Each value         Fach va	Fail value (month         Sail value (hrough other comprehensive lecome         Sail value (hrough profit and post         Derivatives in lecigning result value (hrough post           417         378         447           417         378         447           417         378         447           3106	Fair value         Rate value         Rate value         Derivatives in the profit and profit

and oding content mitualian of long term debt

 $\mathcal{A}$ 

·.= · -

.

.

### And the second territorial

### NOTES TO THE STANDALONE RINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

### As at 31 March 2015

					R_, i	n crona
Partificula na	Amortbed ast	Pair values through other compenhansive income	Pair valen Brough profit and loss	Derivatives in Insiging relationship	Teod carrying value	Total Inir Velue
Roendal acrets						
INTEMENE	374	683	410		···· 1727	
Trade receivables	6,770	-	-		6,770	6,770
Cash and cash equivalents	5.366			— .	5,166	5.544
Bank befances other than cash and cash equivelents	447	-	-	•	447	- 447
Loans	7,811	-	-	-	7,311	7.811
Derivative Alferti	•		146	01	229	129
Other Thancial assets	2,542		· ·		2,693	Z, 69 Z
Total	25,460	69		-RL	24,732	24,132
Anancial Nabilities						
Long term borrowings *	35,335			-	36,033	38,123
Short berm borrowing:	5,371			·	5,37,	5.04
Trade orgabies	11,178			<u> </u>	13,128	13,124
Oprinstree luge roles	:		296		\$12	332
Other Analysis Habilities	5,434	· — .	-		5,634	3,834
Total	41,666		236	15	62.090	41,744
Ladid as a mine was using of lage to	on data and firm				_	

Inductors current meturities of long term debi and finance lease obligations.

If represents enough below its U.S crore

### 43: Pele setue Nervecky of financial instruments

The carrying amounts of stade rectriculturs, bade psystels, capital creditions, cash and cash equivalence, other bank balances, other forancish assess and other for ensire isolittics (other than those specifically obsidered) are considered to be the name as their has refused, due to their about form reduce.

A significant part of the financial states is classified as Level 1 and Level 2. The Lev value of these assets is marked to an active market of based on observable market data which factors the uncertaincies arising out of COMO-19. The financial emets carried in fair value by the Company are mainly investments in equility instruments, debt securicies and derivatives, accordingly, any material valuables and expected.

Y

~\_\_\_\_\_

۰.

### June Linned

# NOTES TO THE STANDALONE RINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2000.

				Rat. In crones
Particulars	An at 21 March 2070	As at 31 March 2019	Lanvel	Valuation technolyses and key
Geoled eventments in equity shares measured as PVTQCI	364	613	1	Geoted be' solves in an active market
Unqueted investments in equity shares measured eLEVTOC	•	Ŷ	١	Her Assen value of share privad has been considered as let value
Unquoted investments in equity shares measured at FVTOCI	5	5	3	Cost is approximate estimate of fair-stop
Ron-cyrriem, investment y m ungunieri computary commiştie debertures measures at FVTPL	53		>	Inputs other than quoted priors inclused withto level 4 there are clastrable for avart or liability, enter directly (i.e. as prices) or indracely (derived your prices)
Ren-current investments in anguated one <sup>1</sup> erence shares reassared an FVTR.	388	410	3	Decounted cash flow Future cash flows are based on series of Preference Shares, disconneed at a receipte reflects market risks
Ophajae Anaja	275	276		inputs other than quoted prices incuried within level 3 that are
Certwrive Localities	916	332	?	observable för øtset or likbölty, øfter dvactly (det as prices) or indirectly (dettrod inder prices).

Sensitivity Analysis of Land 2:

Particulars	Valuation Inchaigns	Fightheast unobservable Inputs	Change	Senderity of the input to felt value
Investments in unquisted Preference shares	DOI Talhaó	Discovering Rate of 8.45 %	0.50%	D.50% increase (decrease) in the discount would decrease
				(monsase) the fair value by Rs. 5 mores (Rs. 5 coures)
Investments in unqueries	bay method	Corr a approximate estimate of two value	•	No service the fair value of the investments.

### Reconciliation of Level 3 fair value restaurement

Vectore control of Level 3 fair yand stream of the	
	Ra. In crones
Paticular	Amount
Reference au et 1 April 2016	<b>17</b>
Additions made during the period	103
Allowance for Ious	14
Gain recognized in the statement of profit and itse	4359
Rafawers as at \$1.44arch 2019	474
Additions made during the period	2
Allower certor loss	(40)
Gain recognised to the statement of profit and 2015	16
Bulance as in 31 taken \$ 2020	402

s. "Z

Page | 94

Υ

F-803

بسجند وببيته متكلعي

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 33 MARCH 2020

Octob of Financial areaty/ Vabilities measured at anarchical sort but fait value. Redoced in category wise

				Ra. in grones		
Particulary	Ac at 13 March 2020	As at 31 March 2018	Land	Velocities by Chairpers and key formers		
Learns				Discounted cash flow on		
Carrying roles	5,02	7,811	2	observable Polyreczah flow, pre basar an marga ni di sanaran m		
Anis veltus	2,026 7.			A NEW CALL AND A COMPANY AND A		
Interments				Discounted cith figs go		
Carrying value	417	374	2	observable foture cash flows are		
figi: making	42	473 375		A LIKE THAT CHIEVES MARKED IN		
Long Term Borrowing				Observated cash flow on		
Carrying shiue	44.356	38,333	z	<ul> <li>Obtainelbie Future cub Bows are based on terms of infection and in</li> </ul>		
lek value	45,039	39,120		a sate that reflects market data		

This: New both no Lioudese between Level 1 and Level 2 during the period.

Y



### A CONTRACT CONTRACT

Y

# NOTES TO THE STANDALONS FINANCIAL STATINGENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

The Asset and biblility position of various out-funding derivative financial instruments is given below:

			- 10		31-Min-29			
Particulars Unde	Underlying	Andrew of Mink Indiat Harland			Nel foir Yalke	Amet	-	Not fair taken
Contended & Clive	iters Handgan.			— ·				_ ·
Formands Carrency Comments	Highly analysis Forecast Sales	Exchange And wowement risk	•	( <b>e</b> )	fei	50		54
POPER CHARGE	kārāji tiem Foreigas Gulnissēja Iedelomiags	intereșii rețe Rigă	-	(130)	(L301	20	[79]	tn t
Colored by Colores	<u>a</u>	Price Risk			(1 <b>4</b> 4			ī
Surgested & feath	stree herdens							
forwerin Currinny Contracts	Mathin probable Portecies Sales	Endlange rate movement vide		(14)	(15)	100		900
fair leaks stadaws			-			_		
Ocalizational Handgoor				-				
Ferrende Cerrency Contracts	Hegi My probable Forecast Sales	Exchange 1809 Moniteria Auk	212	i	- no	•	[964]	(100)
Non-Conferenced Har			-	—				_
Semente Comercy Contracts	Trade payotion & Acceptance	Exchange with movement data	л	404	- 16			
Portantis Contents Contracts	Long-bern Foreign comence borrowings	fachange autz monanem dak	<u> </u>	- <u>-</u> ñł	14	-	<u> </u>	
Fahaling) Cuttilley Contracts	tome and edisince	Salarge rate	•	[37]	37		-	-
Proves, 100 Seep	Löng-Sámi Forsign Cumercy Bórnöwidge	ingangga nging Miga	•		1	<u> </u>		
Option Contract	Trade persities \$ Acceptance	Exchange rate manyment right	15	- 130		ı	<b>[19</b>	i
			545	(to 2)	נללון		pang	(141)
Cancele-tion of form	ands Contracts		30	<u>(41</u>	28		11	<b>B</b>
Total			25	111.59	N-1	22	(102)	(1000)

Details of non-derivative transfel instruments designated as hadging instruments during the years

Cash Rew hedges	51 M	Aaren 2020
	Value in LOG ARE	Pair Value Ja in Cr
Long term barrowings	628	(135
Acoptones	327	(14
		(ess)

. Alexandre

· tal



### ATT Carl Landed

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE TEAR ENDED 33 MARCH 2020

### 43.1 Financial risk management

The Complexy has a Risk Management Committee statilished by its Board of Directors for overseeing the Risk Management transverse and developing and monitoring the Company's this management policies. The risk management solicies are established to ensure timely identification and avaluation of risks, setting accessible risk ownerses, and tertaying and mapping controls against these risks, monitor the roles and their times, improve risk sweetness and termaarency. Risk management policies and typictus are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide selfable infort often to the Management and the Joant to avaluate the adaquacy of the sign management framework in selfable to the risk faced by the Company.

The dat management policies alive to mitigate the following risks arising from the financial incomments.

- Market risk
- Credit risk; and
- Licuiday risk

### 42.7 Martint risk

Market slak is the shit that the fair value of basic cash flows of a financial knowment will flow, unter because of changes in the market prices. The Company X supposed in the ordinary course of its business to state related to changes in foreign carrancy exchange rates, commodity prices and intervenience.

The Company seeks to minimize the effects of these risks by using derivative and non-derivative financial reprimerits to bedge risk economies. The use of Financial derivatives and non-derivative financial learnments in generated by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange this, leterost sale mis, credit lost, the case of financial derivatives and non-derivative financial instruments, and the involvement of eccess liquidity. Compliance with policies and exposure firm to be reviewed by the Management and the investment auditors on a continuum back. The Company does not enter into or trade financial instruments, inductions for speculative purposes.

### 43.3 Foreign currency disk management

The Company's functional occurrity is indian Augers (INR). The Company undertakes transactions denominated in Kyrgen currenties, consequently, isopoiure to exchange ritle Pustuktions arise. Volability in exchange rates affects the Company's revenue from export markets and the costs of imports, prime tily is relation to rate materials. The Company is exposed to exchange rate rish under its bade and cells portiolity.

Advents movertains, in the archivege rate between the Rupper and any relevant forage, contensy relative in increase in the Company's evenual dish position in Rupper terms without the Company Baving Incurred additional dish; and favourable movements in the each angle rates will conversely result in reduction in the Company's receivables in foreign currency.

In order to hedge exchange rate this, the Company has a policy to hedge cash flows up to a specific better using forwardwark angle contracts, options and other non-distribute financial instruments. The forg-term foreign currency borrowings and acceptances. At any policit in time, the Company hedges is estimated foreign currency exposure is respect of foreign currency is not acceptance. At any policit in time, the Company hedges is estimated foreign currency exposure is respect of foreign currency is not set of foreign currents. For example, the following is derived with the terms of the specific long currency berrowings. In respect of foreign and other payables, the Contextwo hedges is possible to the policy hedges is specific long currency berrowings. In respect of is ports and other payables, the Contextwo hedges is possible as when the exposure arises. Short term appeares are hedged progressively based on their material.

All hodging, http://www.ale.com/and.out.in accordance with the Company's Internal risk management publics, an approved by the Board of Directory, and in accordance with the applicable regulations where the Company populates,

-----

### FOR Bast Longer

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

The Company Sets its essentiment belown that the probability of the occurrence of the derectated tales transmission or not impacted by COMD-19 pandemic. The Company has also considered the effect of changes, it any, in both contempony great risk, and pan credit risk while measure, hedge effect venets and measuring resign ineffectiveness. The Company contempony to be igne that there is no impact on effectiveness of its hedges.

The carrying amounts of the Company's monetary access and monetary is painties at the end of the reperting year are as follows.

### Ourrance exposure as at 31 March 2020

·						is is crane
Pil rite viting	160	ELENC	INS.	164	Other	Terral
General Manager						
Ron-current construent;		217	1,425			1,242
team	7,843	85	1.090	'	11	9,026
Trade receivables	26.3	21	2,882	-	- ·	3,166
Orth End Clash rejulivations.	· ·		3,43#	<u> </u>		1438
Bank balances other shar cash and cash eigenvalents	· ·		7,963			7,961
Optivative assets	275					125
Other francia assols	702	1	3, 152			3,356
Tettri finencia) asseta	56	575	15,540		13	21,444
Anancial Institutes						
Long tarm borrowings	21,686	939	16.099	57)		33.247
Lease lisbilities			3,449	-		3,489
Short from borrowings			6,813	-	· ·	6.813
Trade payables	B, 607	40	4,674	34	1	13,354
Derfwativer Babilitien.	319			-	-	319
Other financial debilities	4,585	2,061	6,342	254	63	15,224
Total Reactal Kabilities	35,200	3,030	37,417	716	- 65	76.910

### Corrency exposure as at 31 March 2009

Peticolars	UNO	<b>EURO</b>		Ø1	- Cither	Total
Financial associa						_
Alon-curvene Investments	· 	254	1,161	•	-	1.117
LOWING	7,253	2	545		10	7.81
Trade receivables	eo.r	272	5,690		-	6,720
Cash and cash equivalents	-		5,366			5,366
Bank balances other than cash and cash equivalents	-		47		-	447
Derivative Assets	279		3			225
Ciber financial assets	637	-	7,015	· .		2,592
Yotal financial amore	0.926	141	16,298		10	24,252
Financial Itabilities	• • • •		-	-		
Long term betrevenue	11.250	258	15,645	414	-	77.545
Short term Corrowings	· · ··.		- <u>1</u> 17	· -··		5,371
Trade payettes	9,83L	71	1,179	32 <sup>–</sup>	1	13,128
Ochrywithyt liabelit es	332	-		-	-	10
Other fy ancial liabelides	5.961	1,502	7,554	463	23	16.50i
Total filencial liebilities	28,422	Ļ.HI	11,500	707	Ð	62,971
.11	۰.			An	-	Page 98

Es in provin

۱Ļ



### NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENGED 31 MARKIN 2020

The following table details the Compare's sensitivity to a 1% increase and decrease in the INA against the misuant foreign contaction and of heady accounting impact. 3% is the sensitivity rate used when reporting foreign summery disk increasily to law enangement personnel and represents normage tent's identification of the reasonably possible change in foreign each ongo rates. The writtinity analysis includes only outstanding foreign currency denominated monetary items and adjunt their enastation at the year-and for a 1% change in foreign currency rates, with all other variables held constant. A possible moment and region indicates an uncrease to profit or equally where this programmer of the relevant currency. For a 3% account of RR against the relevant currency, there would be a comparable impact, by profit or equity, and the balances below would be negative

_	Intraine (Mrangthen	ing of WHQ	Occreme (weekan	Right from (
Paniculars	31 Alexan 2020	51 March 2019	31 March 2020	31 Minute 2019
	CM0 .	- 4900		
Payata LISDANR	274	208		(# <b>24</b> )

The Sonward exchange contracts entered into by the Company and outstanding one as under.

As eff	Wathane	No. al Contracta	Type	US\$ Equivalent (ARihons)	INA Equivalent (crowd)	ATTA (ds. in crone)
	A	125	·	Adaj	<b>4.663</b>	229
21 have do 2020			541	<u> </u>	- ·	•
	usaisein,	<u> </u>	केल -	118	885	(4)
		27	1ell	548	8.743	[1]9]
	4.1.abs	20	Buty	190	Ĺπi	
Li March 2010		48	Sell	50	3,461	159
	Labelnes	125	Buy	1 201	8,951	[304]
		2	Sell.	-	-	•

Corrency options to herige against Bucklust, ons to changes, in each ange mus-

۰ħ

As at	Helare	No. of Contracts	USS equivalent(Million)	ihik equivalent (Cronel)	MTM of Option (Ks. in correc)
71 Lines 2020	Accests	20	317	2,390	4
31 William 1020	Labitues	2	15	Ш3	39
21 MIND 2013	646453	3	40	407	1
	Cabilities	I	10	69	929



### , All Y Gase University

# NOTES TO THE STANDALDINE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARION 2020

Dehedged currency this position:

I) Amounts resolvable in foreign currency

	At an ka Mi		As at 35 March 2019		
=-	LES equivalent	IN # Equivalent	US\$ equivalenc	MR Equivalent	
	(MRI BORNE)	10790153	(Millions)	(crores)	
Trade receivables	. <u>.</u>	- 254	L56	1050	
Ballances, entite bandes	-				
- In Flund deposit account	1.1			<u> </u>	
• ex Carrent ecrount	_		-		
Advances/Loans to subsidiaries	161	6,736	1,143	7,902	

IP Amounts payable in leading currency

· · ·	44 H 31 March 2020	As an 31 March 2011		
	USS aguivation and Lauranent	USS equivalent INR Equivalent		
	(Millions) (revers)	(Millions) jerones)		
teans payable	3,352 25,266	2467 17.579		
Attestances		21 147		
Trade payables		7 47		
Payable for cagital projects	332 2.502	334 2,307		
interest accredited test not dive on borrowings	50 <del>- 4</del> 46	28 265		
Other provisions	16 _ = = 11	75 536		

# 43.4 CommoRty price risks

Tex Company's revenue is encount to the market risk of price fuctuations channel to the why of its steel products. Market forces grinew in determine prices for the steel products sold by the Company. These prices may be influenced by factors used, as supply and demand, production costs Uncluding, the costs of raw material enputs) and global and regional economic consistence and growth. Advision theorem in any of these factors may reduce the revenue that the Company wants from the sale of its steel products.

The Company is subject to furth-attors in prices for the purchase of non-one, relarging road, ferro alloys, sinc, scrap and error new Material industr. The Company purchased presently all of its free one and coal nego reviewes at preveoing market rates during the year instead 33 exercts 2020.

The Company similar sell the products at provailing market prices. Similarly, the Company products key saw meterials late from one and coal based on providing market rates as the selling prices of steel prices and the prices of input new materials maye in the cases divertion.

Commodity hedging is used primarily at a risk management tool to secure the future cash flows in case of volumity by a viewing into commodity forward contracts.

Medging commodity is based on its procurament schedule and price link. Commodity hedging is undertaken as a risk officers of a service and, depending, apon market conditions hedges, may extend beyond the financial year. The Company is presently hedges, may extend beyond the financial year. The Company is presently hedges, may extend beyond the financial year. The Company is presently hedges, may extend beyond the financial year. The Company is presently hedges, may extend beyond the financial year.

: .-

Series Series

# NOTES TO THE STANDALONE RMANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020.

The following table details the Company's sensitivity to a \$5 movement in the input price of worline and colling cost. The sensitivity analysis includes only \$5% change in commodity prices for quantity told or conclused during the vary, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commoduly galaxy attriates by 2% and vice versa.

Commodaty_	 Increase for the y	er mided	Otherways Sec the yes	_ Ra. in crony Ir and ad
ron an Iumpt/Met Carl/Cole	 31 March 2020 514 930	31 March 2019 \$61	91 March 2020  \$145 	93 March 2019 (644) (1,170)

The commodity forware contracts entered into by the Company and outstanding at the year and are as under

40 st	Mattern	No. of Contracts	Commodity Name	Quantity (kon Ong. Coking Cost - MT) (Krent Crude - Mio Ferrals)	LSS Equivalent of notional rable (Millions)	itali squivalent (Cranys)	MTM of Commodey centres (Rs. 2a Corres)
11-Mar-20	ASHIN L'abilism	/2	- OUPPER NAMES : : SUS	5,702,930			
31-M#-19	Assets vabilities	<u> </u>	OF LINT CRUDE	45.000	-2	17	<u> </u>

The cost reddy option centracis entered into by the Company and multisunding as the year-endure in sinder.

	Witter y	ka, af Cantageta	Состоятся Мате	Us3 Equivalent of Actional Velor (Millions)	WA equivalent (Croner)	Anthen or Commodity contract (Rs. In corpus)
31-Mar-22	Assets					
31-Mar-19	Assets	<u> </u>	000NL (DA)	P	<b>6</b> 5	

# represents amounts below #v 0 5 trove

### 43.5 Interest rate rbh

₩

Interior rate rate is the role that the falls value or future cash flows of a financial instrument will fluctuate because of etamatel in market means these times. The Company is reported to interest tata ritk ten aruse funds are bottowns in tools fued and flowing interest rates interest rate rate rate is its measured by using the cash flow denotively for changes in variable interest rate. The borrown is of the Company are principally denominated in superior and using for a max of flowd and flowing rates of interest. The Company here principally denominated in superior and using for with a max of flowing rates of interest. The Company here principally denominated in superior and using for with a max of flowing rates of interest. The Company here principally denominated in superior and using for with a max of flowing rates of interest. The Company here principally denominated in superior with a ways to reduce the flowing enterest rate is the company here is a loss dust interval rate risk from the Company has exposible to interval rate rate is the company here is a base when a rate and using rates and using operation of interval rate rate rate rate and any more to an anage the like when a rate of a superior for the day operation is between flowing rates of short form leans. The rate of is rown rate rate rate rate regulation is a properties and one conversible bonds and howing rate borrowings, and by the use of is rown rate rate rate rate regulation is dependent to be reached and flowing rate take weak and defined rate, superior is the most context for the individual regulation of the all of the rate of is normalized in the rate and the regulation of the rest.

2<sup>77</sup>1.

ويوادهما وسيعا حفكاتك

# NOTES TO THE STANDALCINE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

The following table provides a treak up of the Company's flued and Boating rate borrowings:

		N. In crone
Perticulars	As at 31 March 2020	As at 31 March 2019
fined rate borrowings	20.459	30,231
ficelary rate borrowings	24,209	16,830
Total gross borrowings	\$4.568	94,941
Very Upfront fees	;3:2	(209)
Tainal borrowings (rafter noce 20)	41,356	76,313

The sensitivity analyses below mave from dotermined based on the apposure to interest enter for floating rejectables, ever the impact of heater ecounting, assuming the encount of the light 'ty outstanding at the year reading outstanding for the whole velo

Financial rates had been 100 book points higher / lower and all other warehids, were held constant, the Company's predictory the year oxided 31 March 2020 would Cecreme / increase by %s 142 cheros (for the year ended 31 March 2019, decrease / increase by No. 183 crows). This is mainly attributable to the Company's imposure to interval rates on Ka variable rate borrowings

The following table details the nominal amounts and notwinning terms of universit rate swap contracts outstanding as the year and

And .	Nature	40. of Contracts	USS Equivalent of methodal value (Millions)	MITH of HIS (His. in grones)
21 May 46 2020	Apeta	3	<b>4</b> 0	1
	dealers	- 22	335	1.30
11 March 2019	Asses	14	120	70
77 March 2019	LisbiRees	4	245	(27)

### 43.6 Credit risk management:

Credit risk vertex to the risk that counterparty will default on its contractual obligations reading in Secondal loss to the Company. The Company has adopted a policy of only desting with creditivating counterparties and obtaining sufficient, collisions , where reproceivity, as a means of malgaring the risk of financial loss from defaulty.

The Company is reprosed to predit risk for trade recreation, cash and each equivalents, ministrands, other tradit balances, learn, other facencial assets, financial guara were and demonstrative financial instruments. The Company has assessed the change in countersarie tradit risk due to COVID 19 and believe that the same are fully rective able.

Moreover, given the diverse nature of the Company's business anale receivables are spread over a number of customers with no significant soncentration of credit risk. No single customer jother than the Group Companies) accounters for 10% or more of the trade rescentration of credit risk. No single customer jother than the Group Companies) accounters for 10% or more of the trade rescentrations in any of the years prevented. The history of trade receivables shows a negligible providen for badand doublful debts. Therefore, the Company does not except any material risk on account of non-performance by any of the Company's courterparties. In addition to the historical pattern of predit loss, the Company has considered the link should of insteaded credit risk and consequential default considering energing situations due to COV 0-19. The association is carried out down dering the segment of counter, input son in the downed doublook of these segments and the financial strength of the subtamers in respect of whom atmemts are receivable, flash only integrating, the environment for account of the receivables and 31 Watch 2020 is considered adequate.

<u>\_\_\_\_\_</u>



Page J 102

### ALL ROOM LINES

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

Movements in allowing as for bad and doubtlet debits

				Re in cores
	Perticulary.			1 magent
As et 1 April 2018				71
Additional Allowance				4
As an 3 L Minuch 2019			 	R
Add 4.on al Allowance		-	 	71
Ro el 31 elente 2020		-	 - · · · ·	193

For current investmental, counterpartly firsts are in place to firmt the amount of credit exposure to any one counterparty. This, it evaluate, results in dependituation of credit rais for Company's matual fand and bond investmenty. For depending and Houndal instruments, the Company attempts to that the predit risk by only desting with reputable banks and financial shifting on

The canving value of financial assets represents the maximum credit sick. The maximum exposued to credit risk was Rs. 28.466 crores as at 71. March 2020 and Ra. 24.732 crores as at 31. March 2089, being the total canving value of trade receivables, balances with back, bank deports, current investments, loans and other financial assets.

Interprets of financial guarantees provided by the Company to basis and financial intertunions, the medimum exposure which the Company is exposed to its the maximum amount which the Company would have to pay if the guarante is called upon. Based on the expectations at the end of the reporting period, the Company considers that it is more likely than not that such an amount with 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 Dashess. These terms and conditions are determined on a case to one basis with reference to the costonier's ared tiquelity and prevalety, market constituons, the Company based on gain separations, does not expect any material tota on ta receivables and hence no provision is deemed accessory on become of expected credit loss (RCC).

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impliminent where indicators of such implifiment exist. The Company uses simplified approach (i.e. Retime represent credit loss model) for implified approach of Such receivables? contract averts. The toterray of the units and the solidity to implay the receivable a considence in assessing room/ables for impairment, where receivables now been implified, the Company approach recover the amounts in question and enforce compliance with tredit terms.

For all other financial assails. If credit risk has not increased significantly, 12-month expected credit loss is used to provide for more carent loss. Reverse, if credit risk has ascessed significantly, lifet me expected aredit loss is used.

### 43.7 Liquidity risk management

Liquidity risk refers to the risk of financial dynamics or extraord navy high financing contrasting due to shortage of liquid funds in a provident system of the risk of financial dynamics or extraord navy high financing. The Company regulars funds both for short serm contractors i needs as well as for one term, capital expenditure growth projects. The Company regulars funds both for short serm contractors, which together with the translable cash and equivalents and short term investments provide liquidity in the short-term and Ring-term. The Company has established an appropriate liquidity tick management transport for the managements of the Company's short, medium and long-term funding and liquidity management requirements. The Company managements of the Company's short, medium and long-term funding and liquidity management borrowing facilities, by continuously monitoring forecase and actual cash. flows, and by matching the meaning profiles of Reasons assists and light but.

Page | 107

1.15

### Sector Constantion

### NOTES TO THE STANDAUONE FORANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020.

The following tables detail the Company's ormaining our tracturel maturity for its non-derivative financial tabilities with agreed regarment Years and as non-definitive financial syster. The tables have been drawn up based on the undiscounted cash flows of financial liableces based on the sacion date on when the Company tab benequered to pay. The tables include hole stores and priorities cash flows.

To the actual that internal flows are floating rate, the undiscounsed amount is derived from interest rate curves at the end of the reporting year. The contractual maturity is based on the earliest data on which the Company may be received to gay.

### Liquidity exposure as 4131 March 2020

			file. In conce
<1 year	14 100	> Egents	Tetal
	67	1,275	L242
321	5.450	25	9.026
3,166	-	-	2.144
3,433		-	3,484
7,964		·	7,953
175	-	· ·	275
2,794	562		1.86
17,957	9,309	L200	28,444
	30,179	9,058	39,247
773	1,142	574	3,486
6.4:3			6,813
13,754	-		13,354
120	140	• .	319
11,979		,	13,284
33,10	33,615	9,547	74.340
2,240	6,326	1,236	9,602
	<1 year 321 3,166 3,435 2,964 2,75 2,794 17,957 - 773 5,423 13,166 - 773 5,423 13,166 - 14,979 33,100 2,240	<1 year         1-5 years           321         5.660           3,166         -           3,166         -           3,166         -           3,166         -           3,166         -           3,166         -           2,794         552           17,957         9,509           -         -           773         2,142           5,823         -           13,179         -           13,179         -           5,823         -           33,100         33,004	<1 yth/         1-5 yth/n         > 5 years           321         5.660         25           3,166         -         -           3,166         -         -           3,166         -         -           3,166         -         -           3,166         -         -           2,794         552         -           17,957         9,309         1,200           17,957         9,109         1,200           773         1,142         574           5433         -         -           13,142         574           5433         -         -           13,179         1,056           13,179         -         -           1320         1,42         574           1320         1,49         -           133,100         33,015         5,547           2,240         5,326         1,236

145<u>5</u>5. 14

. *2*1





### 

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020.

Lightality imposure as at \$3 March 2019

			R	. la crare
Paniculare	< 1 year	1-5 98878	5 4 years	Total
Prancial asses				
her-consol investments				1.417
(comp	136	<u>(,669</u>	35	7,851
Fredet recensibles	6,770			6,114
One and cash equivalents	5.366	<u> </u>		5.366
Swith Galances other than cash and cash equivalents	141	Ø		443
Det vjewe Assess	229	-		/29
Ciner financia asseis	7,060	399	233	2,682
Total Research assess	35,017	8,030	2,645	24,782
An unclui Paphittigs				
cong terms borrowings	214	72.386	4,910	27,646
Shirt team for any stage	5.371			5.371
Trade poyebles	13,57A	· ·		13,123
Desivative Labilities	302	· • ·	,	312
Other Image at Babilities	15,471	1.023	,	16.50L
Total Geodel Geblinies	36,664	23,409	4,121	42,999
Interest payout liab-loy	2,512	4.393	241	8,145
Represents annus de brizze Re, C à groeg				

The amount of guaranteed/standby letter of credit given on behalf of subsidiaries included in Note the representation

maching amount the Company could be fixed to juste for the full generated amount. Seed on the backgroup of the and of the reporting year, the Company considers that it is more likely than not that such an amount will not be payable under the analogement.

### Collateral

١ŀ

The Company has pledged part of its stade receivables, short taken immemority and cash and cash equivalents an order refactil certain collateral requirements for the banking for tilts destanded to the Company. There is obligation to return the second vs to five Company does these banking fact-lifes are some oddered. (Refer acts 20 and 29)

. = 18.

.

. ·'

Page (105

### prefix and lands

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AIL AT AND FOR THE YEAR ENDED 31 MARCH 2020

# 44. Related party disclosures as per test A3.24 :

2         Subskilleries           BW Steel (Methodization California)         BW           BW Steel (Methodization California)         BW           BW Steel (Methodization California)         BW           Profession Riskings, LLC         BW           Profession Riskings, LLC         BW           Profession Riskings, LLC         BW           Macdata Creek Riskings, LLC         BW           Macdata Creek Risking, LLC         BW           Macdata Creek Risking, LLC         BW           Profession Risking, LLC         BW           Development Risking, LLC         BW           Server Risking, Corporation         BW           Profession Risking, Corporation         BW           Profession Risking, Corporation         BW           Server Risking, Corporation         BW           Profession Risking, Corporation         BW           Profession Risking, Corporation         BW           Server Risking, Corporation         BW           Server Risking, Corporation         BW           Server Risking,		Name of related earlier
DW Steel (Michanback) B v.         AW Steel (Michanback) B v.         AW Steel (Michanback) B v.         Awdame Holdings, LLC         Puters Energy, UC         Ma adae. Creek Microsh, LLC         No. The Tax, LLC         Prive Cost, Cost, LLC         Prive Cost, Cost, LLC         Prive Cost, Cost, LLC         Sever the Microlog, LLC         Sever the Microlog	1 1	Subsidiaries
JSW Steel (Vil Lamited         JSW Steel (Vil Lamited         Medame Notkings, LLC         Puret Energy, LLC         Madaue Creek Materia, LLC         M. C. Mancala, LLC         M. Schmann Minerals, LLC         Nack Leading, LLC         Price Coal, LLC         Correta Misersis, LLC         ESW Paners Biologing, Corporation         Free Coal, LLC         Seriel Februerio SA.         Seriel Februerio SA.         Swith Reverse SA.         SW Natural Resources Inducting Compared and Series Streamerica         SW Natural Resources Inducting Compared with rWP Steel Lembred w.cl. DJ.04. 2019;         SW Natural Resources L		PW Steel Metherbacks B v
ISW Trivel (ORA) Inc.         Porters Rickings, LLC         Porters Rickings, LLC         Maadaan Creek Miterrate, LLC         Maadaan Miterrate, LLC         Parket Revener, LLC         Dawer Hytchlerson Minereds, LLC         Carretta Minereds, LLC         Serus Fe Mining		5W Steel (US) Lemited
Performer Hokkings, LLC         Purset: Exercity, LLC         Meadure: Check Mehrweth: LLC         Meadure: Check Mehrweth: LLC         M.C. Menerals, LLC         Means: Minerals, LLC         Performer: Molecraits, LLC         Devertiges: Streets, LLC         EWF Performer: Molecraits, LLC         Sava: For Molecrait         Sava: For Molecrait         Sava: For Molecrait         Sava: Fore Molecrait         <	$\sim$	15W Start Luke) Inc
Puret: Energy, LLC         Matcher Creek Merevis, LLC         H.Achmersh, LLC         N.C. Menersh, LLC         Nearan: Minersh, LLC         Nearan: Minersh, LLC         Price Rooking, LLC         Price Rooking, LLC         Price Rooking, LLC         Price Rooking, LLC         Part Rooking, LLC         Dear Hutchberg, Strong, LLC         Ewr Part Rooking, LLC         Service Rooking, Strong, Corporation         Part Rooking, Corporation         Part Rooking, Strong, Rooping Corporation         Part Rooking, Corporation         Paret Rooking, Corporation         SW Nanu		Performs Holdness 110
Na Addur Criek Minurets, LLC         HAckmann Minerals, LLC         R.C. Mencals, LLC         Private Learling, LLC         Parkers Handred, LLC         Parkers Handred, LLC         Carrets Minerals, LLC         EW Planers Hitchings, Comportion         Ewersteing Stands United         Savar S Ferdering         Savar S Ferderi	$\vdash$	
H./Azhmann Minerals, ULC         R.C. Menerals, ULC         Heards Minerals, ULC         Price Goad, ULC         Price Minerals, ULC         Price Goad, ULC         Price Minerals, ULC         Price Minerals, ULC         Price Minerals, ULC         Price Minerals, ULC         Correta Minerals, ULC         EW Prince Strock Interals, ULC         EW ADMS Corror Lda         SW ADMS Corror Lda         Interal Report Strock Interals         SW ADMS Corror Lda         Interal Report Minerals, United         Interals         SW ADMS Corror Lda         Interal Report Minerals, United         Interal         SW ADMS Corror Lda         SW ADMS Corror Lda         SW ADMS Corror Lda	1	Khadow Cresk Movembu 416
N.C. Merc'as, LLC         Nearan Minerals, LLC         Price Could, LLC         Correct All Minerals, LLC         Correct All Minerals, LLC         EW Construct Control		H Achina a Milerah, El C
Namen Ministratis, LLC         Peter Lensing, LLC         Prince Lensing, LLC         Prince Robings, LLC         Parks Robings, LLC         Constra Minerals, LLC         Constra Minerals, LLC         Exw Parksey Strongs, Corporation         Everations Statistics, LLC         Exw Parksey Strongs, Corporation         Everations Statistics, LLC         Exw Parksey Strong, Corporation         Everations Statistics, LLC         Exw Parksey Strong, Corporation         Everations, Statistics, LLC         Exw Parksey Strong, Corporation         Everations, Statistics, LLC         Sarch Fe Nucrio S.A.         Sarch Fe Nucrio S.A.         SW Natural Resources Induction Corporation         Everbal Environ         SW Natural Resources Induction Corporation         Everbal Environ         SW Statistics Corver Linking         Everbal Environ         SW Statistics Corver Linking	<u> </u>	R.C. Managaba Luc
Nace Leading, LLC	_	Keener Minerals, I.C
Prive Coul, LLC         Planck Highing, LLC         Portice Highing, LLC         Perform tracefing, LC         Lower Highing, LC         Correta Milereds, LLC         Correta Milereds, LLC         Correta Milereds, LLC         DSW Panapart Highings, Geoporation         Evernizes Surach Stating de         Sarca Fe Milereds, LLC         DSW Natural Resources Indexes         Sarca Fe Milereds, LLC         DSW Natural Resources Indexes         JSW Natural Resources Indexes         JSW Natural Resources Indexes         JSW Natural Resources Indexes         JSW ADMS Carva Lide         JSW Natural Resources Induction         JSW Natural Resources Induction         JSW Natural Resources Inductinted         JSW N	_	Paice Leader: U.C.
Plants Nobling, LLC         Parking 5, 44. Brychg, LLC         Parking 5, 44. Brychg, LLC         Constant Milensets, LLC         Constant Milensets, LLC         Daw Parkets, Daw Parkets, LLC         Daw Parkets, Daw Parkets, LLC         Daw Parkets,		Prive Goal LLG
Parking 5, 4, agricult, LLC         Performan Hearding, LLC         Lower Hiptchinson Minerals, LLC         Carrita Minerals, LLC         EW Peners Holding, Corporation         Everations Streak LLC         Sama Fe Mining         JSW Natural Resolution Mining         JSW Natural Resolution Mining         JSW Steel Scatter Limited         Mapon Spaci Singapora (#11) LMoted         Embod Erright         JSW Steel Scatter Limited         JSW Steel Scatter Limited         JSW Maryan Minerowan India Umined         JSW Maryan Minerowan Erright Lumited         JSW Maryan Minerowan Erright Lumited         JSW Maryan Minerowan Erright Lumited         JSW Maryan Steel Umined         JSW Maryan Steel Umined         JSW Maryan Steel Umined	$\vdash$	Planck Holivon, LLE
Performa Neurophy, UC         Lowert Hytchlesop Minerats, U.C.         Carrita Minerats, L.C.         EW Manars & Holding, Corporation         Everations: Survival         Sava Fe Minerats, L.C.         Sava Fe Minerats,	$\vdash$	Rokna 5 Autorites, LLC
Lower Hutchiesen Mieerst, L.C.  Carnita Minerst, L.C.  Service Micerst, L.C.  Service Micerst, L.C.  Service Micerst, L.C.  Service Structure Service State Service Se		Perfame Heading, J.C.
Carretta Minerals, L.C.         EW Fananza Holdings Corporation         EW Fananza Holdings Corporation         Ewent See Mileing         Saves Fe Mileing         SW Natural Resources Limited         JSW Natural Resources Limited         SW ADMS Carve Lide         Nopon Space Singapora (#11) United         Embos Limited         JSW Steel Scattures Limited         JSW Steel Scattures Limited         JSW Steel Costed Freedoms Bengts Limited         JSW Steel Costed Steel Costed Bengts Limited         JSW Steel Costeel Coste Bengts Limited		Lower Hutchingon Minerals, U.C.
EW Paner # Holdings Corporation     Eventimes Surach Limityda     Santa Fe Miking	$\vdash$	Grafta Miterali, L.C
Inventioner: Sundb Sanityda         Santa Fe Mixing         SW Natural Resources Kimbind         JSW Natural Resources Kimbind         JSW Natural Resources Kimbing         Santa Fe Mixing         Sw ADMS Carvo Lida         Nispon Spac Singa pora (#TL) Lineted         Embos Linited         Arms Holling Linited         JSW Steel Processing Centres United Imerged web r/W Steel Linited w. d.1. (M. 44.7019)         JSW Nearge: Stant United         JSW Steel Coaled Inducts United         JSW Steel United Imaged web / SW Steel United w.e.t. 01.04.2019)         Dolive Coke Projets Stimited Imaged web / SW Steel United w.e.t. 01.04.2019)         Dolive Coke Projets Stimited Imaged	$\vdash$	EW Paners Holdnes Corporation
Seva fe Miking Sera fe Miking Seva fe Seva fe Miking Seva fe Miking Seva fe Seva fe Seva fe Seva fe Miking Seva fe	-	kvenkaes Sureek Jakinga
Santa Fe Fuendo S.A.         JSW Natural Resources limited         JSW Natural Resources limited         JSW ADMS Cerve Lide         Nispon Spar Singapore (PTL) Limited         As much Resources limited         Lakeland Securities Limited         JSW Sheel Processing Centres United         JSW Beerger Stand United         JSW Beerger Stand United         JSW Beerger Stand United         JSW Sheel Processing Centres United         JSW Sheel Processing Centres United         JSW Sheel Processing Centres United         JSW Sheel Costed Froducts United		Sansa Re Miscas
ZW Natural Resources Nimbod         JW Natural Resources Contract Limited         Larma Noting UmRed         Larma Noting UmRed         Larma Noting UmRed         JW Natural Resources Umited         JW Stati Processing Contract Umited         JSW Natural Resources United         JSW Natural Resources English Umited         JSW Natural Resources English Umited         JSW Natural Resources English Umited         JSW Steel Coaled Produces United         Amba New Gole Dested         Peddar Restry Prive Umited         JSW Steel Coaled Produces United         JSW Steel Coaled Produces United         Dolina Cole Projects Emited (merged with JSW Steel Umited w.e.t. 01.04.2019)         Dolina Cole Projects Emited (merged with JSW Steel Umited w.e.t. 01.04.2019)         JSW Steel Kalys r.L         JSW Neally Steel United         JSW Neally Steel Kalys r.L         JSW Neally Steel Kalys r.L         JSW Neally Steel Kalys r.L		Sans Jerhunto S.A.
ISW Natural Resources Mediawoling, e Canitada         ISW ADMS Carvo Lida         Nispon Spac Singapora (#11) Unsteld         Emboas Limited         Ar ma Hoting Unsted         Lakeland Securities Limited         ISW Seeing Producting Centres Unstand (merged with PNV Steel Limited w. a.t. (bl.04.2019)         ISW Benger Steel Unsted         ISW Benger Steel Unsted         ISW Benger Steel Unsted         ISW Records and Centres Unstand (merged with PNV Steel Limited w. a.t. (bl.04.2019)         ISW Benger Steel Unsted         ISW National Resources India climited         ISW National Resources Benge Limited         ISW National Resources Benge Limited         ISW Steel Enabed Products Unsted         ISW Steel Enabed Products Unsted         ISW Steel Steel Coaled Products Unsted         ISW Steel Steel Steel Coaled Products Unsted         ISW Steel Steel Coaled Products Unsteel Immed (merged with ISW Steel United w.e.f. 01.04.2019)         Dotes Energies Enabed From Unsteel Immed (merged with ISW Steel United w.e.f. 01.04.2019)         Dotes Cote Projects Einsteel Immed (merged with ISW Steel United w.e.f. 01.04.2019)         SW Neelit		SW Natural Reference Limited
SW ADMS Car volution         Nispon Spac Singapora (#11) Unsted         Embors Linking         An marketing United         Laketand Securities Linkingd         JSW Sheet Processing Centres Unstand (marged with #W Steel Limited w.e.t. (0.04.2019)         JSW Henge Sheet United         JSW Network Resources India United         JSW Steel Code United         JSW Steel Code United         JSW Steel Code United         JSW Steel Steel United         JSW Steel Code United Integed with JSW Steel United w.e.t. 0104.2019)         Dote United Integed with JSW Steel United w.e.t. 0104.2019)         Dote Cote Projects Embord Integed with JSW Steel United w.e.t. 0104.2019)         Dote Cote Projects Embord Integed with JSW Steel United w.e.t. 0104.2019)         JSW Network Cote Integed with JSW Steel United w.e.t. 0104.2019)         Dote Cote Projects Embord Integed with JSW Steel United w.e.t. 0104.2019)         JSW Network End Cotes Integed with Steel United w.e.t. 0104.2019)         JSW Wethall Steel United Integed with JSW Steel Un		JSW Nanural Resources Middlen e Contacts
Nispon bpa: Singapora (#11) Likated         Embas Limited         Arma Holding Limited         Likeland Securitaris Limited         JSW Sheel Processing Centres United (merged with XW Steel Limited w. o.t. (bl.04.2019)         JSW Benge: Sheel United         JSW Netural Resources India United         JSW Netural Resources Banga Limited         JSW Netural Resources Banga Limited         JSW Netural Resources Banga Limited         JSW Steel Coaled Products Limited         JSW Steel Coaled Products Limited         JSW Steel Steel (Sheet) Limited         JSW Steel Sheet Coaled Products Limited (merged with JSW Steel Limited w. et.t. 01.04.2019)         Dolva Golic Projects Limited (merged with JSW Steel United w. et. 01.04.2019)         SW Industria Golies Internet Jimited         JSW Steel (Sheet) Limited Interged with JSW Steel United w. et. 01.04.2019)         Dolva Golic Projects Limited Interged with JSW Steel United w. et. 01.04.2019)         JSW Industria Golies Netter United         JSW Withouts Steel United         JSW Without Steel United <tr< th=""><th></th><th>5W ADMS Carvo Ida</th></tr<>		5W ADMS Carvo Ida
Embos Livited A. ma Notling Limited Likeland Securities Limited ISW Steel Processing Centres United Imagged with XW Steel Limited w. o.1. 01.04.2019; ISW Bange: Stand United ISW Network Resource Engls United ISW Network Resource Bange Limited ISW Jharthqued Steel United ISW Jharthqued Steel United ISW Jharthqued Steel United ISW Steel Coded Produces Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect United ISW Steel Code Many & Method Imaged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Alebia Protect Limited (merged with ISW Steel United w. e.t. 01.04.2019) Doke Manya & Infrastructure Protect Limited (Mercect w. e.t. 01.04.2019) Doke Manya & Infrastructure Protect Limited SW Really & Infrastructure Protect Limited SW Really & Infrastructure Protect Were United SW Really		Nispon boat Singapore (PTL) Lingapore
As mark holding: Limited         Likteland Securities: Limited         JSW Steel Prototizating Centres United (merged with 7% Steel Limited w. d.1. (1.04.2019)         JSW Benge: Steel United         JSW Benge: Steel United         JSW Renge: Steel United         JSW Steel Coaled Produce United         JSW Steel Steel V United Imaged with JSW Steel United w.e.f. 01.04.2019)         Down Color Projects Limited Imaged with JSW Steel United w.e.f. 01.04.2019)         JSW Industal Coales Mettre United         JSW Steel Valy S. t.L         JSW Steel Valy S. t.L         JSW Steel United         JSW Steel Valy S. t.L         JSW Steel Valy S.		Embas Lieviged
Litketand Securities Limited         JSW Sneel Proteining Centres United Imagged Web XW Steel Limited w.e.t. 01.04.2019;         JSW Benge: Sneel United         JSW Benge: Sneel United         JSW Network Resource India United         JSW Network Resource Benge United         JSW Steel Coded United United         JSW Steel Coded United United         JSW Steel Coded Web United United United Web (Web United W.e.t. 01.04.2019)         Dots Colic Projects Limited Imaged with JSW Steel United w.e.t. 01.04.2019)         JSW Industrial Codes Whethe Steel United         JSW Medus Limited Imaged with JSW Steel United w.e.t. 01.04.2019)         JSW Industrial Codes Whethe Steel United         JSW Steel United         JSW Steel United         JSW Industrial Codes United	_	Au ma Hotiline Limited
JSW Steel Processing Centres United Imagged with XW Steel Limited w. d.1. (d. 04. 2019)         JSW Bange: Steel United         JSW Netural Resource Inde United         JSW Netural Resource Bange, Limited         JSW Netural Resource Bange, Limited         JSW Steel Coaled Product Limited         Dolor Reality Private United         JSW Steel Coaled Product Limited (merged with ISW Steel United w.c.t. 01.04.2019)         Dolor Manya & Metals Private United (merged with ISW Steel United w.c.t. 01.04.2019)         Dolor Color Projects Limited (merged with JSW Steel United w.c.t. 01.04.2019)         Dolor Color Projects Limited (merged with JSW Steel United w.c.t. 01.04.2019)         Dolor Color Projects Limited (merged with JSW Steel United w.c.t. 01.04.2019)         JSW Industria Gases Metre United         JSW Industria Gases Metre United         JSW Industria Gases United         JSW Steel Kinfestructure Private United         JSW Realty Steel United	i '	Lakeland Securitars Limited
ISW Berge: Stant Unrised         ISW Natural Resource India Unrited         ISW Natural Resource Berge: Lowited         ISW Natural Resource Berge: Lowited         ISW Introdyce Berge: Lowited         ISW Introdyce Berge: Lowited         ISW Steel Coaled Product: Lowited Information         ISW Steel Coaled Product: Lowited (Information Information Informatio		JSW Steel Processing Centres United Imanged with 5W Steel Janmed w.o.1. Dt. 04.20101
ISW Natural Resource India United         ISW Natural Resource Benge Lewited         ISW Natural Resource Benge Lewited         ISW Interlayed Seel United         Amba New Code Emeted         ISW Steel Coaled Products Lewited         Peddar Resky Private United         ISW Steel Coaled Products Lewited         Peddar Resky Private United         ISW Steel Coaled Products Lewited         Peddar Resky Private United         ISW Steel Coaled Products Lewited (Imfeed w.e.f. 0104 2019)         Dolet Minimals & Metals Private Limited (Imfeed w.e.f. 0104 2019)         Dolet Minimals & Metals Private Limited (Imfeed w.e.f. 0104 2019)         Dolet Minimals & Metals Private Limited (Imfeed w.e.f. 0104 2019)         Dolet Minimals & Metals Private Limited (Imfeed w.e.f. 0104 2019)         Dolet Minimals & Metals Private Limited (Imfeed w.e.f. 0104 2019)         Dolet Minimal Gases Metals Winled         JSW Industrial Gases Metals United         JSW Industrial Gases Metals United         JSW Steel Hally S T.L         JSW Steel United         JSW Steel United         Metally S r.L         JSW Official Scele United         Minimad Steel United         Minimad Steel United         Minimad Steel United         Minimad Steel Unined (ceased w e 1. 27.08 2018) <th></th> <th>JSW Bange: Street Umrbed</th>		JSW Bange: Street Umrbed
JSW Peergy (Sengal) Lumited         ISW Nature Resource Benge Lumited         ISW Inathwed Sociel United         Amba New Code Empired         JSW Steel Coaled Products Lowited         Peddar Repty Private United         JSW Steel Coaled Products Lowited         Peddar Repty Private United         JSW Steel Coaled Products Lowited         Peddar Repty Private United         JSW Steel Sole Dimited (merged with ISW steel United w.e.t. 0104.2019)         Dolw Minimate & Metals Private Limited (merged with ISW Steel Limited w.e.t. 0104.2019)         Dolw Sole Projects Limited (merged with ISW Steel United w.e.t. 0104.2019)         Dolw Sole Projects Limited (merged with ISW Steel United w.e.t. 0104.2019)         Dolw Sole Projects Limited (merged with ISW Steel United w.e.t. 0104.2019)         JSW Industria Gales Notice Tervices Limited         JSW Industria Gales Notice Tervices Limited         JSW Steel Kaly's T.L         JSW Official Scel Kaly's T.L         JSW Official Scel Kaly's T.L         JSW Official Scel Kaly's T.L         JSW Steel Kaly's T.L         JSW Wited Sceal Kaly Kalw (code w.e.l. 27.08 2038)		Kw Netvral Resources India United
ISW Nature Reserve Bongs Lewited         ISW Inarthword Steel United         Amba New Code Emeted         ISW Steel Coaled Products United         ISW Steel Coaled Products United (merged with ISW Steel United w.e.t. 01:04:2019)         Obta Minimus & Aletais Private United (merged with ISW Steel United w.e.t. 01:04:2019)         Obta Colle Projects Limited Imaged with ISW Steel United w.e.t. 01:04:2019)         Steel Raining Steel Steel Steel Steel United Imaged with ISW Steel United w.e.t. 01:04:2019)         JSW Industrial Coales Neight United         JSW Industrial Coales Neight United         JSW Industrial Coales Neight United         JSW Steel Rainy's T.L         JSW Steel Vally's T.L         JSW Official Scele United         Minered Steel United         Keel Vally's T.L         JSW Official Scele United         Keel Vally's T.L         JSW Official Scele United         Keel Vally's T.L         JSW Official Scele United         Keel Vally's Coale United		SW (hergy (lengs) united
ISW Inarithand Skell United         Amba. New Coke Emeted         ISW Steel Coaled Product: United         Peddar Repty Private United         ISW Steel (Saled) Emited (merged with ISW steel United w.e.t. 01.04.2019)         Obta Minimus & Aletais Private United (merged with ISW Steel United w.e.t. 01.04.2019)         Obta Minimus & Aletais Private United (merged with ISW Steel United w.e.t. 01.04.2019)         Obta Coke Projects Emitted [merged with ISW Steel United w.e.t. 01.04.2019)         JSW Industrial Cases Advice United         AW Neetry & Infrastructure Private United         JSW Steel Values Total         JSW Steel United         JSW Steel Values United         JSW Oread Steel United         Values Steel Values Values United         Values Steel Values Values United		KW Natura Resource Benge Lowted
Amba: Nep: Coke Unsted       ISW Steel Coaled Products United         ISW Steel (Saled Products United       ISW Steel (Saled Products United         ISW Steel (Saled Products United       ISW Steel (Saled Products United         ISW Steel (Saled Products United (merged with ISW steel United w.e.t. 0104.2019)       0004 Cole Projects United (merged with ISW Steel United w.e.t. 0104.2019)         Dota Manyarus & Aletais Private United (merged with ISW Steel United w.e.t. 0104.2019)       0004 Cole Projects United (merged with ISW Steel United w.e.t. 0104.2019)         SW Industrial Coles Projects United (Merged with ISW Steel United w.e.t. 0104.2019)       ISW Steel Vales Projects United (Merged with ISW Steel United w.e.t. 0104.2019)         JSW Industrial Coles Projects United (Merged with ISW Steel United w.e.t. 0104.2019)       ISW Steel Vales Vales Projects United (Merged with ISW Steel United w.e.t. 0104.2019)         JSW Industrial Coles Projects United       ISW Steel Vales Is Infrastructure Private United         JSW Official Steel Vales Is United       Isw Official Steel Vales Is Infrastructure Private United         JSW Official Steel Vales Is Infrastructure Private United       Isw Official Steel Vales Is Infrastructure Isolated w.e.t. 27.08 2018)		RSW Jhardshard Shael Western
ISW Steel Coaled Product Linked Peddar Repty Prive United      ISW Steel (Select) United      ISW Steel (Select) United      ISW Steel (Select) United (merged with ISW steel United w.e.t. 01.04.2019)      Doka Manya's & Alcola Private United (merged with ISW Steel United w.e.t. 01.04.2019)      Doka Cote Projects Linked (merged with /SW Steel United w.e.t. 01.04.2019)      SW Industrial Coules And the United      JSW Steel Value United (merged with /SW Steel United w.e.t. 01.04.2019)      SW Industrial Coules And the United      JSW Steel Value United      JSW Steel Value United      JSW Official Select Value United      JSW Official Select Value United      JSW Steel Value United      JSW Official Select Value United      JSW Official Sel		Amba Neg: Coke Limited
Fielder Reply Private United         15W Street (Selev) Britted (merged with 15W Street United w.e.t. 01.04.2019)         Dote Minimute & Allottia Private Limited (merged with 15W Street Limited w.e.t. 01.04.2019)         Dote Minimute & Allottia Private Limited (merged with 15W Street Limited w.e.f. 01.04.2019)         Dote Color Projects Limited Imaged with 75W Street Limited w.e.f. 01.04.2019)         SW Industrial Gapes Minited Imaged with 75W Street Limited w.e.f. 01.04.2019)         /// SW Street Number Color Projects Limited         // SW Street Vally Street United         // SW Street Vally Street United         // SW Street Vally Street United         // SW Street Vally Street         // SW Street		JSW Steel Coaled Products (L'Wood
15W Steel (Selev) Umited (merged with 15W Steel Umited w.e.t. DLCA 2019)         Dolw Minimus & Metals Private Umited (merged with 15W Steel Umited w.e.t. DLCA 2019)         Dolw Solar Projects Limited (merged with 15W Steel Umited w.e.t. DLCA 2019)         SW Industrial Gales Minited Immed (Merged with 15W Steel Umited w.e.t. DLCA 2019)         /SW Industrial Gales Minited Immed (Merged with 15W Steel Umited w.e.t. DLCA 2019)         /SW Industrial Gales Minited Immed         /SW Steel Valves Interstructure Private Umited         /SW Steel Valves I.1         /SW Official Steel United         /SW Official Steel Umited		Peddar Appley Private United
Dolwi Minimuls & Mictals Private Limited (microed with LSW Starf Limited with 1, 01, 04, 2019)         Dolwi Golar Projects Limited (microed with LSW Starf Limited with 0, 04, 2019)         JSW Industrial Galaxy Micits Umiled         JSW Meetry & Infrastructure Private Limited         JSW Visited Start Umiled         Visited Start Umiled         JSW Visited Start Umiled         Visite Start Start Start Umiled (caused with 1, 27,08, 2018)		15W Steel (Selev) Umited (merged with 15W Steel Umited w.c.t. 01.04.2019)
Dotes Color: Projects Limited Imaged with JSW Steel United w.n.f. 03.04.2029)           JSW Industrial Gales: Advette Umiled           JSW Realty & Infrastructure Private United           JSW Steel Valy S r.1           JSW Official Steel United           If Manual Steel United           If Manual Steel United	[	Doket Mingrate & Alexan Private Limited (merged with 15W Starf Limited viel   01.04.2019)
/SW Industrial Gapes Ministre Umilied       #SW Realty & Infrastructure Private Umilied       #SW Steel Valy Sint       #SW Other Steel Valy Sint		Dohn Cole Projects Limited (merged with /SW Steel Limited w.n.f. 02.04 2029)
45W Reality & Infrastructure Private Linned 75W Steel Valy S r.L 75W Utitat Steel Universited FileAud Steel Linned Constant Special Steels United Constant Special Steels United		SW Industrial Gapes Mining United
JSW Steel Valy S r.L		SW healty & Infrastructure Minane Umaed
ISW Utilized Steel United		JTW Steel Holy Sint
fileAud Steen Limited Crement Special Steals Ummed (caused w.e. J. 27.08 2018)		ISW URbail Screek Giryl (ed.
Crement Special Steals Limned (resided w.c.f. 27.08 2036)	_ ]	His Alud Steen Limited
		Crevent Special Steals Umned (cased w.e.f. 27.08 2016)

٧

F-815

2.2

### , sold in the second

¥

# NOTES TO THE STANDALORE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

# dia, - Related party disclosures as per led AS 24 :

1-	Nume of related parties
	Millson, Steel Limber (cound as e.f. 3) 495 2018)
Ĺ	Anero feachos incluings, los (w.e.f. 15.06 2023)
	75W Steel USA Oblo, Inc. No. 4, 15:06:2018)
_	ISW Steel July Planting S.p.A. (Seemsly known as Alargi S.p.A.) (w.e.f. 24.07 2012)
_	Rembine Logiance S.p.A A (SW Encodering Connectly Record to Flombine Logiantes 5.p.A.) (w.e.f. 20.07 2018)
	GH Lucoberi S.c.A. (w.e il. 24 07 2005)
_	15W Seral Umited (w.e.f. 20.09.2018)
_	Master Private Limited Ince f. D6 06.2019)
_	Nombree Street Umittad (w.e.t. 06.06.2019)
_	JSW Vijayz ragar Mataliks Limites (w.e.f. 24,12 2019)
_	Vardhesen Volustrier Limited (w.a.f. \$1.12.2029)
	15W Vallabh Fiephte Privale Limited (New, 7, 21, 12, 2019)
2	Jbirk Ventures
	Warymager Minerals Private United
Ľ	Rohne Cos' Company Privace Llaviad
	ISW Severifield Stauctures Umiged
	Gourangth Coul United
	GEO Steel LLC (centred w.e.f. 38.03.7330)
	AW Shettural Metal Decking Limited
[	JSW M4 Steel Service Denvice Private Limited
	NW Vallakh Timplete Printed (cested w.e.l. 31.12.2019)
	Ameliate 5 p.A. (central w.a.f. 16.04.2018)
	Cretrent Speak Meets Lumbed (w.u.t. 28.08.2004)
	Monnel Japan & Energy Limited (w.p.f. 31.00.2018)
1	Kay Méningawan Printana
_	Mr. Sajan Andal (Non-Independent Executive Director)
	Mr. Seshegiri Ras M V.S. (Nat-Independent) tansisive Director:
	Dr. Minad Newal (Nen-Webpender) Executive Direction
	We Tayani Acharya (Kon-Independence are Director)
	Mr. Rajery Zal (Chief Pinerdal Officer)
_	Mr. Lancy Varghese (Company Secretary)
1	Independent New-Enclother Director
	Wr Ganga Nam Baderher - Kominee Brector, KSBDC
	Mr. Hiroyaki Ogawa - Nomanee Director, JFE Scient Corporation
-	Mirs. Auntra Sumer States
	Mar. Makey Mukherjee
	Mr Kagewe Diakar.
	Mr. Sebraman Mahalingan
	Mrs. Ninopania Ran
	Mr. Hanh Osynadai Mafwala
4	Relation of Key Management Parsonnal
	Mrs. Savieri Gevi Ledat
	Mr. Aldini taj indel
	Ka, Apyren Jisaki
	Wrs. Nirmsla Seyal
	Mes unails threadly

123

.

Page | 107

F-816

And the second large to the second

# NOTES TO THE STANDALONE FRANCIAL STATEMENTS AS AT AND FOR THE YEAR INDED 31. MARCH 2020

# 44. Rainted party declarates or period AS 24 (

	Network of related starties
	Mrs. Seema Jainet
$\vdash$	Kirs Sandra Jada
F	Mrs. Taket Burdet Lands
⊢	
F	
╞╼	Product And Andreas Andre
-	We have been a second and the second se
⊢	
⊢	Zan Edengy (Winner) Dealed (Inmerity known as Ray West Prover United)
-	In we would in rading Company Limited (formerly landow) (SW Green Every United)
-	Any Hydro Energy Umlad (formerly known as Humochel Baspe Pewer Company Dented)
-	Jew Energy Country Umited
	SW Sofar Cantaed
	and sames the set
	23 Urek/e Detad
_	
	Andul Sew LISA LLC
	Jindai Tubafar (India) Umitari
	Jindal Unbern Waster Man age went Climited
	Jiedal Rei Affricanstare United
	Endel Steel & Power Umbud
	India Rhysika Autorica United
	25W infragreeture contined
	15W Jungleh Part Umitad
	South West Port Limited
	15W Dharaotailer Port Privers Umhed
	3W Pende Terreinal Private Limited
	Asignith Digo: Kali Uzwited
	JSW Campet Langed
	JOW COMMIN. FOR
	South West Mining Limbert
	SW Projects Limited
	SW IP Holdings Private Limited
	Soft Selection Lended Internet with Everytest Contributed Selected Related Research
	Remote Traders Private Line had
	/SW Decime Ore letts Manu remerit Han Paul
	File Global factorers Schulerer Lander
	Bet bet Complete Services Benefat United
-	Redel Industries Productional Contract
-	JSW Foundation
	Justial Technologies 2. Management desides in blands starting
f	Engline Carton Drives Finited
┥	SW Liver Private Livered
┥	Wilderschlassift Traderson Die Henkerd
┥	Let a for an and the second seco
┥	Markets Britsche Hannes
•+	Territor (Chinese Contest in the second seco

4

Page | 108

ģ

1.0

### FRANCE Count Lawrence

۰ŀ

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 33 MARCH 2020

44. Related perty disclosures as per and 25 24 :

	Mamo of related parties
	M/SJ Cost Lineted
	/SW Bengshiru Fectuali Cub Private Samuel
	ISW Shipping & Logrades Private Centerd ("annexity and an as Utburch Advisory Services Private Linking)
	FpAlon Aeropeoe Private Cented
	Nextner Scel Wres Private a Wad
!	Neotres Steel Private Lutrinad
<u>'</u>	Khaiten & Company
	Vinar Systems Prvate Livehed (coased w.e.) 31.05.2028)
	Evaluation international Private Limited
	Pagar Associates
_	Canta Enterprises Private Law ted
	Slobe Tracting Petrase Limited
	JSW Holdings Deficed
[	ISA Investments Arbate Limited
	JSW LogSkis Infravosrium P. heje Omljed
	Self you hold may invote Limited
	Virtvaua Tradecorp Private Liwited
L	S K (Indel and Sone HUF
	P R Anda' (SLF
6	Post-Employment EnryPh (craity
	Sw kei (Pf from
	SW Steel Group Straulty True
	.3W Scotl Umbrid Employee Drahmy Fund

· /

ALLE DAMLIN MA

# NOTES TO THE STAMOALOME FINAMEUM. STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

# B. Instactions with received parties for year ended

	-			-			L	As hoom,
Particulars		5	J			red particles	۽	1
	PT 2010-70	5,102,6	PY 2014-20	Pr 2011 - 11	PT 2019-20	FY 2016-13	FY 2014-ED	61-BCDE LA
Purchave of goods/power & half-services/branding express								
j Amba River Coke Nim Jea	3,055	1161	•	·		•	1444	6971
JSAN Forengy I under			•		1174	7,609		992
INV International Tradecorp Ptp. Umited	-	•						
Others	206		1					
Hold I	1991	11.1		1				
Reindorsement of supersus Incorred on our behalf by			5; 			\$n, 10		
JSW Reta	11	ì					;	•
JSW Street Costood Products Lummed							•	•
Artica Physic Code Linwied								•
JSW MI Steel Service Center Principal Limited					•			•
JSW'E nongo i i m Lord				• •	-			• •
Others	-	-	•		•		•	1
teral	1	ſ		-			, M	
Safes of goods (power & fuel/perden/emets				' '	'	Ì	•	Ī
5W SCAPI CLARKED Products (Im 4M	1411	- 671706	-				• • •	
Other	1.74	1 A A	2	678	1.53.7			
Yeta	L PO	14.74	1		1612			-12
Other Income/Interest Income/64/64end Income			2				1.1	
tion Stend Levited Products Limited	2	5					:	ţ
Amba Neet' (cake l'mited								3 5
Acers lunction Hidding, No		K						5 7
. RW industrial Gases Private Like sed	: 3	1 g				•	: 1	<b>a</b> ;
Ciher	-	<u>}</u> .		: =		. 5	4 2	<u> </u>
[944]	ې ۲	DOT	2 1	;; 	ſ	3	Ċ	\$
Listel Etw. = rid tem back			 	2		-1 -	Ş	ŝ
Set Sice Council traducts and ad		~						
JSW MI Seed Smithe Canine Principal		1	•	•	•	•	•	• •
South Werd Point derived		_		•	•			
Jirds' Sam lintited			I		: .	• *	•	<b>h</b> -
ISW Projects United						• •	•	* -
			-					
							6	
						~:	ţ,	Phys   1:0
							Į; Į	
••							, i	

# MOVES TO THE STANDALONE NAMION. STATEMENTS AS AT AND FOR THE YEAR BADIN STANDALD THE

# يتراجع مستعمل والمراجع والمتحاط والمراجع والمراجع والمراجع

				ļ				
	Tame T						₽   	
								F 20U-M
	•	•	•	•	•	#	•	7
	•	·	•	•	-	1	1	-
	-	1		٤	'	21	ľ	ĥ
							ĺ	
State Second and Strict Landson in Line State	'	•	1	416	•			
	•	'				:	Į	1
State Conserve Undergo	,					9 :	1	ŝ
				•		<b>A</b> !		ğ
3			<b>ر</b> د	•		5	5	2
		2	E	Ĩ	li	8	1,446	90
	1	1						
	\$	Å	'	'	•	•	8	ĝ
		•	•		\$	•	A	
المتنبس فكرابتها المتعادية والمراقع والمراقع والمراقع والمراقع والمراقع والمراقع والمراقع والمراقع والمراقع	-				2		R	
	8	31	•	'			F	
2	3	8		ľ				
Captol/Network.advances repliced lands			ĺ			•		
Arrive Mean Codes Landaut	(							
Breish Steel & Press - Indian	;	ŀ	•	•	1	•	\$	•
	•	-	•	۲	Ĩ		ŝ	•
		'	ſ	·	•		2	•
	Ę	•	•	•	22	•	3	ŀ
						ſ		Ϊ
	•	'	•	•	F.	8	H	3
	·	'	•			Ē		1
	·	•		•	Ş			
				╞				
	•	-	•	1	•	•	'	
	ļ	•	'	•	•	9	•	
	•	-	•	-		5	ľ	
فليتجلب والمارية والاستعمار المتعلمين								ŝ
	•	8	1	·	•		•	<b>D</b>
	•	1	·	·	•	2	•	2
							ļ	
							l,	
						'	<b>e</b>	
							-	

Particul many suggest

# NOTES TO THE STANDALONE PRUMPLAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

# Transactions with valued parts to for past and up

				! 			Į	Ris In Cores
Particulars							2	5
	07-5102.14		N101N	1-107L	PLANE V	61-H102 J.J	02 5102 LI	PY 2011-114
	·	3		•	•	3		151
Donuctury CSR Reported								
	•		•	•	2		F	2
	•		'.		7	ñ		l s
Mechany of expenses incurred by as on which larkard								
ISM Servit Congrest Products Limited	ł	2	•				•	
15h Contert .'Autyd	-				1		::	21
filte incurational Tradiçions Plan quinting				•	1	•		20
OUNER	12	82	ч.		1	5	5 8	• ;
Tot		; <u>;</u>			i,	2	: ; 	
//// /// /// // /// /// /// ////////		i		<u></u>	-			62
15W Street (truited Products Limited	952				-		j	
Editments Steels levels level		•		ĩ		•	Į	ł
. Swithau to de Infrastructure Private - Imited				?		•	• •	ç i
Dilines			•	. <b>1</b>	•	•	-	ġ,
10121	1					·	₿	*
terestments /share modes item maner mining			•	\$		•		Ę
Robust Cost Company Amage United			•				•	
Total	[.		•	·	1	·   ·	ì	·
Salls of Immediated								
Perauty Stee Limited	•						•	1
	•	•	•	Ì	1,		. I.	•
Multin rid trigements			l	1				1
AV Steel Carted Products Link, to	ħ	-	•	•			F	,
Ambu River Oake Um ted		-		•	•	•	1.	
	18		. 	'. 	•.			· -
Guide in they and collecteds provided by the company on tarked?								
	180'I	á		- -	'	'	107	333
	97	Ŧ	•	•	'	•	\$	513
			•			•	2	THE STATE
0 ·		ŝ	ĺ		-	·	Ę	8 9
. 126								
						~		
						50	t	
						>		

and here here

NOTES TO THE STANDALONE HINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MAINCH 2020

# Transactions with interned periles, for year endost

	1					-	ľ	
		Ê					21	3
	11 202-20	51-91 02 14	PT 2014-20	PT SCIETS	2 10 10 L	179992	17 2019-20	FY 2018-19
				י ו		•		2
	271,25				•		111	
Outsimpter and collidants related				:				k
ISW Stock INSMILLE.		515	-					36.7
ISW Steer (Netherland) any.		3						93
Posima Polisings, ILC	-	3						¥ ;
Total	-   	1071	•	 				
Provident for leaven & phoneses with the hade to prove & basi						!	•	1,648
. Shi Şoere (nejhertands), B.N.	336						2	
Tota	] <u>≭</u>	Ì.	<b>¦</b>	ŀ			; 	•
Prevision for holphanite guarantee			ł	Ì			+   	•
15-44 Started, Weekers Lands, 10 V	, 376							
	۲	·	". 	.	ĺ	1.		•
Provision for loans & advanced/interest receivable						'		
Per and diolongy (LC	22	•					3	-
Theirs over furness Limbals			•	-	•			
Tett	1.191		•.		İ	·		·
Industry of accidential (garater)		:	-		T		1	İ
RWI Sneed Coarted Procession Limited	ξU2	00				—.	1	
	8	8	•		•	•. 		
tere improv politi	;				İ		Ī	
Hetta River Coise Lingted	×.	ß			•			ź
15% industrial (Japas Phade Limato)	7	-	•	•			::	
rSW Property Under		•			261	154	12	ļ
ISM Cother Projects Management Limited		'	•	•	3	7	13	;;
tiski Jingarik Hort Camiled		'	-		•		•	<b>,</b> '
- The Oharmana' Peri Privale Lavbed	•	-	-	•	Ē		. 0	•
	1	R	•		192	- - -	ş	5
Loses Bobiel les filmande faites obligations repayments						Ì		į
Refer to the Connect of the Connect	Ŗ	6	•	•	•		2	×
JSW Industrial form Provide . Titled	*	· . ا			7	•		ŝ .
W.					4	,   		
						Ś	4	Puge   1:3
						4	3	
						9	ŝ	

Section and reading of

NUTES TO THE STANDALONE FEMARICAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MANCH 2020

Transactions with related parties for year and all

		•						b. in contrast
Particulars	Press		Lokut ve			M parties	2	
	7 200-10	1 100 1	FY 2019-20		FY 2015-20	P THE P	11 2019-20	
John Projects Limited	•	•	•	•	511	Ş		Ę
JAY Techno Projects Management United	•	•		-	5		12	
Line integrate Poor United			•					•
Ediv ukramutur Port Erhete Linded	•		•				• •	
Total Parts	5	×	ľ	ŀ	754		Ĭ	8
Restmintdowy sales of Shakes.						! -		
Amba Power Code dividence		2	•					1
, Rive Siert Couled Products withed	•	. 2					-	2
	•	24	·	ľ		·	1	
			•	Ì	'		·	3
JSW STORY (MACHINERY) B.Y.	1	279			_		:	1
friems Mayings, L.C.	512		-			•	ì	
ACM'S Jan 65 AM Model new The	j j			'	•	•		ŝ
Others			- 6		-	•	3	8
			<b>₹</b> :	5		·	8 	2
	Ă			-	-		162	5 E E . E
GW Fewhyr Linder	'	-			;	:	i	
POM. Technic Astheric II accession Indicate	'		•	•	2	2	F	2
	•	'	-	'	Ī		101	z
		'	•	'	¥	ž	¥	뀌
	•	·	1	•	8		7	5
	'	•	•	•		EN7	24	ê
				1	1			

B.

: 4 Page | 14

F-823

Carl Tana In was

# NOTES TO THE STAMDALONS FERENCIAL STATEMENTS AS AT AND COR THE YEAR ENDED BY MURCH 2025

# 2. Transport with rebit garber for your ended

		i						
Carbon Ca	Subc	Ĭ	ji Hộ	ributel	Other relation	d perfect		
	PLANK PLAN	TY 2014-L1	02-610-61	ET ELOZ AL	Print the	61-010-10	12-4007 AJ	FY 2014-11
Loars pren necessed back				-	!			
ister Street Average and State and State and State and State and State and State and State and State and State	(651)	•	•	•			1.144	
אלפוה וערילוסי 14קאל יובה, אנ	•	<b>19</b> 85	•	•				59
Personal Maria ngu LUC		P:4	•	•				
Others	4	12			`	1	5	
	1,2,4	950	۰. ۱	. 	2	=	1441	ТĽЯ
A little film relations of the future second s	161 2020	-						

<sup>4</sup> Probability of Key Management Persekting, "Less (her R), 0.50 (cores)

N ql ex:

Lithe Corroany makes mostery uniteduanty provident fund managed by ISAV Sweld the Involving under Kingloweek, and withe wheme, the Company Burayane to contribute a specified percentage of the phyrical court for beneficies. During the Yong with combutes Rs. 22 concerters 2008-19. As (20 concert). 3 the Genoery minitable grading runt for the impact of ethickering the grading partiant in the employees (GW Siee) during Grading and JSW Sied Lenters Septisys

Grability funds, Durvey the year, the Company, and not concluded (197-2018-199. As Baume)

4 micro of the uncerte my muchone in collectables, interest income of its. Sali clones have not been requeringed on task pre-aded to cartain wetwork upbusharies. A During the year, that stee timeline has intersformed environment stearence certificable visued for na data in the SM Content on the steare tar an environment for

Ż



Puge | 115

-----

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

### Contentration to kee management person with

		Re in comp
Nature of Transactive	FY 2019-20	FT 2011-49
Short-term employee benefits	<b>1</b>	6
Post-#mployment benefits		1
Other long-over benefits	[ .	
Termination banefile		-
Share based peyment		-
Total Compensation to bey element personnel	¥	87

Antes

 As the future liability for platony is provided on an actualize basis for the company as a whole, the amount particleling to withideal is not exercisionable and therefore not included above.

- 2. The Company has recognised an asparases of RL 3 crosst (previous year Rs. 4 cross) towards employee stack options granted to tay Managenal Personnel. The same has not been considered as managenal semanaration of the ownent year as defined under Section 2(78) of the Companies Act. 2013 as the options have not been creticised.
- 3 Oktoend paid to key management parts well kits, 0.18 cross (FY 2018-19: As, 0.14 crores), not included above, 4. The independent alon-Escosive Directors are paid remuneration by way of commission and stiting face. The
- Commission payable to the New Executive Directors is based on the number of meetings of the Board stranded by them and their Quarkmanning/normburship of Avail Commissie during the year, subject to an overall onling of 1% of the nat profits approved by the Memisers. The Commissie during fees at the rate of Rs. 20,000/- for each meeting of the Board and sub-sommittees attended by them. The amount patch is them by each of commission and Otting free during FT 2019-70 is Rs. 3 croses (FY 2018-15 is Rs. 4 croses), which a nat included atoms.

### Terrine terri constituines

### 1 Mars

The sales to related parties are made on terms equivalent to those that prevail in arts's length transactions and an the artimety course of business. Sales transactions are based on prevailing price lists and memorandum of widerstanding upped with related parties. For the year ended 31 March 2020, the Company has not recorded any interference of receivables relating to amounts ound by related parties.

### Purchase:

The purchases from related parties are made on terms equivalent to those that prevail in any's length transactions and in the onlineny course of business. Purchase transactions are based on angle on some tommercial terms and considered and market rates.

### Loans to overview substituties:

The Company had given losses to subsidiaries for general corporate purposes. The loss balances as on 31 March 2020 was Rs. 4,976 cross) for the constant of and carry an interest cate canging from UBCR + 295-615 beam points and reported in this a period of these years.

### Guarantees to subgifieries;

Guarances provided to the tenders of the subsidiaries are for explicing term. Long and working sugiral factility, from the lender banks.

The transactions other than method ed above are also in the ordinary course of business and at arms' length base.

٠.


A Distant Lange

# WOTES TO THE STANDALONE FINANCIAL STATCHERTS AS AT AND FOR THE YEAR, ENDED BI MARCH 2020

# C. Almont due tof from rejeted period

Practice data								2
			1	H.	High Mark	Ť	914	ħ
					March 1000	March, 2011	Manal 2000	Manch (2014)
	_							
John Contract Instead					ž	ž		
Diff manufacture Tradecters for Created	•		•					5
Others	5	5						
						5	3	2
	3	2	친	r	2007	1991		1703
					!			
Jam Supel Control Products United	147	-	1	•			;	
Jaw Steel haby Manufing 1 p.A.	•	-			1	•	ł	•
	•	•		•	-		• •	-
				'	Ī		~	•
	ТН	-	m	•	-	•	31	Í
								1
ISW Soverheid Sinchures Landard	•		7	2			-	
EVM Exerner Identical			ŧ	3	•		2	2
All Townson a large day		•	•	•	1	3	3	#
	•	'	•	•	Ħ	T	=	Ŧ
	2	=	•	-	\$	5	R	,
Tetal	2	1						
Tria die receivables					*	8	8	1
Petriar Reality Private Limited	1							
BW Steel Center Protects Limited		<b>i į</b>		•	•	•	3	ä
	1	•	•	•	•	•	•	R
	8		•	4	•	-	3	3
IDW ME SOLAR VARIAGE CENTER Mineral Landing		-	¥	ŧ				1
Caston Carbon Private United	•	•	1	-	Ę		-	
Others	•			R		9 6		83
		1						
Parts and retroit many dates				9	5		5	
24V Bangi Steri Linitad				-			-	_
and the second se		-	•	-	•		ç	•
	•	•	•	•	•	•	M	•
	ſ	•	•	•	•	•	•	•
	5	•	•	-	ŀ	•	5	ľ
	ļ				Ī			ר. 
							į	
5						``		Parcel 117
-								
۰.							è.	
•							)	

ALC: NOT ALC

NOTES TO THE STANDALONE FIMANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 33 MARCH 2004

Amount due to/ from related parties.

	1							Rs. In cores
Percenter							•	3
	0102 (June 1	March 2019	March 2020		JL4 March 2010	March Inte	314 March 7030	Nut the
Eleptratification advances (lected) op other receivedasi								
Amba River Color Invelting		375		:			;	3
1 JSW Preprints Limited	•							<b>;</b> :
19W Churameter Pari Private Limited	•	•	'		ţ	7		Ŧ
Subers Subers	9		() 	6				
Total	ĥ	3	; _	16		ז <del>ז</del> [		ः ।
LOOM AND ADVANCES BIRDING	ĺ		ĺ	1				Ĩ
Pertama raddings, U.C.	6.194	4/4.2					101.2	
1541 Steri (Hetherizacy) # U	294	L318	•					
Active workhon Holdings, he	102	Ē	•					
Others	201	â	214	125	5	. 1		
Ition		1442		i đ		י': ו		
Interest receivable					,+ 	١		
Protycenes & Prosti Limitada	ŝ	192			•		3	2
Proma Holpings, LLC	TET	390				. –		2
August Junction McMings, Inc.	âl c	2		-		•		<b>R</b> 2
Others	R	: 2			. 5	-	2 9	r: 5
		×	1.	•	;  <sub>=</sub>			0';
Wexteries has loaned a julyances				<b>t</b> 		ł		
ghrany indecayst nec etrables	_				-			
JSVM SXMVI (Methodian day B.V.	202	924	•			•		264
Prelows Public to C	116	•	•	•				-
needs in the Europh Charles	191	1.751	•	•				10
Others	•	-			•	•		
	Ŗ	22,	1.	ŀ	†.			Ĭ
Security & other deposits given			t		ſ		82	
trive Shapping & Logschild Finnels (1994) 	•	•		-	100	3	528	ş
	·		'		E	ğ	6	R
	•	1		ļ	- <b>1</b>	Γ₩.		242
~					I			
							SER.	Page   1; 5
- -						<u></u> .		
						~	ð	

ARE BAR LINES.

MOTES TO THE STANDALDME PHARKOUL STATEMENTS AS AT AND FOR THE YEAR CNDED 31 MUNCH 2020

C. Annual due to from related particles

			!					
	<b>§</b> ]	Ę		Hellures	Alter add	tering be		
	i i i i i i i i i i i i i i i i i i i	314	Ë	1 1 1 1				
		UCC DADA	0202	Murch 2019	Munch 2000	and the second		
La sea (124411464) finance lette obligations								
Ambu Raver Colice United		101						
1944 - Education Gaster Printing Limited	19	ļ			•	•		2002
, tộity Projects Lindkað						-		
NW Techno Projects Management Lynited	•						260/t	
JSW JACT PORT LINDER	•			•	1	Ř	8	5
JSW OVERITE FOR ANY RECEIPTING	•			•	•	-	¥.	•
			-	1.	9   	-	ן י	•
	Į			'		L447	112	1110
	_							
							_	
ISW Steel (Netherlands) ILY.	9		i	[	ľ			ļ
Perisma Multinger, 110	3	ŝ		•		•	ļ	8
INVISION USAV INC.			•	•	·	•	ŝ	ក្ត
Aren kunter Holdinen bir			•	•	•	•	1,073	Ry V
		5	•	•	•		1,65	2
		ž		•	-	•	ž	
	Ĭ	Ē	•	•				
Less: Lots Minemate manut storad	Ē	121121				1	Į	2
				·	·	·	Ē	(J16)
1 40 14 LU D 15 22 20			•	ר ו	Ī	•	Ā	2,913
							1	Ì

Notes

1. The Dopowny when a grabity user for the purpose of adminipating the grabity pairmood to Discrimpation of the Group Granuty Puest and DW Steel tember for proper-Gradity Fundy. As on 31 March 2020, the fair united year arges was at 85, 75 mores (As at 35 March 2020, BA Group Granuty Puest and DW Steel tember for proper-

\*

### PROPERTY Date Landers

### NOTES TO THE STANDALONE MNANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 32 MARCH 2020.

### 45. Contingent liquity

(i) Disputed utilms/levies (auclaiding interest, if any) in respect of:

—		Tis. In crones
Particulars	As at \$3 March 2020	ALSO IT Ments 2019
Estate Duty	- 481	462
Custom Guty	467	456
Ancome Tax		
Seles Tax / VAT / Special Entry Lex	I.433	1.251
Service Tax	641	644
Mixedianeous		
Levite by focal authorities - Statucory		<del>,</del>
Levies relating to Energy / Power Chigations	177	208
Calms by suppliers and other parties	46	
Tetal		

 Excise doty cover includes disputes parameters to available of CENVAT credit, valuation methodologies, clearliferrior of gases under collegent chapter heading.

b) Fortow duty cases instructs objective pertaining to export of then use fines and tumps states different chapter beacings, utilisation of SHS incenses for diseasance of imported equipment, payment of castoms duty States Coal through Kristinepathem Port and anti-dumping duty on Mol Coke used in Cores.

4) Sales Yoy' VAT/ Special Entry two cases includes disputes pertaining to demand of special entry tax in Pernataka and demand of ones by department of transport in Goa.

d) Service Techanys includes disputes pertaining to availatent of service Lat credit on ineligible services, KRC amount paid but no credit availed, denial of credit distributed 65 on ISD, service Lat or relevant fields); not taken as per prescribed occuments.

- al Income Tax cases includes disputes particuling to transfer pricing and other matters.
- Lexies by local Authorities Stubitory cases Ordudes disputes, pertaining to payment of water charges and entercost compensation.
- 81 Levics relating to Energy / Noves Obligations cases encloses discusses pertaining to uninterimpted power charges by Farmataba Power Transmission Company Ltd., be aced phymetrix surcharge, clasms for the Net Off of renowers a power obligations against the power generated in its capitive power objects and dues relating to indictional surcharge Enposed on capove company Ltd.
- b) Classes by Suppliers and other particle inductes quality claims issues raised by suppliers and others.
- These are several other cases which has been determined as remote by the Company and Server six been disclosed above.

(II) Forest Onvelopment Ten/You:

		Ra, in crome
Particulars	Asian St. March 2020	As at March 2018
Commo ne abed La Farese Development Tur/Fere	2,5RA	2,160
Amount para ander protest	920	920

In response to a peckept filled by the frontone mine owners and parthogens (in Guding the Company) Capitesting the lowy of Ferest Development Tax (FDR) on Howeve on the ground that the State does not have (unsulfation to legislate in the field of region mineral) which is a central subject, the isone-rabte High Court of Carnataka vide its jurgement dated 3 December 2015 diverted of and of the entire omount of FDT collected by Ramotaka State Gondurchant on sale of another by private feater operators and National Mineral Development Californian (unside (MMDC). The Karnataka State Government bas filled in Baseri before the Suprema Court of India (\*SCr). So has not granted stay on the Jurgement part stayed refund of FDT. The matter is yet to be

्रे

Page | 120



heard by SCI. Based on marits of the case and supported by a legal opinion, the Company has not recognised provision for FDT of Re. 2043 crores (including paid under protect – Rs. 665 crores) and sneated is an accordingent liability.

The State of Kernetake on 27 July 2016, has amended Section 98 of of the Forest Act restospacifiedly substituting the levy as forest Development Fee (FOF) instant of FDT. In response to the ark petition field by the Company and others, the Hobowable righ Court of Kernetake Neu vide us order delect 4 October 2017, hald that the substrainment is ultra-vide the Constitution of Inde and directed the State Government to refund the FDF collected. The State Government Net State Gover, and parts before the SCI, and based on marks of the case date duly segmented by a legal opinion and a known the order from the state Court, the Company his not recognized provision for FDF emount of Rs. 1,545 courts (including period under protect - 85.155 courts) pervaning to the private letter operators & NMDC and meeted is a contingent flobality.

### 46. Firanziai georgegee

The Company Net issued Resolutinguar ansaes to backs on behalf of and in respect of four facticies on and by he group companies.

After below for details of linance/ guiratores saued:

		Bs. In chores
Particulars	As at 31, March 2020	4 # 31 (Alreh 2011
Guarantaus	5,27	2,386
Standby fector of create facility	101	827
Less: Lous allow ance against alloresed	[873]	616
Total	4,908	1,20

### 47. Commitments

Performance in the provided and the product of the	As al 33 March 2010 31,789	t, in çonu. 10 A4 A4 X3 Manus 2019 15,025
The second second second second second second second second second second second second second second second se		

### Other commissionity:

۰ŀ

- (4) The Company from time to time provides need based support to sublidiaries and joint ventures entity coverds capital and other requirements.
- (b) The Company has encoded into a five-year Advance Peyment and Supply Agrooment ("APSA") agreement with Dufarce S.A. ("DSA") for supply of Steel Products. Dufarce S.A has provided an interast braning edwance emport of US \$200 million uncer this agreement, recured by committed supers of steel products to Dufarce S.A. Out of this US \$590 million is pending coupled fulfilitient.
- (c) The Company has imported capital goods under the supert promotion signal goods scheme to utility the break of a care or concessional customs dury rate. These benefits any subject to future exports within the ellowinted year. Such capan abilitations in year and aggregate to

	·			RE. IT CTOPAL
			An at 31 Munch 2020	As # 31 March 2018
Typeri promotion capital goo	🗱 Khéme		15.225	10 145

(6) The Company has given guiletwidees aggregating Rs. 327 crones (previous year Rs. 137 crones) on behalf of subsidiaries to Commissioner of Casterias in respect of groots insported.

1

P et | 121

### 

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2020

49. In assessing the carrying amounts of investments in and loans / intractics (not of impairment was / sole allowment) to certain subtilizing a point provide and a factor of the company considered without factors as detailed them against and concluded they are recoverable.

The Company has performed securitiely and you on the assumptions used and based on common indexacts of forcing economic conditions, the Company expects to recover the carrying enderst of these essets.

The financial projections basis which the future cash Rows have been estimated consider the instease in economic unionsembles due to EOVID-19, reassonment of the meanum rates, containing the growth rates factome while enricing at terminal value and subjecting these variables to tensitivity analysis.

The impact of the global health pandom's may be deterant from that dolumeted as at the date of approval of these financial statements, and the Company will continue to closely incolled any notional changes to future economic's conditions.

(x) Investment, Looks and F <u>rancials gus</u> As at 33 March 2020	isw stepi (Netherlands) (Netherlands) (Netherlands)	Perlama Noldinga, LLC (1941-13)	Horero Juncióen Holdings, inc ("Acero")	JSW Men Raily Rombino Kp.A. (*151P*)	99 Lucchiel 5 p.J., {"93"}
PACK Directly	- 41		536		-
coans (including exerve)	68	b.1 <b>8</b> 9	1,825	65	
Financial Guarantees	711	1,536	1,638	985	10
As at 31 March 2010	SW Steel (Netherizak)	Perisme Holdings,	Acero Iunction Holdings, Inc.	JSW Steel Italy Piombina	Gél Lugghimi S-p-A,

Aa at 31 March 2010	/SW Steel (Notkertanik) P.V ("NIK")	Holdings, Holdings, LLC ("PHR")	Handlings, Inc. ("Appro"),	italy Pionibira S.p.A. ("154")	նել էաբչինով Տ.թ.Թ. ("Միկ")
binesting nis	259		5 <u>16</u>	•	•
Loans (including without accrued)	846	5,332	818	85	
Financial Guarantees		1,410	968	396	16

Prepresents Rs. 0.19 chorps

v

Estimate of values of the technesses and assets by mappendient externet values based on cash flow projections/implied multiple approach. In making the sald projections, related has been placed on extenses of hiture prices of inco one and coal, minable resources, and assumptions relating to discount role, follow margins, increase in operational performance on account of conventies capital expenditure and significant, improvement in capacity unidation and margins based on forestime of demand in focal markets, availability of whistoreture facilities for mines and the firely impact of CCVD 19 en the raid operations.

- (b) Equity shares of ISW Arright View Dimited, a subsidiary (carrying amount of invest wents, Rs. 446 cross as at 31: March 2020; Rs. 446 cross walls). March 2029 and share application immery of Rs 52 proces as at 31. March 2020; Nd as at 31 March 2029; Social Social Social Social Social Social Social Conditions (including power plant) to be implemented in phases at Salboni of thisrid; Pasch m Madinipur, n West Bengat by the seld subsidiary and the plant Su: commencing constraints of INE solid complex.
- (c) Equity shares of JSW likelihand Steep United, a subsidiary (carrying wround: Rs. 93 crores as at 31 March 2020, Rs. 85 crores as at 31 March 2019 and share application money of Rs 1 crore as at 31 March 2020, Ki pi at 31 March 2029).

. . . "

Page | 137



Evaluation of the stabus of its integration Steel Complex to be implemented in provide all Report . Markhane by the said without any and the prank for communiting construction of the said converse.

- (d) Loudy states of Peddae Reality Provator Indiaes (PREL), a subsidiary (22) years a mount of it restmenes. Rs. 26 croses as at 31. March 2020, Rs. 34 croses as at 32 March 2015, and reservable of 41, 310 croses as at 31. March 2020, Rs. 34 croses as at 32 March 2020, Rs. 34 croses at 31. March 2020, Rs. 34 croses at 31. March 2020, Rs. 34 croses at 31. March 2020, Rs. 34 croses at 31. March 2020, Rs. 34 croses at 31. March 2020, Rs. 34 croses at 31. March 2020, Rs. 34 croses at 31. March 2020, Rs. 34 croses at 31. March 2020, Rs. 34 croses at 31. March 2020, Rs. 34 croses at 31. March 2020, Rs. 35 croses at 32. March 2020, Rs. 35 croses at 31. March 2020, Rs. 35 croses at 31. March 2020, Rs. 35 croses at 31. March 2020, Rs. 35 croses at 31. March 2020, Rs. 35 croses at 31. March 2020, Rs. 35 croses at 31. Mar
- (c) immoment of Rs. 4 crocks Rs. 4 crocks is at all March 2019) and owned to 163 crocks (Rs. 187 crocks as at 31 march 2019) relating to JSW Suitoral Resources Museum role Erolated and JSW ADVS Cares Contracts (step down with identity) Asymptotic of Prince Principle Contracts and Principle Contracts (step down with identity) and strangements at an elever contract of Principle Contracts by Independent experies based on the plane to contracted uperations effectives are as an elever to the based on the plane to contract of Principle Contracts at the plane for which eppication has been formative to regulatory exclusions, and interstructure is provided.
- (4) 2 only shares of LSW Seventive Exceptions Limited, a joint contour (conversion As LSA crock set at 4) event 2020. By LSR crocks as up 32 Movin 2019) - Cash Fow projections approach my the new IV which are based on appmains and visuomotions (Placing Palander book, cypacity up set include content performance, market (since of undertails initiation berminal values, etc.
- (g) Protocobe Literation (ISW Reality & Infranzouscus Provate Limited) a subsidiary (carryong Emergin). No 305 crows as at 15 March 2020 and cours of Re. 36 crows as at 88 Minreh 2020; for as at 30 March 2010] Shandh 2020, No. 150 crows as at 31 March 2020 and cours of Re. 36 crows as at 88 Minreh 2020; for as at 30 March 2010] - Shandh 2020, No. 150 crows as at 31 March 2020 and cours of Re. 36 crows as at 88 Minreh 2020; for as at 30 March 2010] - Shandh 2020, No. 150 crows as at 31 March 2020 and cours of Re. 36 crows as at 88 Minreh 2020; for as at 30 March 2010] - Shandh 2020; No. 150 crows as at 30 March 2020 and course of Re. 36 crows as at 88 Minreh 2020; for as at 30 March 2010] - Shandh 2020; No. 150 crows as at 30 March 2020; and crows approach to prove the Management. The Assessments (multisign Education and the normal sector), participant and construction and construction and the normal value.
- (In: Equity And: Preference shares of, Created Special Special Special Vector, (Company, Company, and Ali, 442 control as as \$3 March 2020, Rs. 399 crosses as at 31 March 2019) and loan of Rs & receive as \$3 1 March 2020, Rallas at 31 March 2019 Estimates of Velum of Buddeek bound on the cash likes (Inspection) Special on a performance, Intervening as a statements include values of Velum of Buddeek bound on the cash likes (Inspection) Special on a performance, Intervening as a statements include valueSpecial Security Constraints as expanded in Expection, Special on a performance, Intervening as a statements as a and Inspecial Velum.
- 40. Furshard to the Carpolate intervency resolution process under the Insolvency Bankhuppey Cook, the resolution plan submitted by the Campolate intervence industries tunklyd (VC) was approved, by the Kan bie Nation 2 Company user Enclosed (VC). The Marchael Company is order cated 30 december 2018 and as Carifled by its place to April 2010 and by We humble National Company Law Appendix: "Interval INCLAT; by its order dated 4: December 2019 and as clarifled by its order dated 4: December 2019.

The Company complexed the was sixtlen of VL on 31 Discrember 2000 by infining RF 63-50 traves in VL and Bas boes of set excise shorts and competitizer y career table detendents (CCDs) by VIL is large thereof. Accordingly, VII has become a whole excise subsidiary of the Longsley

VIL is mainly sheated in the manufacturing and market ng of forear (balled Colls & Sheats and has a production capacity of 3,000 tomes particularly with manufacturing facility it rated at Majoura, Patrata (Patrata).

50. The Company submitted the Resolution Plan in respect of Shokhan Rowes and Steel Lemited (BPSL), a company resentation of the second system of the resolution process under the providers of the intervention and for tractory code. The Company resentation of the content of the content of the Company resentation of the content of the content of the content of the Company on The Found of the content of the Company. The Resolution Protection Protection of the content of the Company on The Content of the Company on The Found of the content of the Company. The Resolution Protection of Participation Plan is approved by the Kelonic for pany on The Found (NELT) was in order dated to September 2019, and workson Plan is approved by the Kelonic (Company Low Tribunal (NELT) was in order dated to September 2019, and workson Plan is approved by the Kelonic Company control (NELT) was in order to the Company Low Tribunal (NELT) was in order to the Company Low Appendant in Appendant in Company 100, The Estimated by the National Company control (NELT) was in a previous control (NELT) was an accompany control (NELT) was a submitted to September 2019, and workson for other 17 Company 2010, the Estimated to September 2019, and workson the submitted by the National Company 100, the September 2019, and workson at the Company 2010. The Estimate and Appendant and the Resolution at the Neutral Internation (Resolution and Company 100, the Estimate and Appendant and the Supreme Court for adjudication.

Page | 123

### FOR Dec Umase

### NUTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 3) MARCH 2020

51	interproperty	Rems for the ga	a: ended 11 March	2020 nd adex.	meaning provision of:
----	---------------	-----------------	-------------------	---------------	-----------------------

Particulars	Avversiones Eurosh Limitada	/SW Authoritands B.V. (NEY)	Perlanny Holdings LLC ["PHL"]	Total
Allowence on doubtful loave	635		, —	. 605
Allower or doubth, interest receivables	200		372	
Fair value Loss on preference values designated as FVTPL		. 33	-	× -
	814	38	377	1,229
Impairment on woserly plant & equipment Tota	·	•	-	80

.

(a) Rs. 852 crores relating to overseas valuationes towards the value of investments made and loans given and interest accrued induction based on the sectal assessment of a recoverable value considering. Vicrossed uncertainty in recovering the line are mixing upmentions at Chile on account of COVID-15 outpreas.

(b) by 377 crores on interest requirables from an overseas sublidiary in USA based on the sourcement of reconcrative value of the US operations. The mid assessment includes significant assumptions such as discussed rate, increase in operational derivation account of committed capital expenditure, intrivity production, future many 6, and the likely impact of COVID 19 on the said operations; and

(4) Ps 80 mores towards identified hears of property, plant and exceptient of the Company

52. During the coertier enced 30 September 2009, the Mumbal Bench of the Net drial Company Law Telsoné (NCLT), through its occor careri a June 2019 and the Ameniabled Bench of Liz ACCT, through its order dated be August 2019, had approved the scheme of Amagamakon of its endor owned subsidiaries, Dow Mingra's and Metal's Private Umited, Dow Cake Proyerts Umited, JSW Steel Processing Contra Umited, and JSW Steel (Sean) (Imited with the Company, all these subsidiaries are in the business of manufacture of Steb, raw resterials required for making steel and other antificity services. Accordingly, the Company had accounted for the marger under the profiles and instance control perceptions perception in ND AS 103 – the unsets Company of Amilies and the and the antificity services perception (Impany) estated. The Impany of the marger on these Related Control values control / year numbers have betrifteted mary restated. The Impany of the marger on these Related Valuences is a under:

·			<u> </u>
	ing average acquired	Consideration paul/ Investments matte	Cepital Reserve
Doly Minerals and Metals Private Tentes ("DMM#1")	¥0	399	
Capital reserve on additional state equestion of DMMPL In 2019 20	<u> </u>	-	ងក្
15W Steel Processing Cantre Emiled (SPEL')	50		— <del>.</del>
KW Steel (Salav) Um ted	1,335	424	<b>Q</b> 11
Total Capital reserve recognized on margar			774

This rewited in restatement of financial statement, the changes in major heads are as balow:

		_	Ri In ciores
Particulary		A1 +1 31 M	landh 2015
Picoerty Plant er d equipment		Reported 49,245	4entaced 51,600
Borrowings includings or entimetances of long tome borrowings and focal Equity	steri tron borowings	41,637	43.703 34,895
ب	: . ·	<b>A</b>	Pays (124



		The Ende	, R.C. In proves d
Print Audio 19		21 Merch 2019	
	_	Teported	Patiente d
Revenue from operations		76,777	77,387
Profit before tex		11,517	11.707
Profit ufoir Las	_	8,259	B, 823

59. Provious year lighter have been re-grouped /re-class fied wherever necessary

### 54. Events occurring after tailonse sheets

On 32 May 2020 the board of directors inclusion when a final dividend of 85, 2,00 per equipy plant to paid to shareholders for homoal year 2015 20, which is subject to approve by the stateholders at the Annual General Identing to be been on 25 July 2020 If approved, the unidental would regult on a cash our flow of Rs. 482 croces.

### 55. Standards issued but not yet effective

There are no standards that have been issued by: nor you office we

- 56. Additional Information
  - A) CLF, value of imports:

		Ru in cronet
	For the year ended 31 March 1020	For the year unded 31 March 2019
-Capita Roods	4,187	3 345
Rane materials [metasting power and fuel]	15,444	22,198
States B. yakes parts	877	1 1 1 1 1
- Under Goods		- 12

### Experiedhore in foreign currency;

			Re. 🗕 proces
	F	or the year ended fo 31 March 2020	ar the year ended 31 March 2019
Internal and George sharges		_1.570	1,168
Dream freight		490	387
TPC::://aikines.?igw		27	64
_Commission on vales		. Ac	17
Legal & professional feas	_	28	1
Others		49	5

.



Page | 105

### A DESCRIPTION OF THE OWNER OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OF THE OWNER OWNER OF THE OWNER

ı

-

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 35 MARCH 2020

C) Exchings in foreign currency:

				h. in come
F.O.# value of exports	Perdoplera 	 	för the year and: 6 	For the year ended K1 March 2019 7,639
		 -		

As per our report of even does Her SE & C & CO LLP Childred Accessions IC44 Firm Reg. No.: 1249625/2300003

DET VIERAAL MEHTA Partner Manufacturing No.:105938 Place: Mumbal Date : 22 May 2020

**GALLEY PAI** Ch of Financial Officer

r

LANCY VARIABLES Company Secretary KSi Membership No. 755 5407 Recs: Member Date : 23 May 2020



H.Managing Director & Group CFO

For and on behalf of the learni of Directors

da

SARAN ANGAL

Case 00037762

Dell 00029136

SCHAGEI RAD M.V.S

Chairman & Manupag Crector

Page | 126



12th Floor, The Ruby 29 Senapati Bapat Marg Dadar (West) Mumbai - 400 028, India Tel : +91 22 6819 8000

### 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, 2019, 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 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, 2019, 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, 2019. 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.



S R B C & CO LLP, a Limited Liability Partnership with LLP Identity No. AAB-4318 Regd. Office : 22, Camac Street, Block 'B', 3rd Floor, Kolkata-700.016

# SRBC& COLLP

JSW Steel Limited Page 2 of 13



JSW Steel Limited Page 3 of 13

Recoverability of VAT deferral under the GST regime (as described in note 29 of the standalone Ind AS financial statements)

The Company's units at Dolvi in Maharashtra and Our audit procedures included the following Vijayanagar in Karnataka are eligible and have been availing for interest free VAT deferral loan 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, in accordance with notifications issued by the State of Maharashtra and Karnataka.

The State Government of Maharashtra ('GoM') vide its Government Resolution 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.

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 Rs. 1,111 crores and cumulative balance of these receivables amount to Rs. 1,806 crores.

We considered VAT deferral 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, 2019.
- Significant judgement involved in assessment of the eligibility of incentive under the new GST regime.

- We obtained an understanding, evaluated the
  - design and tested operating effectiveness of the controls related to the recognition of government grants and income accruing therefrom, including the controls in respect of measurement of the grants.
  - We have read eligibility certificates in respect of VAT deferral incentives available to Company.
  - · We have read the notification issued by the Government of Maharashtra and Government of Karnataka stating eligibility of VAT deferral under the GST regime.
  - We have read Government Resolution dated 20 December 2018 and revision made on 8 March 2019, issued by Government of Maharashtra in respect of modalities for sanction and disbursement of Incentives under GST regime.
- l. We have read circular dated 26 February 2019 issued by the State Government of Karnataka in respect of guidelines for certification of the eligible incentive amount.
- 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
- 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, 2019.



# S R B C & CO LLP

JSW Steel Limited Page 4 of 13

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 43 of the standalone Ind AS financial statements) Our procedures in relation to the disclosure of We identified the accuracy and completeness of disclosure of related party transactions as set out related party transactions included: in respective notes to the standalone Ind AS Obtaining an understanding of the financial statements as a key audit matter due to: Company's policies and procedures in the significance of transactions with respect of the capturing of related party related parties during the year ended transactions and how management March 31, 2019. ensures all transactions and balances with related parties have been disclosed Related party transactions are subject to in the standalone Ind AS financial the compliance requirement under the statements. Companies Act 2013 and SEBI (LODR) Obtaining an understanding of the 2015. Company's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. Agreeing the amounts disclosed to underlying documentation and reading relevant agreements, evaluation of armslength, on a sample basis, as part of our evaluation of the disclosure. Assessing management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015. Evaluating the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit. Claims and exposures relation to tavation and litination (as described in note 44 of the standalone Ind AS financial statements) The Company has disclosed in Note 44 contingent Our audit procedures included the following liabilities of Rs. 3,015 crores in respect of disputed claims/ levies under various tax and Understanding and assessing the internal legal matters and Rs. 2,160 crores towards control environment relating to the Claims related to Forest development tax/ fee. In identification. recognition and addition, the Company has assessed several measurement of provisions for disputes, claims as 'Remote' and hence are not required to potential claims and litigation, and be disclosed as contingent liabilities. contingent liabilities. Obtaining the details of legal and tax Taxation and litigation exposures have been identified as a key audit matter due to: disputed matters and evaluation made by the management and assessed Significance of these amounts and large management's position through number of disputed matters with various discussions on both the probability of authorities. MUMBAI

JSW Steel Limited Page 5 of 13

<ul> <li>Significant judgement and assumptions required by management in assessing the</li> </ul>	success in significant cases, and the magnitude of any potential loss.
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.	<ul> <li>Read external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims.</li> </ul>
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,	<ul> <li>We involved tax specialists to assist us in evaluating tax positions taken by management.</li> </ul>
timescales for resolution and involvement of various authorities.	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.



# SRBC& COLLP

JSW Steel Limited Page 6 of 13

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.

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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.



JSW Steel Limited Page 7 of 13

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, 2019 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 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, 2019 taken on record by the Board of Directors, none of the directors is disgualified as on March 31, 2019 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, 2019 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:
    - The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 44 to the standalone Ind AS financial statements;



JSW Steel Limited Page 8 of 13

- 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

V

per Vikram Mehta Partner Membership Number: 105938

Place of Signature: Mumbai Date: May 24, 2019



JSW Steel Limited Page 9 of 13

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 were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years 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 are held in the name of the Company except for

i. leasehold land aggregating to Rs. 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 Rs. 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	ole Property Total Number (Rs. in Cro		
	of Cases	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.



JSW Steel Limited Page 10 of 13

- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service 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 Status	of Dues	Amount OPs. M Crorest*	Period	Forum
The Central Excise	Excise	98	1995-2015	High Court
Act, 1944	Duty	455	1997-2018	Central Excise Service Tax Appellate Tribunal (CESTAT)
		2	1998-2016	Asst. Commissioner/Commissioner
The Custom Act,	Custom	185	1995-2012	High Court
1962	Duty	354	2009-2018	Central Excise Service Tax Appellate Tribunal (CESTAT)
		12	2014-2017	Commissioner
Karnataka VAT, 2003	VAT	2	2006-2008	Assistant Commissioner
The Central Sales	CST	29	2011-2012	High Court
Tax Act, 1956		33	2012-2013	Commissioner
Chapter V of the Finance Act, 1994	Service Tax	162	2004-2018	Central Excise Service Tax Appellate Tribunal (CESTAT)
		0.15	2008-2018	Commissioner
Income Tax Act, 1961	Income Tax	14	2014-2015	Commissioner

\* Net of amounts paid under protest.

The above table does not include cases decided in favour of the Company for which the department has preferred an appeal at higher levels amounting to Rs. 616 crores.

- (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, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. 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 (including debt instruments) and hence not commented upon.



JSW Steel Limited Page 11 of 13

- (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 whereever 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 Number: 105938

Place of Signature: Mumbai Date: 24 May 2019



# S R B C & CO LLP

JSW Steel Limited Page 12 of 13

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, 2019 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.



JSW Steel Limited Page 13 of 13

### 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, 2019, 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 Number: 105938

Place of Signature: Mumbai Date: May 24, 2019





### BALANCE SHEET AS AT 31 MARCH 2019

Rs. in crores

	Notes	As at	As at
		31 March 2019	31 March 2018
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	49,245	49,503
(b) Capital work-in-progress	5	9,577	3,071
(c) Intangible assets	6	172	65
(d) Intangible assets under development		344	321
(e) Investments in subsidiaries, associates and joint ventures	7	4,853	3,848
(f) Financial assets			
(i) Investments	8	1,424	1,030
(ii) Loans	9	7,674	5,165
(iii) Other financial assets	10	45	746
(g) Current tax assets (net)		195	250
(h) Other non-current assets	11	3,364	2,299
Total non-current assets		76,893	66,298
Current assets			_
(a) Inventories	12	10,599	10,082
(b) Financial assets			
(i) Trade receivables	13	6,746	4,692
(ii) Cash and cash equivalents	14	5,258	451
(iii) Bank balances other than (ii) above	15	422	150
(iv) Loans	9	136	158
(v) Derivative Assets	16	228	147
(vi) Other financial assets	10	2,621	503
(c) Other current assets	11	1,999	3,070
Total current assets		28,009	19,253
Total Assets		104.902	85.551







### BALANCE SHEET AS AT 31 MARCH 2019 (Continued)

			Rs.in crores
	Notes	As at	As at
		31 March 2019	31 March 2018
I EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	301	302
(b) Other equity	18	34,861	27,605
Total equity		35,162	27,907
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	26,748	29,551
(ii) Other financial liabilities	20	1,015	698
(b) Provisions	21	226	115
(c) Deferred tax liabilities(net)	22	3,270	2,071
(d) Other non-current liabilities	23	4,083	4
Total non-current liabilities		35,342	32,439
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	5,368	2,172
(ii) Trade payables	25		
(a) Total outstanding, dues of micro and small enterprises		30	10
(b) Total outstanding, dues of creditors other than micro and small enterprises		13,022	13,978
(iii) Derivative Liabilities	26	332	90
(iv) Other financial liabilities	27	13,786	7,111
(b) Provisions	21	52	111
(c) Other current liabilities	28	1,616	1,381
(d) Current tax liabilities(net)		192	352
Total current liabilities		34,398	25,205
Total liabilities		69,740	57,644
Total equity and liabilities		104,902	85,551

See accompanying notes to the Standalone Financial Statements

As per our report of even date



Place: Mumbai Date : 24 May 2019



Chief Financial Officer

LANCT UNACHESE Company Secretary ICSI Membership No. FCS 9407 Place: Mumbai Date : 24 May 2019 For and on behalf of the Board of Directors

С

SAJJAN JINDAL Chairman & Managing Director DIN 00017762

2 SESHAGIRI RAO M.V.S

Jt.Managing Director & Group CFO DIN 00029136



### Steel Limited

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019

Rs. in crores

		Notes	For the y	/ear ended
			31 March 2019	31 March 2018*
1	Revenue from operations	29	76,727	67,723
IF	Other income	30	519	213
111	Total income (I + II)		77,246	67,936
IV	Expenses:			
	Cost of materials consumed	_	39,589	35,995
	Purchases of stock-in-trade		498	1,063
	Changes in inventories of finished goods and work-in-progress	31	(188)	412
	Employee benefits expense	32	1,400	1,260
_	Finance costs	33	3,708	3,591
	Depreciation and amortization expense	34	3,397	3,054
	Excise duty expense		-	1,259
	Other expenses	35	17,025	13,993
	Total expenses	_	65,429	60,627
V	Profit before exceptional items and tax (III-IV)		11,817	7,309
VI	Exceptional items (refer note 49)			234
VII	Profit before tax (V-VI)		11,817	7,075
VIII	Tax expense/(benefit):	22		
_	Current tax		2,348	1,578
	Deferred tax	_	1,210	872
_		_	3,558	2,450
IX	Profit for the year (VII-VIII)		8,259	4,625







### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019 (Continued)

_			Rs. in crores			
		Notor	For the year ended			
_		Notes	31 March 2019	31 March 2018*		
x	Other comprehensive income			_		
A	i) Items that will not be reclassified to profit or loss					
	(a) Re-measurements of the defined benefit plans		(15)	(3)		
	(b) Equity instruments through other comprehensive income		4	82		
	ii) Income tax relating to items that will not be reclassified to profit or loss		5	1		
	Total (A)		(6)	80		
В	i) Items that will be reclassified to profit or loss					
	(a) The effective portion of gains and loss on hedging instruments		31	(341)		
	(b) Changes in Foreign Currency Monetary Item translation difference account (FCMITDA)		(49)	(33)		
	ii) Income tax relating to items that will be reclassified to profit or loss		6	130		
_	Total (B)		(12)	(244)		
	Total Other comprehensive income / (loss) (A+B)		(18)	(164)		
хі	Total comprehensive income / (loss) (IX + X)		8,241	4,461		
XII	Earnings per equity share of Re. 1 each	37				
	Basic (in Rs.)		34.35	19.24		
	Diluted (in Rs.)		34.17	19.14		
Res	tated (refer note 29( c ))					

See accompanying notes to the Standalone Financial Statements

MUMBAI

0.805

As per our report of even date For S R B C & CO LLP **Chartered Accountants** ICAI Firm Reg. No.: 324982E/E300003 N 10 2400 6.

per VIKRAM MEHTA Partner Membership No.:105938

Place: Mumbai Date : 24 May 2019



Company Secretary ICSI Membership No. FCS 9407 Place: Mumbai Date : 24 May 2019 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





STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019 A. Equity share capital

	Rs. in crores
Particulars	Amoun
As at 01 April 2017	301
Movement during the year	Ø
As at 31 March 2018	302
Movement during the year	90
As at 31 March 2019	301

@ = 0.32 Crores @@ = (0.45) Crores



AUMBA

	l Limited	
	Stee	
1	ą	

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019 (Continued) B. Other equity

		I	Raco	rue and curdue				Itome of Other Cam	and angles have	R	in crores
							I			Inol Isson Jam	
Particulars	Capital reserve	Securitles 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	Total
Opening balance as at 01 April 2017	3,585	5,417	10	433	3,337	13	10,417	353	236	(4)	23,797
Profit for the year	-	1	4	i e	4,625	ľ	1	ľ		1	4,625
Other comprehensive income for the year, net of income tax	1	1		ł	(2)	Î	1	82	(223)	(21)	(164)
Dividend including dividend distribution tax	j.				(655)		1	1	ł		(655)
Impact of ESOP trust consolidation	1				(26)		1				(26)
Recognition of share-based payments	1			Ì	1	28		1		ľ	28
Transfer to Capital redemption reserve			139			Ì	(139)	7			
Transfer from Debenture redemption reserve	-			(292)	292	4	+	1		1	
Closing balance as at 31 March 2018	3,585	5,417	149	141	7,571	41	10,278	435	13	(25)	27,605
Profit for the year	1				8,259	ì	1	1	18		8,259
Other comprehensive income for the year, net of income tax	-				(10)	Ì	1	4	20	(32)	(18)
Dividend including dividend distribution tax	1	1	Ì	2	(886)	ľ	1				(886)
Impact of ESOP trust consolidation	1				(149)	Ì	1	ľ	1	ľ	(149)
Recognition of share-based payments	+	1	i.	1		50	1	1		R.	50
Transfer to Capital redemption reserve			383	1			(383)			1	
Transfer to retained earnings realised profit on FVTOCI (refer note 8 (a))	4		1		36	Î	4	(36)			ĺ
Transfer to Debenture redemption reserve		1	1	144	(144)	1		0	1	4	Ì
Closing balance as at 31 March 2019	3,585	5,417	532	285	14,677	91	9,895	403	33	(57)	34,861

For and on behalf of the Board of Directors

Company Secretary Company Secretary ICSI Membership No. F.CS 9407 Place: Mumbai Date : 24 May 2019 Com RAJEEV PAI Chief Financial Officer

P = 1

MUMBAI

Place: Mumbai Date : 24 May 2019

-

Partner Partner Membership No.:105938

Chairman & Managing Director SAUJAN JINDAL - Ma



M.V.S Jt.Managing Director & Group CFO DIN 00029136

See accompanying notes to the Standalone Financial Statements As per our report to veen date For S R & COLLOF For S R & COLLOF Instered Accountants ICAI Firm Reg. No.: 324982E/E300003

### Steel Limited

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

		31 March 2019	31 March 2018
Cash flow from operating activities	_		
Profit before tax		11,817	7,075
Adjustments for :			
Depreciation and amortisation expenses	3,397	3,054	4
Loss on sale of property, plant & equipment (net)	6	124	4
Gain on sale of financial investments designated as FVTPL	(10)	(16	)
Interest income	(239)	(176	)
Gain arising of financial instruments designated as FVTPL	(8)	(9	)
Unwinding of interest on financial assets carried at amortised cost	(31)		8-
Loss arising from Financial instruments designated as FVTPL	18	3	D
Dividend Income	(224)	(5	)
Interest expense	3,452	3,44	2
Share based payment expense	50	2	8
Export obligation deferred income amortisation	(160)	(67	)
Unrealised exchange gain/(loss)	201	4	4
Allowance for doubtful debts, loans & advances	132	38	1
Government grant - GST incentive income	1.	(53	)
Non cash expenditure	6		-
		6,590	6,777
Operating profit before working capital changes		18,407	13,852
Adjustments for :			
(Increase) in inventories	(517)	(812	)
(Increase) in trade receivables	(2,056)	(661	)
(Increase) in other assets	(924)	(1,339	)
Increase in trade payable and other liabilities	3,609	2,32	5
Increase in provisions	38	1	6
		150	(471)
Cash flow from operations		18,557	13,381
Income taxes paid (net of refund received)		(2,453)	(1,207)
Net cash generated from operating activities (A)		16,104	12,174
Cash flow from investing activities			
Purchase of property, plant & equipment, intangible assets including under development		(7,902)	(3,776)
Proceeds from sale of property, plant & equipment		31	7
Investment in subsidiaries and joint ventures including advances and preference shares		(1,237)	(175)
Sale of other non-current investments in equity instruments through FVTOCI		50	
Purchase of current investments		(8,340)	(7,804)
Sale of current investments		8,350	8,120
Bank deposits not considered as cash and cash equivalents (net)		(268)	169
Loans given to related parties		(3,317)	(2.858)
Loans repaid by related parties		877	( ))
Interest received		202	178
Dividend received		224	5
March and the state of the second state of the		(11 330)	(6 134)



	For the ye	ear ended
	31 March 2019	31 March 2018
Cash flow from financing activities		
Proceeds from sale of treasury shares		49
Payment for purchase of treasury shares	(153)	(76)
Proceeds from non-current borrowings	6,017	5,571
Repayment of non-current borrowings	(4,244)	(4,774)
Proceeds from/Repayment of current borrowings (net)	3,196	(2,703)
Repayment of finance lease obligation	(365)	(296)
Interest paid	(3,532)	(3,417)
Dividend paid (including corporate dividend tax)	(886)	(655)
Net cash used in financing activities (C)	33	(6,301)
Net increase/(decrease) in cash and cash equivalents(A+B+C)	4,807	(261)
Cash and cash equivalents - opening balances	451	712
Cash and cash equivalents - closing balances (note 14)	5,258	451

### Reconciliations part of cash flows

							Rs. in crores
Particulars	1 April 18	Cash flows(net)	Foreign exchange (Gain)/Loss	Changes in fair values	New leases	Other	31 March 19
Borrowings other than finance lease obligation (including Current maturities of long term borrowing included in other financial liabilities note 27)	29,427	1,773	772	(70)	25	39	31,941
Finance Lease Obligations (including Current maturities)	4,582	(365)	1		411	1	4,628
Borrowings (Current)	2,172	3,196		-	1.4		5,368







### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019 (Continued)

Particulars	1 April 17	Cash flows(net)	Foreign exchange	Changes in fair	New leases	Other	Rs. in crores 31 March 18
			(Galm)/Loss	values		50	20 427
Borrowings other than finance lease obligation (including Current maturities of long term borrowing included in other financial liabilities note	28,541	797	89	(52)		52	29,427
Finance Lease Obligations includ Current	4,857	(296)		(a)	22	(1)	4,582
Borrowing Current	4,875	L.703			1.4		2,172

Other comprises of Upfront Fees Amortization and Interest Cost accrual on preference shares.

Notes:

- 1. The cash flow statement is prepared using the "indirect method" set out in IND AS 7 Statement of Cash Flows.
- The Company has acquired property, plant and equipment of Rs. 411 crores (previous year Rs. 22 crores) on finance lease.

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 : 24 May 2019



For and on behalf of the Board of Directors

RAJEEV PAI SAJJAN JINDAL

Chief Financial Officer

Company Secretary ICSI Membership No. FCS 9407 Place: Mumbai Date : 24 May 2019

SESHAGIRI RAO M.V.S Jt.Managing Director & Group CFO DIN 00029136

& Managing Director

DIN 00017762





### 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, 2019, 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").

These financial statements are approved for issue by the Board of Directors on 24 May, 2019.

### II. Basis of preparation and presentation

MUMBAI

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 to 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 102, leasing transactions that are within the scope of Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair rements 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 realized in, or is intended for sale or consumption in, the Company's normal operating cycle. it is held primarily for the purpose of being traded;

• it is expected to be realized within 12 months after the reporting date; or

• it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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.

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

### III. Revenue recognition

### A. Sale of Goods

The Company recognizes 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.

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 recognized when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and 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 including Trade receivables

### 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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

### The Company as a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Rental income from operating leases is recognised on straight-line basis over the term of the relevant lease. Initial direct in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and on straight-line basis over the lease term







### The Company as a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Standalone balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the years in which they are incurred.

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the year in which they are incurred.

### Arrangements in the nature of lease

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Company applies the requirements of Ind AS 17 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 17 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

### 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) (g));






exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements for the year ended 31 March, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciable 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.

#### 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 recognized 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 income statement 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 statement of financial position with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment or when the company recognizes corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

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

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

#### Short-term and other long-term employee benefits

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

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

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

#### IX. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value uity instruments at the grant date. Details regarding the determination of the fair value of equity-settled shareare 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 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 shared held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from Equity. No gain or loss is recognized 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 recognized 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 are not recognised if the temporary temporary difference arises from 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 ability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted 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 or 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 recognized 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 recognized in Statement of Profit and Loss.

Assets in the course of construction are capitalised in the assets under construction account. 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 recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed use II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of 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.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

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.

#### 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 ason 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 exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation are assessed for impairment indicators at least annually







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 realized in the form of inventories.

Such 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 or 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 21.







# XIV. Impairment of Property, plant and equipment and intangible assets

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the 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.

#### 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.

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 a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount ivable 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. 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.

#### 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

On initial recognition, a financial asset is measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

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 recognized in the Other Comprehensive Income (OCI). However, the Company recognizes 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 recognized 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 recognized 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 recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or 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 recognized 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







#### 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







#### 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 recognized in statement of profit or 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 changes in own credit risk are recognized 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 recognized 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. 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

MIMBAL

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 variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of ract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial of the fair value through profit or 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 or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

#### f) Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and nonderivatives 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 recognized 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 recognized in the Statement of Profit and Loss in the line item relating to the hedged item.

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 or loss from that date.

#### (ii) Cash flow hedges

The effective portion of changes in fair value of 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 profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the years when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of 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 r qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or







loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

#### XIX. 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.

#### XX. Earnings per share:

Basic earnings per share is computed by dividing the profit / (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 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 recognized 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 utilization 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 50. 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 recognized. The cases which have been determined as remote by the Company are not disclosed.

Contingent assets are neither recognized 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) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

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 paid in excess of regular income tax during a year can be set off against regular income taxes within a specified period in which MAT credit arises, subject to the limits prescribed.

#### 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 IPL's dependency on the Company for funding significant portion of its operation through subscription to 74.57%

share capital amounting to Rs. 199 crore issued by RIPL and significant portion of RIPL's activities







#### ii) Separating payments of lease from the other payments

If an arrangement contains a lease, the parties to the arrangement shall apply the requirements of Ind AS 17 to the lease element. Therefore, the Company is required to separate payments and other consideration required by the arrangement into those for the lease and for other elements on the basis of their relative fair values.

However, Management has concluded that it is impracticable to separate both the elements reliably and has recognized an asset and a liability at an amount equal to the carrying value of the specified asset in the books of the lessor. Subsequently, the liability has been reduced as payments are made and an imputed finance charges on the liability recognized using the Company's incremental borrowing rate of interest over the tenure of the arrangement. The total payments less payments made towards lease obligation and imputed finance charges have been considered to be the consideration for elements other than lease.

In case of arrangements which are identified to be in the nature of finance lease, the management concluded that it is impracticable to derive the relative fair values of lease and other elements of the arrangement and has accordingly determined the consideration for elements other than lease as a residual post appropriation of lease payments derived based on lessee's incremental borrowing rate of interest on the lease obligation corresponding to the respective gross asset values in the books of lessor.

#### 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 of Rs. 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 recognized grant income without giving effect to the above restrictions and the cumulative amount receivable towards the same is considered to be good and recoverable.





<ol><li>Property, Plant and Equipm</li></ol>	nent								R	s. in crores
Particulars	Freehold land	Leasehold land	Buildings (Owned)	Buildings (On finance leasel	Plant and equipment (Owned)	Plant and equipment (On finance lease)	Furniture and fixtures	Vehicles and aircrafts	Office equipment	Total
Cost/deemed cost				ŝ						
At 1 April 2017	951	168	6,287	178	42,478	5,633	78	123	48	55,944
Additions	18	#	271	2	2,032	20	30	19	11	2,403
Deductions	E	1	#		172			7	#	179
Other adjustments (refer note c)	•	2			42	1		ľ	1	4
At 31 March 2018	696	168	6,558	180	44,380	5,653	108	135	59	58,210
Additions	9	-	466	18	1,963	393	13	17	11	2,888
Deductions	9	1	5	1	254	•	4	6	1	274
Other adjustments (refer note c)			*		262		100	1	3	262
At 31 March 2019	696	169	7,024	198	46,351	6,046	117	143	69	61,086
Accumulated depreciation										
At 1 April 2017	*		536	54	4,398	670	27	25	19	5,729
Depreciation	*	1	292	27	2,278	393	13	14	00	3,026
Deductions	1	1	#		45	1	*	ŝ	#	48
At 31 March 2018		1	828	81	6,631	1,063	40	36	27	8,707
Depreciation	9	#	303	12	2,615	402	13	15	11	3,371
Deductions	6	1	1		231	1	1	5	#	237
At 31 March 2019	۲	7	1,131	93	9,015	1,465	52	46	38	11,841
Net book value										
At 31 March 2019	696	168	5,893	105	37,336	4,581	65	97	31	49,245
At 31 March 2018	696	167	5,730	66	37,749	4,500	68	66	32	49,503
# represents amounts below Rs. 0.5 cror	e P	MBAI								$\bigcirc$

Steel Limited



			Rs.in crores
Description		As at 31 March 2019	As at 31 March 2018
a) Freehold land which is yet to be registered in the Company's name	Acre	19	19
	Deemed cost	9	9
<ul> <li>b) Freehold land and buildings which has been/agreed to be hypothecated/mortgaged to lenders of related parties</li> </ul>	Deemed cost	294	288
c) Other adjustments comprises:			
Borrowing cost	Rs. in Crores	25	23
Foreign exchange loss / (gain)	Rs. in Crores	237	19

d) For details of assets given on operating lease, refer note 47

e) For details of assets given on finance lease, refer note 48

- f) Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 19 and Note 24.
- g) The title deeds of immovable properties, included in property, plant and equipment are held in the name of the Company except for leasehold land aggregating to Rs. 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.
- h) Property, plant and equipment includes proportionate share (50%) of assets under joint operation as below:

		Rs.in crores
Particulars	Buildings (Owned)	Plant and Equipment (Owned)
Cost/deemed cost		
At 1 April 2017	476	7
Additions		
At 31 March 2018	476	7
Additions		
At 31 March 2019	476	7
Accumulated depreciation		
At 1 April 2017	32	1
Depreciation	16	1
At 31 March 2018	48	2
Depreciation	16	1
At 31 March 2019	64	3
Net book value		
At 31 March 2019	412	4
At 31 March 2018	428	5

5. Capital work in progress includes exchange fluctuation loss (including regarded as an adjustment to borrowing costs) of Rs 307 crores (previous year Rs. 54 crores) and borrowing cost of Rs. 166 crores (previous year Rs. 50 crores) capitalised during the year.







<ol><li>Intangible asse</li></ol>	ts
-----------------------------------	----

			s. III civies
Computer software	License fees	Mining Assets	Total
73	22	1.1	95
20	4	18	42
93	26	18	137
28	1.0	105	133
121	26	123	270
36	8	1.1	44
20	7	1	28
56	15	1	72
15	4	7	26
71	19	7	98
50	7	115	172
37	11	17	65
	Computer software 73 20 93 28 121 36 20 56 15 71 50 37	Computer software         License fees           73         22           20         4           93         26           28         121           121         26           36         8           20         7           56         15           15         4           71         19           50         7           37         11	Computer software         License fees         Mining Assets           73         22           20         4         18           93         26         18           28         105         121           26         123         105           36         8         105           20         7         1           56         15         1           15         4         7           71         19         7           50         7         115           37         11         17





Steel Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

7. Investments in subsidiaries, associates and joint ventures

arch 2018	Rs. in crores				932	445	84	4	50	*	ø	1,314	**	\$\$\$		57	00	424	m	267	9	-	άn 	Note of	all a	3
As at 31 M	No. of shares				93,18,98,670	44,79,15,000	8,37,85,953	13,65,500	5,00,00,000	7,07,625	NA	5,00,50,000	50,390	2,15,420	7,84,502	10,000	351	1,33,48,57,243	5,55,200	9,20,83,826	4,00,00,000	500,000				
ch 2019	Rs. in crores				932	449	88	4	50	4	જ	1,314	***	\$\$\$		57	6	424	m	267	399	39	536			
As at 31 Mar	No. of shares				93,18,98,670	45,22,05,000	8,80,33,853	13,65,500	5,00,00,000	7,07,625	NA	5,00,50,000	50,390	2,15,420	7,84,502	10,000	351	1,33,48,57,243	5,55,200	9,20,83,826	35,00,10,000	3,94,39,000	100			
Paid up value					Rs. 10 each	Rs. 10 each	Rs. 10 each	USD 10 each	Rs. 10 each	Euro 1 each	0.1% Interest in members capital	Rs. 10 each	USD 100 each	USD 100 each	SGD 1 each	Rs. 10 each	USD 100 each	Rs.10 each	GBP 1 each	Rs. 10 each	Rs. 10 each	Rs. 10 each	USD 0.001 each			
Particulars		A Investment in equity instruments	Unquoted	Subsidiaries (at cost or deemed cost)	Amba River Coke Limited (refer note a)	JSW Bengal Steel Limited	JSW Jharkhand Steel Limited	JSW Natural Resources Limited	JSW Steel Processing Centres Limited	JSW Steel(Netherlands) B.V	Periama Holding LLC	JSW Steel Coated Products Limited	Arima Holdings Limited	Erebus Limited	Nippon Ispat Singapore (Pte) Limited	Peddar Realty Private Limited	Lakeland Securities Limited	JSW Steel (Salav) Limited (refer note b)	JSW Steel UK Limited	JSW Industrial Gases Private Limited	Dolvi Minerals & Metals Private Limited (refer note c)	JSW Utkal Steel Limited	Acero Junction Holdings	MUMBAI		

Steel Limited	
ą	

Particulars	Paid up value	As at 31 Ma	rch 2019	As at 31 Ma	rch 2018
		No. of shares	Rs. in crores	No. of shares	Rs. in crores
Hasaud Steel Limited	Rs. 10 eac	:h 10,000	<	-	
Aferpi SpA	Euro 1 eac	:h 93,600	vv		
GSI Lucchini SpA	Euro 1 eac	.h 2,736	8 8 8	\$	
JSW Retail Limited	Rs. 10 eac	.h 10,000	\$\$	-	ľ
Joint ventures (at cost or deemed cost)					
Gourangdih Coal Limited	Rs. 10 eac	h 24,50,000	2	24,50,000	2
JSW MI Service Centre Private Limited	Rs. 10 eac	h 6,65,00,000	67	6,65,00,000	67
JSW Severfield Structures Limited	Rs. 10 eac	h 19,79,37,940	198	16,04,37,940	160
Rohne Coal Company Private Limited	Rs. 10 eac	h 4,90,000	t	4,90,000	1
JSW Vallabh Tinplate Private Limited	Rs. 10 eac	h 2,50,19,600	30	2,50,19,600	30
Vijayanagar Minerals Private Limited	Rs. 10 eac	h 4,000	0	4,000	8
Creixent Special Steels Limited	Rs. 10 eac	h 48,00,000	25	24	
Monnet Ispat and Energy Limited B Investment in limited liability partnership firm	Rs. 10 eac	399 Å	ଷ ଷ	ъ.	
Uniquoted substituty (at cost of geenred cost) Inversiones Eroush Limitada (unquoted)	5% Equity Interest in the capital	NA	VVV		AA AAA
Total			4,890		3,884
Less: Aggregate amount of provision for impairment in the value of investments			(37)		(36)
[]avii.ottod			4,853		3,848
			A 073		
7660 0.22 Crore \$\$\$ Rs. 0.27 Crore @@ Rs. 0.22 Crore *** Rs. 0.25 Crore \$\$\$ Rs. 0.27 Crore @@ Rs. 0.22 Crore A Rs. 0.01 Crore AA Rs. 0.19 Crore & & Rs. 0.19 Crore	"" Rs. 0.49 Crore AAA Rs. 0. \$\$ Rs. 0.01 Crore & & & & R. 3	.01 Crore @ Rs. 40,000 ද ඉතා	8.\$1 @@@	Rs. 0.50 Crore	040,0
Note: 1304,373,882 shares (as at 31 March 2018 304,373,882	shares ) are pledged to the subs	idiary's banker.			
<ul> <li>(b) 400,000 shares (as at 31 March 2018 400,005,365</li> <li>(c) 40,000,000 shares (as at 31 March 2018 40,000,000 sh</li> <li>(t) *</li> </ul>	shares ) are pledged to the subs ares) are pledged to the subsidia	idiary's banker. Iry's banker			))



Steel Limited

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

8. Investments (non-current)

Particulars Paid up value	As at 31 Ma	rch 2019 Pe in 2020	As at 31 Mi	arch 2018
Investment in equity instruments	No. of shares	Ks. in crores	No. of shares	Rs. in crores
Quoted-Others (at fair value through OCI)				
Fully paid up				
JSW Energy Limited (refer Note (a) ) Unquoted	8,53,63,090	619	9,14,74,090	666
Others (at fair value through OCI)				
Toshiba JSW Power Systems Private Limited	1,10,00,000		1,10,00,000	Î
MJSJ Coal Limited Rs. 10 each	1,04,61,000	6	1,04,61,000	6
SICOM Limited Rs. 10 each	6,00,000	IJ	6,00,000	Ω
Kalyani Mukand Limited Rs. 1 each	4,80,000	ŝ	4,80,000	Ŷ
Ispat Profiles India Limited Rs. 1 each	15,00,000	Ŷ	15,00,000	Ŷ
		14		14
Investments in preference shares				
Unquoted- (at fair value through profit or loss)				
Subsidiaries				
JSW Steel(Netherlands) B.V 5% redeemable, non-cumulative of Euro 1 each	3,99,00,250	254	3,99,00,250	254
JSW Steel (Salav) Limited 0% redeemable, non-cumulative of Rs. 10 each	2,31,34,494	7	2,31,34,494	9
JSW Realty & Infrastructure Private Limited 10% redeemable, non-cumulative of Rs. 100 each	1,99,15,000	89	1,99,15,000	82
JSW Really & Infrastructure Private Limited 10% redeemable, non-cumulative of Rs. 100 each(Series 1)	50,00,000	34	1	
JSW Realty & Infrastructure Private Limited 10% redeemable, non-cumulative of Rs. 100 each(Series 2)	53,00,000	27		
Joint ventures				
Rohne Coal Com Private Limited 1% non-cumulative of Rs. 10 each	2,36,42,580	4	2,36,42,580	
Rohne Coal Company Private Limited 1% Series-A non-cumulative of Rs. 10 each	71,52,530	S	71,52,530	-
Rohne Coal Com Private Limited 10 each 1% Series-B non-cumulative of Rs. 10 each	13,70,786	1	11,43,486	-
( MUNEAU ).		417		350
				Q
				Ş

Steel Limited
ą

	Particulars	Paid up value	As at 31 M	arch 2019	As at 31 M	arch 2018
			No. of shares	Rs. in crores	No. of shares	Rs. in crores
υ	Investments in preference shares	Terms				
	Unquoted- (at amortised cost)					
	Subsidiaries					
	Creixent Special Steels Limited	0.01% redeemable, cumulative of Rs. 10 each	17,19,69,200	184	ĺ	
	Creixent Special Steels Limited	0.01% redeemable, cumulative of Rs. 10 each	19,83,00,410	190	ľ	
	Monnet Ispat and Energy Limited	0.01% compulsorily convertible, non-cumulative of Rs. 10 each	601	B	0	
				374		3
٥	Investments in Government securities (unquoted- Others) (at amortised cost)					
	National Savings Certificates			vv		vv
	(Pledged with commercial tax department)					
	Total (A+B+C+D)			1,424		1,030
	Quoted					
	Aggregate book value			620		666
	Aggregate market value			620		666
	Aggregate carrying value			804		364
	Investment at amortised cost			374		8
	Investment at fair value through other comprehensive income			633		680
	Investment at fair value through profit and loss			417		350
	M Rs. 0.07 crore \$ Rs. 1 @ Rs. 6,010 MUMBAI					$\bigcirc$



#### Note:

(a) Sale of shares to Amba River Coke Limited (14,56,000 shares) and JSW Steel Coated Products Limited (46,55,000 shares). Sale of 61,11,000 shares at fair value of Rs. 82.21 which is the quoted price on date of sale, resulting in cumulative gain recognized Rs. 36 crores which is transferred from Equity Instruments through Other Comprehensive Income to Retained Earnings.

#### 9. Loans (Unsecured)

As at 31 N Non -	larch 2019	As at 31 Ma	arch 2018	
Non -			As at 31 March 2018	
current	Current	Non – current	Current	
8,070	47	5,400	4	
9		9		
280	89	288	154	
(685)		(532)	4	
7,674	136	5,165	158	
7,674	136	5,165	158	
12				
_		-	_	
9		9	,	
676	1	523		
	8,070 9 280 (685) <b>7,674</b> 7,674 9 676	8,070 47 9 280 89 (685) <b>7,674 136</b> 7,674 136	8,070       47       5,400         9       9         280       89       288         (685)       (532)         7,674       136       5,165         9       9       9         9       5,165       5,23	

#### Movement in Allowance for doubtful loans

	As at 31 March 2019
Opening Balance	532
Towards Incremental Loan given during the year (refer note 20)	153
Closing Balance	685

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 net impact of Rs. Nil in the statement of profit and loss.





1



Details of loans and advances in the nature of loans to subsidiaries:

Name of Company	As at 31	March 2019	As at 31 I	As at 31 March 2018		
	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the	Amount outstanding		
JSW Steel (Netherlands) B.V	1,364	1,318	527	525		
JSW Natural Resources Limited	146	124	190	115		
Inversiones Eroush Limitada	773	744	694	694		
Periama Holdings, LLC	5,206	4,936	3,988	3,988		
JSW Steel UK Limited	11	10	10	10		
Arima Holding Ltd.	#	#	#	#		
Lakeland Securities Limited	#	#	#	#		
Erebus Limited	#	#	#	#		
Monnet Ispat and Energy Limited	125	125	(#)			
JSW Global Business Solutions	18	14	143			
Acero Junction Holdings	832	799	-			

# represents amounts below Rs. 0.5 crore

# 10. Others financial assets (Unsecured, Considered Good)

			1	ks. In crores
Particulars	As at 31 Ma	rch 2019	As at 31 Mai	rch 2018
	Non – current	Current	Non - current	Current
Export benefits and entitlements	1	70	1	53
Insurance claim receivable	43	2.90	43	
Application money paid towards securities	1	240	121	-
Government grant incentive income receivable (refer note 29(a))		1,806		234
Interest receivable on loans to related parties	-	637	581	
Indirect tax balances Refund due	(e)	73	- 18 -	184
Others		35		32
Total	45	2,621	746	503







# 11. Other assets (Unsecured)

				Rs. in crores
Particulars	As at 31 Mar	ch 2019	As at 31 Marc	h 2018
	Non – current	Current	Non - current	Current
Capital advances	1,689		933	
Less : Allowance for doubtful advances	(3)		(3)	
Advance to suppliers	571	1,135	174	1,679
Export benefits and entitlements	56	84	56	106
Security deposits	34	118	33	51
Indirect tax balances/recoverable/credits	1,208	529	1,185	1,159
Prepayments and others	63	133	46	75
Less : Allowance for doubtful advances	(254)	1.1	(125)	+
Total	3,364	1,999	2,299	3,070
Other Assets constitute:				
Capital advances				
Considered good	1,686	1.0	930	+
Considered doubtful, provided	3	56	3	
Others				
Considered good	1,678	1,999	1,369	3,070
Considered doubtful, provided				
Advances to suppliers	250		121	
Prepayment and others	2	18	2	
Indirect tax balances/recoverable/credits	2	1.4	2	

#### 12. Inventories

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Raw materials (at cost)	4,975	4,774
Work-in-progress (at cost)	476	690
Semi-finished/ finished goods (at cost or net realisable value)	3,229	2,826
Production consumables, fuel stock and stores and spares (at cost)	1,919	1,792
Total	10,599	10,082

Inventories have been pledged as security against certain bank borrowings, details relating to which has been described in note 19 and note 24

# **Details of Stock-in-transit**

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Raw materials	1.551	1,867
Production consumables and stores and	146	189
Total	1,697	2,056
P UME	3A1 *	(942)
131	15	3
TA ALCO		

.



13.	Trade	receivables	
-----	-------	-------------	--

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Trade Receivables considered good - Secured		
Trade Receivables considered good - Unsecured	6,658	4,604
Trade Receivables which have significant increase in Credit Risk	160	160
Less: Allowance for doubtful debts	(72)	(72)
Trade Receivables – credit impaired	10	6
Less: Allowance for doubtful debts	(10)	(6)
Total	6,746	4,692

#### Ageing of receivables that are past due

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
60-90 days	79	149
90-180 days	298	58
>180 d	524	393
Total	901	600

The credit period on sales of goods ranges from 7 to 60 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 19 and note 24.

Credit risk management regarding trade receivables has been described in note 41 (8).

Trade receivables from related parties details has been described in note 43.

Trade receivables does not include any receivables from directors and officers of the company.

#### 14. Cash and cash equivalents

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Balances with Banks		
In current accounts	420	188
In term deposit with maturity less than 3 months at inception	4,737	262
Cheques on hand	100	
Cash on hand	1	#
Total	5,258	451

# represents amounts below Rs. 0.5 crore







# 15. Bank balance other than cash and cash equivalents

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Earmarked balances in current accounts	29	26
Balances with Banks		
In term deposit		
with maturity more than 3 months but less than 12 months at inception	265	122
with maturity more than 12 months at inception	127	1
In margin money	1	1
Total	422	150

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.

#### 16. Derivative Assets

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Forward contract	201	82
Commodity contract	6	8
Interest rate swap	20	37
Currency option	1	20
Total	228	147

# 17. Equity share capital

Particulars	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
	Number o	of Shares	Amount (	Rs. in crores)
Share capital				
(a) Authorised				
Equity shares of the par value of Re.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	(1,55,08,976)	(1,09,88,860)	(2)	(1)
(iii) Outstanding at the end of the year, fully paid up	2,40,17,11,464	2,40,62,31,580	240	241
(c) Equity shares forfeited (amount originally paid-up)			61	61
Total			301	302
* MUMBAI *				O



#### 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 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 38.

#### Movement in treasury shares

Particulars	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Shares of Re. 1 each fully paid up held under ESOP Trust	Number	of shares	Amount (	Rs. in crores)
Equity shares as at 1 April	1,09,88,860	1,42,35,750	1	2
Changes during the year	45,20,116	(32,46,890)	*	@
Equity shares as at 31 March	1,55,08,976	1,09,88,860	2	1
* Rs. 0.45 Crore @ Rs. (0.32) Crore				

#### b) RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO EQUITY SHARES

The Company has a single class of equity shares having par value of Re. 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 M	larch 2019	As at 31 M	arch 2018
	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	17,88,37,230	7.40%	17,73,06,230	7.34%
Vividh Finvest Private Limited (Formerly Vividh Consultancy & Advisory Services Private Limited)	14,19,95,690	5.87%	14,07,26,690	5.82%
JSW Techno Projects Management Ltd	24,73,28,450	10.23%	22,93,26,950	9.49%

# d) 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:







#### Steel Limited

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

# 18. Other equity

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
General reserve	9,895	10,278
Retained Earnings	14,677	7,571
Other Comprehensive Income		
Equity instruments through other comprehensive income	403	435
Effective portion of cash flow hedges	33	13
Foreign currency monetary item translation difference account (FCMITDA)	(57)	(25)
Other Reserves		
Equity settled share based payment reserve	91	41
Capital reserve	3,585	3,585
Capital redemption reserve	532	149
Securities premium	5,417	5,417
Debenture redemption reserve	285	141
Total	34,861	27,605

#### (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 or 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 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 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 amortized in the Statement of Profit and Loss over the balance year of such long term foreign currency monetary item.

# (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. 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

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.







# 19. Borrowings (at amortised cost)

			R	s. in crores
Particulars	As at 31 March	2019	As at 31 March	2018
	Non -current	Current	Non -current	Current
Bonds (unsecured)	3,459	3,459	6,504	
Debentures (secured)	2,000	1,141	3,141	563
Term loans				
Secured	8,640	1,767	9,309	1,748
Unsecured	8,483	2,849	6,242	1,459
Deferred government loans (unsecured)	79	31	65	18
Other Loans				
Finance Lease obligations (unsecured)	4,211	417	4,223	359
Preference Shares (unsecured)	- ×	231	195	383
	26,872	9,895	29,679	4,530
Unamortised upfront fees on borrowing	(124)	(74)	(128)	(72)
	26,748	9,821	29,551	4,458
Less: Current maturities of long-term debt clubbed under Other financial liabilities (note 27)	30	(9,821)		(4,458)
Total	26,748		29,551	85







As at	31 March 2019	As at	31 March 2018	
Non-Current	Current	Non-Current	Current	Terms of Repayments
A.Bonds/Debentu	ires			
Bonds (Unsecured	1)			
	3,459	3,252	- (A	4.75% Repayable on 12 November 2019
3,459		3,252		5.25% Repayable on 13 April 2022
3,459	3,459	6,504	7.e	
Debentures(secur	ed)			
1,000		1,000		10.02% secured NCDs of Rs. 10,00,000 each ar redeemable in two tranches
				a.Rs. 500 crores on 20 May 2023
				b. Rs. 500 crores on 19 July 2023
1,000		1,000		10.34% secured NCDs of Rs. 10,00,000 each an redeemable in three tranches a.Rs. 330 crores on 18 January 2022 b.Rs. 330 crores on 18 January 2023 c.Rs. 340 crores on 18 January 2024
62	400	400		9.72% secured NCDs of Rs. 10,00,000 each are redeemable on 23 December 2019.





As at	31 March 2019	As at 3	11 March 2018		
Non-Current	Current	Non-Current	Current	Terms of Repayments	Security
e.	250	250	40 	10.40% secured NCDs of Rs. 10,00,000 each are redeemable on 19 August 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	425	s.	10.60% secured NCDs of Rs. 10,00,000 each are redeemable on 19 August 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.
ц.	2	•	300	9.665% secured NCDs of Rs. 10,00,000 each are redeemed on 21 December 2018.	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.
	l. a	14 14	175	10.50% secured NCDs of Rs. 10,00,000 each are redeemed on 18 August 2018.	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.
	44	44	44	10.60% secured NCDs of Rs. 2,50,000 each are redeemable as 2 half yearly instalments of Rs.21.875 crores each from 02 August 2019 to 02 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 equipments of the new 5 mtpa Hot Strip Mill at Vijayanagar Works, Karnataka
	Tromas				Th

Limited	
Stee	
ą	

As at	31 March 2019	As at	31 March 2018		
Non-Current	Current	Non-Current	Current	Terms of Repayments	Security
9	22	22	44	10.60% secured NCDs of Rs. 1,25,000 each are redeemable as 1 half yearly instalment of Rs.21.875 crores on 02 July 2019.	Pari passu first charge by way of legal 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 of the new 5 mtpa Hot Strip Mill at
2,000	1,141	3,141	563		agar Works, Karnataka
<b>B.Term Loans</b>					
Rupee Term Loans	From Banks (Secu	red)			Weighted average interest rate as on 31
638	75	712	86	06 Quarterly instalments of Rs 18.75 Crores each from 27 April 2019 to 27 July 2020 16 Quarterly instalments of Rs 37.50 Crores each from 27 October 2020 to 27 July 2024	March 2019 is 9.21% First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
750	125	875	100	03 Quarterly instalment of Rs 25 Crore each from 30 June 2019 to 31 December 2019 16 Quarterly instalment of Rs 50 Crore each from	First charge on 3.2 mtpa expansion property, plant and equipments situated at Vijayanagar Works Karnataka
,031	63	1,094	62	<sup>31</sup> March 2020 to 31 December 2023 06 Quarterly instalments of Rs 15.625 Crores each from 30 April 2019 to 31 July 2020	First charge on property, plant and equipments upto 5 MTPA capacity situated at
				04 Quarterly instalments of Rs 62.50 Crores each from 31 October 2020 to 31 July 2021	Dolvi works, Maharashtra.
5	82			08 Quarterly instalments of Rs 93.75 Crores each from 31 October 2021 to 31 July 2023	
×	UMBAI				0

NOTES TO THE SI	FANDALONE FINA	NICIAL STATEMENTS	SAT AND F	DR THE YEAR ENDED 31 MARCH 2019	
As at	31 March 2019	As at 31	l March 2018		
Non-Current	Current	Non-Current	Current	Terms of Repayments	Security
812	150	962	75	11 quarterly instalments of Rs. 37.5 crores each from 30 June 2019 to 31 December 2021	First pari passu charge on 3.8mtpa upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
				04 quarterly instalments of Rs. 43.75 crores each from 31 March 2022 to 31 December 2022	
				02 quarterly instalments of Rs. 187.5 crores each from 31 March 2023 to 30 June 2023	
1,400	200	1,600	150	08 Quarterly instalments of Rs. 50 Crore each from 30 June 2019 to 31 March 2021 04 Quarterly installmets of Rs. 125 Crore each from 30 June 2021 to 31 March 2022 02 Quarterly instalments of Rs. 350 Crore each from 30 June 2022 to 30 September 2022.	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
200	150	650	150	08 muarterly instalments of Rs 37 5 crores each	Eirct nari nassu chargo on 3 8mtna unstream
2	201			from 30 June 2019 to 31 March 2021	assets (other than assets specifically carved
				04 quarterly instalments of Rs. 43.75 crores each from 30 June 2021 to 31 March 2022 02 quarterly instalments of Rs. 87.5 crores each from 30 June 2022 to 30 September 2022.	out) at vijayanagar works, karnataka.

Steel Limited




As at	31 March 2019	As at :	31 March 2018		
Non-Current	Current	Non-Current	Current	Terms of Repayments	Security
902	192	1,094	192	10 quarterly instalments of Rs. 48 crores each from 30 June 2019 to 30 September 2021	First charge on entire movable and immovable property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra
				09 quarterly instalments of Rs. 64 crores each from 31 December 2021 to 31 December 2023 01 quarterly instalment of Rs. 38.35 crores on 31 March 2024.	(excluding those specifically charged and equipment/machinery procured out of proceeds of ECA/ECB/FCL) both present and future.
163	20	213	20	17 Quarterly instalments of Rs 12.5 Crores each from 30 June 2019 to 30 June 2023.	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
215	125	340	75	01 quarterly instalment of Rs. 20 crores on 30 June 2019 04 quarterly instalments of Rs. 35 crores each from 30 September 2019 to 30 June 2020 04 quarterly instalments of Rs. 45 crores each from 30 September 2020 to 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
325	100	425	75	17 quarterly instalments of Rs 25 crores each from 03 June 2019 to 01 June 2023	First charge on 3.2 mtpa expansion property, plant and equipments situated at Vijayanagar Works Karnataka
	MUMBAI				

Ion-Current         Non-Current         Non-Current         Current         First charge on 32 mpa expansion property plant ad equipments (other rhan assess perifically carred out) situated at Vijayanaga Works Karnataka           73         73         01 quarterly instalments of Rs 37.50 crores each from 30 september 2020 to 31 December 2020         Paint and equipments (other rhan assess works Karnataka           75         75         450         38         08 quarterly instalments of Rs 157 crores each from 30 september 2020 to 31 December 2020         First pari passu charge on 33 mpa property from 30 une 2021 to 31 March 2024           75         75         450         38         08 quarterly instalments of Rs 18.75 crores each from 30 une 2021 to 31 March 2024         Passu charge on 38 mpa property from 30 une 2021 to 31 March 2024           50         37         75         450         38         Pariterly instalments of Rs 25 crores each from 30 une 2021 to 31 March 2024         Pariter and equipments located at Vijayanaga Vorks Karnataka           50         37         50         50         50         Passu charge on 38 mpa property from 30 une 2021 to 31 March 2024           50         37         50         50         First pariterly instalments of Rs 3.75 crores each from 30 une 2019 oo 31 March 2020         Parit	As at	31 March 2019	As at 31	March 2018		
38     337     675     712     01 quarterly installment of fix 225 crores on 30     First charge on 3.2 mtpa expansion propertility and equipments of the 375 masses specifically carved out) situated at Vijayanage       7     7     04 quarterly installments of fix 350 crores each from 30 September 2020 to 31 becember 2020     First charge on 3.2 mtpa expansion property works karmataka       7     75     75     450     38     Colquarterly installments of fix 150 crores each from 30 September 2020 to 31 becember 2020     First pari passu charge on 3.8 mtpa property from 30 september 2020 to 31 becember 2020       75     75     450     38     Colquarterly installments of fix 150 crores each property from 30 more 2019 and 30 mtpariterly from 30 more 2020 to 31 becember 2020       75     75     75     75     450     38     Colquarterly installments of fix 35 crores each print and equipments for a and equipments for a and equipments for a and equipments for a and equipments for a and equipments for a and equipments for a and equipments for a and equipments for a and a property from 30 Line 2021 to 31 March 2024     Carved out), carved out), carved out), carved out), for 30 Line 2020 to 31 March 2020       50     37     75     04 quarterly instalments of fix 3.5 crores each from 0.1, carved out), for and a cuipments for a a triparia a su charge on 3.8 mtpa property from 30 Line 2020 to 31 March 2023       51     37     75     04 quarterly instalments of fix 3.5 crores each from 0.0, cores each fr	Non-Current	Current	Non-Current	Current	Terms of Repayments	Security
75     75     450     38     04 quarterly instalments of Rs 150 crores each from 30 September 2020 to 31 December 2020       75     75     450     38     08 quarterly instalments of Rs 18.75 crores each frist pari passu charge on 38 mtpa properly instalments of Rs 18.75 crores each frist pari passu charge on 38 mtpa properly instalments of Rs 18.75 crores each frist pari passu charge on 38 mtpa properly instalments of Rs 18.75 crores each frist pari passu charge on 38 mtpa properly instalments of Rs 18.75 crores each frist pari passu charge on 38 mtpa properly instalments of Rs 10.10 at 10.00 close 10.00 clo	338	337	675	71	2 01 quarterly installment of Rs 225 crores on 30 June 2019	First charge on 3.2 mtpa expansion property plant and equipments (other than assets specifically carved out) situated at Vijayanag; Works Karnataka
75     75     450     38     0.8 quarterly instalments of Rs 13.75 crores each first pari pasu charge on 3.8 mtpa properly instalments of Rs 13.75 crores each paint and equipments located at Vijayanagar 1.2 quarterly instalments of Rs 25 crores each first pari pasu charge on 3.8 mtpa properly incom 30 June 2011 o 31 March 2024       50     37     0.4 quarterly instalments of Rs 9.375 crores each first pari pasu charge on 3.8 mtpa properly instalments of Rs 25 crores each first pari pasu charge on 3.8 mtpa properly instalments of Rs 25 crores each first pari pasu charge on 3.8 mtpa properly from 30 June 2011 o 31 March 2024       50     37     0.4 quarterly instalments of Rs 9.375 crores each first pari pasu charge on 3.8 mtpa properly from 30 June 2019 to 31 March 2020       50     37     0.4 quarterly instalments of Rs 9.375 crores each first pari pasu charge on 3.8 mtpa properly from 30 June 2019 to 31 March 2020       50     37     0.4 quarterly instalments of Rs 9.375 crores each first pari pasu charge on 3.8 mtpa properly from 30 June 2019 to 31 March 2020       51     0.4 quarterly instalments of Rs 18.75 crores each from 3.0 June 2012 to 31 March 2020					04 quarterly instalments of Rs 37.50 crores each from 30 September 2019 to 30 June 2020	
75     75     450     38     08 quarterly instalments of Rs 18.75 crores each from 30 June 2019 to 31 March 2021     First pari passu charge on 3.8 mtpa property plant and equipments located at Vijayanagar       12 quarterly instalments of Rs 25 crores each from 30 June 2021 to 31 March 2024     Works Karnataka (other than specifically carved out).       50     37     04 quarterly instalments of Rs 9.375 crores each from 30 June 2019 to 31 March 2020     First pari passu charge on 3.8 mtpa property. plant and equipments located at Vijayanagar       50     37     04 quarterly instalments of Rs 9.375 crores each from 30 June 2019 to 31 March 2020     First pari passu charge on 3.8 mtpa property. plant and equipments located at Vijayanagar       60     37     04 quarterly instalments of Rs 18.75 crores each from 30 June 2020 to 31 March 2020     Porter than specifically works karnataka (other than specifically plant and equipments located at Vijayanagar       12 quarterly instalments of Rs 18.75 crores each from 30 June 2022 to 31 March 2022     Carres each tored out).					02 quarterly instalments of Rs 150 crores each from 30 September 2020 to 31 December 2020	
50       37       04 quarterly instalments of Rs 9.375 crores each       First pari passu charge on 3.8 mtpa property.         from 30 June 2019 to 31 March 2020       Plant and equipments located at Vijayanagar         Works Karnataka (other than specifically from 30 June 2020 to 31 March 2022       Plant and equipments located at Vijayanagar         08 quarterly instalments of Rs 18.75 crores each       For arved out).         12 quarterly instalments of Rs 25 crores each       For arved out).         12 quarterly instalments of Rs 25 crores each       For arved out).         12 quarterly instalments of Rs 25 crores each       For arved out).         12 quarterly instalments of Rs 25 crores each       For arved out).	375	75	450	ŝ	08 quarterly instalments of Rs 18.75 crores each from 30 June 2019 to 31 March 2021 12 quarterly instalments of Rs 25 crores each from 30 June 2021 to 31 March 2024	First pari passu charge on 3.8 mtpa property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
08 quarterly instalments of Rs 18.75 crores each carved out). from 30 June 2020 to 31 March 2022 12 quarterly instalments of Rs 25 crores each from 30 June 2022 to 31 March 2025	50	37	187		04 quarterly instalments of Rs 9.375 crores each from 30 June 2019 to 31 March 2020	First pari passu charge on 3.8 mtpa property, plant and equipments located at Vijayanagar Works Karnataka lother than specifically
					08 quarterly instalments of Rs 18.75 crores each from 30 June 2020 to 31 March 2022 12 quarterly instalments of Rs 25 crores each from 30 June 2022 to 31 March 2025	carved out).

As at	31 March 2019	As at 3	1 March 2018		
Von-Current	Current	Non-Current	Current	Terms of Repayments	Security
.56	63	219	31	14 quarterly instalments of Rs 15.625 crores each from 30 June 2019 to 30 September 2022	First pari passu charge on 3.8 mtpa property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out) .
10	W.	<u>*:</u>	1.72	12 quarterly instalments of Rs 1.375 crores each from 31 June 2021 to 31 March 2024	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out).
				04 quarterly instalments of Rs 6.875 crores each from 30 June 2024 to 31 March 2025	
				08 quarterly instalments of Rs 8.25 crores each from 30 June 2025 to 31 March 2027	
.75	25	(a)		20 quarterly instalments of Rs 25 crores each from 15 March 2020 to 15 December 2024	First pari passu charge on property, plant and equipments situated at Salem Works, Tamil Nadu.
,640	1,767	9,309	1,748		
tupee Term Loans	: From Banks (Unsect	ured)			Weighted average interest rate as on 31 March 2019 is 8.98%
	3	Ċ.	250	02 quarterly instalments of Rs. 125 crores each repaid on 30 June 2018 and 30 September 2018	
1	(A)		400	02 Instalments repaid Rs 150 crores on 30 July 2018 Rs 250 crores on 30 December 2018	

	31 March 2019	As at 3	1 March 2018		
ion-Current	Current	Non-Current	Current	Terms of Repayments	Security
II.	±0		250	02 Instalments repaid	
				ks SU crores on 15 November 2018 Rs 200 crores on 15 December 2018	
50	120	7	×	08 quarterly instalments of Rs. 30 crores each from 20 June 2019 to 20 March 2021	
				Final installment of Rs. 30 Crore on 20 May 2021	
50	500			03 equal instalments of Rs. 250 crores each on	
				i. 20 December 2019,	
				ii. 20 February 2020 and	
				iii. 20 May 2020	
0	620	4	006		
reign Currency 1	erm Loans From B	anks (Unsecured)			Weighted average interest rate as on 31 March 2019 is 4.94%
75	200	634	188	05 half yearly instalments of Rs. 57.53 crores each from 31 May 2019 to 31 May 2021.	
				09 half yearly instalments of Rs. 36.76 crores each from 30 April 2019 to 30 April 2023	
				10 half yearly instalments of Rs. 5.60 crores each from 18 September 2019 to 18 March 2024.	
	13	62	12	10 half yearly instalments of Rs. 6.585 crores each from 28 August 2019 to 28 February 2024	
EX-2	(a)				

Non-CurrentCurrentCurrentTerms of Repayments103201161910 half yearly instalments of Rs. 3.12 cror103201161910 half yearly instalments of Rs. 1.11 cror1011 half yearly instalments of Rs. 1.11 cror11 half yearly instalments of Rs. 2.03 crores1114 semi annual instalments of Rs. 2.03 crores14 semi annual instalments of Rs. 2.08 crores1214 semi annual instalments of Rs. 2.03 crores14 semi annual instalments of Rs. 2.03 crores13135814 semi annual instalments of Rs. 2.03 crores1414 semi annual instalments of Rs. 2.03 crores14 semi annual instalments of Rs. 2.03 crores15135814 semi annual instalments of Rs. 2.03 crores16135814 semi annual instalments of Rs. 2.03 crores1713581215 semi annual instalments of Rs. 6.62 crores1353135810 half yearly instalments of Rs. 6.62 crores171,7291,62610 half yearly instalments of Rs. 6.62 crores171,7291,62610 half yearly instalments of Rs. 16.16 cros20763617310 half yearly instalments of Rs. 16.16 cros20763617310 half yearly instalments of Rs. 16.16 cros20763617310 half yearly instalments of Rs. 22.04 cros20763617310 half yearly instalments of Rs. 22.04 cros	
103       20       116       19       10 half yearly instalments of Rs. 3.12 cron from 31 July 2019 to 31 January 2024         11       half yearly instalments of Rs. 1.11 cron from 30 April 2019 to 30 April 2024         14       semi annual instalments of Rs. 2.05 crores from 25 September 2019 to 25 March 20         14       semi annual instalments of Rs. 2.08 cross from 25 September 2019 to 25 March 20         15       semi annual instalments of Rs. 2.08 cross from 25 September 2019 to 25 March 20         16       14 semi annual instalments of Rs. 2.08 cross from 25 June 2019 to 25 June 2019 to 25 March 20         17       13       58       12       10 half yearly instalments of Rs. 6.62 cross from 30 September 2019 to 25 June 2026.         17       13       58       12       10 half yearly instalments of Rs. 6.62 cross from 30 September 2019 to 31 March 20         16       1729       1,626       8       10 half yearly instalments of Rs. 16.16 cross from 30 September 2019 to 31 March 2020         30       76       361       73       10 half yearly instalments of Rs. 16.16 cross from 19 July 2019 to 19 January 2024.	Security
11 half yearly instalments of Rs. 1.11 cror         from 30 April 2019 to 30 April 2024         14 semi annual instalments of Rs. 2.08 cross         from 25 September 2019 to 25 March 20         reach from 25 September 2019 to 25 March 20         reach from 25 September 2019 to 25 March 20         reach from 25 September 2019 to 25 March 20         reach from 25 September 2019 to 25 March 20         reach from 25 September 2019 to 25 June 2026.         reach from 25 June 2019 to 25 June 2026.         reach from 25 June 2019 to 25 June 2026.         reach from 26 June 2019 to 25 June 2026.         reach from 26 June 2019 to 21 June 2026.         reach from 30 September 2019 to 31 March 20         reach 70       reavaly instalments of Rs. 1.6.2 cron         reach 70       reavaly instalments of Rs. 16.1 crop         reach 70       reavaly instalments of Rs. 16.1 crop         reach 70       reavaly instalments of Rs. 16.1 crop         reach 70       reavaly instalments of Rs. 22.0 drop         reach 70       reavaly instalments of Rs. 20.0 drop         reach 70       reavaly instalments of Rs. 22.0 drop         reach 70       reavaly instalments of Rs. 22.0 drop	3.12 crores each 2024.
14 semi annual instalments of Rs.2 crores from 25 September 2019 to 25 March 20       14 semi annual instalments of Rs. 2.08 cro each from 25 September 2019 to 25 March 20       15 semi annual instalments of Rs. 4.46 cro from 25 June 2019 to 25 June 2026.       13     58     12       13     58     12       1,729     1,626     Repayable on 20 March 2019 to 31 March 20       1,729     1,626     Repayable on 20 March 2020       1,729     1,626     Repayable on 20 March 2020       1,729     1,626     Repayable on 20 March 2020       1,729     1,626     10 half yearly instalments of Rs. 16.16 cro from 19 July 2019 to 19 January 2024.       10 half yearly instalments of Rs. 22.04 cro     10 half yearly instalments of Rs. 2010 to 19 January 2024.	1.11 crores each 024
14 semi annual instalments of Rs. 2.08 cr         each from 25 September 2019 to 25 Mar         each from 25 September 2019 to 25 June 2026.         13       58         13       58         13       58         13       58         14 semi annual instalments of Rs. 4.65 crof         15 semi annual instalments of Rs. 6.52 crof         13       58         13       58         14       58         15       10 half yearly instalments of Rs. 6.62 crof         17,729       1,626         1,729       1,626         1,729       1,626         1,729       1,626         1,729       1,626         1,729       1,626         1,729       1,626         1,729       1,626         1,729       1,614 yearly instalments of Rs. 16.16 crof         10       1,914 yearly instalments of Rs. 16.16 crof         10       1,1914 yearly instalments of Rs. 22.04 crof         16       1,1914 yearly instalments of Rs. 22.04 crof	.2 crores each Aarch 2026
13     13     58     12     10 half yearly instalments of Rs. 1.46 croffsom 25 June 2019 to 25 June 2026.       53     13     58     12     10 half yearly instalments of Rs. 6.62 cronffsom 30 September 2019 to 31 March 20       6     1,729     1,626     Repayable on 20 March 2020       1,729     1,626     Repayable on 20 March 2020       76     36.1     73     10 half yearly instalments of Rs. 16.16 croffsom 2019 to 19 January 2024.	s. 2.08 crores 2 25 March 2026.
13     58     12     10 half yearly instalments of Rs. 6.62 cron from 30 September 2019 to 31 March 20       1,729     1,626     Repayable on 20 March 2020       1,729     1,626     1,616 cro from 19 July 2019 to 19 January 2024.       10     76     36.1     73       10     76     36.1     73       10     70     10 half yearly instalments of Rs. 16.16 cro from 19 July 2019 to 19 January 2024.	1.46 crores each 26.
1,729     1,626     Repayable on 20 March 2020       10     76     361     73     10 half yearly instalments of Rs. 16.16 croft of Rs. 16.16 croft of Rs. 16.16 croft of Rs. 16.16 croft of Rs. 2019 to 19 January 2024.       10     76     361     73     10 half yearly instalments of Rs. 16.16 croft of Rs. 16.16 croft of Rs. 16.16 croft of Rs. 2019 to 19 January 2024.	6.62 crores each March 2024
<ul> <li>73 10 half yearly instalments of Rs. 16.16 crc from 19 July 2019 to 19 January 2024.</li> <li>09 half yearly instalments of Rs. 22.04 crc or creation in the second sec</li></ul>	
09 half yearly instalments of Rs. 22.04 cro	16.16 crores each — 2024.
from 19 July 2019 to 19 July 2023 and 1 h yearly instalment of Rs. 16.74 crores on 1 January 2024.	22.04 crores each 3 and 1 half 3 and 1 half 5res on 19

													Ç
	Security	10	30			5							
	Terms of Repayments	16 semi annual instalments of Rs. 4.24 crores each from 31 July 2019 to 31 January 2027	3 equal instalments of Rs. 345.86 crores each on 02 April 2020, 21 September 2020 and 21 March 2021	14 semi annual instalments of Rs 4.33 crores each from 23 July 2019 to 23 January 2026	14 semi annual instalments of Rs. 2.03 crores each from 06 August 2019 to 05 February 2026	Repayable in three tranches	a.Rs.345.86 crores on 21 February 2022	b.Rs.34.59 crores on 06 March 2022	c.Rs.242.10 crores on 06 July 2022	04 annual instalments of Rs. 363.15 crores from 12 October 2021 to 12 October 2024	04 annual instalments of Rs. 69.17 crores from 12 July 2022 to 12 July 2025	04 annual instalments of Rs. 216.16 crores from 16 July 2022 to 16 July 2025	Repayable on 05 April 2024
l March 2018	Current	00		11		5				2	i.	×	8
As at 31	Non-Current	66	976	85		586				650			MBAI
31 March 2019	Current	×	1	13		ĸ				8	St		MU
As at.	Non-Current	59	1,037	76		623				1,452	277	865	692

	at 31 March 2018		
on-Current Current Non-Current	Current	Terms of Repayments	Security
6	8	04 equal installment of Rs 129.70 crores from 19 October 2022 to 19 October 2025	
0	3	20 equal semi-annual installment of Rs 5.51 crores from 31 August 2020 to 28 February 2030	
3	3	20 equal semi-annual installment of Rs 3.92 crores from 30 June 2020 to 31 December 2029	
0 11	8	20 equal semi-annual installment of Rs 6.70 crores from 25 March 2020 to 25 September 2029	
		20 equal semi-annual installment of Rs 4.34 crores from 25 March 2020 to 25 September 2029	
00	₫.	20 equal semi-annual installment of Rs 4.27 crores from 25 June 2020 to 25 December 2029	
		20 equal semi-annual installment of Rs 4.14 crores from 25 June 2020 to 25-12-2029	
383 2,229 6,242	559		
tal Term Loan-Unsecured			
183 2,849 6,242	1,459		
tal lerm Loan 123 4616 15551	3.207		

As at 31 Ma	arch 2019	As at 3	31 March 2018		
Von-Current	Current	Non-Current	Current	Terms of Repayments	Security
C. Deferred Payment Li	abilities				
<b>Deferred Sales Tax Loar</b>	(Unsecured)				
12	31	46	18	Interest free loan and payable in 30 varying monthly instalments starting from 12 April 2019 to 12 September 2021.	±1
88		19		Interest free loan Payable after 14 years from receipt date	
64	31	65	18		
<b>D.Financial Lease Oblig</b>	ations				
1,211	417	4,223	359	Varying monthly instalments from 8 to 15 years (refer note 48)	
. Preference Shares					
		8	140	10% CRPS Redeemable at par in 2 equal quarterly instalments redeemed on 15 June 2018 and 15 September 2018	
	231	195	243	0.01% CRPS Redeemable at par in 4 quarterly instalments from 15 June .2019,15 September 2019,15 December 2019,15 March 2020	
ş	231	195	383		
. Unamortised Upfront	Fees on Borro	wing			
124)	(74)	(128)	(72)		1
otal Amount in Rs. Cro	res				
16,748 MUMBAI	9,821	29,551	4,458		



### 20. Other financial liabilities (Non-current, at amortised cost)

				ks. In crores
Particulars	As at 31 Mar	ch 2019	As at 31 Ma	rch 2018
	Non –current	Current	Non -current	Current
Rent and other deposits	33	47	27	88
Retention money for capital projects	466	85	29	250
Allowance for financial guarantees	516		642	
	1,015	132	698	338
Less: Amount clubbed under Other financial liabilities(refer note 27)	5. S.	(132)		(338)
Total	1,015	345	698	

Movements in allowances for financial guarantees

	Rs. in crores
Particulars	Amount
As at 1 April 2017	886
Release of financial guarantees	(248)
Exchange fluctuations	4
As at 31 March 2018	642
Release of financial guarantees (refer note 9)	(153)
Exchange fluctuations	27
As at 31 March 2019	516

### 21. Provisions

				Rs. in crores
Particulars	As at 31 Ma	rch 2019	As at 31 Mar	ch 2018
	Non -current	Current	Non -current	Current
Provision for employee benefits				
Provision for compensated absences (refer note 40)	91	14	81	12
Provision for gratuity (refer note 40)	127	37	32	99
Provision for PF (refer note 40)	÷.	1	1.0	24
Other provisions				
Mine closure provision	8		2	
Total	226	52	115	111

Movement of mine closure provision during the year

		Rs. in crores
	As at 31 March	As at 31 March
	2019	2018
Opening Balance	2	1
Additions during the year	5	2
Unwinding of discount and changes in the discount rate	#	
Closing Balance	8	2
t represents amounts below Ps. 0.5 store		

# represents amounts below Rs. 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.







#### 22. Income tax

Indian companies are subject to Indian income tax on a standalone basis. For each fiscal year, the entity 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.

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 2018-19 is 21.55%. 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

	Rs. In crores
For the year ended	For the year ended
51 Waltin 2019	ST WIGICII 2010
2,348	1,598
	(20)
2,348	1,578
1,303	2,397
(93)	(1,598)
	20
	39
	14
1,210	872
3,558	2,450
	For the year ended 31 March 2019 2,348 2,348 1,303 (93) (93) 1,210 3,558

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:

		Ks. III crores
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit before tax	11,817	7,075
Enacted tax rate in India	34.94%	34.61%
Expected income tax expense at statutory tax rate	4,129	2,448
Expenses not deductible in determining taxable profit	28	154
Income not recognized in book profit	158	
Income exempt from taxation/taxable separately	(386)	(228)
Tax holiday and allowances	(371)	(1)
Provision/(reversal) due to change in tax rate from 34.61% to 34.94%	4	63
Tax provision/(reversal) for earlier years		14
Tax expense for the year	3,558	2,450
Effective income tax rate	30.11%	34.63%







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 44).

#### B. Deferred tax liabilities (net)

Significant components of deferred tax assets/(liabilities) recognised in the financial statements are as follows:

				Ks. In crores
Deferred tax balance in relation to	As at 31 March 2018	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31 March 2019
Property, plant and equipment	(9,609)	(355)		(9,964)
Carried forward business loss/ unabsorbed depreciation	1,114	(1,114)		1.1
Cash flow hedges / FCMITDA	7		6	13
Provisions for employee benefit / loans and advances and guarantees	560	64	5	629
Finance Lease obligation	1,601	16		1.617
Others	(67)	86		19
MAT credit entitlement	4,323	93	141	4,416
Total	(2,071)	(1,210)	11	(3,270)

Deferred tax balance in relation to	As at 31 March 2017	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31 March 2018
Property, plant and equipment	(9,255)	(354)		(9,609)
loss/ unabsorbed depreciation	3,249	(2,135)	E	1,114
Cash flow hedges / FCMITDA	(123)		130	7
Provisions for employee benefit / loans and advances and guarantees	425	134	1	560
Finance Lease obligation	1,681	(80)		1,601
Others	(51)	(15)		(67)
MAT credit entitlement	2,745	1,578		4,323
Total	(1,329)	(872)	131	(2,071)

The Company expects to utilize the MAT credit within a period of 15 years.

Deferred tax asset on long term capital losses of Rs. 203 crores and Rs. 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 Rs. 689 crores expiring in fiscal year 2024-25 has not been recognised in the absence of public ble future taxable capital gains





Rs. in crores



### 23. Other liabilities (Non-current)

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Employees Car Deposits	4	4
Advances from customer	4,079	
Total	4,083	4

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 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 Rs. 763 crores has been included in note 28.

#### 24. Borrowings (current, at amortised cost)

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Loan repayable on demand		
Working capital loans from banks (secured)		
Rupee loan	727	157
Foreign currency loan	S	96
Packing Credit in Foreign Currency loan from bank (unsecured)		662
Export Packing Credit in Rupee from banks (unsecured)	69	24
Commercial papers (unsecured)	4,572	1,233
Total	5,368	2,172

Borrowing have been drawn at following rate of interest

Particulars	Rates of interest
Cash Credit (CC)	8.80% p.a. to 9.65% p.a
Commercial Papers (CP)	6.80% p.a. to 9.10% p.a
Export Packing Credit (EPC)	8.50% p.a. to 8.65% p.a

Working capital loans of Rs. 727 crores (31 March 2018 Rs. 253 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 equipments of the Company, both present and future except such properties as may be specifically excluded.







25. Trade payables

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
(a) Total outstanding, dues of micro and small enterprises	30	10

Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company):

		Rs. in crores
Description	As at 31 March 2019	As at 31 March 2018
Principal amount due outstanding as at end of year	30	10
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		1

		Rs. in crores
Particulars	As at 31 March	As at 31 March
r ai ticulai s	2019	2018
(b) Total outstanding, dues of creditors other than micro and small enterprises		
Acceptances	8,926	8,098
Other than acceptances	4,096	5,880
Total	13,022	13,978

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 43.

## 26. Derivative Liabilities

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Forward contract	305	42
Commodity contract		45
Interest rate swap	27	2
Currency option		1
Total	332	90
UMBAI		



## 27. Other financial liabilities (Current, at amortised cost)

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Current maturities of long-term debt (refer note 19)	9,404	4,099
Current maturities of finance lease obligations (refer note 19)	417	359
Current dues of other long-term liabilities (refer note 20)	132	338
Payables for capital projects		
Acceptances	1,104	670
Other than acceptances	1,466	508
Interest accrued but not due on borrowings	409	374
Payables to employees	157	152
Unclaimed matured debentures and accrued interest thereon	#	#
Unclaimed dividends	26	23
Unclaimed amount of sale proceeds of fractional shares	3	3
Others	668	585
Total	13,786	7,111

# represents amounts below Rs. 0.5 crore

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.

### 28. Other current liabilities

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Advances from customers	986	280
Statutory liabilities	476	934
Export obligation deferred income	154	167
Total	1,616	1,381

Advance from customer includes current portion Rs. 763 crores relating to APSA. Refer note 23

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 equipments accounted for as government grant and accounted in revenue on fulfillment of export obligation. Refer note and being amortised over the useful life of such assets.







## 29. Revenue from operations

			Rs. in crores
Particulars		For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products (including shipping services)			
Domestic turnover		66,841	54,869
Export turnover		7,928	11,366
	А	74,769	66,235
Other operating revenues			
Government grant income			
GST Incentive income (refer note (a) below)		1,111	934
Export obligation deferred income amortization		160	67
Export benefits and entitlements income		242	300
Unclaimed liabilities written back		263	118
Miscellaneous income		182	69
	В	1,958	1,488
	A+B	76,727	67,723

## Product-wise turnover

Particulars For the year ended 31 March 2019		For the year ended 31 March 2018		
	Tonnes	Rs. in Crores	Tonnes	Rs. in Crores
MS slabs	347,603	1,274	360,187	1,164
Hot rolled coils/steel plates/sheets*	8,756,033	39,316	8,549,548	34,102
Galvanized coils/sheets	463,278	2,527	473,098	2,389
Cold rolled coils/sheets	2,068,763	10,603	2,145,068	9,776
Steel billets & blooms	428,573	1,728	542,900	1,780
Long rolled products	3,691,473	16,762	3,551,250	13,957
Others	(*)	2,560		3,067
Total		74,769		66.235

\* Includes Hot rolled coils converted into SAW Pipes on Jobwork basis – Sales – NIL tonnes (previous year: 89,820 tonnes) Value – Rs. NIL (previous year: Rs.429 crores)







Note :

#### 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, on the basis using 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).

The State Government of Karnataka vide its circular dated 26 February 2019, has issued guidelines for determining the eligible incentive amount under the GST regime.

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 including denying incentives on related party transactions and certain other restrictions. Subsequently, the GOM issued a corrigendum dated 08 March 2019 to the above mentioned GR allowing eligible units to claim incentives on related party transactions.

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 recognized grant income without giving effect to the above restrictions amounting to Rs. 161 crores (previous year Rs. 110 crores) for the year ended 31 March 2019. The cumulative amount receivable towards the same as at 31 March 2019 amounting to Rs. 271 crores has been considered good and recoverable.

#### b) Implementation of Goods and Service Tax (GST)

Revenue from operations for periods up to 30 June 2017 includes excise duty, which is discontinued with effect from 1 July 2017 upon implementation of Goods and Service Tax (GST). In accordance with 'Ind AS 115 - Revenue', GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the year ended 31 March 2019 is not comparable to the year ended 31 March 2018.

#### c) Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after 1 April 2018 replaces the existing revenue recognition standards. The application of Ind AS 115 did not have any significant impact on financial statement of the Company.

However, the Company has determined that, in case of certain contracts, shipping services provided to customer is a separate performance obligation and accordingly the revenue attributable to such shipping services has been recognised as Revenue from operations, which was hitherto netted off against the corresponding freight expenses included as part of other expenditure in the Statement of Profit and Loss. The Company has applied the full retrospective approach and restated the previous periods presented.

The restated revenue for the year ended 31 March 2018 is higher by Rs. 1,489 crores with the corresponding increase in Other expenses. Further, the export benefits amounting to Rs. 300 crores for the year ended 31 March 2018 which was earlier included as part of Revenue from sale of products has been reclassified to Other operating revenue

The above adjustments have no impact on the balance sheet and cash flow statement for the previous period.







The restated revenue and restated other expenses for the year ended 31 March 2018 are:

	Ks. In crore	
Particulars	For the year ended 31 March 2018	
Revenue from operations	67,723	
Other expenses	13,993	

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 39):

		Rs. in crore	
Destinutes	For the year ended		
Faiticulars	31 March 2019	31 March 2018	
Revenue from contracts with customer - Sale of products (includi shue	74,769	66,235	
Other operating revenue	1,958	1,488	
Total revenue from operations	76,727	67,723	
India	68,799	5 157	
Outside India	7 928	1 66	
Total revenue from merations	7 727	67,723	
Timing of revenue recognition			
At a point in time	76,727	67 723	
Total revenue from operations	71.727	67 723	

Contract Balances

Particulars	As at 31 March 2019	As at 31 March 2018
Trade Receivables (Gross) (refer note 13)	6,828	4,770
Contract liabilities		
Advance from customers refer note 23 and 201	5,005	280

The credit period on sales of goods ranges from 7 to 60 days with or without security

As at 31 March 2019, Rs. 82 crore (previous Rs. 78 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 23.

Amount of revenue recognized from amounts included in the contract liabilities at the beginning of the year Rs. 232 crores (previous year Rs.260 crores) and performance obligations satisfied in previous years Rs. NIL (previous year Rs. NIL).

Out of the total contract liabilities outstanding as on 31 March 2019, Rs 986 crores will be recognized by 31 March 2020, and remaining thereafter.





# Steel Limited

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

# **Refund liabilities**

Particulars	As at 31 March 2019	As at 31 March 2018
Arising from volume rebates and discount (included in Other Financial Liabilities- note 201	637	527

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

### 30. Other income

MUMBAI

		Rs. in crores
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest Income earned on financial assets that are not designated as FVTPL		
Loans to related parties	144	105
Bank deposits	9	20
Other Interest income	86	51
Gain on sale of current investments designated as FVTPL	10	16
Fair value gain arising from financial instruments designated as FVTPL	8	8
Unwinding of interest on financial assets carried at amortised cost	31	1
Guarantees/Standby letter of credit commission	7	7
Dividend income		
Investments in equity instruments designated as FVTOCI		5
Investments in subsidiaries, associates and joint ventures	224	
Total	519	213

# 31. Changes in inventories of finished goods and work-in-progress

			Ks. In crores
Particulars		For the year ended 31 March 2019	For the year ended 31 March 2018
Opening stock			
Semi-finished /finished goods		2,826	3,702
Work-in-progress		690	747
	А	3,516	4,449
Closing stock :			
Semi-finished /finished goods		3,228	2,826
Work-in-progress		476	690
	В	3,704	3,516
	С (А-В)	(188)	933
Excise on stock of finished goods (net)	D		(521)
ALACO .	C-D	(188)	412
CSUT YOU			Letter.

# Steel Limited

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

# 32. Employee benefits expense

		Rs. in crores
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries and wages	1,200	1,091
Contribution to provident and other funds (refer note 40)	82	73
Expenses on employees stock ownership plan	43	26
Staff welfare expenses	75	70
Total	1,400	1,260

## 33. Finance costs

		Rs. in crores
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest		-
Bonds and Debentures	734	810
Others	2,080	1,960
Dividend on redeemable preference shares	41	72
Interest on finance lease obligations	579	587
Unwinding of interest on financial liabilities carried at amortised cost	18	12
Exchange differences regarded as an adjustment to borrowing costs	141	22
Other borrowing costs	110	105
Interest on Income Tax	5	23
Total	3,708	3,591

# 34. Depreciation and amortization expense

		Rs. in crores
Particulars	For the year ended 31 March 2019	For the year ender 31 March 2018
Depreciation of property, plant and equipment	3,371	3,026
Amortization of intangible assets	26	28
Total	3,397	3,054







# 35. Other expenses

		Rs. in crores
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Stores and spares consumed	3,558	2,636
Power and fuel	5,746	4,771
Royalty/premium on captive mines	272	6
Rent	27	31
Repairs and maintenance		
Plant and machinery	967	851
Buildings	33	25
Others	11	14
Insurance	66	52
Rates and taxes	60	44
Carriage and freight	3,549	3,419
Jobwork and processing charges	885	810
Commission on sales	29	41
Net loss/ (gain) on foreign currency transactions and translation #	450	88
Donations and contributions	24	3
CSR Expenditure	63	53
Miscellaneous expenses	1,129	857
Allowances for doubtful debts , loans and advances (net)	132	144
Fair value Loss arising from financial instruments designated as FVTPL	18	30
Loss on sale of property, plant and equipment (net)	6	124
Total	17,025	13,993

# including hedging cost of Rs. 429 crores (previous year Rs. 223 crores)

### Note :

a) Auditors remuneration (excluding tax) included in miscellaneous expenses:

		Rs. in crores
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Statutory audit fees (including limited reviews)	5	5
Tax audit fees *	1	#
Fees for capital market transactions and other certifications	2	1
Other services	#	
Out of pocket expenses	#	#
Total	8	6

amounts below Rs. 0.5 crore udit fees Rs. 0.53 crore (previous year Rs. 0.46 crore)







### b) Corporate Social Responsibility (CSR)

The Company has incurred an amount of Rs. 63 Crores (March 31, 2018 Rs. 53 Crore) towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses

				Rs. in crores
Particulars	For the 31 N	e year ended Iarch 2019	For the 31 M	e year ended larch 2018
	In- Cash	Yet to be Paid in Cash	In- Cash	Yet to be Paid in Cash
<ul><li>(a) Gross amount required to be spend by the Company during the year</li><li>(b) Amount spend on</li></ul>		63		35
(i) Construction / acquisition of assets	10		1.4	10.0
(ii) On purposes other than (i) above (for CSR projects)	54	9	44	9

#### 36. Research and development activities

Details of expenditure incurred in respect of research and development activities under taken during the year is as follows

	For the year ended	For the year ended
Particulars	31 March 2019	31 March 2018
Manufacturing and other expenditure	33	25
Depreciation expenses	13	12
Capital expenditure (including capital work in progress)	12	16

### 37. Earnings per share (EPS)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit/(Loss) attributable to equity shareholders (Rs. in crores) (A)	8,259	4,625
Weighted average number of equity shares for basic EPS (B)	2,40,46,25,681	2,40,41,52,929
Effect of dilution		
Weighted average number of treasury shares held through ESOP trust	1,25,94,759	1,30,67,511
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 Rs.) (A/B)	34.35	19.24
Diluted EPS (Amount in Rs.) (A/C)	34.17	19.14

For details regarding treasury shares held through ESOP trust (refer note 17(a) and 38)

# 38. Employee share based payment plans

#### ESOP SCHEME 2012

The Employees Stock Ownership Plan was effective from 26 July 2012. The eligible employees could exercise the option anytime between the vesting period till 30 September 2017.

The number of options granted to each eligible employee is determined by dividing the Award Value (amount equivalent to percentage of Annual Fix Pay) by the Fair Value of option provided. The Fair Value of option on the date of each grant is ned by using Black Scholes model







#### **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 authorized 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 it's subsidiaries in India.

Three grants would be made under ESOP plan 2016 to eligible employees on the rolls of the Company as at 01 April 2016, 01 April 2017 and 01 April 2018.

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 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 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- 17 May 2016	68,04,820	31,19,225	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- 16 May 2017	47,00,461	NIL	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
Brd Grant- L4 May 2018	31,23,407	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	263.24	167.15	Equity
1. 2 2.	100						Contra.







YUL C

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

The outstanding position as at 31 March 2019 is summarised below:

Particulars		ESOP 2016	
	1st Grant	2nd Grant	3rd Grant
Date of grant	17 May 2016	16 May 2017	14 May 2018
Share Price on date of grant	129.56	201.70	329.05
Outstanding as on 1 April 2017	65,80,170		
Transfer in			040
Transfer Out			
Granted during the period		47,00,461	10.2
Forfeited during the period	1,26,640	70,405	
Lapsed during the period			2.1
Exercised during the period			2.941
Outstanding as on 31 March 2018	64,53,530	46,30,056	
Granted during the period		10	31,23,407
Transfer in	2,82,140	1.67.243	19,690
Transfer Out	4,97,220	2.68.017	13,027
Forfeited during the period	-		
Lapsed during the period	2		
Exercised during the period			(
Outstanding as on 31 March 2019	62,38,450	45.29.282	31,30,070
of above - vested outstanding options	31.19.225	-, -,	(+)
of above - unvested outstanding options	31,19,225	45.29.282	31,30,070
Vesting Period	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 till 31 March 2021 (for 50% of the grant) and 14 May 2018 to 31 March 2022 (for remaining 50% of the grant)
Exercise Period	4 years from vesting date	4 γears from vesting date	4 years from vesting date
Weighted average remaining contract life	54 months	66 months	78 months
Exercise price	103.65	161.36	263.24
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 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
Weighted-average values of share price	Not applicable	Not applicable	Not applicable
Weighted threage exercise price	Not applicable	Not applicable	Not applicable
MUMBAL			C



Particulars		ESOP 2016	
	1st Grant	2nd Grant	3rd Grant
Expected volatility	Volatility was calculated using standard deviation of daily change in stock	Volatility was calculated using standard deviation of daily change in stock	Volatility was calculated using standard deviation of daily change in stock
	price.	price.	price.
	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
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	Rs. 1.10 per share	Re. 0.75 per share	Rs. 2.25 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
	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)
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 follow	ving factors have been cor (a) Share price (b) Exercise prices	nsidered
Whether and how any other features of the option grant were incorporated into the measurement of lue, such as a market condition		(c) Historical volatility (d) Expected option life (e) Dividend Yield	
MUMBAI			C



### 39. 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

		Rs. in crores
Particulars	For the year ended	For the year ended
	31 March 2019	31 March 2018*
Domestic	68,799	56,357
Export	7,928	11,366
Total	76,727	67,723
* Restated (refer note 29)		

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

		Rs. in crores
Particulars	For the year ended	For the year ended
	31 March 2019	31 March 2018
JSW Steel Coated Products Limited	10,128	9,793

#### 40. 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 recognized in statement of profit and loss of Rs. 47 crores (31 March 2018: Rs. 42 crores) (included in note 32).

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.

fund is managed by JSW Steel limited Employee Gratuity Trust and it is governed by the Board of trustees. The of trustees is responsible for the administration of the plan assets and for defining the investment strategy







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.

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 belonced investment in Covernment convisions and dokt interments.
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 2019 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 (funded):

		Rs. in crores
	For the year ended 31	For the year ended
	March 2019	31 March 2018
a) Liability recognised in the balance sheet		
i) Present value of obligation		
Opening balance	196	175
Service cost	14	13
Interest cost	15	13
Actuarial loss on obligation	14	3
Benefits paid	191	(7)
Liability in	2	#
Liability transfer	123	(1)
Closing balance	231	196
Less:		
ii) Fair value of plan assets		
Opening balance	65	53
Interest Income	5	4
Actuarial (loss)/gain on plan assets	#	#
Employers' contribution	3	13
Asset transfer	#	#
Benefits paul	(5)	[5]
Closin balance	68	65
MUMB		O



	For the year	For the year
	ended 31	ended
	March 2019	31 March 2018
Amount recognised in balance sheet(refer note 22)	164	131
b) Expenses recognized in statement of profit and loss		
Service cost	14	13
Interest cost	15	13
Expected return on plan assets	(5)	(4)
Component of defined benefit cost recognized in statement of profit and loss	24	22
Remeasurement of net defined benefit liability		
-Actuarial (gain)/loss on defined benefit obligation	14	3
-Return on plan assets (	#	#
Component of defined benefit cost recognised in other comprehensive income	15	3
Transferred to preoperative expenses	(2)	
Total	37	25
c) Actual return on plan assets	5	4
d) Break up of plan assets:		
(i) ICICI Prudential Life Insurance Co. Limited		
Balanced fund	3	2
Debt fund	#	#
Short term debt fund	#	#
Group Short Term Debt Fund III	3	
(ii) HDFC Standard Life Insurance Co. Limited		
Defensive managed fund	#	#
Secure managed fund	6	6
Stable managed fund	#	#
(iii) SBI Life Insurance Co. Limited – Cap assured fund	47	48
(iv) LIC of India – Insurer ma 🗤 fund	9	9
Total	68	65
f represents amounts below Rs. 0.5 crores		

# e) Principal actuarial assumptions

Particulars	Valuation as at 31 March 2019	Valuation as at 31 March 2018		
Discount rate	7.79%	7.85%		
Expected rate(s) of salary increase	6% p.a.	6% p.a		
Expected return on plan assets	7.79%	7.85%		
Attrition rate	2% p.a	2% p.a		
Mortality rate during employment	Indian assured lives mortality (2006-2008)			







### f) Experience adjustments:

					Rs. in crores
Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Defined benefit obligation	231	196	175	143	126
Plan assets	68	65	53	50	40
Surplus / (deficit)	(164)	(131)	(122)	(93)	(85)
Experience adjustments on plan liabilities – Loss/(gain)	14	3	17	3	23
Experience adjustments on plan assets - Gain/(loss)	#	#	#	#	#
Managements and state balls D. 0.5					

# represents amounts below Rs. 0.5 crore

g) The Company expects to contribute Rs. 37 crores (previous year Rs. 32 crores) to its gratuity plan for the next year.

h) In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses upto-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.

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.

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:

		Rs. in crores	
Particulars	As at 31 March 2019	As at 31 March 201	
Defined benefit obligation	231	196	
Plan assets	68	65	
<ul> <li>net liability/(asset) arising from defined benefit obligation</li> </ul>	164	131	







#### 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 year, while holding all other assumptions constant.

Particulars	As at 3	1 March 2019	As at 3	Rs. in crores
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(18)	21	(16)	18
Future salary growth (1% movement)	21	(18)	18	(16)
Attrition rate (1% movement)	3	(3)	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 2019	68.76%	9.68%	8.57%	12.99%
As on 31 March 2018	73.27%	9.25%	3.98%	13.49%

Category of assets average percenta	allocation fund wise as o	n 31 March 2019		
Particulars	SBI	HDFC	ICICI	LIC
Government securities		33.21%	36.77%	20%
Debt	93.23%	62.63%	46.22%	Balance
Equity	6.20%	0.15%	6.99%	invested in approved
Others	0.57%	4.01%	10.02%	investments as specified in schedule 1 of IRDA guidelines

#### Maturity analysis of projected benefit obligation

				Rs. in crores
Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31 March 2019				
Projected benefit payable	19	67	450	536
As at 31 March 2018			_	
Projected benefit payable	15	56	398	469



wen year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment clear 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 2019 is 8.65%.

Out of the total contribution made for Provident Fund in Defined Contribution Plan, Rs. 20 crores (previous year Rs. 17 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 Rs. 1 crore (Previous year - Nil) 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 2019	As at 31 March 2018
Total plan assets @	505	453
Total plan liabilities @	499	435
Discount rate	7.79%	7.85%
Rate of return on assets	8.55%	8.88%
Guaranteed rate of return	8.65%	8.55%

@ JSW Steel Employees Provident Fund Trust as at 31 March 2019 as per the unaudited financial statements

#### 41. Financial Instruments

#### 41.1 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 maximize 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 elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital 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.

Particulars	As at 31 March 2019	As at 31 March 2018
Long term borrowings	26,748	29,551
Current maturities of long term debt and finance lease obligations	9,821	4,458
Short term borrowings	5,368	2,172
Less: Cash and cash equivalent	(5,258)	(451)
Less: Bank balances other than cash and cash equivalents	(422)	(150)
Net debt	36,257	35,580
Total equity	35,162	27,907
Gearing ratio	1.03	1.27

(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 19 and 24.

### 41.2 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 2019

					Rs. i	n 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	417		1,424	1,425
Trade receivables	6,746	141		40	6,746	6.746
Cash and cash equivalents	5,258	(*)	-	- A	5,258	5,258
Bank balances other than cash and cash equivalents	422	121		20	422	422
Loans	7 10	(a)			7 810	7.910
Derivative Assets		(e)	147	81	228	228
Other financial assets	2,666				2,666	2,666
Total	23,276	633	564	81	24,554	24,555
Financial liabilities						
Long term Borrowings *	36,569	141		37	36,569	37,357
Short term Borrowings	5,368	·		21	5,368	5,368
Trade payables	13,052			45	13,052	13,052
Derivative liabilities		-	296	36	332	332
Other financial liabilities	4,980			A.	4,980	4.980
Total	59,969		296	36	60.301	61.089
					.,	,

\* including current maturities of long term debt and finance lease obligations







#### As at 31 March 2018

					Rs. 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	#	680	350		1,030	1,030
Trade receivables	4,692				4,692	4,692
Cash and cash equivalents	451				451	451
Bank balances other than cash and cash equivalents	150	(e)		+	150	150
Loans	5,323				5,323	5,323
Derivative Assets			85	62	147	147
Other financial assets	1,249	÷	- P.		1,249	1,249
Total	11,865	680	435	62	13,042	13,042
Financial liabilities						
Long term borrowings *	34,009		1.0		34,009	34,709
Short term borrowings	2,172			-	2,172	2,172
Trade payables	13,988				13,988	13,988
Derivative liabilities	546	- E -	32	58	90	90
Other financial liabilities	3,351		1.4		3,351	3,352
Total	53,520		32	58	53,610	54,311

\* including current maturities of long term debt and finance lease obligations

# represents amounts below Rs. 0.5 crore

### 41.3 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

#### 41.4 Market risk

MUMBAL

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 minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative name ments, and the investment of excess liquidity. Compliance with policies and exposure limits is



Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

### 41.5 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 and options. At any point in time, the Company 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.

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 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 2019

Particulars	USD	EURO	INR	JPY	Other	Total
Financial assets						
Non-current investments		254	1,170		1.0	1,424
Loans	7,253	2	545		10	7,810
Trade receivables	806	272	5,668	1.00	- P.	6,746
Cash and cash equivalents		-	5,258			5,258
Bank balances other than cash and cash equivalents			422	1.1	-	422
Derivative assets	228			14	÷.	228
Other financial assets	637		2,029	1		2,666
Total financial assets	8,924	528	15,092	1.10	10	24,554
Financial liabilities						
Long term borrowings	10,746	268	15,320	414	1.65	26,748
Short term borrowings			5,368			5,368
Trade payables	9,819	71	3,129	32	1	13,052
Derivative liabilities	332	+2	1.0		1.1	332
Other financial liabilities	6,694	1,445	6,178	463	21	14,801
Total financial liabilities	27,591	1,784	29,995	909	22	60,301





Rs.in crores



### Currency exposure as at 31 March 2018

Rs.in crores Particulars USD EURO INR JPY Other Total **Financial assets** Non-current investments 254 776 1.030 Loans 4,807 506 10 5,323 Trade receivables 124 97 4,471 4,692 Cash and cash equivalents 451 451 Bank balances other than cash and cash equivalents 150 150 Derivative Assets 147 147 Other financial assets 701 548 1,249 Total financial assets 5,779 351 6,902 10 13,042 **Financial liabilities** Long term borrowings 12,281 110 16,911 249 29,551 Short term borrowings 758 1,414 2,172 Trade payables 10,457 21 3,454 54 13,988 2 **Derivative liabilities** 86 4 90 Other financial liabilities 1,973 85 5,600 143 8 7,809 **Total financial liabilities** 25,555 220 27,379 446 10 53,610

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.

				Rs.in crores
	Increa	se	Decrease	
Particulars	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Receivable				
USD/INR	90	57	(90)	(57)
Payable				()
USD/INR	108	99	(108)	(99)
100	-			



\*



The forward exchange contracts entered into b	the Company and outstanding are as under:
---	---

As at	Nature	No. of Contracts	Туре	US\$ Equivalent (Millions)	INR Equivalent (crores)	MTM (Rs. in crores)
	Assats	18	Buy	175	1,207	4
Assets	48	Sell	503	3,481	159	
31 March 2019	125	Buy	1,207	8,351	(304)	
	LIabilities	0	Sell	0	0	0
	Assats	42	Buy	463	3,015	20
21 March 2010	Assets	37	Sell	443	2,879	25
Liabilitie	Liphilition	60	Buy	670	4,358	(24)
	Liabilities	31	Sell	330	2,205	(17)

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 (Rs. in crores)
21 March 2010	Assets	3	40	277	1
51 Warch 2019	Liabilities	1	10	69	(#)
21 March 2010	Assets	25	471	3,063	20
51 Widi Ch 2018	Liabilities	3	61	397	(1)

# represents amounts below Rs. 0.5 crore

## Unhedged currency risk position :

# I) Amounts receivable in foreign currency

	As at 31 N	larch 2019	As at 31 March 2018		
	US\$ equivalent	INR Equivalent	US\$ equivalent	INR Equivalent	
	(Millions)	(crores)	(Millions)	(crores)	
Trade receivables	156	1,078	34	221	
Balances with banks					
- in Fixed deposit account					
- in Current account					
Advances/Loans to subsidiaries	1,142	7,902	848	5,518	

# II) Amounts payable in foreign currency

	As at 31 M	arch 2019	As at 31 March 2018		
	US\$ equivalent	INR Equivalent	US\$ equivalent	INR Equivalent	
	(Millions)	(crores)	(Millions)	(crores)	
Loans payable	2,466	17,060	2,134	13,881	
Acceptances					
Trade payables	5	35	8	52	
Payable for capital projects	319	2,206	79	514	
Interest accrued but not d	37	255	32	206	
Other provisions	75	516	99	642	
UM	IBAI				


### 41.6 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 2019.

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 25 % 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 purchased 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.

				Rs. in crores
Commodity	Increase for th	e year ended	Decrease for th	e year ended
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Iron ore lumps/fines	611	598	(611)	(598)
Coal/Coke	1,178	1.027	(3,178)	12,027

### The commodity forward and option 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 (Rs. in crores)
31 March	Accoto	1	BRENT CRUDE	45,000	2	17	4
2019	Assets 6	COKING COAL	45,000	9	65	#	
31 March Assets	Accoto	5	BRENT CRUDE	1,68,750	10	68	6
	ASSELS 3 IRON ORE	1,16,000	7	47	1		
2010	Liabilities	44	IRON ORE	13,46,000	92	601	(43)

# represents amounts below Rs. 0.5 crore







### 41.7 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 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:

Rs. in crores

Particulars	As at 31 March 2019	As at 31 March 2018
Fixed rate borrowings	19,663	19,723
Floating rate borrowings	17,104	14,486
Total gross borrowings	36,767	34,209
Less: Upfront fees	(198)	(200)
Total borrowings (refer note 19)	36,569	34,009

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 2019 would decrease / increase by Rs. 171 crores (for the year ended 31 March 2018: decrease / increase by Rs. 145 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 yearend

As at	Nature	No. of Contracts	US\$ Equivalent of notional value (Millions)	MTM of IRS (Rs. in crores)
31 March 2019	Assets	13	220	20
	Liablities	15	245	(27)
21 March 2019	Assets	14	237	37
SI Walth 2018	Liabilities	5	128	(2)







### 41.8 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.

### Movements in allowances for bad and doubtful debts

rticulars
As at 1 April 2017
Additional Allowance
As at 31 March 2018
Additional Allowance
As at 31 March 2019

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 Rs. 24,554 crore as at 31 March 2019 and Rs. 13,042 crore as at March 31, 2018, 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 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 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 for impairment of 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. 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.







### 41.9 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 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 2019

### Rs. in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets		_		
Non-current investments	190	#	1,424	1,424
Loans	136	7,639	35	7,810
Trade receivables	6,746			6,746
Cash and cash equivalents	5,258			5,258
Bank balances other than cash and cash equivalents	422			422
Derivative assets	228			228
Other financial assets	2,621	45		2,666
Total financial assets	15,411	7,684	1,459	24,554
Financial liabilities				
Long term borrowings		21,906	4,842	26,748
Short term borrowings	5,368			5,368
Trade payables	13,052	14		13,052
Derivative liabilities	332	-		332
Other financial liabilities	13,786	1,008	7	14,801
Total financial liabilities	32,538	22,914	4,849	60,301
Interest payout liability	1,827	4,393	241	6,461









### Liquidity exposure as at 31 March 2018

			Rs. in crores
< 1 year	1-5 years	> 5 years	Total
	#	1,030	1,030
158	4,996	169	5,323
4,692	- 23	-	4,692
451	(e)	~ ~	451
150			150
147	-	1.0	147
271	978	- P.	1,249
5,869	5,974	1,199	13,042
	24,350	5,201	29,551
2,172			2,172
13,988	+1		13,988
90			90
7,080	716	13	7,809
23,330	25,066	5,214	53,610
1,560	4,777	304	6,641
	< 1 year 158 4,692 451 150 147 271 <b>5,869</b> 2,172 13,988 90 7,080 <b>23,330</b> 1,560	< 1 year       1-5 years       #       158     4,996       4,692     -       451     -       150     -       151     978       5,869     5,974       22,172     24,350       2,172     -       13,988     -       90     -       7,080     716       23,330     25,066       1,560     4,777	< 1 year         1-5 years         > 5 years           #         1,030           158         4,996         169           4,692         -         -           451         -         -           150         -         -           147         978         -           271         978         -           24,350         5,201         -           2,172         -         -           13,988         -         -           90         -         -           7,080         716         13           23,330         25,066         5,214           1,560         4,777         304

The amount of guarantees/standby letter of credit given on behalf of subsidiaries included in Note 45 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 19 and 24).







### 42. Level wise disclosure of financial instruments

Particulars	As at 31 March 2019	As at 31 March 2018	Level	Rs. in crore Valuation techniques and key inputs
Quoted investments in equity shares measured at FVTOCI	620	666	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 preference shares measured at FVTPL	417	350	3	Discounted cash flow - Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks
Derivative Assets	228	147		Inputs other than quoted prices included within level 1 that are
Derivative Liabilities	332	90	2	observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices)

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.

### Sensitivity Analysis of Level 3:

	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate of 9.1 %	0.50%	0.50% Increase (decrease) in the discount would decrease (increase) the fair value by Rs.6 crores (Rs.6 crores)
1000				







Reconciliation of Level 3 fair value measurement

	Rs. in crores
Particulars	Amount
Balance as at 1 April 2017	404
Additions made during the period	
Allowance for loss	(48)
Gain recognised in the statement of profit and loss	7
Balance as at 31 March 2018	364
Additions made during the period	103
Allowance for loss	(2)
Gain recognised in the statement of profit and loss	(34)
Balance as at 31 March 2019	431

Details of Financial assets/ liabilities measured at amortized cost but fair value disclosed in category wise

				Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018	Level	Valuation techniques and key inputs
Loans				Discounted cash
Carrying value	7,810	5,323		flow on observable
Fair value	7,810	5,323	2	are based on terms of discounted at a rate that reflects market risks
Investments				Discounted cash
Carrying value	374	1.40		flow on observable
Fair value	375	5	2	are based on terms of discounted at a rate that reflects market risks
Long Term Borrowing				Discounted cash
Carrying value	36,570	34,009		flow on observable
Fair value	37,357	34,709	2	are based on terms of discounted at a rate that reflects market risks







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 Miner LLC
	Hutchinson Minerals, LLC
	R.C. Minerals, LLC
	Keenan Minerals, LLC
	Peace Leasing 11C
	Prime Coal LLC
	Planck Holdings LLC
	Polling S Augoring 11 C
	Poriama Handling, LLC
	Lower Hutchingen Minorale, LLC
	Caratta Minorale LLC
	Caletta Willerais, LLC
	JSW Panama Holdings Corporation
	Conte Se Mining
	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 Holding Limited
	Lakeland Securities Limited
	JSW Steel Processing Centres 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 Steel (Salav) Limited
	Dolvi Minerals & Metals Private Limited
	Dolvi Coke Projects Limited
	JSW Industrial Gases Private Limited
	JSW Realty & Infrastructure Private Limited
	JSW Steel Ital S.r.I.
	JSW Utkal Steel Limited (w.e.f. 16.11.2017)
	Hasaud Steel Limited (w.e.f. 13.02.2018
	Creixent Special Steelsf. 27.02,2018. ceased w.e.f. 27.08.2018)
	Milloret Steel Limited (w.e.f. 08.03.2018, ceased w.e.f. 31.08.2018)
	Acero Junction Holdings, Inc. (w.e.f. 15.06.2018)
	JSW Steel USA Ohio, Inc. e. f. 15 06 2018)
	Alera LaA (a e.f. 24 07 2018)
	Piombino Los S A los e f 24.07



OF D AD



А	Name of related parties	
	GSI Lucchini S.p.A. (w.e.f. 24.07.2018)	
	JSW Retail Limited (w.e.f. 20.09.2018)	
2	Joint Ventures	
	Vijavanagar Minerals Private Limited	
	Rohne Coal Company Private Limited	
	JSW Severfield Structures Limited	
	Gourangdib Coal Limited	
	GEO Steel I I C	
	ISW Structural Metal Decking Limited	
	ISW MI Steel Service Centre Private Limited	
	ISW Vallahh Tin Plate Private Limited	
	Accialtalia Sin A. (coased w.o.f. 16.04.2019)	
	Creivent Special Stools Limited (w.e.f. 20.09.2018)	
	Mennet (special Steels Limited (w.e.f. 26.08.2018)	
2	Key Management Personal	
3	Nen Independent Frequeire Director	
d	Mr. Solion lindel	
	Mr. Sajjan Jindai	
	Mir. Seshagiri Kao Mi V S	
	Dr. vinod Nowal	
	Mir. Jayant Acharya	
D	In a primient Non-Executive Director	
	Mr. Kannan Vijayaraghavan (upto 24.07.2018)	
	Dr. Vijay Keikar (upto 24.07.2018)	
	Mr. N. Jayaram - Nominee Director, KSIIDC (upto 24.07.2018)	
	Mrs. Gunjan Krishna - Nominee Director, KSIIDC (w.e.f. 21.07.2018)	
	Mr. Hiroyuki Ogawa - Nominee Director, JFE Steel Corporation	
	Mrs. Punita Kumar Sinha	
	Mr. Malay Mukerjee	
	Mr. Haigreve Khaitan	
	Mr. Seturaman Mahalingam	
	Mrs. Nirupama Rao (w.e.f. 21.07.2018)	
	Mr. Harsh Charandas Mariwala (w.e.f. 21.07.2018)	
с	Mr. Rajeev Pai - Chief Financial Officer	
d	Mr. Lancy Varghese - Company Secretary	
4	Relatives of Key Management Personnel	
	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	
5	Other Related Parties	
	JSW Energy Limited	
	JSW Energy (Barmer) Limited (formerly known as Rai West Power Limited)	
	JSW Power Trading Company Limited (formerly known as ISW Green Energy Limited)	
	JSW Hydro Energy Limited (formerly known as Himachal Basna Power Company Limited)	
	JSW Solar Limited	
	lindal Stainless Limited	
	ISI Lifestate Limited	
-		10075
	UMBAI *	
	CONCOLUTION OF THE OWNER	and the



M

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

Α	Name of related parties	
	Jindal Saw Limited	
	Jindal Saw USA LLC	
	lindal Tubular (India) Limited	
	lindal Urban Waste Management Limited	
	lindal Bail Infrastructure Limited	
	lindal Steel & Dewer Limited	
	India Steel & Power Limited	
	India Flysale Aviation Limited	
	JSW Initiastructure Limited	
	Swith Water Part 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	
	Jindal Industries Private Limited	
	JSW Foundation	
	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	
	Utkarsh Advisory Services Private Limited	
	Epsilon Aerospace Private Limited	
	Khaitan & Company#	
	Vinar Systems Private Limited ## (ceased w.e.f.31.05.2018)	
	Danta Enterprises Private Limited	
	Glebe Trading Private Limited	
	JSW Holdings Limited	
	JSW Investments Private Limited	
	JSW Logistics Infrastructure Private Limited	
	Sahvog Holdings Private Limited	
	Virtuous Tradecorp Private Limited	
	S K lindal and Sons HUE	
	P R lindal HUE	
6	Post Employment Renefit Entity	
	ISW Steel EPE Trust	
	ISW Steel Group Gratuity Trust	
	ISW Steel Limited Employee Gratuity Fund	
1	Mr. Haistova Khaitan is a nathas in Khaitan 2. Carrier	
. 7	Ivir. margreve Knaitan is a partner in Knaitan & Company	
1	naigieve Knaitan was a director in vinar Systems Private Limited upto 31.05.2018	ALC: NO
9	141	
JME	SAL AL	1002 g

Limited
Steel
å
R,

	Subsi	diaries	loint V	entures	Other relat	ad nartiac*	°F	Rs. in crores
Particulars	TV 2010 10	CV 2041 40						
Durchass of sands / access 0 first / sandses	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Ambe Birne Cale Firster								
	4,416	4,405	'	1.			4,416	4,405
JSW International Tradecorp PTE Limited				0	16,038	16,369	16,038	16,369
Others	2,308	1,078	104	30	4,376	3,574	6,788	4,682
Total	6,724	5,483	104	30	20,414	19,943	27,242	25,456
Reimbursement of expenses incurred on our behalf by								
JSW Steel Processing Centres Limited	1				'		-	-
JSW Steel (Salav) Limited	1	2		1	1			0
JSW Retail Limited	2	1		)	1		- 2	1
JSW MI Steel Service Centre Private Limited			F	29	'		-	7
JSW Energy Limited		1	1	294	m	m	m	m
Others	#	#	1		*	#	1	1 #
Total	4	2	1		m	m	00	
Sales of goods / power & fuel								
JSW Steel Coated Products Limited	10,128	9,793	4	9		1.	10,128	9.793
Others	637	1,322	873	547	3,122	2,225	4,632	4,094
Total	10,765	11,115	873	547	3,122	2,225	14,760	13,887
Other income/ interest income/ dividend income								
JSW Steel Processing Centres Limited	100	1			1		100	1
JSW Steel Coated Products Limited	50	32	1	9	1	1	50	32
Amba River Coke Limited	44	58	'	14	it.	ŀ	44	58
JSW Steel (Salav) Limited	19	25	3	1	3	1.4	19	25
JSW Industrial Gases Private Limited	125	2	'	1	1	1	125	2
Others	30	n	11	m	35	30	76	36
Total	368	120	11	m	35	30	414	153
Liabilities written back								
JSW Steel Coated Products Limited	m	ł	3	•			m	
JSW MI Steel Service Centre Private Limited	-	2	m	1	1	8	m	1
South West Port Limited	et et		5	'	m	-1	m	1
Jindal Saw Limited	-				3		m	-
								*

teel Limited	
S	

	Subsid	diaries	Joint Ve	entures	Other relat	ted parties*	Tot	19
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
JSW Projects Limited		1	ľ		m		m	
JSW Infrastructure Limited	0	1	1	24	11	- 1	11	
Others		1	1	10	1			
Total	m		m		21		27	
Purchase of assets								
JSW Severfield Structures Limited			416	136	1.8		416	136
Jindal Steel & Power Limited		15			228	25	228	25
JSW Cement Limited			'		124	47	124	47
Others	19	2	9	24	17	9	42	00
Total	19	2	422	136	369	78	810	216
Advance given/(received back)								
Amba River Coke Limited	300	15	1		3	,	300	1
India Flysafe Aviation Limited		1	(t	1	(11)	214	(11)	214
Others	9	(2)	4	0	3	1	9	(2)
Total	306	(2)	•	1	(11)	214	295	212
Lease and other deposits given Utkarsh Advisorv Services Private Limited					65		02	
Total		1			6		6	
Lease deposit received							3	
JSW Cement Limited	-+	2		-	11		11	12
Total			*		11	-	11	
Lease and other advances refunded			ľ					
JSW Infrastructure Limited	+	(B)			53	48	53	48
Totał	+	19	1	+	53	48	53	48
Provision for loans and advances made during the ye	ear							
Jow Steel (Netherlands) B.V.	*	22		÷	5	1	ť	22
Inversiones Eurosh Limitada		197	1	3	-		×	197
Total	•	219					1.0	219
Donation/ CSR expenses JSW Foundation	6			Î	25	11	25	11
Total [*   MILIADA	-	.*	8	1	25	11	25	11

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

	Cubeir	diariae	1~1~1		Other Land	•		Rs. in crores
Particulars				cainila	Other rela	ted parties.	0	cal
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Recovery of expenses incurred by us on their behalf								
JSW Steel Coated Products Limited	73	68	ì	1	1	1	73	68
Amba River Coke Limited	1	26	1	1.	1			26
Dolvi Coke Projects Limited	6	57		Xł.	1		1 01	21
JSW Cement Limited	'			1	43	17	43	17
Others	32	24	18	m	49	19	66	46
Total	115	175	18	m	92	36	225	214
Investments / share application money given during the								
period								
Creixent Special Steels Limited	5	***	370	.*	1		375	1
JSW Reality & Infrastructure Private Limited	103	18	'	5.4	3		103	I
Dolvi Minerals & Metals Private Limited	359	6.8	'	Ċł	22		359	I
JSW Severfield Structures Limited	'		38	45	22		38	45
Others	131	10	#	1	1		131	11
Total	598	10	408	46		1	1,006	56
Interest expenses								
JSW Energy Limited		*	ľ	1		#	1	#
Total			1			#		#
Guarantees and collaterals provided by the company on								
behalf:								
JSW Steel (Netherlands) B.V.	323	3	1	()	1	1	323	
JSW Steel (USA) Inc.	913	2	'	,	1	1	913	1
Acero Junction Holdings, Inc.	983		•		8	)	983	1
Aferpi S.p.A.	589	1	1	•	33	1	589	
Others	26			+	Ì	1	26	
Total	2,834	4	1. C		ľ		2,834	
Guarantees and collaterals released								
JSW Steel (USA) Inc.	363	9	3	14	3		363	2
JSW Steel (Netherlands) B.V.	582	195	2	¢	1	1	582	195
Periama Holdings, LLC	343	258	1				343	258
Total   *  MI (MAD A. ) *	1,288	453		+	3		1,288	453_
								Ş.,
								*

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

Adjustment of receivable/(payable)     FY 2018-19     FY 2017-18     FY 2018-19       Adjustment of receivable/(payable)     110     -     -       ISW Steel Coated Projects Limited     17     113       Dolvi Coke Projects Limited     127     113       fotal     127     113	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
djustment of receivable/(payable) - 110 - 113 SW Steel Coated Products Limited 17 113 olvi Coke Projects Limited 127 113 otal 127 113						
olvi Coke Projects Limited 17 113 Dtal 127 113	,	I	1		110	'
otal 127 113		*			17	113
		-41	.+.	-	127	113
nance lease interest cost						
nba River Coke Limited 290 299			14		290	299
W Steel (Salav) Limited 69 74			2		69	74
W Projects Limited	1		156	177	156	177
N Techno Projects Management Limited			54	25	54	25
tal 373 -	•	1	210	202	569	575
iance lease obligation repayment						
hba River Coke Limited - 44 -	'		-1	I	80	44
N Steel (Salav) Limited 53	•	1	1	1	59	53
N Projects Limited	,	1	204	183	204	183
N Techno Projects Management Limited	*	2	00	4	00	4
tal 139 97 -		1	212	187	351	284
demption/Sale of Shares						
nba River Coke Limited	7		X	2	38	14
N Steel Coated Products Limited 12		14	1	0	12	2
tal 50 -	•	Ŧ		*	50	
an given						
W Steel (Netherlands) B.V.	2	*	•	ž	677	374
riama Holdings, LLC 975 2,419	7	1	90	*	975	2,419
ero Junction Holdings, Inc.	٣,	1	1		1,406	8
hers 32 65 125	125	1	( e	+	157	65
tal 3,192 2,858 125	125		•	*	3,317	2,858
vidend paid M Holdings Limited		-	57	40	57	40
W Techno Projects Management Limited	•		74	52	74	52

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

B. Transactions with related parties for year ended

								Rs. in crores
Darticulare	Subsic	diaries	Joint V	entures	Other related	ed parties*	To	tal
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Sahyog Holdings Private Limited				1	35	25	35	25
Others					76	53	76	53
Total					242	170	242	170
Loans given received back								
Acero Junction Holdings, Inc.	580	1				3	580	0
Periama Holdings LLC	274	-1	0	3		0	274	
Others	12	-		1	11	3	23	
Total	866		.*	+	11	+	877	

# Less than Rs. 0.5 crore, \* Includes relatives of Key Management Personnel

## Notes:

- 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 Rs. 20 crores (FY 2017-18: Rs. 17 crores).
- 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 Rs. 3 crores (FY 2017-18: Rs. 13 crores). 5.
  - In view of the uncertainty involved in collectability, revenue as interest income of Rs. 454 crores have not been recognised on loan provided to certain overseas subsidiaries. с.







### Compensation to key management personnel

		Rs. in crores
Nature of transaction	FY 2018-19	FY 2017-18
Short-term employee benefits	86	95
Post-employment benefits	1	1
Other long-term benefits		
Termination benefits		(á.
Share-based payment		
Total compensation to key management personnel	87	96

### 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 remuneration includes perquisite value of ESOPs in the year it is exercised Rs. Nil (previous year Rs. 32 crores). The Company has recognised an expenses of Rs. 4 crores (previous year Rs. 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 Rs 0.14 crores (previous year Rs. 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 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 Rs. 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 2018-19 is Rs. 3 crores (FY 2017-18 is Rs. 4 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 2019, 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 business and general corporate purposes. The loan balances as at 31st March, 2019 was Rs. 8,116 crores (As on 31st March, 2018: Rs. 5,404 crores). These loans are unsecured and carry an interest rate ranging from LIBOR + 400-530 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





teel Limited	
Ő	

C. Amount due to/ from related parties

	Subsie	liaries	Inint Ve	antirac	Othor rola	tod nartice	T.	KS. IN Crores
	10000		ATHOR	CIIMICS		iten parties	01	tal
Particulars	31st March,2019	31st March,2018	31st March,2019	31st March,2018	31st March,2019	31st March,2018	31st March,2019	31st March.2018
Party's Name Trade payables								
JSW Energy Limited	1	8	1	1	214	155	214	155
JSW International Trade Corp PTE Limited	•		1	1	1,241	2,010	1,241	2,010
Others	89	60	7	#	194	249	290	309
Total	89	60	7	#	1,649	2,414	1,745	2,474
Advance received from customers		ľ						
Aferpi S.p.A.	-			1	'		1	
JSW Jaigarh Port Limited	1	(#	1		'	25	•	25
Jindal Saw USA LLC	1	X			*	#	#	#
Others			*		*	2	#	2
Total	1		14		**	27	2	27
Lease & other deposit received								
Amba River Coke Limited	9	9	3	1			9	9
JSW Severfield Structures Limited		,	13	13		1	13	13
JSW Energy Limited	- 4	24	1	7	11	11	11	11
Jindal Saw Limited		*	*	C	IJ	S	ŝ	5
JSW Cement Limited	•			1	11		11	1
Others	4	4		1	11	11	15	21
Total	10	10	13	13	38	27	61	50
Lease & other deposit given								
Utkarsh Advisory Services Private Limited	10	P.	b	1	59	,	59	5
JSW Energy Limited	+	1	1	1		#		#
Total	.4		-		59	#	59	#
Trade receivables								
Peddar Realty Private Limited	155	155	1		1	1	155	155
JSW Steel Coated Products Limi	200	447	19.	I			200	447
Others		6	129	70	190	141	319	219
Total	K/\\ 855	611	129	70	190	141	1,174	821
* MUMBAI	REAL							Q
								Ĕ.

Limited	
Steel	
ą	

C. Amount due to/ from related parties

	Subsid	diaries	Joint Ve	entures	Other relat	ted parties	To	
Particulars	31ct	31ct	31ct	31ct	21c+	2144	4010	1.16
	March,2019	March,2018	March,2019	March,2018	March, 2019	March,2018	March.2019	March.2018
Share application money given								
JSW Jharkhand Steel Limited	1	7	1	1			1	1
Gourangdih Coal Limited	2		#	#			*	#
Others		#	#	(*	(TR		*	#
Total	.*	1	#	#			*	F
Capital / revenue advance								
Amba River Coke Limited	444	369		1			444	369
JSW Steel (Salav) Limited	211	244	23	2			211	244
India Flysafe Aviation Limited	,	7		1	203	214	203	214
Others	*	37	99	28	66	148	166	213
Total	655	650	99	28	302	362	1.024	1.040
Loan given								
Inversiones Eurosh Limitada	744	694	4	1	'		744	694
Periama Holdings, LLC	4,936	3,988	•	1	•		4,936	3,988
JSW Steel (Netherlands) B.V	1,318	525	2	1	1	. *	1,318	525
Others	979	197	125	#	14	I	1,118	197
Total	776,7	5,404	125	#	14	-	8,116	5,404
Interest receivable								
Inversiones Eurosh Limitada	192	181	3	17		.4	192	181
Periama Holdings, LLC	396	372	3				396	372
Others	49	28		'			49	28
Total	637	581	1	1		*	637	581
Allowances for loans and advances given (refer note 9)								
JSW Steel (Netherlands) B.V	476	322	13	1	'		476	322
Inversiones Eurosh Limitada	197	197	(*	17	2		197	197
Others	3	4	28	0			m	4
Total X	676	523			1		676	523
* MUMBAI	*							1 * 1\ * 1\

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

C. Amount due to/ from related parties

Particulars Loans / advances/ deposits taken		iaries	Inint V	antirac	Other rela	tod nation	F	
Particulars Loans / advances/ deposits taken			A 11100			red pai ties	01	tal
Loans / advances/ deposits taken	31st March,2019	31st March,2018	31st March,2019	31st March,2018	31st March,2019	31st March.2018	31st March.2019	31st March.2018
JSW Infrastructure Limited	+	+				51		51
Total						51		51
Finance lease obligation								ł
Amba River Coke Limited	2,032	2,112	12	1		0	2.032	C11 C
JSW Steel (Salav) Limited	631	069	1	3			631	690
JSW Projects Limited		*	2	2	1,280	1.484	1.280	1.484
JSW Techno Projects Management Limited			8		164	173	164	173
Total	2,663	2,802			1,444	1.657	4.107	4.459
Guarantees and collaterals provided by the								
company on behalf:								
JSW Steel (Netherlands) B.V.	518	644	•	0	14	29	518	644
Periama Holdings, LLC	922	1,626	14			1	922	1.626
JSW Steel (USA) Inc.	488	85	•	*		2.8	488	85
Acero Junction Holdings, Inc.	968	1		1	,		968	
Aferpi S.p.A.	396		•	*			396	14
Others	143	127	1	2		1.9	143	127
Less : Loss allowance against aforesaid	(516)	(642)	*	0.Ř	1		(216)	(642)
Total	2,919	1,840	0	14		Ŧ	2.919	1.840

Notes: 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 31st Mar<sup>\*</sup>19, the fair value of plan assets was as Rs. 68 crores (As at 31st Mar<sup>\*</sup>18: Rs. 65 crores).





### For Steel Limited

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2019

### 44. Contingent liabilities:

(i) Disputed claims/levies (excluding interest, if any) in respect of:

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Excise Duty	448	414
Custom Duty	456	514
Income Tax	18	18
Sales Tax / VAT / Special Entry tax	1,243	156
Service Tax	598	593
Miscellaneous	-	#
Levies by local authorities – Statutory	2	3
Levies relating to Energy / Power Obligations	208	317
Claims by suppliers and other parties	42	42
Total	3,015	2,057

# represents amounts below Rs. 0.5 crore

 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.
- 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) Miscellaneous cases includes provident fund relating to contractors.
- i) Claims by Suppliers and other parties includes quality claims issues raised by suppliers and others.
- j) There are several other cases which has been determined as remote by the Company and hence not been disclosed above.

		Rs. in crores
Particulars	As at 31 March 2019	As at March 2018
Claims related to Forest ment Tax/Fee	2,160	1,799
unt auf under profest	920	920
MUMBAI		O

### (ii) Forest Development Tax/Fee:



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 (MMDC). 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 Rs. 1,043 crores (including paid under protest – Rs. 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 ultravires 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 Rs. 1,117 crores (including paid under protest - Rs.255 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.

(iii) Supreme Court (SC) passed a judgement dated 28 February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are numerous interpretative issues relating to the Supreme Court (SC) judgement including the effective date of application. The Company continues to assess any further developments in this matter for the implications on financial statements, if any.

### 45. 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:

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Guarantees	2,386	638
Standby letter of credit facility	922	1,717
Less: Loss allowance against aforesaid	(516)	(642)
Total	2,792	1,713

### 46. Commitments

MUMBAI

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	13,948	9,801

### Other commitments:

Company from time to time provides need based support to subsidiaries and joint ventures entity towards tital and other requirements.





- (b) The Company entered 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.
- (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

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Export promotion capital goods scheme	10,146	4,455

(d) The Company has given guarantees aggregating Rs. 127 crores (previous year Rs. 127 crores) on behalf of subsidiaries to Commissioner of Customs in respect of goods imported.

### 47 Operating lease

### a) As lessor:

i. The Company has entered into lease arrangements, for renting the following:

Category of Asset	Area	Period
Land at Vijayanagar	726 acres	8 months to 30 years
Land at Dolvi along with certain buildings	227 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

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

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Land		
Cost/Deemed cost	156	150
Building		
Cost/Deemed cost	215	210
Accumulated depreciation	18	12
Depreciation for the year	6	5
ALL SHIT SHIT SHIT		







### b) As lessee:

(i) Lease rentals charged to profit and loss for right to use following assets are

		Rs. in crores
Particulars	For the year ended	For the year ended
	31 March 2019	31 March 2018
Office premises, residential flats etc	18	22
Total:	18	22

The agreements are executed for a period of 11 to 180 months with a renewable clause and also provide for termination at will by either party giving a prior notice period of 1 to 3 months.

(ii) The agreements for certain plant and equipment is on non-cancellable basis for a period of 10-15 years, which are renewable on expiry of the lease period at mutually acceptable terms.

Lease rentals charged to profit and loss for right to use these assets are

		Rs. in crores
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Property, plant and equipment	9	9
Total:	9	9

Future minimum rentals payable under non-cancellable operating leases are as follows:

		Rs. in crores
Particulars	As at 31 March 2019	As at 31 March 2018
Not later than one year	5	6
Later than one year but not later than five years	6	11
Later than five years		
Total	11	17

48. The Company has evaluated certain arrangements for purchase or processing of raw materials based on facts and circumstances existing at the date of transition to Ind AS and have identified them in the nature of lease as the fulfillment of the arrangements depend upon a specific asset and the Company has committed to obtain substantially all the production capacity of the asset. After separating lease payments from the other elements in these arrangements, the Company has recognized plant and equipment and building as Assets taken under finance leases (refer note 4). In certain arrangements related to purchase or processing of raw materials, the Company also has an option to purchase the said assets at the end of the lease term.





F-956



The minimum lease payments and the present value of minimum lease payments as at 31 March 2019 in respect of aforesaid plant and equipment acquired under the finance leases are as follows:

				Rs. in crores		
	As at 31 March 2019		As at 31 M	As at 31 March 2018		
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments		
Not later than 1 year	985	418	916	362		
Later than one year but not later than five years	3,769	2,092	3,864	2,142		
Later than five years	3,082	2,118	3,111	2,078		
Total	7,836	4,628	7,891	4,582		
Less: Future finance charges	3,208		3,309			
Total:	4,628		4,582			

- 49. During the previous year a subsidiary of the Company had surrendered one of its iron ore mine in Chile considering its economic viability and accordingly the Company had reassessed the recoverability of the loans given to and investments made in subsidiaries and recognised an impairment provision of Rs. 234 crores which was disclosed as an exceptional item.
- 50. In assessing the carrying amounts of Investments in and Ioans / advances (net of impairment loss / loss allowance) to certain subsidiaries and a Joint Venture and financial guarantees to certain subsidiaries (listed below), the Company considered various factors as detailed there against and concluded they are recoverable.
  - (a) Investments aggregating to Rs. 259 crores (Rs. 259 crores as at March 31, 2018) in equity and preference shares of JSW Steel (Netherlands) B.V ("NBV"), loans of Rs. 848 crores (Rs. 209 crores as at March 31, 2018), Rs. 5,332 crores (Rs. 4,361 crores as at March 31, 2018) and Rs. 739 crores (Rs. 678 crores as at March 31, 2018) to NBV, Periama Holdings LLC ("PHL") and JSW Panama Holdings Corporation respectively and the financial guarantees of Rs. 1,410 crores (Rs. 1,626 crores as at March 31, 2018) and Rs. NIL (Rs. 85 crores as at March 31, 2018) on behalf of PHL and JSW Steel (USA) Inc. respectively Estimate of values of the businesses and assets by independent external valuers 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.
  - (b) Equity shares of JSW Steel Bengal Limited, a subsidiary (carrying amount: Rs. 446 crores (Rs. 442 crores as at March 31, 2018)) 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: Rs. 88 crores as at March 31, 2019; Rs. 84 crores as at March 31, 2018) 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) (carrying amount of investments: Rs. 24 crores as at March 31, 2019; Rs. 24 crores as at March 31, 2018, and loans of Rs. 155 crores as at March 31, 2019; Rs. 155 crores as at March 31, 2018) -Valuation by an independent valuer of the residential complex in which PRPL holds interest.
  - (e) Investment of Rs. 4 crores (Rs. 4 crores as at March 31, 2018) and Ioan of Rs. 147 crores (Rs. 137 crores as at March 31, 2018) relating to JSW Natural Resources Mozambique Limitada and JSW ADMS Carvo Limitada (step down subsidiaries) 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: Rs. 198 crores as at March 31, 2019; Rs. 160 crores as at March 31, 2018) - 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.
- 51.
  - a. On 15 June 2018, the Company completed acquisition of 100% equity stake in Acero Junction Holdings, Inc (Acero) for a cash consideration of Rs. 536 crores (USD 80.85 million). Acero, along with its wholly owned subsidiary JSW Steel USA Ohio, Inc (Formerly known as Acero Junction, Inc.).
  - b. Pursuant to the Corporate Insolvency Resolution process for Monnet Ispat & Energy Limited ("MIEL") under the Insolvency Bankruptcy Code, 2016 initiated on 18 July 2017, the National Company Law Tribunal ('NCLT') on 24 July 2018 (Order date) approved (with modifications) the resolution plan submitted by the consortium of JSW Steel Limited and AION Investments Private II Limited. The consortium completed the acquisition of MIEL through their jointly controlled entity Creixent Special Steels Limited ("CSSL") on 31 August 2018. The Company has made an investment of Rs. 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.
  - c. The Resolution Plan submitted by the Company for Vardhman Industries Limited (VIL) was approved with some modifications, by the Hon'ble National Company Law Tribunal (NCLT) New Delhi, by its order dated April 16, 2019. The Company filed an appeal challenging the said NCLT Order before National Company Law Appellate Tribunal (NCLAT), in which an interim order was passed on April 30, 2019 suggesting that the Resolution Plan as approved by the Committee of Creditors may be implemented subject to the decision of the appeal. The Company further filed an Appeal before the Hon'ble Supreme Court against the interim order of NCLAT in which the Hon'ble Supreme Court vide an order dated May 10, 2019 has ordered status quo and the matter is posted for hearing before the NCLAT on May 28, 2019.
  - d. On 24 July 2018, the Company through its wholly owned subsidiary in Italy, JSW Steel Italy S.r.l, completed acquisition of 100% shares each of Aferpi S.p.A and Piombino Logistics S.p.A and 69.27% of the shares of GSI Lucchini S.p.A (collectively referred to as "Targets") for a consideration of Rs. 489 crores (Euro 60.70 million) towards acquisition of equity shares and Rs. 100 crores (Euro 12.38 million) towards acquisition of loans provided by erstwhile shareholders of the targets.
  - e. On 23 October 2018, the Company has acquired an additional stake of 60.004% of the share capital of Dolvi Minerals and Metals Private Limited ("DMMPL"), a subsidiary, for a cash consideration of Rs.109 crores. Pursuant to the acquisition of shares of DMMPL, DMMPL along with its wholly owned subsidiary Dolvi Coke Projects Limited ("DCPL"), have become wholly owned subsidiaries of the Company.
- 52. The Board of Directors of the Company at their meeting held on 25 October 2018, considered and approved the Scheme of Amalgamation pursuant to sections 230 232 and other applicable provisions of the Companies Act, 2013, providing for the merger 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. The said scheme has been filed with NCLT and the merger is subject to regulatory approvals.
- 53. Previous year figures have been re-grouped /re-classified wherever necessary







### 54. Subsequent Events

- a) The Company has raised US\$ 500 million in April 2019 by the allotment of fixed rate senior unsecured notes ("Notes") in accordance with Regulation S of the U.S. Securities Act, 1933 as amended, and applicable Indian regulations. The Notes are listed on Singapore Exchange Securities Trading Limited.
- b) On 24 May 2019 the board of directors recommended a final dividend of Rs. 4.10 per equity share be paid to shareholders for financial year 2018-19, which is subject to approval by the shareholders at the Annual General Meeting to be held on 25 July 2019. If approved, the dividend would result in a cash outflow of Rs. 1,195 crores inclusive of dividend distribution tax of Rs. 204 crores.

### 55. Standards issued but not yet effective

### New Standard Ind AS 116 Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 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 similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company is in the process of evaluating the effect of these amendments on the financial statements

### Amendments to other Ind AS

### i) Amendments to Ind AS 109, Financial Instruments:

The amendments notified to Ind AS 109 pertain to classification of a financial instruments with prepayment feature with negative compensation. Negative compensation arises where the terms of the contract of the financial instrument permit the holder to make repayment or permit the lender or issuer to put the instrument to the borrower for repayment before







the maturity at an amount less than the unpaid amounts of principal and interest. Earlier, there was no guidance on classification of such instruments.

According to the amendments, these types of instruments can be classified as measured at amortised cost, or measured at fair value through profit or loss, or measured at fair value through other comprehensive income by the lender or issuer if the respective conditions specified under Ind AS 109 are satisfied.

### ii) Amendments to Ind AS 12, Income Taxes:

The first amendment requires an entity to create a corresponding liability for Dividend Distribution Tax (DDT) when it recognises a liability to pay a dividend. The liability for DDT shall be recorded in statement of profit & loss, other comprehensive income or equity, as the case may be.

The second amendment relates to tax consequence of an item whose tax treatment is uncertain. Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

If there is uncertainty over tax treatment of an item an entity should predict the resolution of the uncertainty. If it is probable that the taxation authority will accept the tax treatment, there will be no impact on the amount of taxable profits/losses, tax bases, unused tax losses/credits and tax rates. In vice-versa case, the entity shall show the effect of the uncertainty for each uncertain tax treatment on amount of related items by using either the most likely outcome or the expected outcome of the uncertainty.

### iii) Amendment to Ind AS 19, Employee Benefits:

The amendments to Ind AS 19, Employee Benefits relate to effects of plan amendment, curtailment and settlement. When an entity determines the past service cost at the time of plan amendment or curtailment, it shall remeasure the amount of net defined benefit liability/asset using the current value of plan assets and current actuarial assumptions which should reflect the benefits offered under the plan and plan assets before and after the plan amendment, curtailment and settlement.

### iv) Amendments to Ind AS 28, Investments in Associates and Joint Ventures:

Ind AS 109 excludes interest in associates and joint ventures that are accounted for in accordance with Ind AS 28, Investments in Associates and Joint Ventures from its scope. According to the amendments, Ind AS 109 should be applied to the financial instruments, including long-term interests in associates and joint venture, that, in substance, form part of an entity's net investment in associate or joint venture, to which the equity method is not applied.

### 56. Additional information

### A) C.I.F. value of imports:

UMBAI

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
-Capital goods	3,121	557
-Raw materials (including power and fuel)	21,937	19.837
-Stores & spare parts	1,321	683
1000 h		





### B) Expenditure in foreign currency:

		Rs. in crores
Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest and finance charges	1,126	877
Ocean freight	361	550
Technical know-how	64	19
Commission on sales	17	31
Legal & professional fees	7	6
Others	61	57

### C) Earnings in foreign currency:

		Rs. in crores
Particulars	For the year ended	For the year ended
	31 March 2019	31 March 2018
F.O.B. value of exports	7,604	10,938

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

6400

MUMBAI

D ALL

Partner Membership No.:105938

Place: Mumbai Date : 24 May 2019

Chief Financial Officer

LANCY VARIABILI

Company Secretary ICSI Membership No. FCS 9407 Place: Mumbai Date : 24 May 2019



٦ onc

SAJJAN JINDAL Chairman & Managing Director DIN 00017762

SESHAGIRI RAO M.V.S Jt.Managing Director & Group CFO DIN 00029136



### **APPENDIX 1 – SLB FRAMEWORK**

This Sustainability-Linked Bond Framework has been prepared by the Company, and DNV GL Business Assurance India Private Limited, India has issued a so-called second-party opinion (the "Sustainability-Linked Bond Second-party Opinion") confirming the alignment of the Sustainability-Linked Bond Framework and/or the Notes with the Sustainability-Linked Bond Principles (the "Sustainability-Linked Bond Principles") administered by the International Capital Market Association and analyzing the Sustainability Performance Target. None of the Joint Lead Managers makes any representation or warranty, express or implied, concerning any information in the Sustainability-Linked Bond Framework, and nothing contained in the Sustainability-Linked Bond Framework is, or shall be relied upon as, a promise or representation, from the Joint Lead Managers.



### JSW Steel

### Sustainability-Linked Bond Framework

June 2021

### Contents

1.	Intro	duction	. 3
	1.1	Background	. 3
	1.2	Our commitment to sustainability	. 3
2.	Ratio	onale for establishing a Sustainability-Linked Bond (SLB) Framework	.5
3.	JSW	/ Sustainability-Linked Bond Framework	.5
	3.1 Sel	ection of Key Performance Indicator (KPI)	. 5
	3.2 Cal	ibration of Sustainability Performance Target (SPT)	. 6
	3.3 Bor	nd characteristics	. 8
	3.4 Rej	porting	. 8
	3.5 Ver	ification	. 8

### 1. Introduction

### 1.1 Background

JSW Steel is India's leading integrated steel manufacturer and the flagship company of the JSW Group, which has diversified interests across core industries that support India's infrastructure growth. With the largest product portfolio in steel, we are also India's largest steel exporter, shipping to over 100 countries across five continents.

As one of India's leading steel companies, we recognize our role in contributing to the economic development and support building modern infrastructure of India, while also placing sustainability at the core of our corporate strategy and striving to be a force for good through a responsible business conduct that enhances the lives of communities and nurtures the environment.

### 1.2 Our commitment to sustainability

Steel is deemed a resource-intensive sector and sustainable operations are highly relevant for steelmakers globally, demanding an efficient business response. The process of steelmaking involves complex activities that require heavy energy utilization and effective waste and emissions management. As a large-scale steelmaker, we are mindful of the impact our operations have on the environment and attempt to minimize our environmental footprint throughout our integrated operations.

At JSW, we have developed a *Sustainability Vision*<sup>1</sup> that guides our social, ethical and environmental responsibilities. Our Vision is that; We are able, both now and in the future, to demonstrably contribute in a socially, ethically and environmentally responsible way to the development of a society where the needs of all are met, and to do so in a manner that does not compromise the ability of those that come after use to meet the needs of their own, future generation.

Our commitment of demonstrating fulfillment of our Sustainability Vision emanates from our *Sustainability Strategy,* based on seven key elements:

- **Leadership:** Throughout our organization, we provide our leaders with the skills and knowledge that will systematically enable them to oversee the implementation of our Sustainability Strategy and then ensure that it remains operational and effective.
- **Stakeholder engagement:** Each part of our business is regularly required to identify and subsequently engage with a wide range of people and organizations who have an interest in our activities our stakeholders with the aim to gain an understanding of the varied needs and expectations they may have from us and accordingly build our strategy to fulfil these.
- **Communication:** Frequent and effective communication, both within our business and with our stakeholders, is seen as critical to ensure that everyone understands our Vision, our Strategy, and their role in making these things happen.
- Planning: Each of our sites are required to gain a thorough understanding of which and to what extent a particular sustainability issue affects them, guiding each site to develop an appropriate approach to manage these relevant issues.
- Improvement: Our Strategy requires our sites to explore all the potential opportunities for improvement, which may come in a variety of forms such as improving efficiencies or reducing wastes; it may also be improvements in how we operate, in our processes; it could be improvements in our products or in how we work with our suppliers.
- **Monitoring:** Our Strategy places significant emphasis on identifying, from site to Group, the key performance measures through which we, and our stakeholders, can monitor our progress.
- Reporting: Sharing information on our performance, either at a local site level or using international standards such as the Global Reporting Initiative (GRI) and International Integrated Reporting <IR> framework published by the International Integrated Reporting Council (IIRC), is seen as key in fulfilling our commitment to "demonstrably contribute".

<sup>&</sup>lt;sup>1</sup> https://www.jsw.in/sustainability/sustainability-about-us-overview

We ensure that our Sustainability Strategy is implemented consistently throughout our business and will continue to operate effectively at all our operations. To this effect, we are developing a *Sustainability Framework*, in 2020, that takes into consideration the key principles of various fundamental national and international guidelines and frameworks, such as,

- National Guidelines on Responsible Business Conduct (NGRBC) Principles
- United Nations Sustainable Development Goals (UN SDGs)
- International Finance Corporation (IFC) Performance Standards
- Organisation for Economic Co-operation and Development (OECD) Guidelines
- United Nations Guiding Principles (UNGP) on Business and Human Rights
- International Organization for Standardization (ISO) International Standards on Environment, Energy and Social Responsibility
- Principles of United Nations Global Compact (UNGC).

We determined our focus areas by reviewing our existing set of sustainability policies. We examined globally relevant guidelines and frameworks that can apply to our operations and took into account the relevant requirements as applicable to our operations while formulating the policies. This ensures that we stay updated with the needs of a dynamic world and are aligned to making it a better place for everyone.



These focus areas have been identified after studying the magnitude of impact and the level of contribution we make to each one of them. All our sustainability interventions broadly fall under these 17 focus areas and are managed and governed through the Sustainability Framework.

- On the input side, we maintain a sharp focus on our digital and sustainable mining initiatives as well
  as achieving logistical excellence to effect sustainable sourcing and resource conservation,
  adhering to or exceeding compliance on all grounds.
- We continue to adopt Best Available Technologies (BATs) within our operations as we endeavor to achieve best available standards of material and energy efficiency. We emphasize on recover waste heat for use in the process.
- We also aim to maintain appropriate degree of product stewardship and transparency in our product related disclosures. As we stand today, our Hot Rolled Coils (HRC) and Cold Rolled Closed Annealed (CRCA) products have received Environment Product Declarations (EPD) and we will continue to progressively institute EPD to all our finished as well as intermediate products, complying with EN 15804 and ISO 14025 standards.

 Our approach to circular economy has set new industry benchmarks with slag being converted into raw material for cement manufacturing, sand making and road building. With such initiatives and novel applications under our 'Waste to Wealth' ideology for waste material, we constantly challenge ourselves to achieve better circularity in our operations.

The reflection of the progress we make in integrating sustainability into our operations and business is demonstrated by the recognitions we get. JSW Steel is positioned under the *Leadership Band (A-) in the CDP Ratings 2020* and featured under S&P Global's Dow Jones Sustainability Yearbook 2020. We have been recognized as "Sustainability Champion" since three consecutive years (2018, 2019, 2020) by the World Steel Association (worldsteel).

JSW Steel endorsed the Declaration of the Private Sector on Climate Change by Government of India on 5<sup>th</sup> November 2020 that demonstrates our leadership and resolve as the leading steel producer of the country in formulating a strong and effective climate change response to help combat climate change with benefits for the present and future generations.

### 2. Rationale for establishing a Sustainability-Linked Bond (SLB) Framework

We recognize the role that finance can play in supporting the transition to a low-carbon economy, particularly for industries such as the steel sector that have a key role to play in economic and social development, yet historically have been highly carbon-intensive.

As such, we have chosen to develop this Sustainability-Linked Bond Framework (the "Framework") to link our funding with our sustainability objectives and leverage ambitious timelines to achieve an improved sustainability performance that is relevant, core and material to both our business and the wider sector we operate in.

Our Framework provides a high-level approach to prospective Sustainability-Linked Bond issuances and investors should refer to relevant documentation for any securities transactions for additional details.

### 3. JSW Sustainability-Linked Bond Framework

This Sustainability-Linked Bond Framework has been developed in alignment with the Sustainabilitylinked Bond Principles ("SLBPs") released and administered by the International Capital Market Association (ICMA) in June 2020. This Framework follows the five key components of the SLBPs:

- 1 Selection of Key Performance Indicator (KPI)
- 2 Calibration of Sustainability Performance Target (SPT)
- 3 Bond characteristics
- 4 Reporting
- 5 Verification

DNV has provided a Second Party Opinion on the Framework to confirm its alignment with the above Principles. This Second Party Opinion will be made publicly available alongside the Framework on our website.

### 3.1 Selection of Key Performance Indicator (KPI)

### KPI: $CO_2$ emissions intensity, calculated as tonnes $CO_2$ per tonne of crude steel produced (tCO<sub>2</sub>/tcs) (Scopes 1 and 2)

Climate change has emerged as one of the paramount perils of the 21<sup>st</sup> century. The Paris Agreement and India's resulting Intended Nationally Determined Contributions (INDC) assume particular importance in this context, driving calls for active decarbonisation for industries such as the steel sector that have historically contributed to large-scale carbon emissions.

Particularly in India, where iron and steel demand is expected to grow significantly by 2050, it is essential that Indian steel manufacturers such as ourselves innovate and transition towards a pathway of deep decarbonisation. As one of the premier players in the Indian steel industry, we consider it our responsibility to proactively consider and manage the challenges arising out of climate change.

We also view the need to innovate and improve our environmental and carbon footprint as key not just to achieving an environmentally sustainable footprint, but also to an economically sustainable and viable business model that allows us to maintain and develop our strategic position in the future.

Given these growth expectations for domestic demand in the Indian context, we therefore view emissions intensity as a particularly relevant and material metric that captures the need to balance our role in supporting the economic and social development of India with the imperative of improving our carbon footprint.

Our historic absolute GHG emissions across Scope 1 and 2, as well as the GHG emissions intensity, across our three integrated steel plants are provided in the table below. These three steel plants, JSW Steel Vijayanagar Works, JSW Steel Dolvi Works, and JSW Steel Salem Works, comprise 100% of our crude steel production and are therefore the basis of our data collection and emissions intensity targets. Together, Scope 1 and Scope 2 emissions account for around 99% of the total emissions of the company.

Between FY2019 and FY2020, we have managed to reduce our CO<sub>2</sub> emissions intensity by 8.4%, and have set ambitious targets to achieve further reductions over the next decade.

	FY2016	FY2017	FY2018	FY2019	FY2020
Scope 1 & 2 GHG emissions ('000 tCO <sub>2</sub> e)	32,101	38,496	42,153	45,848	40,522
% change YoY	-	19.9%	9.5%	8.8%	-11.6%
GHG emissions intensity (tCO <sub>2</sub> /tcs)	2.56	2.44	2.59	2.75	2.52
% change YoY	-	-4.7%	6.1%	6.2%	-8.4%

We conduct annual Independent Assurance on our Sustainability disclosures, including GHG emissions. The performance criteria applied developing such assurance is derived from various international guidelines and frameworks, such as the International Integrated Reporting Council's Framework (IIRF), Global Reporting Initiative (GRI) Standards in accordance- Core option, and World Steel Association's (WSA) environmental performance indicator for CO<sub>2</sub> emissions.

The assurance of GHG Emissions is conducted in accordance with 'Limited Assurance' procedures as per International Federation of Accountants' (IFAC) International Standards on Assurance Engagements (ISAE) 3410, Assurance Engagements on GHG Statements.

The standards used for reporting GHG emissions for the integrated steel operations covers various GRI Standards- 305-1, 305-2, and 305-4.

The calculation methodology used for quantification of GHG emissions follows WSA's  $CO_2$  data collection user guide (latest version at the time of disclosure used).

### 3.2 Calibration of Sustainability Performance Target (SPT)

## SPT: $CO_2$ emissions intensity reduction to equal or less than 1.95 tonnes $CO_2$ per tonne of crude steel produced (t $CO_2$ /tcs), equivalent to a reduction of 23% from a 2020 baseline, by 2030

In 2017, as part of its Intended Nationally Determined Contributions (INDC), India's Ministry of Steel included in its National Steel Policy specific reduction targets of GHG emissions in the iron and steel sector to a level of 2.2-2.4 tonnes per tonne of crude steel in the BF-BOF route and 2.6-2.7 tonnes per tonne of crude steel in the DRI-EAF route by 2030. Recognizing our role as one of the leading steel producers in India, we have set ourselves the target of reducing our CO<sub>2</sub> emissions intensity by 2030 to  $1.95 \text{ tCO}_2/\text{tcs}$ , significantly exceeding the Ministry of Steel's targets under the Paris Agreement.

Compared to India's wider commitment under the Paris Agreement to reduce the emissions intensity of its GDP by 33-35% between 2005 and 2030, our 1.95 tCO<sub>2</sub>/tcs target also significantly exceeds this ambition and represents a 42% emissions intensity reduction over the same timeframe, given our 3.39 tCO<sub>2</sub>/tcs emissions intensity in FY2005. Against our most recently reported figure of 2.52 tCO<sub>2</sub>/tcs in FY2019-2020, we are targeting a 23% emissions intensity reduction.

Our 1.95 tCO<sub>2</sub>/tcs target is derived from the International Energy Agency's (IEA) Iron and Steel Technology Roadmap, published in 2020<sup>2</sup>. This roadmap sets out a Sustainable Development Scenario (SDS) that details ambitious emissions reduction pathways for both the global and the Indian iron and steel sector, targeting net-zero emissions for the energy system by 2070. The SDS aligns to the Paris Agreement in aiming to hold the increase in the global average temperature to well below 2 degrees Celsius above pre-industrial levels, and in pursuing efforts to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels.

Under the SDS, the sectoral direct emission intensity of crude steel production in India needs to fall over 60% by 2050 on the path to net zero in 2070. Our 2030 target is based on following the trajectory needed to reach a derived emissions intensity of 1.17 tCO<sub>2</sub>/tcs<sup>3</sup> by 2050 taking account of both the direct (Scope1) and indirect energy (Scope 2) emissions, representing a 2.52% reverse CAGR from our FY2020 benchmark.



### JSW Steel 2030 target for carbon emissions intensity

Achieving this target requires us to significantly adjust our production processes beyond a "businessas-usual" scenario by 2030. We aim to implement the following key initiatives to further reduce our emission intensity:

- Reduce steam coal consumption by utilizing >800MW of renewable energy in addition to use of byproduct gases and waste heat recovery
- Improve raw material quality through iron ore beneficiation to >60% iron content, resulting in target reductions in both coke and anthracite coal utilization
- We are targeting an up to 10% increase in the use of scrap in steel making at select facilities
- Use of Natural Gas (NG) in Blast Furnaces (BFs) injection and in the Direct Reduced Iron (DRI) processes

<sup>&</sup>lt;sup>2</sup> Available at: <u>www.iea.org/reports/iron-and-steel-technology-roadmap</u>

<sup>&</sup>lt;sup>3</sup> 1.17 tCO<sub>2</sub>/tcs is a derived expected emissions intensity figure by 2050 that includes Scopes 1 and 2 emissions. In the IEA's SDS, the direct emissions intensity for Indian steel (Scope 1) falls by 60% from 2.3 tCO<sub>2</sub>/tcs today to 0.9 tCO<sub>2</sub>/tcs in 2050, with an additional 75 Mt CO2 of indirect (Scope 2) emissions recorded in 2019. Using the IEA's recorded annual output of crude steel in India of 111 Mt, the combined Scope 1 and 2 emissions intensity for 2019 can thus be calculated as 2.98 tCO<sub>2</sub>/tcs, with a 61% reduction from this level by 2030 resulting in a target level of 1.17 tCO<sub>2</sub>/tcs.

- Continued Implementation of Best Available Technologies (BATs), including waste heat recovery and by-product gas based power generation
- Various Improvements in process and energy efficiency based on the worldsteel 'step up' global benchmarking process.

Through these key initiatives, we believe we can fulfil our emissions intensity target by 2030. For comparison, continuing on our current trajectory without implementing these changes would result in an estimated emissions intensity of 2.518 tCO<sub>2</sub>/tcs by 2030. Currently, we plan to double the capacity from our existing integrated iron and steel facilities from 18 MPTA in FY2020 to ~36 MTPA by 2030, in line with the projected doubling of Indian steel production under the IEA's Stated Policies Scenario (SPS)<sup>4</sup>. Taking into account the required energy efficiency improvement expected through the Government of India's Perform, Achieve, Trade (PAT) scheme alongside this capacity expansion, a marginal reduction in emissions intensity to 2.518 tCO<sub>2</sub>/tcs is expected under a "business-as-usual" scenario taking account of the current regulatory requirements (Stated Policy Scenario i.e STEPS).

### 3.3 Bond characteristics

We will tie our performance with respect to the KPI to the financial structure of any Sustainability-Linked Bond(s) issued in reference to this Framework. Specifically, this will comprise a sustainability-linked feature that will result in a coupon adjustment if our performance does not achieve the SPT.

The proceeds of our Sustainability-Linked instruments will be used for general corporate purposes, unless otherwise specified in the relevant transaction documentation.

The relevant step-up margin amount and reference date for the chosen SPTs will be specified in the relevant documentation of the specific transaction (e.g. the Final Terms of the relevant Sustainability-Linked Bond).

### 3.4 Reporting

We will disclose the progress made on the KPI and SPT at least once a year and in any case for any date or period relevant for assessing the trigger of the SPT performance. This will be made publicly available either in our annual reporting or as a separate document readily accessible on our website.

The reporting will also include an explanation of any methodologies and supporting documentation used to derive the performance figures against the SPT, as well as, where relevant and/or possible, an assessment of the positive impacts resulting from the progress against the SPT.

### 3.5 Verification

### Pre-issuance:

We have engaged DNV as an independent external reviewer to provide a Second Party Opinion and confirm the alignment of this Framework with the SLBP principles outlined above. For any material changes to the Framework, including an alignment to any updated versions of the SLBP as and when such versions are published by ICMA, we will seek an another Second Party Opinion.

The Second Party Opinion will be made publicly available alongside this Framework on our website.

### Post-issuance:

For any Sustainability-Linked Bond(s) issued in relation to this Framework, we will seek external verification on the performance against the selected KPIs by a qualified external reviewer, at least

<sup>&</sup>lt;sup>4</sup> As outlined in the IEA's Iron and Steel Technology Roadmap, available at: <u>www.iea.org/reports/iron-and-steel-technology-roadmap</u>
once a year. The resulting verification report will be published alongside the reporting outlined in Section 3.4.

Axis Bank has engaged DNV GL Business Assurance India Private Limited, India to provide an external review on its Sustainable Financing Framework.

The opinion from the external reviewer will be available on our website.

#### COMPANY

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

### LEGAL ADVISERS TO THE COMPANY

as to U.S. federal securities and English law

Linklaters Singapore Pte. Ltd. One George Street #17-01 Singapore 049145 as to Indian law

Cyril Amarchand Mangaldas 5th Floor, Peninsula Chambers Peninsula Corporate Park Mumbai 400 013 India

# LEGAL ADVISERS TO THE JOINT LEAD MANAGERS

as to U.S. federal securities and English law

Milbank LLP 30/F, Alexandra House 18 Chater Road Central, Hong Kong as to Indian law

Khaitan & Co. One World Centre 13th Floor, Tower 1 841 Senapati Bapat Marg Mumbai 400 013 India

#### LISTING AGENT

Linklaters Singapore Pte. Ltd. One George Street #17-01

Singapore 049145

## TRUSTEE

DB Trustees (Hong Kong) Limited Level 60, International Commerce Centre 1 Austin Road West Kowloon Hong Kong

# PRINCIPAL PAYING AGENT

# **REGISTRAR AND TRANSFER AGENT**

Deutsche Bank Trust Company Americas

60 Wall Street, 24th Floor Mail Stop NYC60-2405 New York, NY 10005 United States of America Deutsche Bank Trust Company Americas 60 Wall Street, 24th Floor Mail Stop NYC60-2405 New York, NY 10005 United States of America

## LEGAL ADVISORS TO THE TRUSTEE

as to English law Clifford Chance 27/F, Jardine House One Connaught Place Central Hong Kong