

**Better
today.**



**Stronger
tomorrow.**

Better Everyday





**A true visionary,
A legendary industrialist,
A great philanthropist,
A legacy that will always be cherished!**

Shri O.P. Jindal

August 7, 1930 - March 31, 2005

Founder and Visionary, O.P. Jindal Group

His life was an inspirational journey leading millions to follow the enlightened path.

We will always carry on his values, an epitome of indomitable courage, endurance and integrity, his legacy will always remain with us.

As we take leaps towards the future, we are fully committed to honour his vision and keep his legacy alive & carrying it forward to greater heights.

JSW Steel at a glance

JSW Group's flagship JSW Steel is India's leading and one of the world's most efficient integrated steelmakers. At JSW Steel, we are continuing our journey of growth by stepping up our operational excellence. We are progressing across markets with innovation, digitalisation and sustainability as our key anchors. With efficient integrated operations and a clear vision for the future, we are executing our strategic growth plan in line with India's growing steel demand. Our wide spectrum of innovation, robust ESG commitments and a drive to be #BetterEveryday, enable us to consistently create responsible value, for everyone.

18 MTPA

Standalone crude steel capacity

37.5 MTPA

Expected capacity by FY 2024-25 together with subsidiaries and JVs

16,000+

Exclusive and non-exclusive retail outlets

100+ countries

Export footprint

13

Iron ore mines operated

13,000+

Direct employees

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Read more at
www.jsw.in/steel

View our online report here at
(link to come)

Read our other investor
communications here at
<https://www.jswsteel.in/investors>

About this report

Approach to reporting

This is the fourth integrated report of JSW Steel, prepared in accordance with the International Integrated Reporting (IR) framework published by the International Integrated Reporting Council (IIRC) (currently the Value Reporting Foundation). This report has been published to transparently communicate to stakeholders the Company's ability to create value in the short, medium and long term. The report focuses on JSW Steel's achievements, its model of value creation, holistic performance, strategy and risk management and mitigation. There are no restatements of information in this report, compared to our preceding report published on September 17, 2020.

Frameworks and standards used in reporting

Apart from abiding by the guiding principles and content elements of the International (IR) Framework, this report has been prepared in accordance with the GRI Standards: Core option. It has also taken into account the applicable requirements and principles of the following:

- + United Nations Sustainable Development Goals (UN SDGs)
- + Worldsteel guidelines
- + National Guidelines on Responsible Business Conduct (NGRBC)
- + Companies Act, 2013 (and the rules made thereunder)
- + Indian Accounting Standards
- + Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- + Secretarial Standards issued by the Institute of Company Secretaries of India

JSW Steel also discloses climate change-related information to the CDP platform.

Reporting period*

01 April 2020 — 31 March 2021

* Specific qualitative developments between 01 April 2021 and the date of report publishing have been discussed in this Report.



Assurance

The integrity of the information presented in this report has been assured by the Company's Board and Management, as Those Charged With Governance (TCWG). The non-financial information is assured by KPMG Assurance and Consulting Services LLP, as third-party assurance provider. The financial information is audited by S R B C & Co. LLP.

Scope and Boundary

The report primarily covers strategic and financial information that pertains to JSW Steel, its value chain, and its national and international subsidiaries. References to joint ventures and overseas operations are also made part of

strategic discussions. Non-financial information covered in this report is limited to the Company's major manufacturing operations / key facilities in India.

Integrated steel plants

- ● ● JSW Steel Vijayanagar
- ● ● JSW Steel Dolvi
- ● ● JSW Steel Salem

Other operations

- ● ● JSW Steel Coated Products Ltd.
- ● ● Amba River Coke Ltd.
- ● ● JSW Industrial Gases Ltd.

Subsidiaries

- ● Vardhaman Industries Ltd.
- ● Asian Color Coated Ispat Ltd.
- ● JSW Vallabh Tin Plate Private Ltd.

Joint ventures and minority ownership

- ● JSW Ispat Special Products Ltd. (erstwhile Monnet Ispat and Energy Ltd.)

Overseas units

- JSW Steel USA Baytown
- JSW Steel USA Ohio
- JSW Steel Italy

● Strategic disclosures ● Financial disclosures ● Non-financial disclosures ● Annual reports published separately

Forward-looking statements

Certain statements in this report concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition within the steel industry, including those factors that may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed price, fixed time frame contracts, our ability to commission mines within contemplated time and costs, our ability to raise the finance within time and cost, client concentration, restrictions on immigration, our ability to manage our internal operations, reduced demand for steel, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which the Company has made strategic investments, withdrawal of fiscal/ governmental incentives, impact of regulatory measures, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorised use of our intellectual property and general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.

For more information, write to jswsl.investor@jsw.in

Better today. Stronger tomorrow.



 Integrated

 Digital

 Circular

 Responsible



Better today. Stronger tomorrow.

FY 2020-21 will be remembered as an inflection point in contemporary history. On the one hand, it upended 'normal life' and 'business as usual'. On the other, it spotlighted the resilience of human spirit, the ability of scientific rigour to address challenges with speed, and the ubiquity of digital in modern society. In many ways, the year brought to life the need for collaborative thinking and courage in approach while striving for better.

JSW Steel's journey over the years, and specifically in FY 2020-21, mirrors this phenomenon. The sudden slowdown coming close to the heels of one of the largest capex programmes in the history of the Indian steel industry had the potential of upsetting our best-laid plans.

Yet, our nimbleness in ramping up production capacities post reopening, increasing exports, manufacture of value-added products and focus on cost reduction saw us leverage both halves of the year to our advantage. In a year where iron ore availability in India was a challenge, our foresight and execution discipline saw us operationalise seven newly acquired mines, to ensure that our plants kept producing high-quality steel, leading to a 96% capacity utilisation in March 2021.

In line with our vision to reach 45 MTPA by 2030-31, we acquired multiple strategic assets that give us geographic and product advantages. And, we scaled up our brand-building and digitalisation efforts to create a sharper, smarter, and more customer-centric organisation.

But, this is not just about the here and now. It is also about the tomorrow and beyond. Therefore, we set ourselves ambitious targets across 17 sustainability focus areas to emerge as one of the most planet and people-friendly steel companies in the future.

We scaled up our brand-building and digitalisation efforts to create a sharper, smarter, and more customer-centric organisation.

We have announced an investment of ~US\$3.4 billion to further expand our capacities in line with India's needs and our ability to rapidly scale enables this.

With this, we will reach a steelmaking capacity of 37.5 MTPA by FY 2024-25 including 1.5 MTPA capacity in the USA and entities under joint control. We are creating new benchmarks in product development, pivoting our R&D efforts to be more customer-focused, and increasing our efforts to be a preferred employer while retaining a strong commitment to social causes.

We turned the challenge thrown at us by FY 2020-21 on its head and made it our best ever year, by being agile, responsible, and futuristic in our thinking.

At JSW Steel, we remain committed to creating a "Better today, Stronger tomorrow."

#BetterEveryday



FY 2020-21 highlights



Strong financial performance

₹79,839 crore
Revenue from operations* ↗ 9%

₹20,141 crore
EBITDA ↗ 70%

₹7,873 crore
PAT ↗ 101%

₹65,293 crore
Economic value distributed

₹14,546 crore
Economic value retained

*Economic value generated



Robust operational performance

15.08 MnT
Crude steel production

14.95 MnT
Saleable steel sales

84%
Average capacity utilisation

~35%
Iron ore from captive sources

₹13,477 ↗ 69%
EBITDA/tonne of sales

52%
Sales from Value-added and Special Products (VASP)

₹427 crore
Cost savings from digitalisation

US\$110
Conversion cost per tonne (Standalone)

Progressed on our strategic growth ambitions



5 MTPA
Dolvi brownfield expansion near commissioning

Continued expansion of value-added and downstream capacities

2.5 MTPA
Brownfield expansion at Vijayanagar in progress

Announced setting up 5 MTPA capacity at Vijayanagar through a wholly owned subsidiary

Strong inorganic growth through acquisitions of:

Bhushan Power and Steel Ltd.
2.5 MTPA crude steel capacity

Asian Colour Coated Ispat Ltd.
1 MTPA downstream capacity

Plate and Coil Mill Division of Welspun Corp
1.2 MTPA

Vallabh Tinplate Pvt. Ltd.
0.1 MTPA of tin plate capacity

➕ Read our detailed capex progress and project details on Page 98

Supported the nation amid the COVID-19 crisis



20 lakh
Patients across 530 hospitals benefitted

~1,500
Beds provided across JSW hospitals

200
Volunteers at Vijayanagar engaged in community awareness

55,000+ MT*
Consolidated volume of medical oxygen supplied

1,200 MT**
Oxygen provided daily across 9 states

50
Volunteers at Dolvi engaged in community awareness

*March-May 20, 2021

**May 1-May 20, 2021

Improved our leverage ratios



2.61x
Net debt to EBITDA compared to 4.50x in FY 2019-20

1.14x
Net debt to Net worth compared to 1.48x in FY 2019-20



ESG highlights FY 2020-21

Consistently delivered on our environmental stewardship



7.40% ⬇️

Reduction of absolute GHG emissions (scope 1 + 2)

2.82% ⬇️

Reduction of energy intensity within the organisation

7.30% ⬇️

Reduction of specific water consumption in iron and steelmaking processes

Climate action member of worldsteel

[+ Read more](#)

Steel Sustainability Champion for the third consecutive year in 2020 by WSA

Leadership level (A-) rated by CDP

Enhanced our safety track record
Moving closer to the 'Zero Harm' goal



0.26 LTIFR
18.75% ⬇️

[+ Read more](#)

1,000+
Senior personnel participated in monthly safety webinars

5+ lakh
Safety observation conducted

28,800
E-learning safety modules completed

Contributed to communities throughout the year



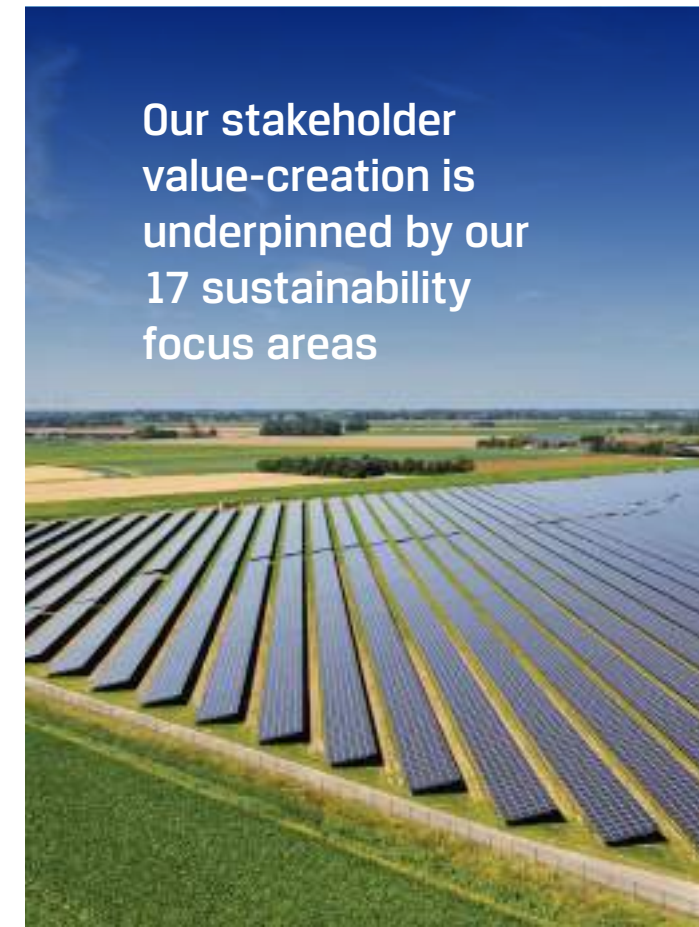
3,600+
Women beneficiaries through women-only BPOs

[+ Read more](#)

2,406
Students supported through UDAAN Scholarship

4,840
Community toilets created

15,086
Farmers reached



Our stakeholder value-creation is underpinned by our 17 sustainability focus areas



Environment

- Climate change
- Energy
- Resources
- Water resources
- Waste
- Waste water
- Air emissions
- Biodiversity
- Sustainable mining
- Local considerations

[+ Read more](#)



Social

- Indigenous people
- Cultural heritage
- Employee well-being
- Supply chain sustainability
- Social sustainability

[+ Read more](#)



Governance

- Business ethics
- Human rights

[+ Read more](#)

Achieving best-in-class performance

The financial year 2020-21 began with disruptions to economic activity owing to the curbs announced to contain the spread of COVID-19 in India. The initial phase of the nationwide lockdown impacted the industry and our business significantly. However, staying true to the

JSW Steel ethos of agile response and top-class execution, we responded with a comprehensive mitigation plan. The core aim was to maintain overall well-being of employees, profitability, and protect stakeholder value.

We were able to surmount formidable challenges in FY 2020-21 through three main intervention areas



Swift response

- + Capacity ramp up post reopening
- + Odisha mines operationalisation
- + Ability to quickly change sales mix
- + Employee and community well-being



Maintain focus on strategic initiatives

- + Focus on ESG
- + Operational efficiency
- + Project completion
- + Strategic acquisitions



Financial prudence

- + Strong financial & liquidity management



Swift response

Capacity utilisation ramp up post reopening

With the gradual easing of the nationwide lockdown, we resumed operations towards the end of April 2020, with permission from the local administration. We put in place comprehensive protocols on social distancing in all our plants and offices in compliance with MHA and other state specific guidelines.

Initiatives and outcomes

- + Ramped up capacity in April and May 2020
- + Capacity utilisation improved to ~93% in Q4 FY 2021-22
- + 84% average capacity utilisation for FY 2020-21

Odisha mines operationalisation

In order to ensure raw material security for our ambitious growth plans, we secured four iron ore mines in Odisha and acquired three new iron ore mines in Karnataka through the government's auction process in FY 2019-20. We swiftly operationalised all our mines, which enabled us to operate all the plants close to the rated capacity. We achieved this at a time when the steel industry was suffering heavily in the latter part of FY 2020-21 due to supply shortage of iron ore in India.

Initiatives and outcomes

- + Fast-paced operationalisation of Odisha mines
- + Operationalised all the three newly acquired mines in Karnataka
- + Ensured optimisation of costs and enhanced raw material security

Ability to quickly change sales mix

Given the unprecedented operating environment in the domestic market in Q1 FY 2020-21, we quickly adapted to the market situation and focused on export markets. We emerged as a large exporter of steel during the quarter. Gradually, as the domestic steel demand picked up in the second quarter, we concentrated on improving our market

share. In the third quarter, backed by a strong momentum in the domestic economy, our domestic sales continued to grow. Towards the fourth quarter, when steel prices in the international market continued to improve, we focused on export markets.

Sales mix highlights across the quarters

Q1 Exports

57% ↑ Of total sales
1.58 MnT Highest-ever quarterly quantity

Q2 Domestic sales

22% Y-o-Y growth
14.7% Q-o-Q growth

Q3 Domestic sales

3.48 MnT 2nd best quarterly sales on record
13% ↑ Y-o-Y
16% ↑ Q-o-Q

Q4 Export sales

1.03 MnT **25%** Of total sales
124% ↑ Y-o-Y
120% ↑ Q-o-Q

Employee and community well-being

The global pandemic drove home the importance of creating a healthy and safe environment for employees and communities. In FY 2020-21, JSW Steel channeled an enhanced focus to create a digitally-enabled working ecosystem and reinforced safety protocols across all

facilities. One of the most gratifying aspects of the business was when employees from the local facilities helped communities by creating awareness and distributing medical supplies and safety and hygiene kits.

Initiatives and outcomes

- + Strengthened digital ecosystem to enable seamless work-from-home facility
- + All on-site employees adhered to safety and social distancing protocols
- + Certified as a Great Place to Work for 2021-22
- + Distributed 1 lakh masks and 5,000 bottles of sanitisers with stands
- + Extensive community awareness drive undertaken by 200 volunteers at Vijayanagar and 50 volunteers at Dolvi
- + Vasind provided around 16,460 kg dry ration
- + Salem provided around 4,000 grocery kits to direct impact zone and two panchayats



Maintain focus on strategic initiatives

Operational efficiency

We have one of the lowest conversion costs in the industry, primarily due to our efficient operations, high manpower productivity and the strategic location of our state-of-the-art manufacturing facilities. In FY 2020-21, we continued with our cost-reduction initiatives and improved efficiencies to consistently grow

even in an uncertain business environment. Moreover, our ability to secure four working mining leases in Odisha helped us maintain significant cost competitiveness in terms of early production, assured feed grade for steelmaking, reduced logistics cost and value addition due to the possibility of long-term planning.

Cost saving and efficiency initiatives:

- + Optimised fuel consumption by increasing pulverised coal injection and reducing coke moisture
- + Utilised pipe conveyor system for the transport of iron ore from mines
- + Optimised procurement costs
- + Ramped up sales and marketing efforts to find new markets and customers

Project execution and completion

Our capacity expansion plan has been on track.

Dolvi

- + 5 MTPA expansion almost completed, fully integrated operations expected by September 2021

Vijayanagar

- + 8 MTPA pellet plant in Vijayanagar fully commissioned in March 2021

- + 1.8 MTPA PLTCM line and one 0.45 MTPA line (of the two) construction grade galvanised products commissioned
- + 160T Zero Power Furnace and 1 x 1.4 MTPA Billet Caster, along with associated facilities at SMS-3 commissioned

Vasind & Tarapur

- + All expansions (except CGL-4, Continuous Annealing Line or CAL at Vasind and Tinplate Line-2 at Tarapur) completed

Strategic acquisitions

With a target to reach a 45MTPA crude steel capacity by FY 2030-31, we undertook important acquisitions during the course of the year.

Completed acquisition of:

- + Asian Colour Coated Ispat Ltd. (ACCIL) through JSW Steel Coated Products Ltd. (JSWSCPL)
- + Vallabh Tinplate Private Ltd., now known as JSW Vallabh Tinplate Private Ltd.
- + Bhushan Power & Steel Ltd. (BPSL)
- + Plate and Coil Mill Division of Welspun Corp

Focus on ESG

We embarked on strategies to achieve decarbonisation and reduce emissions with an emphasis on conservation initiatives, focus on circularity, and production of environmentally-friendly products by incorporating ethos of product sustainability. We have improved our social focus with increased community participation, and continue to work towards our zero harm goal through dedicated health and safety practices. Our overall operations and approach to sustainability is guarded and guided by our independent Board, which directs our corporate behaviour and governance.



Financial prudence

Strong financial and liquidity management

We maintained a robust financial profile and enhanced our liquidity position by diversifying the sources of funds. Our astute financial management and prudent

capital allocation policy enabled a good Return on Capital Employed (RoCE) and high profitability.

Initiatives and outcomes

- + Raised US\$500 million by selling overseas bonds in October 2020, followed by a tap issue of US\$250 million in December 2020
- + Issued and allotted 10,000 and 40,000 Non-Convertible Debentures (NCDs) aggregating to ₹1,000 crore and ₹4,000 crore respectively
- + ₹12,821 crore cash balance
- + ₹2,958 crore undrawn Capex loans
- + ₹12,821 crore undrawn working capital limits
- + Net debt down by ₹858 crore
- + 1.14x consolidated net debt-to-equity
- + 2.61x consolidated net debt to EBITDA



Driven by these key aspects, we not only recorded our best-in-class performance, we are also on track to becoming the largest steel producer in India. Going forward, we will continue to focus on keeping our people safe, ensuring enhanced ESG performance against set targets, maintaining high operational excellence and reducing cost base and improving profitability.

An integrated approach to value creation

Purpose

Capitals

 Financial	 Manufactured	 Intellectual
 Human	 Social and relationship	 Natural

[+ Read more on Page 62](#)

Top material issues

- | | | |
|---|--|-------------------------------|
| M1 Air emission | M2 Biodiversity | M3 Business ethics |
| M4 Climate change | M5 Corporate governance, transparency and disclosures | M6 Cultural heritage |
| M7 Economic performance | M8 Employee health & safety | M9 Energy |
| M10 Human rights | M11 Local considerations & indigenous people | M12 Resources |
| M13 Social sustainability | M14 Supply chain sustainability | M15 Sustainable mining |
| M16 Technology, product and process innovation | M17 Waste | M18 Wastewater |
| M19 Water resources | | |

[+ Read more on Page 66](#)

Strategic priorities

- | | | |
|-----------------------------|--|--|
| S1 Strategic growth | S2 Diversification of product profile and customer base | S3 Backward integration |
| S4 Cost optimisation | S5 Prudent financial management | S6 Mainstreaming sustainability in business imperatives |

[+ Read more on Page 78](#)

Financial and operational performance

[+ Page 52](#)

Non-financial performance

[+ Page 118](#)

Risk management

[+ Page 70](#)

Stakeholder value creation and nation building

Better value everyday for everyone

In FY 2020-21, we continued to create lasting value for all our stakeholders



Customers

- 83** New grades/products developed
- 7.8 MnT** Total VASP sales volume
-  9% y-o-y growth
- 5,000+** New retail outlets



Employees

- ₹2,506 crore** Total benefits and compensation disbursed
- 1,06,245** Total classroom and e-learning hours



Community

- ₹176 crore** CSR expenditure* (consolidated)
 - ~5.5 lakh** Direct and indirect beneficiaries
- *₹86.49 crore transferred to separate unspent account



Investors

- 20%** RoCE
- ₹6.5** Dividend per share
- ₹46,145 crore** Consolidated network (including NCI)



Government and Regulators

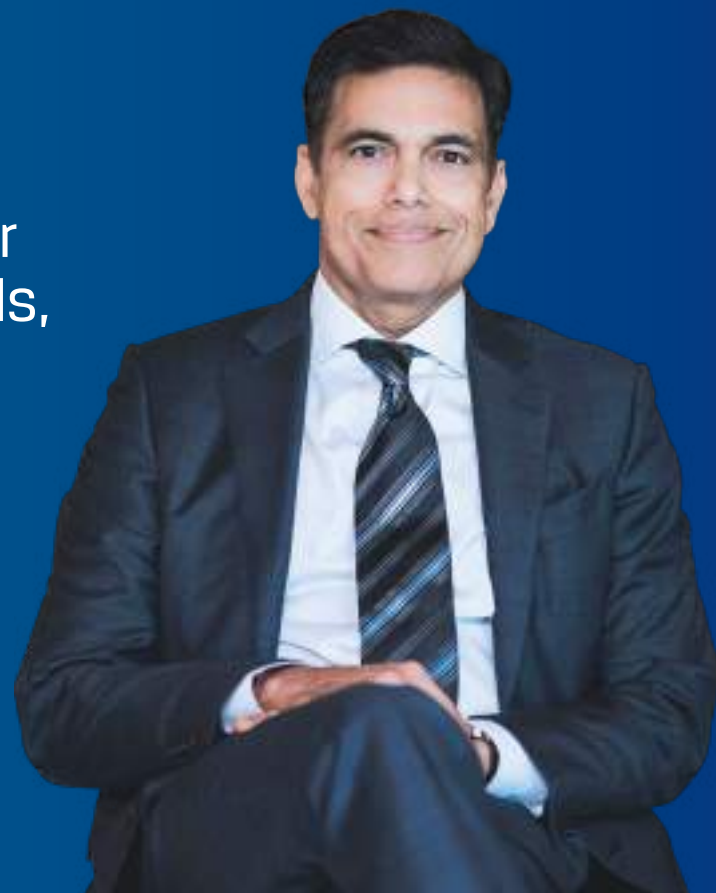
- ₹12,864 crore** Contribution to exchequer (Standalone)



Suppliers and Partners

- 3,417** MSME vendors
- 22%** MSME vendors from total active vendors

We are committed to a circular economy and consistently optimising our water, waste, carbon and energy footprint, by aiming to achieve stricter than mandated standards, while being part of an industry that provides a large-scale solution to combat climate change.



Sajjan Jindal

Chairman and Managing Director

Dear Shareholders and friends,

I hope that this finds you and your families, safe and well.

The last 15 months have been perhaps the most eventful in living memory. The COVID-19 pandemic has impacted the lives and livelihoods of people across the world in what might be one of the most significant black swan events of our time. However, through these unpredictable times, we have witnessed remarkable scientific progress, multilateral cooperation, government responsiveness, and rapid global transformation – many of which will impact the way we live and interact with each other. Several countries, including India, are now emerging from the throes of a brutal second wave of COVID-19. I am hopeful that the worst is behind us and that better days are ahead.

At JSW Steel, we consider ourselves fortunate to be significantly ahead of the curve in terms of scale and efficiency, a testament to our ability to respond and navigate complexities in a timely fashion. As we regain our operational momentum, I am certain we will be able to reach newer heights.

Upon reflection, I can confidently say that in the past year, JSW Steel delivered on all fronts. We were able to execute our growth strategy in a manner that created exponential value for all stakeholders while consistently delivering on our promises to produce stronger and more sustainable steel.

Prioritising the lives of citizens over steel production

In order to deliver on our Corporate Social Responsibility promise, we mobilised our resources, both human capital and infrastructure, to help support communities, governments and front-line workers. Our steel complexes despatched over 55,000 MT of liquid medical oxygen from March through May 2021 to hospitals across India. Our cross-functional teams moved swiftly to set up COVID-19

hospitals across Vijayanagar, Dolvi and Jharsuguda with a cumulative capacity of ~1,500 beds. We supported over 2 million patients across more than 500 hospitals. We continue to offer holistic medical support to our employees and their families while honouring our commitment to take care of their entire family, in the event of death from COVID-19 during their time in service.

Our Commitment to safety, sustainability and social responsibility

Managing Environmental, Social, and Governance (ESG) risks is a business imperative and directly affects profitability and shareholder value in the long run. The need for us to consume resources wisely, regulate carbon emissions and manage social and governance factors, is more pressing than ever. At JSW Steel, we recognise this responsibility. To that end, much of our strategic thinking around production and processes, centre around whether we lie within our specified ESG framework.

We are placed highly in the world on multiple sustainability parameters, being ranked as a 'Sustainability Champion' by WSA for the last three years. Our CDP rating of 'A-' is one of the best in the Global Steel Industry. But this is not enough. We continue to set the bar higher by training our sight on stricter than mandated standards.

We are committed to a circular economy and it is with that focus that we strive to consistently optimise our water, waste, carbon and energy footprint. For example, we have resolved to improve net carbon emission intensity well beyond India's Nationally Determined Contributions as per the Paris Accord commitments, with an aim of achieving more than 41% reduction by 2030 (from the base year of 2005).

To reinforce such commitment, we have a clearly defined sustainability strategy with ambitious yet credible targets set across key sustainability indicators.

During the year, we invested considerably in best-in-class technologies to reduce material consumption, improve coke rate and optimise the use of alternative fuels. The Carbon Capture and Utilisation (CCU) technology at our DRI Plant in Salav recovers CO₂ which is then retailed as a value-added product for use in the beverage industry. The 20 MTPA pipe conveyor at Vijayanagar transports iron ore directly from our captive mines, reducing emissions exponentially. The carbon sink created through three million plantations for systematic afforestation is part of our biodiversity-preservation objectives. Further, we are working to procure ~1 GW of renewable energy to power our operations at Vijayanagar, Dolvi and Salem in what will be the largest such project of its kind in India.

A tale of two contrasting halves

Across economies, commodities and specifically steel, FY 2020-21 was a year of two contrasting halves – the first witnessed a massive downturn and the second witnessed an equally resilient upturn and recovery. Governments and central banks worked in tandem to cushion and stabilise this volatility, while policies were designed to facilitate growth.

However, to achieve our sustainability targets on each front, year after year, the strategic framework and efficiencies need to be communicated and implemented across our entire value chain. To this end, we work closely with our supply chain partners encouraging them to integrate sustainability practices into their everyday operations while engaging with our customers on how to build efficiencies of scale further downstream.

In essence, we are making stronger, responsible and greener steel, a concept unheard of even a decade ago and one that allows us to touch other industries – through tinplate that we supply to the food packaging industry, products for solar structures, and Advanced High-Strength Steel that meets light-weighting and safety requirements of the automotive industry.

Product sustainability is a part of our commitment to customers, with life-cycle assessment for all finished products underway, allowing us to communicate environmental impact dynamically and transparently. We are also making Environmental Product Declarations (EPDs) for many of our products and working on GreenPro Eco-Labeling of our TMT bars and other construction materials.

We preserve and protect our social license to operate by collaborating with communities and championing many initiatives as part of our CSR programme. These initiatives range from health and nutrition, agriculture, water management to empowering women – all of which are being increasingly delivered through innovative technology platforms. Our efforts have impacted over a million lives spanning over 1,000 villages across 11 states.

Imbibing a 'zero harm' culture across operations is fundamental to our thinking. We ensure consistent reductions in our lost time injury frequency rate (LTIFR) and continue to improve health and safety parameters. Our 'Vision 000' which focuses on zero major accidents, injury and harm is on track and is being driven by our expert 'Safety Champions' across production sites.

The story was no different in India. Our Government responded with alacrity in announcing relief measures for the most vulnerable, while supporting SMEs with a series of intelligent measures that focused on capacity building and being future-ready. This was done even as severe restrictions were enforced on human mobility and economic activity during the extended national and state lockdowns.

Message from the Chairman and Managing Director (Cont.)

Consequently, India's annual GDP performance was better than expected, and the coming years appear promising, even after accounting for the disruptions caused by the second wave of the pandemic.

The global steel industry proved its resilience and witnessed a strong surge of demand in the second half of the year. We believe that the industry is built on robust fundamentals, and, as a result, prices have strengthened significantly from the average of the previous year. Steel continues to hold its position as the most affordable, universally consumed and versatile material that is

deployed in solving many of the world's present-day challenges.

Indian steel producers also witnessed gradually improving utilisation levels and increased exports during the year, underscoring our competitiveness as an industry. Domestic demand also rebounded, with the second half of the year seeing a return of monthly despatches to pre-COVID levels. We expect that increased infrastructure spending, rising demand from automotive and construction, together with a revival of private capex and consumer demand will continue to drive steel consumption.

A resilient, efficient and nimble response

Despite the prevailing uncertainty, our team rallied to deliver a strong operational performance, a testament to our well-defined strategic framework in place alongside superior execution capabilities.

Commencing production at our iron ore mines in Odisha, enabled a steady stream of quality ore, ensuring production continuity and allowing us to sweat our assets. Our acquisition of iron ore mines through auctions has proved to be a game-changer. The ability to focus on inorganic expansion, saw us make four key acquisitions in the year – Bhushan Power & Steel, Vallabh Tinplate, PCMD Division of Welspun Corp. and Asian Colour Coated. These acquisitions enhance our capacity and strengthen

our downstream capabilities and product mix. We also demonstrated agility by switching rapidly between exports and domestic sales, in line with the shifting demand patterns. Moreover, we set our overseas operations on a turnaround path and expect improved performance from them in FY 2021-22. Lastly, our share of value-added products accounted for 52% of sales, and nearly half of all sales to the retail segment comprised branded products.

Better average realisations, cost optimisation and efficiencies meant that we were able to grow topline by 9%, and saw our operating EBITDA increase to ₹20,141 crore (a 70% rise from last year's figure of ₹11,873 crore), despite higher iron ore and energy prices.

Adding capacity and upgrading capability – leveraging a strong balance sheet

Over the past three years, we have deployed over ₹48,000 crore of capex to increase our production capacity by 50% (through organic and inorganic routes) without increasing debt. Together with our JVs, and the 5 MTPA expansion at Dolvi that will be commissioned in the next few months, JSW Steel will have ~28 MTPA of steel-making capacity, including the 1.5 MTPA capacity in USA. These investments, efficiently executed, have given us higher productivity, superior cost profile, and wider portfolio of lucrative value-added products to serve a growing domestic and global market.

the combined capacity of JSW Steel, including JVs and associates, expand to ~37.5 MTPA by FY 2024-25.

Our balance sheet is getting stronger as we improve cash flows and efficiently allocate capital. With the new capacities and strong price environment, we expect our net-debt to EBITDA ratio to be ~2.75. We are consistently reducing our cost of capital with access to diverse pools of liquidity and strong relationships with institutions across the world. Our credit ratings from both domestic and international agencies remain strong.

We are now embarking on the next phase of growth with the newly approved capex plan of ₹25,115 crore. This capital will allow us to augment our crude steel capacity at Vijayanagar by 7.5 MTPA, enhance and digitise our mining capabilities and infrastructure in Odisha and help us set up a state-of-the-art colour-coated facility in Jammu & Kashmir – to support local demand and development in the state. In addition, we are focusing on upgrading our acquired facilities through efficiency-enhancing projects. Together, these initiatives will see

Our efficient capital allocation and industry-leading project execution skills mean that we are able to scale capacity at industry leading capex per tonne, in record time. We have delivered an industry-leading Total Shareholder Return CAGR of 24% over the past 10 years, which validates our efficient capital allocation and execution. The Board has recommended a dividend of ₹6.5 per share, which is our highest ever, and will lead to a total payout of ₹1,571 crore.



Adding value to steel through technology, innovation, digitalisation and partnerships

At JSW Steel, we have always believed in leveraging advanced technologies to maximise efficiencies and service levels. We have recently launched a group-wide digitalisation journey, with 6,000+ employees being engaged in the cultural transformation across 100+ exciting projects. These projects cover a range of Industry 4.0 technologies such as IoT, Artificial Intelligence, Machine Learning, Virtual Modeling & Simulations, all of which are focused on optimising our cost profile, integration across our sites, value-addition of grades, customer satisfaction levels, and safety standards. A few key projects being implemented at the backend include digitalising our advanced planning systems, logistics operations and mining activities. In addition, core support functions such as finance and HR are seeing end-to-end digital transformation. At the front-end, we are creating platform based solutions such as Aikyam to offer institutional customers an integrated experience as part of our JSW One initiative.

Our long-standing collaboration with JFE of Japan has helped us upgrade our product mix, processes and systems. As a result, we now make multiple high value-added steel grades that render superior margins and contribute to a self-reliant India through import substitution. We are now working with JFE on a feasibility study for manufacturing Cold Rolled Grain Oriented (CRGO) Electrical Steel in India, a product that is currently imported in entirety.

We are also recalibrating our R&D from a process-oriented approach to a product-oriented approach. As a result, our innovation and research function will increasingly focus on understanding customer requirements and develop a larger variety of specialty grades as well as specialised solutions to meet our customer's evolving requirements.

Looking forward with positivity

I have no doubt that the India growth story will continue to build on its upward trajectory, fueled by a sizeable human capital base, robust domestic consumption and ever-expanding manufacturing capabilities.

corridors, high-speed trains, and road networks, will further enhance productivity and accelerate growth.

The government is moving to increase share of manufacturing in GDP to 30% by 2030, and expects India to have a steel capacity of 300 MTPA by then. Global supply chains are witnessing realignment, with a China+1 sourcing approach, as buyers balance cost and stability, benefiting India. The scale, quality and speed at which India is building infrastructure, metros, airports, freight

JSW Steel's unrelenting focus on doing 'Better Everyday' has resulted not only in our superior financial performance as India's largest steelmaker, but the ability to deliver on equally important ESG targets, thus increasing shareholder value over time. Our ambitions are supported by a structurally positive outlook for steel demand and pricing, driven by massive infrastructure outlay, controlled expansions in China and a wave of environmental restrictions that are resulting in capacity moderation across the world.

Acknowledgement and gratitude

I would like to offer my immense gratitude to our Board, shareholders, bankers and the broader JSW family that has stood by us through an unusually trying time and helped us navigate the recent uncertainty. I would also like to thank external authorities that have put their trust in us and with whom we work closely. Finally, my sincere thanks to the entire JSW Steel team who worked tirelessly to deliver the highest levels of service over this past year, as reflected in our performance, and continue to progress with optimism on what we can achieve.

I look forward to your continued support as we embark on this new phase of growth – one that will not only build a stronger future for India but also contribute to a cleaner, greener planet for generations to come.

Sincerely,
Sajjan Jindal

We are JSW Steel



IN THIS SECTION



At a glance

Leadership with responsibility at the core

We are India's leading steel manufacturer with state-of-the-art upstream and downstream operations spread across the country. Over the past 35 years, we have grown from strength to strength, and have emerged

a leader, driven by our core strengths of quality, cost competitiveness, and sustainability, and guided by our philosophy of being #BetterEveryday.

JSW Group

The US\$13 billion JSW Group is ranked among India's top business houses. JSW's innovative and sustainable products, services and ideas cater to the core sectors of Steel, Energy, Cement and Infrastructure, apart from its interests in philanthropy, sports, realty and ventures. The Group continues to strive for excellence with its strength, differentiated product mix, state-of-the-art technology, excellence in execution and focus on sustainability.

Our Vision



Bring positive transformation to every life we touch

Our Values



- Confidence
- Compassion
- Courage
- Collaboration
- Commitment

Our / three-fold Purpose



Building world-class infrastructure, products and solutions



Deploying world-class capabilities



Nurturing our communities



JSW Steel Group capacities

Domestic Upstream	Domestic Downstream	Overseas
<p>18 MTPA Standalone crude steel capacity across three integrated steel plants at Vijayanagar, Dolvi and Salem</p> <p>2.5 MTPA Bhushan Power and Steel Ltd. (JV)</p> <p>1 MTPA JSW Ispat Special Products Ltd. (JV)</p> <p>21.5 MTPA Total crude steel capacity together with JVs</p>	<p>~9 MTPA* Domestic Downstream capacity</p> <p><small>* Includes JSW Steel Coated Products Ltd., Welspun Corp Plate and Coil Mill Division, ACCIL, JSWVTPL and VIL</small></p>	<p>1.5 MNTPA JSW Steel USA Integrated steel plant with a finishing capacity of 3 MNTPA*</p> <p><small>* million net tonnes per annum</small></p>

Extensive and integrated footprint across strategic locations


We operate strategically located manufacturing units across geographies (India, US and Italy) with distinct competitive advantages. Our three integrated steel plants (ISPs) at Vijayanagar, Dolvi and Salem continue to be our mainstay, and the upstream and downstream capacity augmentations are enabling them to cater to present and future demand.

In the past two years, we have also operationalised 13 iron ore mines across Karnataka and Odisha, achieving long-term security of iron ore. This is a key raw material in steelmaking and helps enhance our cost competitiveness and consolidate our position as a leading integrated player across the steel value chain.

Manufacturing Units

<p>1 Vijayanagar Works (ISP)</p> <p>Key products Crude steel, Hot Rolled (HR), Cold Rolled (CR), Galvanised (GI) and Galvalume (GL), wire rods, TMT, slabs, billets</p> <p>Capacity 12 MTPA crude steel, with addition of 7.5 MTPA crude capacity in the next three years</p> <p>Highlights + World's sixth-largest steel plant + India's largest single-location and most productive steel plant + Awarded Deming Prize for operational excellence in 2018</p>	<p>2 Dolvi Works (ISP)</p> <p>Key products HR, TMT, billets</p> <p>Capacity 5 MTPA crude steel with addition of 5 MTPA capacity in H1 FY 2021-22</p> <p>Highlights: + Strategically connected to a 15 MTPA capacity jetty + Installing a 4.5 MTPA blast furnace with a supporting 5 MTPA Steel Melt Shop (SMS) and a 5 MTPA Hot Strip Mill (HSM)</p>	<p>3 Salem Works (ISP)</p> <p>Key products Wire rod, alloy long products, billets/blooms</p> <p>Capacity 1 MTPA crude steel</p> <p>Highlights + India's largest special alloy steel plant + Awarded Deming Prize for operational excellence in 2019</p>
<p>4 Salav Works</p> <p>Key products Direct Reduced Iron (DRI) / Hot Briquetted Iron (HRI)</p> <p>Capacity 1.00 MTPA</p> <p>Highlights + Specialised in offering reduced iron and briquetted iron products</p>	<p>5 Vasind Works</p> <p>Key products GI/GL, colour-coated products</p> <p>Capacity 0.87 MTPA of GI/GL with addition of 0.56 MTPA of GI/GL by FY 2021-22</p> <p>Continuous annealing line Setting up 0.5 MTPA by FY 2022-23</p> <p>Highlights: + India's largest exporter of colour-coated products for the appliances industry</p>	<p>6 Kalmeshwar Works</p> <p>Key products GI/GL, colour-coated products</p> <p>Capacity 0.83 MTPA of GI/GL with addition of 0.12 MTPA of GI/GL by FY 2021-22</p> <p>Highlights + India's first GI and colour-coated steel plant</p>
<p>7 Tarapur Works</p> <p>Key products GI/GL, colour-coated products, tin plate</p> <p>Capacity 0.73 MTPA of GI/GL, 0.25 MTPA of Tin plate with addition of 0.25 MTPA by FY 2022-23</p> <p>The overall downstream capacity is expected to increase to 4.1 MTPA by FY 2022-23</p> <p>Highlights + India's largest exporter of coated products to Europe, Africa, North and South Americas, and the Middle East</p>		

International Manufacturing Units

<p> JSW Steel USA (Baytown and Ohio)</p> <p>1 Ohio 1.5 MNTPA Crude steel and 3 MNTPA finishing capacity</p> <p>2 Baytown 1.2 MNTPA Plate mill and 0.55 MNTPA pipe mill</p>	<p> JSW Steel Italy Piombino S.p.A</p> <p>3 Piombino 1.3 MTPA Finishing capacity</p> <p>Key Products Rails, wire rods, bars and grinding balls</p>
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Mines

<p>Karnataka</p> <p>KARNATAKA IRON ORE RESERVES: 216.02 MnT</p> <ul style="list-style-type: none"> 1 Tunga iron ore mine: 6.94 MnT 2 Nandi iron ore mine: 10.03 MnT 3 Devadri iron ore mine: 28.62 MnT 4 Bhadra iron ore mine: 33.89 MnT 5 Rama iron ore mine: 31.53 MnT 6 Ubulgundi iron ore mine: 9.79 MnT 7 Narayanpura manganese and iron ore mine: 21.79 MnT 8 Dharmapura iron ore mine: 12.21 MnT 9 BBH Mines: 61.22 MnT 	<p>Odisha</p> <p>ODISHA IRON ORE RESERVES: 1,135.2 MnT</p> <ul style="list-style-type: none"> 10 Nuagaon iron ore mine: 789 MnT 11 Narayanposhi iron and manganese ore mine: 187.6 MnT 12 Ganua iron ore mine: 119.2 MnT 13 Jajang iron ore mine: 39.4 MnT <p>18.2 MnT Captive iron ore production in FY 2020-21</p>
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Acquisitions

<p>JSW Vallabh Tinplate Private Ltd. (JSWVTPL)</p> <p>0.1 MTPA Capacity</p> <p>Tin plate</p>	<p>Vardhman Industries Ltd. (VIL)</p> <p>40,000 tonnes (per annum) Capacity</p> <p>Colour-coated products</p>	<p>Asian Colour Coated Ispat Ltd. (ACCIL)</p> <p>1 MTPA Capacity</p> <p>HRPO, GI/GL & colour coated products</p>
<p>Bhushan Power and Steel Ltd. (BPSL)</p> <p>2.5 MTPA Crude steel capacity</p> <p>Crude steel, Hot Rolled (HR), Cold Rolled (CR), pipes, GI/GL, wire rods, billets, special alloy steel</p>	<p>JSW Ispat Special Steel Products Ltd.</p> <p>1 MTPA Crude steel capacity</p> <p>Crude steel, HR plates, rebars, special steel <small>*JV with AION Investments</small></p>	<p>Plate and Coil Mill Division of Welspun Corp</p> <p>1.2 MTPA Capacity</p> <p>Steel plates and coils</p>

Designing bespoke solutions to respond to key trends

Steel, the world's most important engineering and construction material, is evolving with the tide of change around us. This evolution is driven by high-end innovation targeting key demand trends and emphasis on sustainability and circular economy. Our innovation at JSW Steel focuses on various new-age steel applications, and offers customised solutions to our discerning customers.

Innovation spectrum in FY 2020-21

Automotive OEMs

New products developed

- + **High-strength low alloy steel**
Developed with strength level of 420MPa to 590MPa with better elongation, these grades are suitable for forming and welding used in recliner and seat frame parts
- + **Ultra low carbon grades**
Developed grades which have better formability and aesthetic designs used in body side outer and fender application
- + **Galvanealed ultra low carbon**
Galvannealed with unique JAZ special coating for critical parts where superior formability is required, such as body side outer, hood inner, door outer
- + Most of these grades are import substitutes and currently approved by various automotive majors such as Toyota, Isuzu, Mahindra and Nissan
- + **Special alloy steel long (Bars, RCS) products forging grades**
These grades with better hardening and metallurgical properties are used in automobile parts for different applications such as gears, shafts, and front axle beam. The alloys include Cr-Mo, Cr-Ni-Mo, Cr-Mn and Mn-B
- + **Fasteners grade (wire rod) development**
Used in automobile for critical safety parts
- + **Advance high strength steel**
Developed with dual phase microstructure helps in crash resistant and impact bearing parts such as A Pillar Impact beams and reinforcement pillars

34

Total new products/grades approved

20

Products/grades in flat steel

14

Products/grades in alloy steel



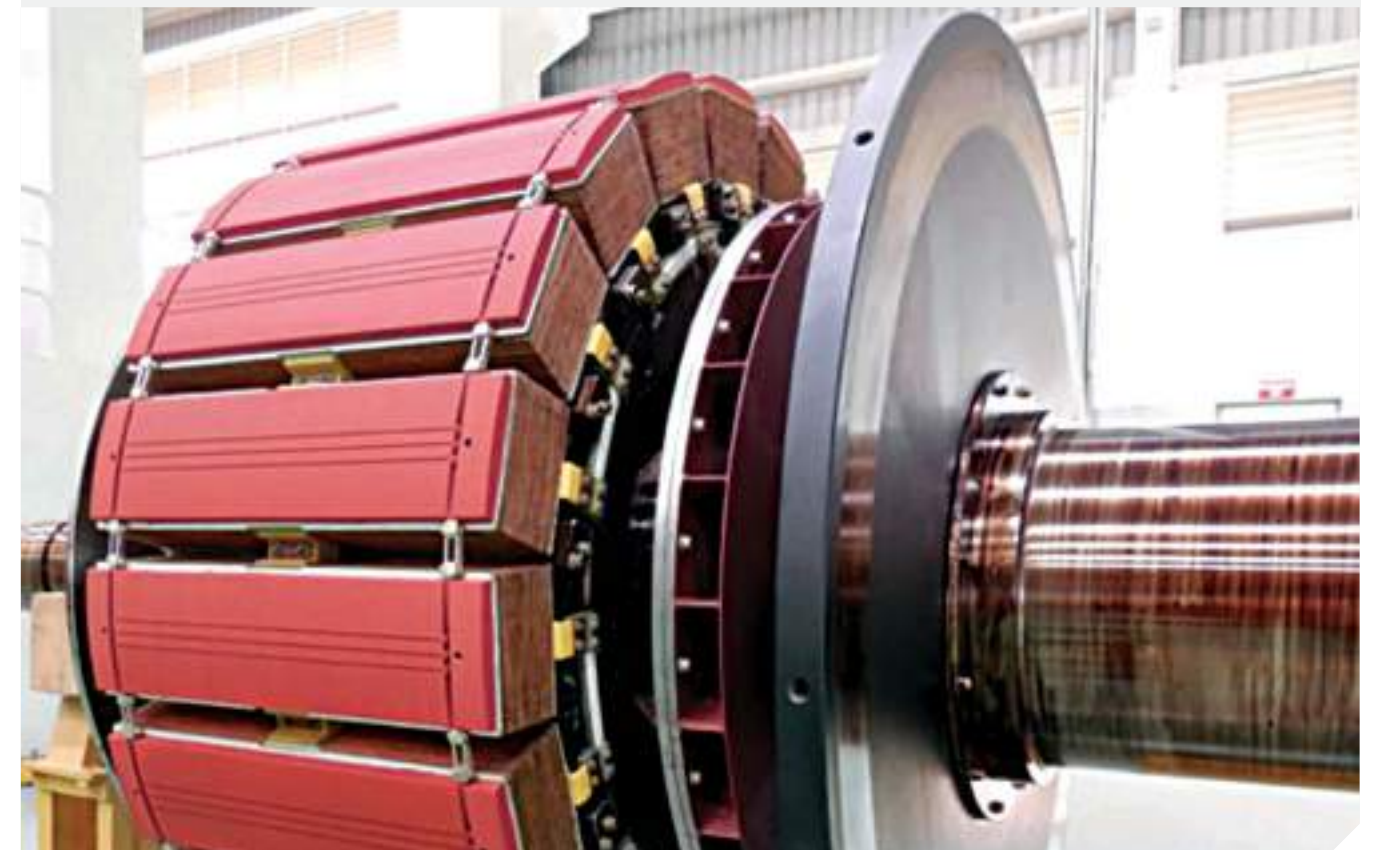
General engineering

New products developed

- + **Electrical steel grades & insulation development**
 - > High permeability grade development suiting high energy efficiency demand of air conditioner and refrigerator compressors
 - > High SI grade (>2.5% Si) development for large generator and transformers application for import substitution
 - > Developed material with superior magnetic properties and special insulation for traction motors used in diesel locomotives
- + **Bearing grade bars**
 - > Developed bearing grade with superior purity norms for windmill blade rotating part assembly
 - > Developed import substitute bearing grades used in critical application
- + **High strength alloy steel**
Forged with a strength of above 750 MPA, to deliver very high strength and toughness, achieved through fine grains and nano precipitates
 - > **Application such as ATM safe lockers:** Developed and approved as import substitute
- + **Corrosion resistant steel for boiler application:**
Corten Steel with better atmospheric corrosion index and optimal strength developed with special alloys
- + **Chains and sprocket application:** Wear resistant steel developed for automotive segment
- + **Galvalume steel for pipes & tubes:** Al-Zn coated steel developed for the first time for structural application
- + **Medium carbon hot stamping grades:** In agriculture segment implements such as ploughs, where high wear resistance is required, our newly developed 29MnB5 HR grade is being used. It helps achieve ultrahigh strength (1,500 MPa), by avoiding excess wear.

19

Total new products/grades approved
(Electrical- 9, Bearing grade-3, HSLA-2, Corten-1, Structural -2, Wear Resist-1, P&T-1)





Infrastructure

New products developed

- + **High strength galvalume steel for solar support structures:** High potential product in infrastructure segment with excellent corrosion resistance
- + CR grades introduced for floor panels used in offices

2

Total new products/grades approved (Coated Structural Steel -1, Cold Rolled-1)

Consumer durables

New products developed

- + **Development and approval of colour coated steel for appliances**
 - > Conversion of PPGI to PPGL with superior anti-corrosion and anti-oxidation properties, that improve lifespan. Used in exposed parts of appliances such as front panels of washing machines
 - > Colour coated steel (PPGI) with multiple shades (collaboration with JSW Paints) developed and approved for refrigerators
 - > PPGI introduced for water heater and split AC out door unit with smooth finish and better aesthetic
- + **Tin plate grade developed for food and oil can applications**



18

Total new products/grades approved

6

Appliance customisations made

2

Tin plate customisations made

Branded portfolio

We have consciously transitioned into being a high-value steel producer that offers specialised, value-added and branded portfolio to our clients, while fortifying our B2C and retail presence.

Our key brands

01

Colour coated and roofing products

JSW Radiance

Superior Colour Coated Steel product with newly evolved paint technology to enhance product life

JSW Colouron+

Premium colour-coated roofing sheets with anti-corrosion technology that prevents early corrosion of steel and substantially increases roof life

JSW Everglow

Premium quality colour-coated sheets with superior galvalume coating

JSW Pragati+

A vibrant range of colour-coated galvanised steel sheets



Leveraging Group synergies

We developed and launched JSW Radiance in July 2020 in collaboration with JSW Paints. JSW Radiance offers advanced coating options such as anti-graffiti, anti-dust, anti-microbe, high SRI (Solar Reflectivity Index) and high gloss to discerning customers. Further, we cater to customised coating requirements, leveraging advanced research and development facility of JSW Paints.

02

Tinplate

JSW Platina

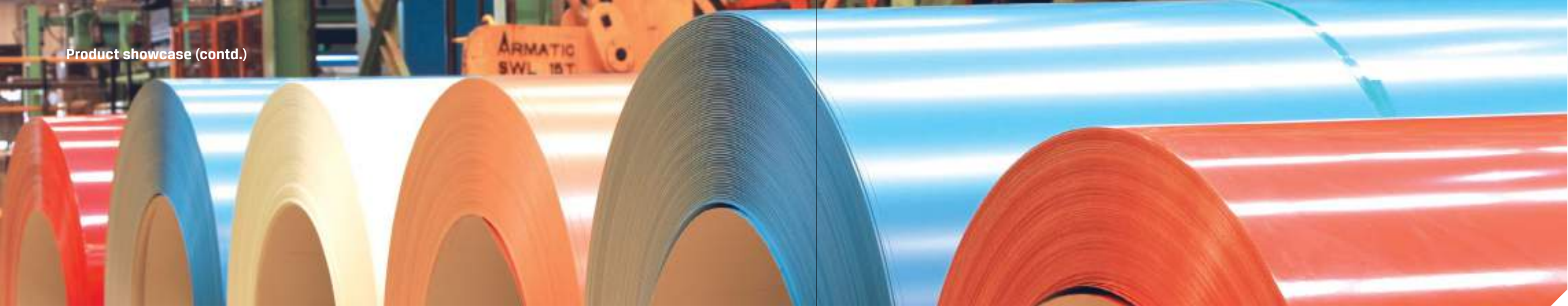
Tinplate products with high strength, formability and smooth finish



Plastic packaging is passé

JSW Platina has been approved for packaging of all major food and non-food end-use categories. Being a packaging substrate, JSW Platina plays a key role in ensuring steady supply of essential commodities. A viable alternative to plastic packaging, it is an eco-friendly product. It caters to the metal packaging needs of all processed edibles, edible oil and dairy products, paints, pesticides and adhesives, batteries and aerosols.

JSW Platina is IS 1993 - 2018 and Halal certified, RoHS and REACH compliant. It is manufactured in HACCP and ISO 22000 (FSMS) Standard certified units.



03 Alloy-based sheets



Anti-corrosion premium aluminium-zinc sheets



Premium galvanised corrugated (GC) sheets



04 Galvalume



Premium, long-life galvalume coil and sheets with applications in the solar energy sector

Increasing end-product service life with superior properties

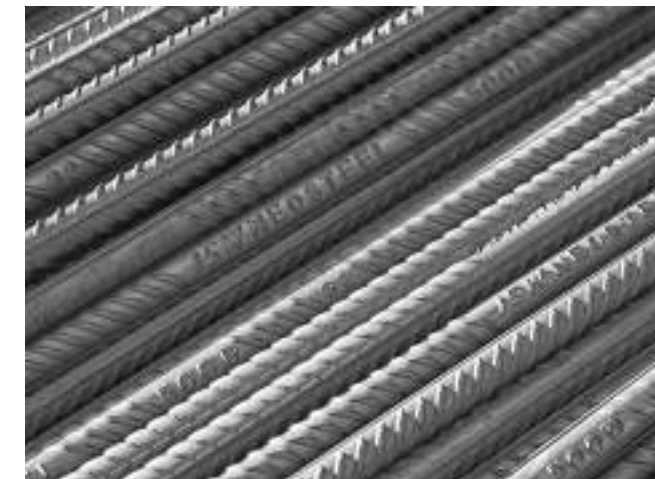
We have worked closely with our customers on value add/value enhancement (VA/VE) projects to evaluate traditional steel products and explore alternatives with superior properties, resulting in enhanced longevity. For example, we developed high-strength steel for solar structures (column posts) that can also help light-weight the structures. Further, we are exploring utilities of high-strength steel in newer segments and are deepening our presence in segments such as HVAC, automobiles, doors and windows and appliances.



05 Hot rolled sheets



Multi-utility steel sheets in accurate lengths and shapes



06 TMT bars



Toughened high-strength HYQST (High Yield Quenched + and Self Tempered) TMT bars, with highest levels of purity and consistency



07 Smart steel doors



Striking the right combination of steel and wood, engineered for long-life and convenience



Capitalising on the appliance market

The fast-growing appliance market is emerging as a high-demand space for galvanised products. Industry standards are being revised upwards by replacing traditional galvanised steel with zero spangle galvanised steel. At JSW Steel, we engaged with our service partners to include more value-added products to our basket and secure more approvals to increase our market share.

To read more on our various products, grades and applications, please visit www.jswsteel.in/products

Strong fundamentals paving stronger growth path

JSW Steel's integrated operations with industry-leading capacity and scale, wide portfolio of products that caters to a diverse customer base across 100 countries and robust execution discipline positions us well to benefit from the global steel super cycle and increasing domestic demand. Our capacity expansion plans, upon completion, will not only consolidate our leadership in the Indian steel industry, but will also become immediately

value accretive. Further, our continued to focus on cost leadership, growing share of high-margin value-added products in the sales mix, and integration of ESG factors into growth strategies will enable us to continue creating sustainable value for all our shareholders, as well as other stakeholders.

01 Size, scale and growth

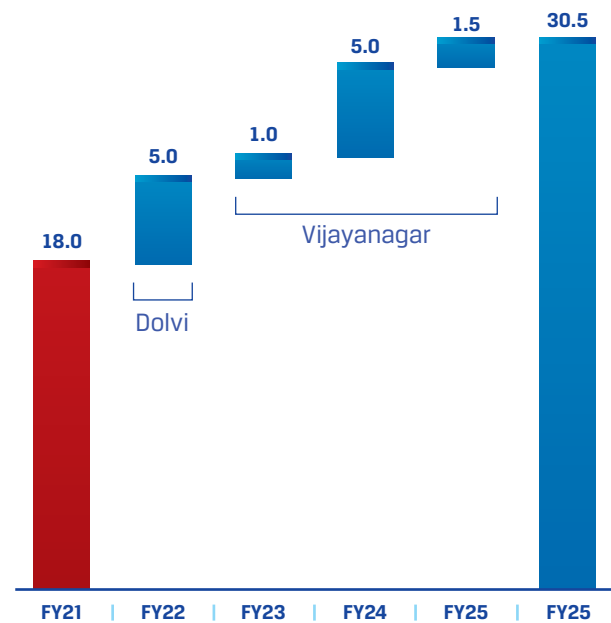
Best placed to benefit from strong domestic demand outlook

The National Steel Policy (2017) envisages crude steel capacity of 300 Mnt by FY 2030-31 from ~140 Mnt in FY 2020-21. In the short term as well, the Indian steel demand is expected to grow by 19.8% and 5.9% in 2021 and 2022 respectively.

At JSW Steel, we are well-poised to benefit from expected growth in steel demand from infrastructure, construction and automobile industries as we ramp up capacity by 70% over the next 5 years from 18 Mnt to 30.5 Mnt. The salient features of this expansion are:

- + Doubling of capacity at Dolvi to 10 MTPA in FY 2021-22
- + Phase-wise capacity addition of 7.5 MTPA at Vijayanagar
- + Low capex per tonne of US\$400 at Vijayanagar vs. global benchmark of US\$1000

70% near-term growth in standalone steel capacity (MTPA)



02 Efficiency

Cost leadership strengthens resilience

Over the years, we have made strategic changes in our processes to adapt to a changing environment, rationalised our cost structure, and implemented measures to enhance productivity. We have emerged as a leader in our industry with one of the lowest conversion costs globally at ~US\$110/tonne in FY 2020-21.

World Class Steelmaker Ranking**

#1 In India **#3** In Asia **#9** Globally

Leveraging technology to drive cost leadership

We deploy best-in-class technology, leverage data analytics and focus on innovation to improve our overall operational efficiency. Cost-saving projects such as the pellet plant and coke oven facilities at Vijayanagar and Dolvi are a few examples. Further, we have implemented a pipe conveyor system to transport iron ore fines, which not only provides significant savings on logistics costs but also reduces our carbon footprint.

** On the basis of weighted average score out of 10 across 23 different parameters from World Steel Dynamics' World-Class Steelmaker Rankings as of October 2020

Important Parameter*



Conversion costs; yields	10	8	10	10	8	7	10
Labor costs	10	7	7	8	9	9	5
Cost cutting efforts	09	7	9	7	8	8	10
Expanding Capacity	10	8	8	9	6	7	7
Location in high growth markets	10	8	7	6	6	6	5
Aggregate rank	9	12	1	2	3	4	5

Source: World Steel Dynamics (World-Class Steelmaker Rankings as of October 2020)

Note: Rank on a scale of 10

*All quoted numbers are scores assigned out of 10 on World Steel Dynamics' World-Class Steelmaker Rankings as of October 2020

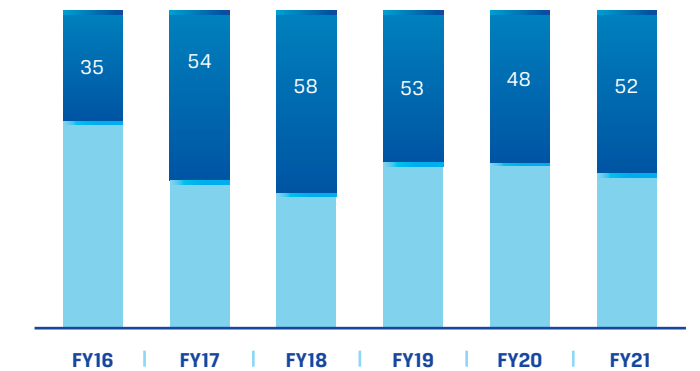
Select parameters where JSW Steel was assigned a high score. The aggregate ranking is on the basis of weighted average score across 23 different parameters.

03 Product mix

Growing share of high-margin value-added and special products

We have a broad range of innovative products and services catering to a variety of markets and customers around the globe. Our product portfolio has evolved over the years, owing to our best-in-class technology and sustained R&D initiatives which help deliver innovative solutions to our customers. We have always focused on enriching our product mix by increasing volume and including high-margin VASP in our product range. These products have performed well in the market and contribute to increasing profits.

VASP share (%)



■ Value Added and Special Products

■ Other Products

52%
Sales contribution from VASP (Value-added and special products)

16,000+
Exclusive and non-exclusive retail outlets

72:28
Domestic-to-export sales mix

337
Distribution centres

100 countries
Export footprint

482
JSW Shoppe spread across urban areas

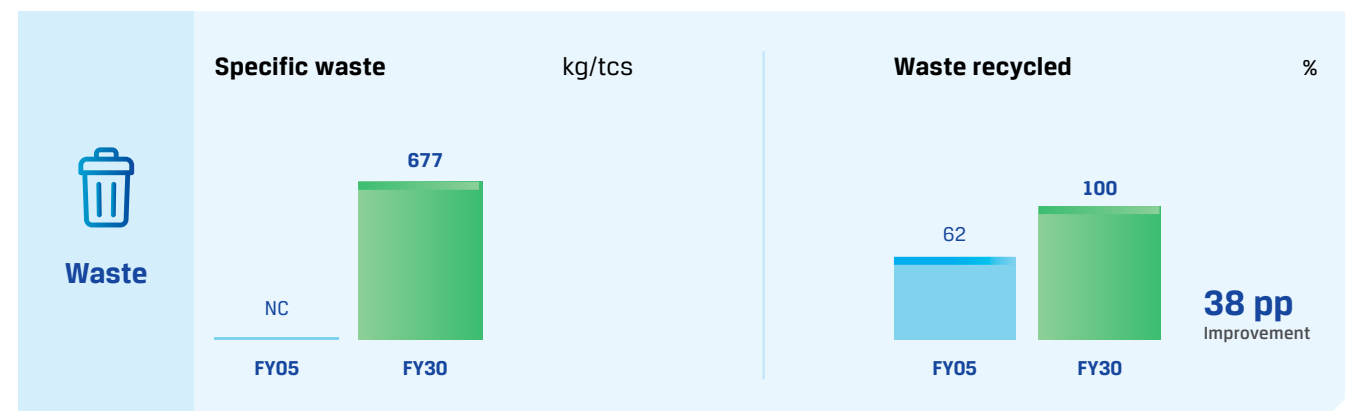
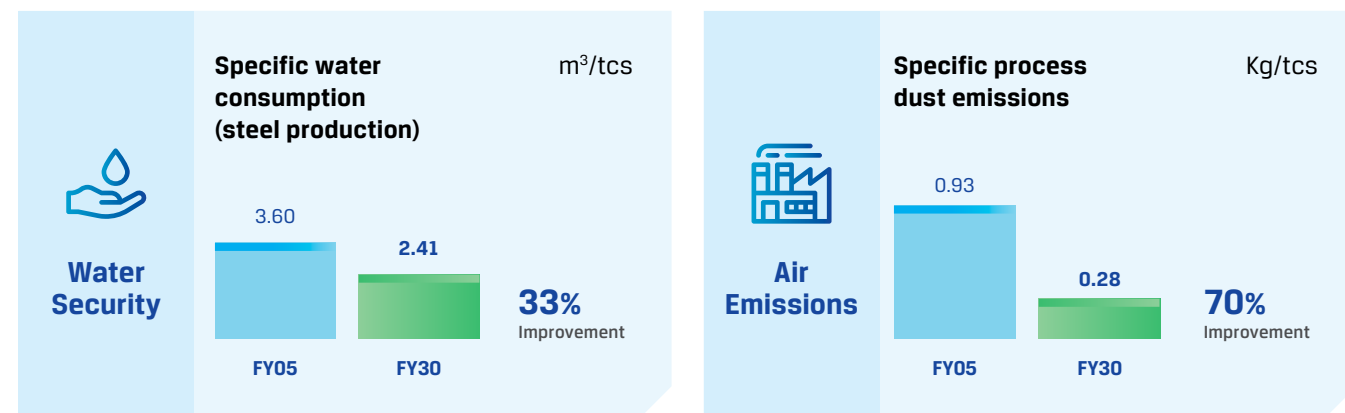
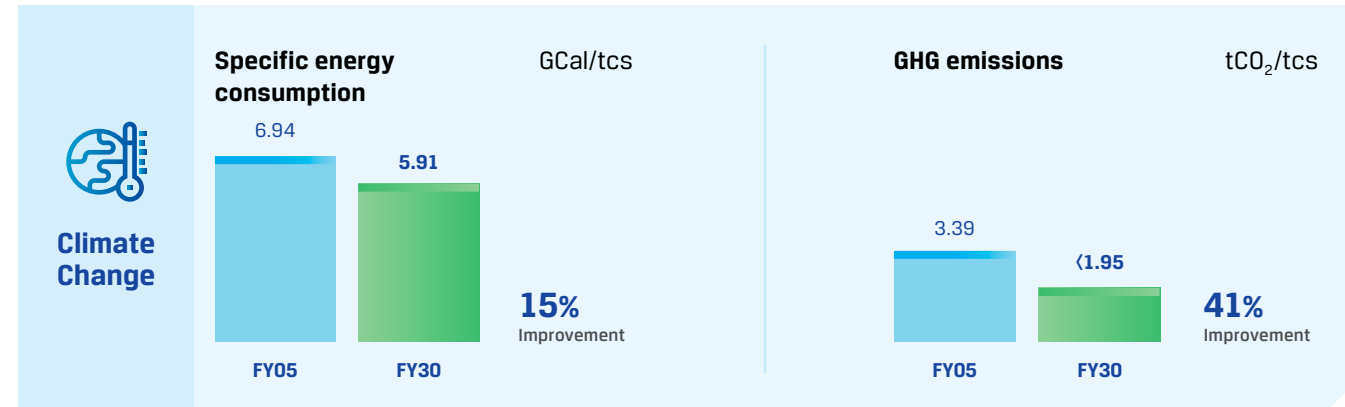
316
JSW Shoppe Connect to cater to semi-urban and rural areas

04 Committed to target-led ESG performance

We aim to produce superior-quality products while keeping the health of our environment and society in mind, promoting circularity in our operations and fostering growth and betterment for communities.

We are committed to deep decarbonisation and are actively pursuing a climate change agenda. This has been induced and carried forward by our strong governance policies and further inculcated into our culture by our top management, who steer our journey strategically.

Our ESG targets



Biodiversity
Biodiversity at our operating sites
 Strive to achieve 'no net loss' of biodiversity

Note: All improvement figures pertain to performance between FY 2004-05 and FY 2020-21. Specific performance across indicators are mapped in the 'Sustainability at JSW Steel' section of this Report

05 Governance and management

Strong leadership and independent Board drive excellence

We are governed by a strong team of experienced and diverse professionals visionaries who take strategic decisions keeping the best interests of the Company and its stakeholders in mind. Our Board and management team have diverse backgrounds and specialisations.

Our efficient governance has been the key driving force in achieving our strategic focus of increasing profits, maximising efficiency and mainstreaming sustainability. Our core values and thought leadership has percolated to every stage of our organisation.

6/6
 Committees headed by Independent Directors

100%
 Average Board meeting attendance

Rated at Leadership Level (A-) by CDP



06 Track record of growth

Proven track record of efficient organic and inorganic growth

Our record has been consistent, and our growth has been prudent through several steel cycles through strong planning, execution and consistent delivery. We have grown from a capacity of 1.6 MTPA to 18 MTPA through a combination of organic and inorganic projects. We have delivered a capacity growth CAGR of 13% since FY 2001-02 and a total revenue CAGR of 21%.

Key acquisitions during FY 2020-21

- + 49% stake in Bhushan Power and Steel Ltd. (BPSTL)
- + Asian Colour Coated Ispat Ltd. (ACCIL)
- + Plate and Coil Mill Division (PCMD) of Welspun Corp Ltd.
- + Vallabh Tinplate Private Ltd.

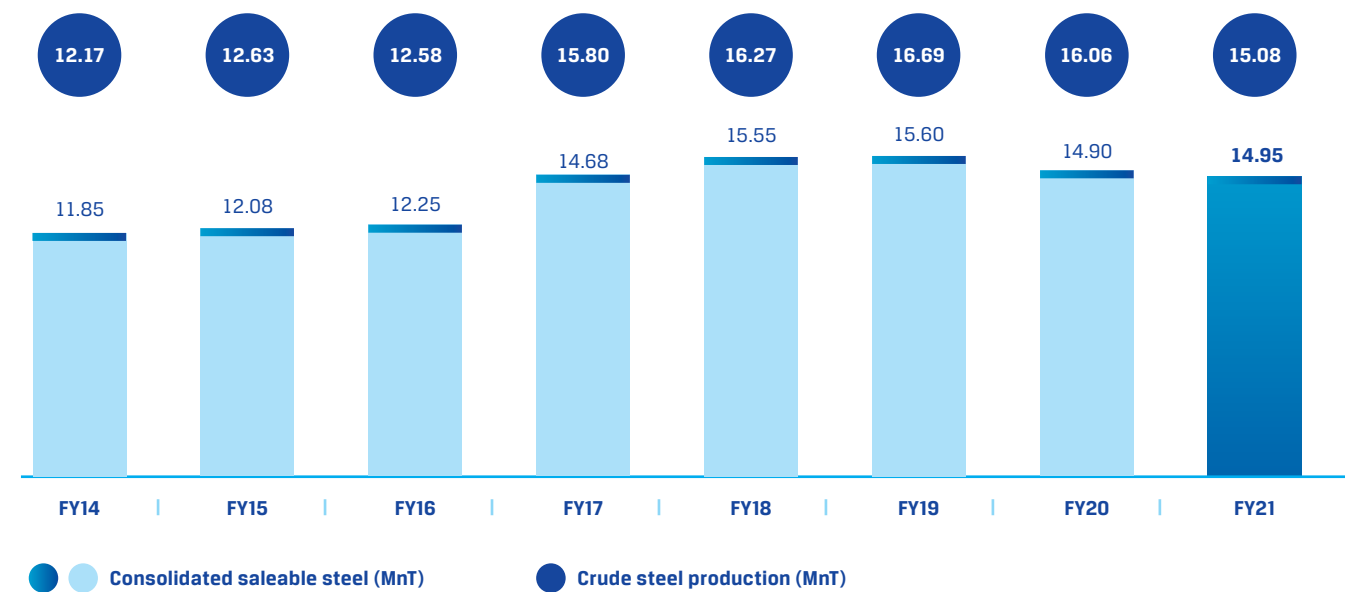
07 Stakeholder value

value-accretive growth through economic cycles

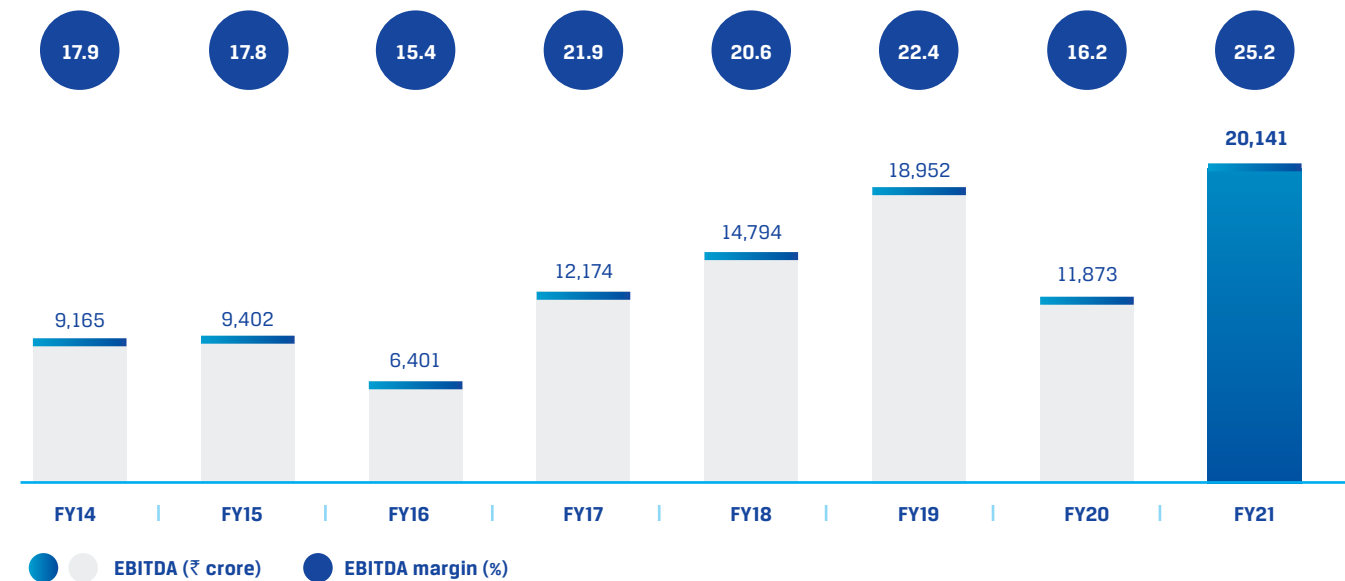
We have maintained an impeccable track record by not only increasing our production but also reducing waste and costs.

We have maintained our low-cost position and strong EBITDA margins on the back of cost efficiency and growing share of value-added products. We have emerged stronger and better after each downturn in the cycle.

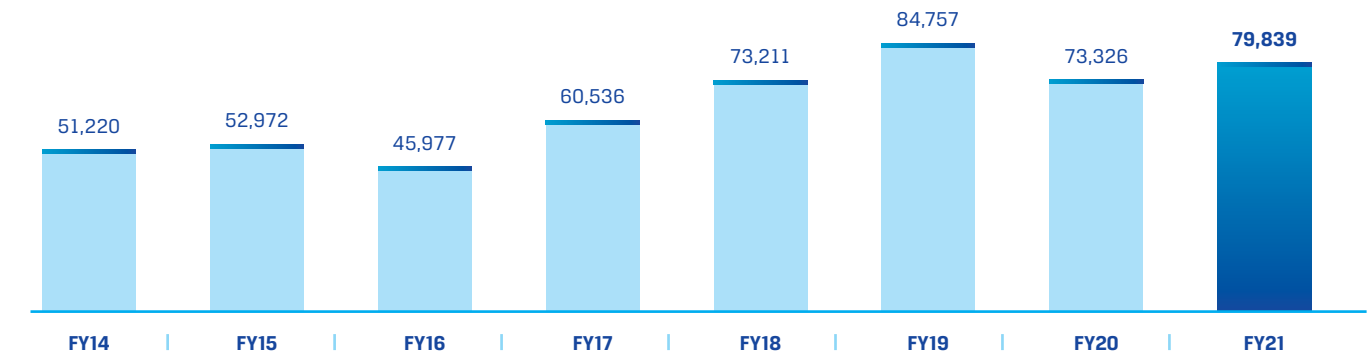
Strong track record of volume growth



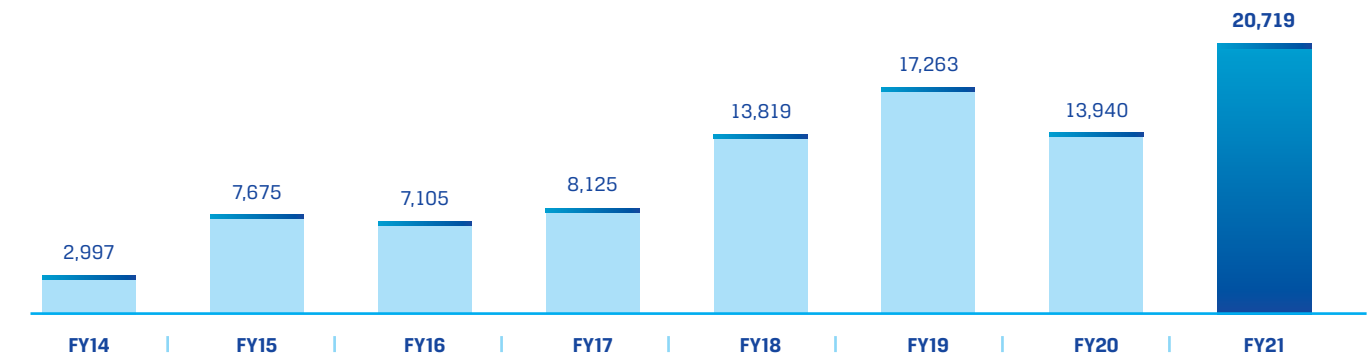
Robust EBITDA performance through the cycle



Track record of operating revenues (₹ crore)



Cashflow from operations (₹ crore)



08 Driving consistent shareholder value

We have also focused on maintaining a robust balance sheet through prudent and disciplined deployment of capital. Our net gearing at 1.14x is well below our stated cap of 1.75x. Similarly, our leverage at 2.6x is comfortably below our stated cap of 3.75x.

Our Total Shareholder Return (TSR) CAGR of 24% over last 10 years reflects our ability to deliver sustained profitable growth through economic cycles.

We have made sure that the business generates consistent cashflows, and our dividend flow to shareholders continues to grow with each passing steel cycle.

Our access to diversified pool of funding and liquidity and proactive debt management have made our financial profile stable.

29%
3-year TSR

₹6.5
dividend per share

In FY 2020-21 vs
₹2.25 in FY 2016-17

24%
10-year TSR

1.14x
Net gearing under our
long-term cap of 1.75x

2.61x
Net debt to EBITDA, with leverage
under the stated cap of 3.75x

Strong credit ratings

CARE: AA- (Stable outlook),
IndRa: AA (Stable outlook),
ICRA: AA- (Positive outlook)

Upholding values, setting strategic direction

Our reputation and brand recall rest on the strong pillars of corporate governance. At the apex level, the Board is responsible to oversee the proper implementation of corporate governance practices across the organisation and suggest relevant changes to protect the interests of all stakeholders. Under the supervision of the Board, there

are core groups comprising competent professionals who are responsible for putting in place appropriate systems, processes and technologies to ensure the governance framework remains strong and agile. Our Board is the custodian of good governance and ethical business conduct in true letter and spirit.



Mr. Sajjan Jindal

Chairman and Managing Director, Non-Independent Executive Director

Key competencies

Council member of the Indian Institute of Metals, member of the Executive Committee and Chairman of the Sustainability Committee of World Steel Association, as well as the former President of Institute of Steel Development and Growth

Key qualifications

Bachelor's degree in Mechanical Engineering from Bengaluru University

Date of appointment March 15, 1994



Mr. Seshagiri Rao M.V.S.

Joint Managing Director and Group CFO, Non-Independent Executive Director

Key competencies

Strategy formulations related to business development, expansion of existing businesses, joint ventures, M&As and cost management

Key qualifications

Bachelor's degree in Commerce and a diploma in Business Finance awarded by the Institute of Chartered Financial Analysts of India (ICFAI), AICWA, LCS, CAIIB

Date of appointment April 6, 1999



Dr. Vinod Nowal

Deputy Managing Director, Non-Independent Executive Director

Key competencies

Associated with the Group for over three decades, he has held various positions and led strategic growth projects. He spearheaded JSW Steel's expansion from 4 MTPA to 12 MTPA in a record time

Key qualifications

Master's degree in Business Administration and a Doctorate in Inventory Management. Completed the Advanced Management Programme (AMP), a comprehensive executive leadership program from the Harvard University Business School

Date of appointment April 30, 2007

Mrs. Savitri Devi Jindal

Chairperson Emeritus

A member of the Legislative Assembly of Haryana and a true visionary, renowned industrialist and the matriarch of the O. P. Jindal Group

Date of appointment: October 21, 2011



Mr. Jayant Acharya

Director (Commercial and Marketing), Non-Independent Executive Director

Key competencies

With industry experience spanning over three decades, he has led several key transformations in the areas of organised steel retailing, development of critical and advanced grade of steels for automotive, long-term supply contracting, among others

Key qualifications

Bachelor's degree in Chemical Engineering and a Master's degree in Physics from the Birla Institute of Technology & Science, Pilani. Also holds a Master's degree in Business Administration from Indore University

Date of appointment May 07, 2009



Mr. Hiroyuki Ogawa

Nominee Director, JFE Steel Corp., Japan

Key competencies

With over 30 years of experience in the steel industry across various countries, he brings unmatched international expertise

Key qualifications

Master's degree in Engineering from the Department of Mechanical Engineering, Graduate School of Engineering, University of Tokyo. Also holds a Master's Degree in Science (Management of Technology) from MIT and a Master's Degree in Science (Engineering Management) from Stanford University

Date of appointment to the Board May 17, 2017



Mr. Haigreve Khaitan

Independent Non-Executive Director

Key competencies

Rich experience in all aspects of M&A, creditor restructuring, foreign investment, joint ventures and foreign collaborations

Key qualifications

Bachelor's Degree Law (LL.B.) Honours from South Kolkata Law College, Kolkata

Date of appointment September 30, 2015



Mr. Seturaman Mahalingam

Independent Non-Executive Director

Key competencies

Awarded the 'Best CFO' on multiple occasions, he brings on board invaluable experience of building and managing TCS's global operations in its early days

Key qualifications

Chartered Accountant

Date of appointment July 27, 2016



Dr. (Mrs.) Punita Kumar Sinha

Independent Non-Executive Director

Key competencies

20+ years of experience in fund management in international and emerging markets

Key qualifications

Bachelor's degree in Chemical Engineering from the Indian Institute of Technology, New Delhi and Master's degree in Finance and a Doctorate of Philosophy degree in Finance from the Wharton School, University of Pennsylvania. Also holds a Master of Business Administration degree and is a Chartered Financial Analyst

Date of appointment October 28, 2012



Mr. Malay Mukherjee

Independent Non-Executive Director

Key competencies

40+ years of experience in a range of technical, commercial and managerial roles in the mining and steel industry

Key qualifications

Master's degree in mining from the USSR State Commission in Moscow and a Bachelor of Science degree from the Indian Institute of Technology, Kharagpur

Date of appointment July 29, 2015



Mr. Harsh Charandas Mariwala

Independent Non-Executive Director

Key competencies

Over the past three decades, he has transformed a traditional commodities-driven business into a leading consumer products and services company

Key qualifications

Bachelor's degree in Commerce, Sydenham College of Commerce and Economics, University of Mumbai

Date of appointment July 25, 2018



Dr. V. Ram Prasath Manohar

Nominee Director, KSIIDC

Key competencies

He worked as a catalyst for Bellary Business Summit, Industrial Development, Infrastructure development projects, Udyoga Mela, milk produce co-operative societies, housing schemes for houseless people, Health care, Swacch Bbharath Mission, Art, Culture Tourism development, PPP projects in Health Sector

Key qualifications

Master's Degree and MBL from NLSIU, Bengaluru

Date of appointment May 21, 2021



Mrs. Nirupama Rao

Independent Non-Executive Director

Key competencies

India's first woman spokesperson in the Ministry of External Affairs and has a four-decade-long diplomatic career. She was educated in India and joined the Indian Foreign Service in 1973

Key qualifications

Master of Arts in English Literature from Marathwada University and Doctor of Letters (Honoris Causa) from Pondicherry University

Date of appointment July 25, 2018

Board Committees

AUDIT COMMITTEE (A)

Mr. Seturaman Mahalingam

Chairman

Function

Audit Committee, a sub-committee of the Board of Directors, comprises Independent Directors. The Audit Committee oversees the Company's financial reporting process, approves related party transactions and regularly reviews financial statements, changes in accounting policies and practices, audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards, appointment of statutory auditors among others.

Number of meetings held: 8

BUSINESS RESPONSIBILITY/ SUSTAINABILITY COMMITTEE (S)

Mr. Malay Mukherjee

Chairman

Function

Responsible for the adoption of National Guidelines on Responsible Business Conduct (NGRBC) in the business practices of JSW Steel. The committee also overlooks matters related to climate change and water

Number of meetings held: 2

PROJECT REVIEW COMMITTEE (PR)

Mr. Malay Mukherjee

Chairman

Function

To closely monitor the progress of large projects, in addition to ensuring a proper and effective coordination among the various project modules, essentially with the objective of timely project completion within the budgeted project outlay

Number of meetings held: 4

NOMINATION & REMUNERATION COMMITTEE (R)

Mr. Harsh Charandas Mariwala

Chairman (w.e.f. May 21, 2021)

Function

The Nomination & Remuneration Committee's constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 and Part D of the Schedule II of the SEBI (LODR) Regulations

The primary responsibilities of the Committee include identifying persons qualified to become directors, decide on senior management appointments and carrying out evaluation of every director's performance. The Committee also looks into extension of tenures of independent directors on the basis of the report of performance evaluation of Independent Directors

Number of meetings held: 2

RISK MANAGEMENT COMMITTEE (RM)

Mr. Malay Mukherjee

Chairman

Function

To periodically review risk assessment and minimisation procedures and ensure that the Executive Management controls risk by means of a properly defined framework, besides reviewing major risks and proposed action plans

Number of meetings held: 1

STAKEHOLDERS RELATIONSHIP COMMITTEE (SR)

Dr. (Mrs) Punita Kumar Sinha

Chairman (w.e.f. May 21, 2021)

Function

To periodically look into the functioning of the Company's shareholder/investor grievance redressal system and oversee improvements in the same, besides reporting serious concerns, if any

Number of meetings held: 1

Board Summary

06

Independent Directors on Board

62.33*

Months
Average tenure of Independent Directors

*as on 30.06.2021

6/6

Committees headed by Independent Directors

02

Women Directors

100%

Average Board meeting attendance

Board Changes in FY 2020-21

Addition

Dr. V. Ram Prasath Manohar, Nominee Director KSIIDC

Retirement/resignation

Mr. Ganga Ram Baderiya, Nominee Director KSIIDC (Nomination withdrawn by KSIIDC)

Mr. M. S. Srikar Nominee Director of KSIIDC (Nomination withdrawn by KSIIDC)

Election and re-election

Mr. Seshagiri Rao MVS

Members applying for election in the 27th AGM (Director retiring by rotation)

Mr. Seturaman Mahalingam

Re-election as Independent Director for 2nd term

Board Competency Summary



06

Metals & mining



08

Accounting & finance



06

Engineering



07

Marketing and brand building



07

Sustainability & risk management



08

Technology



07

Legal

● Number of Directors
● Competency

Reviewing FY 2020-21



IN THIS SECTION

FY 2020-21 proved to be one of our best-ever years from an operational, financial and strategic point of view. It reflected our inherent strengths, foresight and deep stakeholder commitment, amid a challenging macro environment.

We have created sufficient buffer in our balance sheet by focusing on prudent capital allocation, with the result that our gearing ratios and interest coverage look very comfortable, even beyond the norms we had guided earlier.

Seshagiri Rao MVS

Joint Managing Director and Group CFO



Dear Shareholders and friends of JSW Steel,

The last financial year has been one of the most challenging ones for countries, businesses and citizens and businesses alike. At a macro level, most major economies bounced back after a weak first half, but at a micro level, many families and communities are still struggling to cope with the aftermath of a worldwide pandemic, and its fierce second coming.

In such a challenging scenario, JSW Steel delivered a strong operational performance while ensuring that it stepped up efforts to strength the hands of government as it fought the pandemic, and relief, succour and support to communities. This is a reflection of the spirit of #BetterEveryday that pervades the JSW Steel Group, as well as the result of our strategies playing out.

The global economy witnessed a degrowth (-3.3%) after ten consecutive years of growth. India, too, went into a technical recession, but returned into the green in the last two quarters, with the full-year GDP decline being limited to 7.3%, significantly better than feared. The commodity industries also mirrored this story of two halves. Steel consumption plummeted in the first half, before bouncing back strongly, and eventual global production for CY 2020 being only marginally lower at 1,864 MnT, compared to 1,880 MnT in CY 2019. China's moderating exports saw

demand being fulfilled by countries such as India, as it became a net exporter during the year, with exports rising by 29.1% and imports falling by an almost equal number. Domestic finished steel production stood at 94 MnT, down by 6% on an annual basis. However, infrastructure spending, increased demand from automotive, construction and other sectors, and a return of private capex as well as consumer demand led to a strong revival in steel demand.

Despite a slight drop in sales volumes, we delivered our highest-ever consolidated EBITDA at ₹20,141 crore, representing a margin of 25.2%. This coupled with strong financial management and keeping finance costs under check resulted in a net profit of ₹7,873 crore. It validates our strategy to remain agile between domestic and export sales and focus on value-added, difficult-to-manufacture products along with a deep retail presence. In Q1 of FY 2020-21, domestic steel demand fell by 57%, and hence we focused on exports. In Q2 and Q3, as the domestic consumption picked up and the industry witnessed a sharp recovery, we focused on domestic retail business. Our domestic sales in Q3 were at 3.48 MnT, 13% higher y-o-y, proving our ability to leverage geographic mix to our advantage.



While it can be argued that our performance was the result of better realisations (higher by 11%), on the back of strong steel prices, I would say that the most important factor was our strong execution ability in bringing the Odisha mines to production. Between Karnataka and Odisha, the total captive iron ore mined was ~18.2 MnT, and without this, we would have been struggling to operate our plants, especially Dolvi, given the volatile and uncertain conditions surrounding iron ore during the year. We are earmarking a substantial investment over the next couple of years to upgrade these mines, reduce reliance on outsourcing and create a more digitalised operating environment while taking care of sustainability imperatives.

We were also able to leverage our strong front-end presence and deepen our reach in rural India, which helped the retail sales (especially of long products). The brand's association with sports, investments in better visibility and recall, and outreach for dealer and network partners ensured that we made strong inroads into several retail segments. We are redoubling our efforts by investing in modern, digital platforms such as JSW One, to bring a unified experience to our customers while offering them a wider bouquet to choose from.

JSW Steel also capitalised on its ability to turn around acquired assets and focused on acquisitions that would add downstream strengths to its portfolio and plug product gaps. Whether it is Asian Colour Coated, or Vallabh Tinplate, we are looking to grow our strength in value-added products. Similarly, the acquisition of PCMD of Welspun Corp gives us entry into the pipe segment, whereas the BPSL asset in Jharsuguda, allows us to strengthen our core presence in the East.

Our expansion at Dolvi from 5 to 10 MTPA is ready for commissioning in a couple of months. The 8 MTPA pellet plant, part of our cost saving project at Vijayanagar got commissioned in March 2021. We are constructing a new 1.5 MTPA Coke Oven plant as well, likely to be completed in a year. Multiple downstream projects are in process at Kamleshwar, Vasind and Tarapur, which will enhance modernisation and enrich our product mix. We have recently announced a 5 MTPA expansion at Vijayanagar, and this along with other modernisation projects in the

pipeline will take our standalone capacity to 30.5 MTPA by FY 2024-25, and a combined capacity with JVs and associates to 37.5 MTPA.

We have created sufficient buffer in our balance sheet by focusing on prudent capital allocation, with the result that our gearing ratios and interest coverage look very comfortable, even beyond the norms we had guided earlier. Despite the spending on capex and acquisitions of nearly ₹15,000 crore, our debt reduced by ~₹850 crore to ₹52,615 crore. With this cushion, we are investing in sweating our assets and ensuring that we create capacity in line with India's ambition of being a 300 MTPA steel producing country. We see consolidation being a key trend in the industry and hope to leverage any inorganic or greenfield opportunities that come our way. To remain competitive and be a supplier not only to India but also the world, we are committed to investing time, resources and energy in becoming more sustainable and steadily improve our performance against ESG parameters. We are also focused on digitalisation and have taken up multiple projects to enhance competitiveness, efficiency and response time.

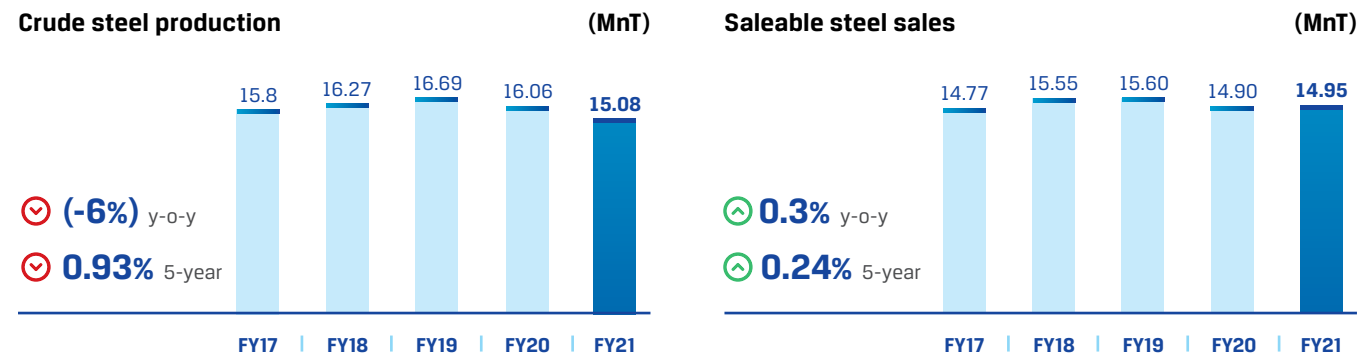
We are in a long-term structural upmove for the steel industry, and the developments surrounding the US President's US\$6 trillion social spending Bill and Europe's energy transition projects will be events to watch. The story in India is less reliant on policy events and more on structural shifts. Given India's relatively low per capita consumption, lag in new supply coming on stream and a strengthening demand scenario both at the institutional and retail level, our view is that steel prices will remain strong for the foreseeable future. It is no surprise then, that India is now seeing gradually improving utilisation levels, backed by a policy stance aimed at strengthening domestic manufacturing and self-reliance along with a massive budgetary outlay for infrastructure. Historically, all supercycles have been supported by large-scale urbanisation projects and extensive government spending on social infrastructure. It does not seem any different this time, except that we are more ready than ever before.

Sincerely,
Seshagiri Rao MVS

Key performance indicators

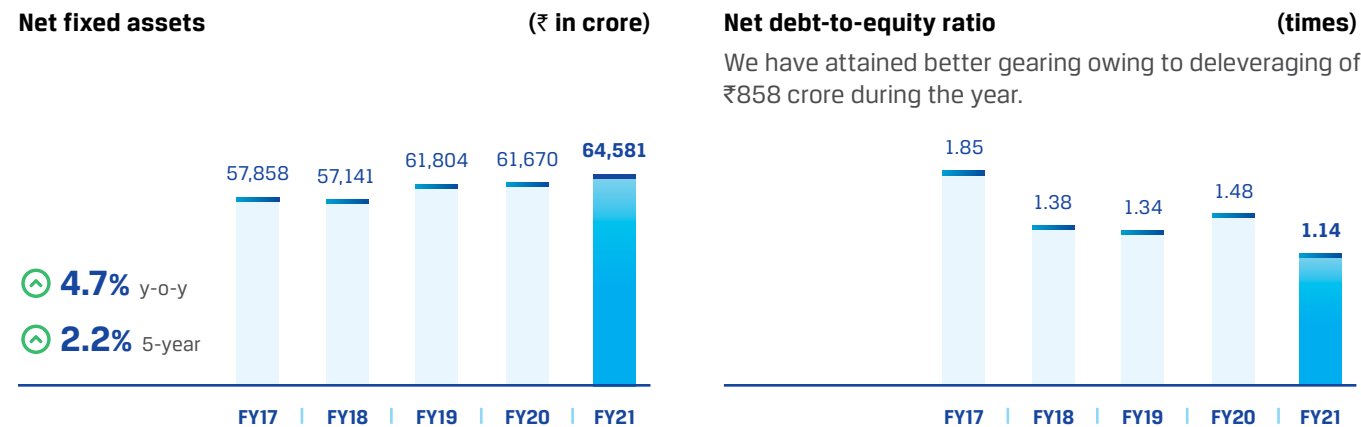
Despite the challenges induced by the pandemic, we stayed resilient and met our operational guidance to a large extent. Our foresight in properly identifying and addressing the key demand dynamics in domestic and export markets helped us achieve this.

Operational indicators



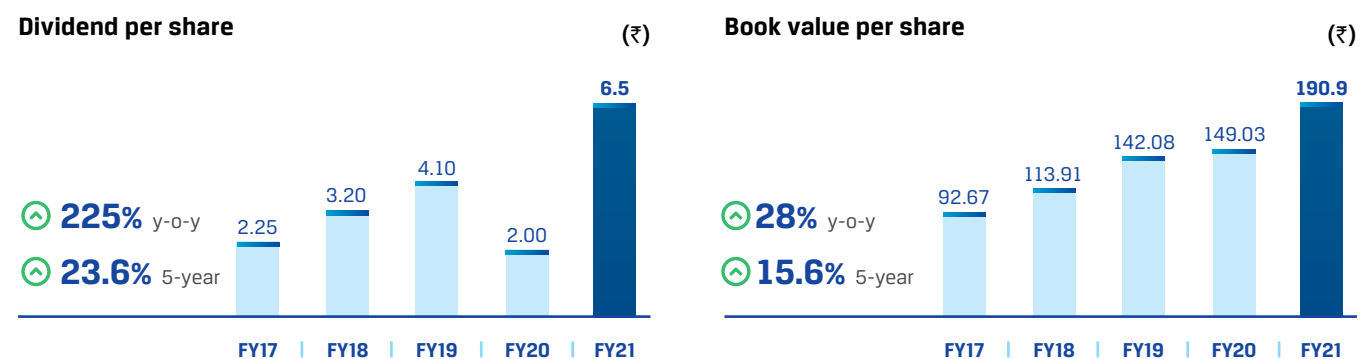
Balance sheet indicators (consolidated)

We continued to execute our growth strategy while maintaining our leverage under permissible limits, and have managed to enhance our net debt to equity position, while improving our net fixed assets.



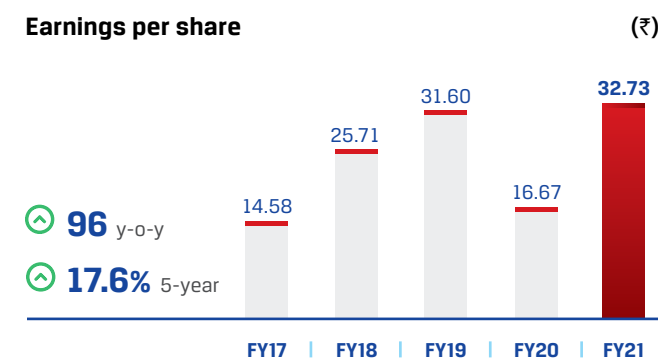
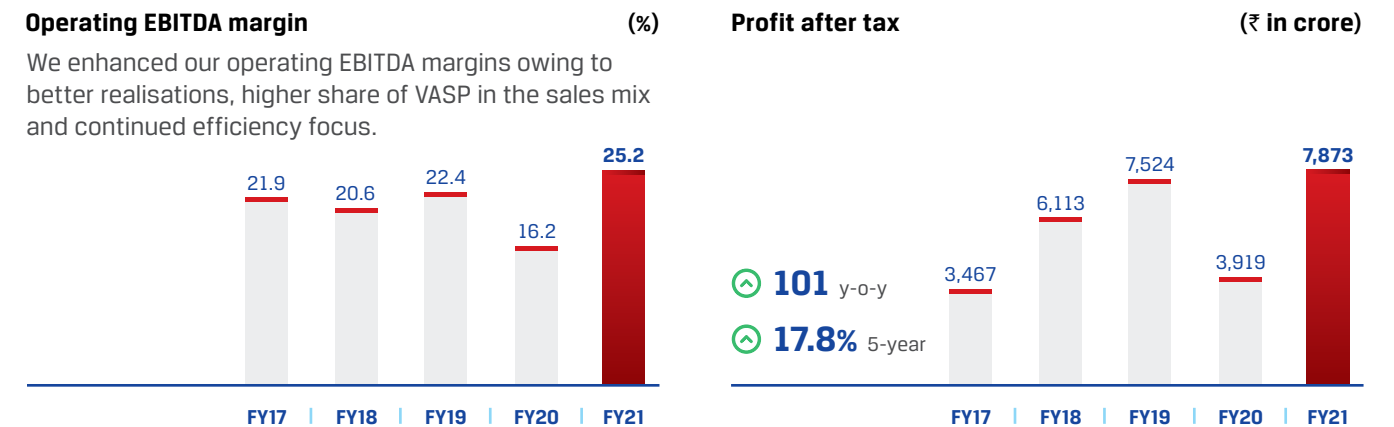
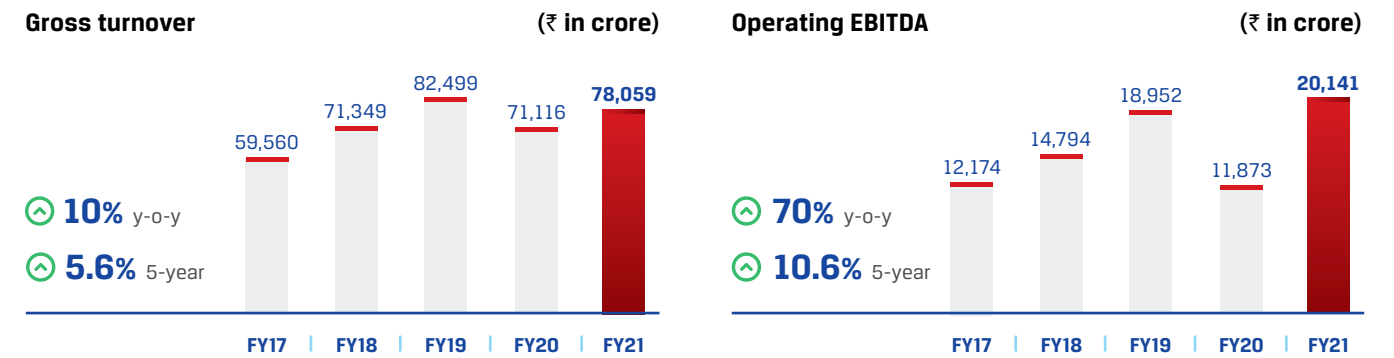
Shareholder indicators (consolidated)

FY 2020-21 witnessed us significantly enhance the value for our investors and shareholders through robust stock market performance and over 3X dividend payout.



Profit & loss indicators (consolidated)

We were able to navigate through a dynamic and uncertain year by executing our nimble footed marketing strategy, ramp up of production post lockdown, operationalisation of Odisha mines, sale of high-margin product sales and achieve cost reduction. This contributed to a higher topline for the business, while our continued efficiency focus and backward integration have helped maintain costs under control.



Read more on our performance in the Management Discussion and Analysis section

COVID-19 response

Strengthening India's collective resolve

We steadily ramped up our various support measures to help the citizens of our nation combat this

once-in-a-century crisis. We continue to put our shoulder to the wheel to strengthen India's emergency response.

Communities

- + RT-PCR tests conducted at the community level at Vijayanagar and Dolvi
- + 1 lakh masks, 5,000 bottles of sanitisers with stand distributed
- + 200 volunteers at Vijayanagar and 50 volunteers at Dolvi deputed for community awareness
- + Food facility provided at Vasind (16,460 kg dry ration)
- + Salem provided 4,000 grocery kits to communities around facility and two Panchayats



Medical support*

Oxygenated hospital beds

1,000
Jumbo beds
Vijayanagar

500
Beds Dolvi

250
Beds Jharsuguda

120
Beds Ratnagiri

10
Beds Paradip

3,50,000 masks and 10,000 sanitisers and medicines distributed in public health facilities in different locations

Supported 20 lakh patients across 530 hospitals



*Till May 20, 2021

JSW STEEL LIMITED INTEGRATED REPORT 2020-21



Oxygen supply

Medical grade oxygen had become the need of the hour, owing to the rising to the rising number of COVID patients. We responded by producing and diverting oxygen from our plants to the hospitals.

Daily dispensation capacities

801 MT
Vijayanagar

17 MT
Salem

287 MT
Dolvi

19 MT
Jharsuguda

55,000+ MT
Medical oxygen supplied

March-May 20, 2021

Zero harm is our 24x7 focus

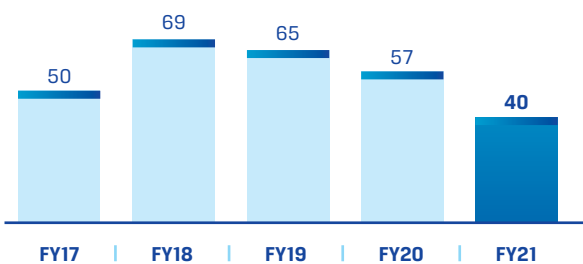
It is our Group's vision to achieve zero harm across all our operations. Health and safety represents an important part of our Group's values and is core to the JSW way of life.

At JSW Steel, we are committed to providing a healthy and safe working environment for our employees, contractors, business associates, visitors on premises, and above all communities impacted by our operations. To achieve our zero harm vision, we have stringent safety systems in place. These processes are to a large extent tech-

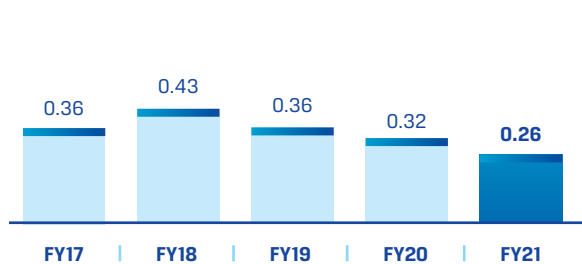
enabled and leverage real-time data, and are guided by the principle of shared responsibility. From a governance standpoint, our senior management, along with key plant personnel, assumes overall accountability for ensuring that the appropriate safety policies, procedures and safeguards are put into practice.

Key performance indicators

Lost Time Injury (LTI)



Lost Time Injury Frequency Rate (LTIFR)



Key safety initiatives and processes



01 Robust safety performance monitoring and management

- + Monthly Global Group Health & Safety Performance Report shared with the leadership team with 30+ harmonised leading and lagging performance indicators across all the JSW Steel sites
- + Mandatory individual and site level safety KRAs linked to variable pay

02

Safety training

- + Successfully launched 15 new safety e-learning modules on High Risk Standards at Group level
- + Mandatory H&S induction programme for all the employees and contractors
- + Mandatory H&S e-learning modules for employees in grade L8 and above, 28,800+ training units completed in FY 2020-21
- + A standard training and competency matrix developed for all the plant locations
- + Hosted monthly learning and sharing webinar sessions on health and safety topics, with participation from 1,000+ leaders and senior personnel



Launch of Micro-Learnings Library on World Steel Safety Day

JSW Steel launched an exclusive video library of brief 1-2-minutes 3D animated videos to support Safety Training. The videos have been made available on the e-learning portal and have been designed by the World Steel Association.

These micro-learning nuggets will not only help avoid future incidents, but it has also helped departments to analyse past events retrospectively and learn from them. The library started with 25 videos, with new videos added in subsequent quarters.

Each video is based on a real-life incident in a steel manufacturing plant and is designed to communicate how an accident occurred, so it can be prevented in future.



03

Group safety online application

- + A Group Safety Mobile App was launched for Safety Observations (SOs) and Incident Tracking across JSW Group in India
- + The App enables employees to not only capture the SOs and incidents, but also to assign it to responsible teams, track the closure of findings, analyse trend and generate reports directly through their mobile
- + Launched online safety inspection tool in JSW Safety Portal

04

JSW 10 critical safety rules

- + Conceptualised and developed '10 JSW Critical Safety Rules' benchmarked with best practices followed across the world
- + English and Hindi versions of '10 JSW Critical Safety Rules' released across the Group along with FAQs, and developed communications around the same
- + Animation-based training modules are being developed in English and Hindi

06

Contractor assessment and rating for excellence in safety

- + Each site has a Contractor Safety Management committee headed by a senior leader to improve the contractor safety performance while working for JSW
- + Each contractor has to undergo mandatory health and safety pre-qualification assessment (PQA) prior to awarding any contract for work at the sites. Only those who receive more than the threshold PQA score are eligible to work at JSW sites
- + Developed the JSW CARES 'Contractor Assessment and Rating for Excellence in Safety', a progressive capability building tool for contractors to improve and excel in their respective safety management system and performance



05

CoE in process safety

We have begun working on establishing a Centre of Excellence in Process Safety with DuPont Sustainable Solutions (DSS) at our Dolvi site. All the leaders at the site received extensive training in the Process Safety Management. The site has also established robust Management of Change (MoC) and Pre Start-up Safety Review (PSSR).

07

Health and safety governance

We have a Health and Safety Governance structure to lead proactively in Health and Safety and focus on key issues. The Apex committee, which is chaired by the site head, meets at regular intervals to review and improve plant safety performance. The information flows from Divisional Improvement Committee and various sub-committee, which aggregates it for the site Apex. Similarly the Site Apex committee reviews and submits the site level H&S plan, progress and performance to the Group Safety Council. We regularly benchmark our safety practices against international standards. To achieve this objective, in the year FY 2020-21, our Salem and Dolvi sites were assessed by the British Safety Council in the area of high risk activities.

08

Employee involvement in health and safety improvements

- + Every site within JSW Steel has a Safety Committee which has equal participation from Management as well as the workforce. These committees meet at regular intervals and discuss health and safety improvements and enhance workplace health & safety
- + We promote Safety Kaizen from time to time, where employees at all levels participate and contribute to safety improvements
- + We have a system of Safety Observations (SO), in which all Supervisors mandatorily participate and highlight safe and unsafe workplace behaviours
- + Every day before the start of work, all employees participate in Toolbox Talks (TBT) which serve as an informal platform to consult all levels of workmen regarding safe work practices



Feature Story

Safety improvements empowered with the capacities of AI

To eliminate high-risk scenarios and regulate safety practices at scale, we have extended our digitalisation drive to our safety practices. This has helped create a safer working environment for our employees and contractors.

At JSW Salem Works, we introduced an Artificial Intelligence (AI)-enabled safety surveillance platform, to track the plant's safety compliance from anywhere and at any time. The intuitive, AI-enabled safety platform has been useful for control rooms, supervisors and the management, and a combination of technologies, including AI, big-data, cloud computing executes real-time analysis of the video feed and sensor data for driving continuous safety improvements, trend analysis and positive safety behaviour.

This system allows the digital modelling of a plant with real-time, dynamic optimisation features and is designed to run on premises, cloud and Edge devices. Incidents and audit findings are captured with historical data analysis and predictive analytics and the platform is also built keeping provision for future scalability and new AI models, as and when identified.

Bringing along this system has been a boon and it has eliminated concerns around safety hazards, traffic violations, PPE non-compliance, digital enabled emergency alerts and geo-fencing. It has helped create best-in-class plant health and safety surveillance, increased efficiency of dedicated teams, effective assistance to improve measures and ensure compliance. It has also moved our safety culture, along the DuPont Bradley curve with a significant impact on the behaviour of employees and contractors. The case will be replicated across our facilities with circumstantial customisations.



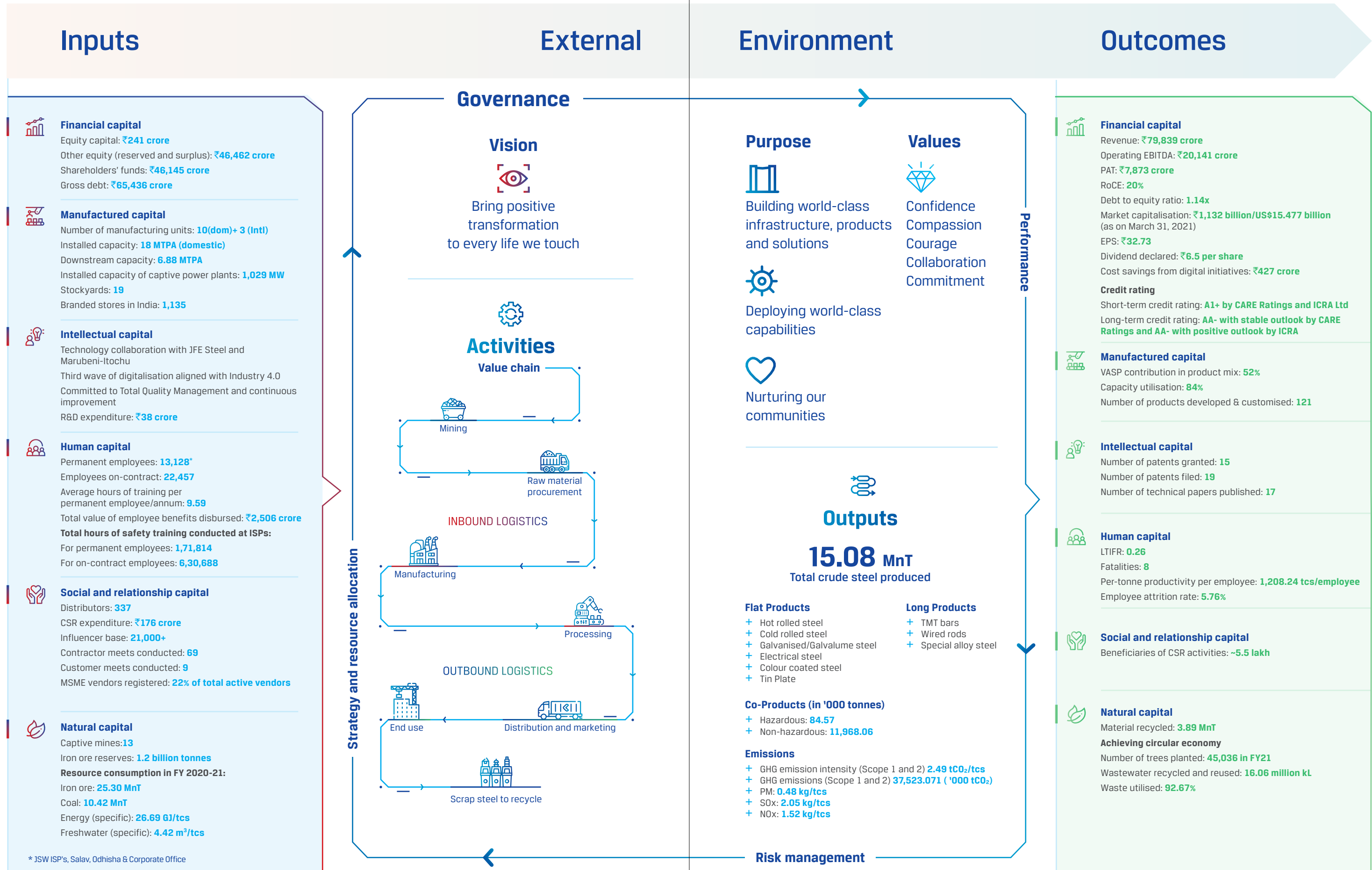
Value Creation and Strategy



IN THIS SECTION

At JSW Steel, we continue to operate our efficient operating model to deliver on our six strategic focus areas, and create consistent value for all our stakeholders.

Delivering stronger outcomes everyday



Inputs

- Financial capital**
 - Equity capital: ₹241 crore
 - Other equity (reserved and surplus): ₹46,462 crore
 - Shareholders' funds: ₹46,145 crore
 - Gross debt: ₹65,436 crore
- Manufactured capital**
 - Number of manufacturing units: 10(dom)+ 3 (Intl)
 - Installed capacity: 18 MTPA (domestic)
 - Downstream capacity: 6.88 MTPA
 - Installed capacity of captive power plants: 1,029 MW
 - Stockyards: 19
 - Branded stores in India: 1,135
- Intellectual capital**
 - Technology collaboration with JFE Steel and Marubeni-Itochu
 - Third wave of digitalisation aligned with Industry 4.0
 - Committed to Total Quality Management and continuous improvement
 - R&D expenditure: ₹38 crore
- Human capital**
 - Permanent employees: 13,128*
 - Employees on-contract: 22,457
 - Average hours of training per permanent employee/annum: 9.59
 - Total value of employee benefits disbursed: ₹2,506 crore
 - Total hours of safety training conducted at ISPs:**
 - For permanent employees: 1,71,814
 - For on-contract employees: 6,30,688
- Social and relationship capital**
 - Distributors: 337
 - CSR expenditure: ₹176 crore
 - Influencer base: 21,000+
 - Contractor meets conducted: 69
 - Customer meets conducted: 9
 - MSME vendors registered: 22% of total active vendors
- Natural capital**
 - Captive mines: 13
 - Iron ore reserves: 1.2 billion tonnes
 - Resource consumption in FY 2020-21:**
 - Iron ore: 25.30 MnT
 - Coal: 10.42 MnT
 - Energy (specific): 26.69 GJ/tcs
 - Freshwater (specific): 4.42 m³/tcs

* JSW ISP's, Salav, Odhisha & Corporate Office

External

Governance

Vision

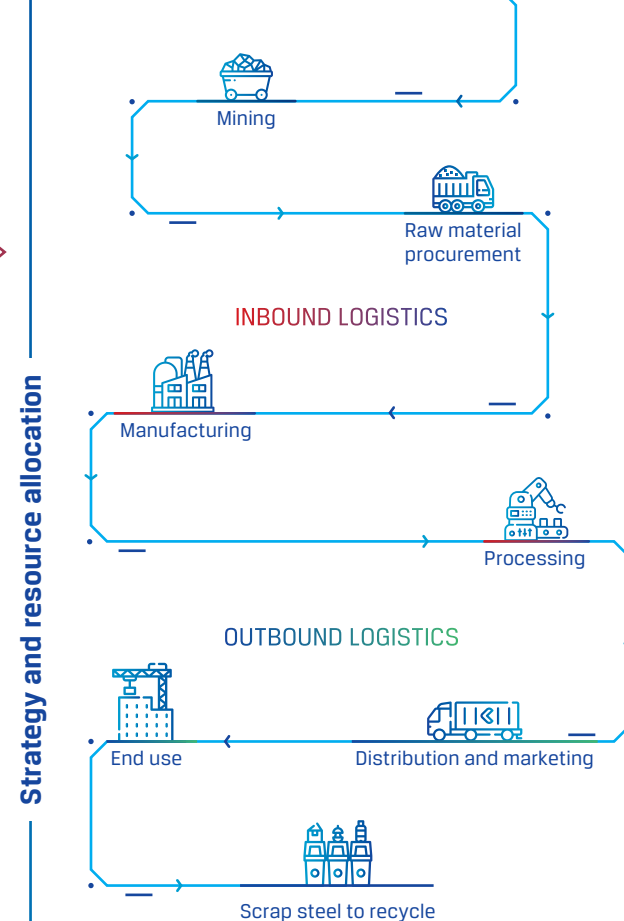


Bring positive transformation to every life we touch



Activities

Value chain



Strategy and resource allocation

Environment

Purpose



Building world-class infrastructure, products and solutions



Deploying world-class capabilities



Nurturing our communities

Values



Confidence
Compassion
Courage
Collaboration
Commitment

Outputs

15.08 MnT
Total crude steel produced

Flat Products

- + Hot rolled steel
- + Cold rolled steel
- + Galvanised/Galvalume steel
- + Electrical steel
- + Colour coated steel
- + Tin Plate

Long Products

- + TMT bars
- + Wired rods
- + Special alloy steel

Co-Products (in '000 tonnes)

- + Hazardous: 84.57
- + Non-hazardous: 11,968.06

Emissions

- + GHG emission intensity (Scope 1 and 2) 2.49 tCO₂/tcs
- + GHG emissions (Scope 1 and 2) 37,523.071 ('000 tCO₂)
- + PM: 0.48 kg/tcs
- + SO_x: 2.05 kg/tcs
- + NO_x: 1.52 kg/tcs

Risk management

Outcomes

- Financial capital**
 - Revenue: ₹79,839 crore
 - Operating EBITDA: ₹20,141 crore
 - PAT: ₹7,873 crore
 - RoCE: 20%
 - Debt to equity ratio: 1.14x
 - Market capitalisation: ₹1,132 billion/US\$15.477 billion (as on March 31, 2021)
 - EPS: ₹32.73
 - Dividend declared: ₹6.5 per share
 - Cost savings from digital initiatives: ₹427 crore
 - Credit rating**
 - Short-term credit rating: A1+ by CARE Ratings and ICRA Ltd
 - Long-term credit rating: AA- with stable outlook by CARE Ratings and AA- with positive outlook by ICRA
- Manufactured capital**
 - VASP contribution in product mix: 52%
 - Capacity utilisation: 84%
 - Number of products developed & customised: 121
- Intellectual capital**
 - Number of patents granted: 15
 - Number of patents filed: 19
 - Number of technical papers published: 17
- Human capital**
 - LTIFR: 0.26
 - Fatalities: 8
 - Per-tonne productivity per employee: 1,208.24 tcs/employee
 - Employee attrition rate: 5.76%
- Social and relationship capital**
 - Beneficiaries of CSR activities: ~5.5 lakh
- Natural capital**
 - Material recycled: 3.89 MnT
 - Achieving circular economy**
 - Number of trees planted: 45,036 in FY21
 - Wastewater recycled and reused: 16.06 million kL
 - Waste utilised: 92.67%

A meaningful dialogue deepens collaborations



At JSW Steel, we are driven by the expectations and concerns of all stakeholders. We conduct continuous interactions with stakeholders to maximise the value we create for them. This is done with an objective to understand their perspectives about JSW Steel, address

their imminent and future needs, and mitigate potential risks that are critical to our business. Our strategic stakeholder engagement mechanism helps us measure our reputation, corporate standing and foster long-lasting relationships that enable our progress.

Key steps involved while undertaking this engagement

<p>01 Identifying key issues</p> <p>that will shape the markets and operating context; potential challenges that the business will likely face in the medium and long term</p>	<p>02 Pursuing business opportunities</p> <p>in a dynamic market scenario, ahead of competition</p>
<p>03 Understanding potential disruptors</p> <p>of our markets, business models or supply chains, and building preparedness</p>	<p>04 Fostering relationships with experts</p> <p>who will enable ongoing responsiveness and proactive shaping of the business context</p>

Stakeholder Groups

Customers	Employees	Community and civil society/NGOs	
Government and regulatory bodies	Institutions and industry bodies	Investors	Suppliers

	Engagement forums	Key outcomes
Customers	<ul style="list-style-type: none"> + Customer meets + Official communication channels: advertisements, publications, website and social media + Conferences and events + Customer feedback and satisfaction survey + Customer visits, phone calls, emails and meetings + JSW Shoppe 	<ul style="list-style-type: none"> + Timely delivery + Wide range of high-quality products that meet customer requirements + Competitive pricing + Easy availability through large distribution network + Post-sales support <ul style="list-style-type: none"> - Digital CRM to ensure quickly accessible customer support
Employees	<ul style="list-style-type: none"> + JSW World – Intranet portal + Newsletters + Employee satisfaction surveys – JSW Voice Pulse Survey + Emails and meetings + Training programmes like Springboard + Employee engagement initiatives like WeCare and Samvedna + Performance appraisal + Grievance redressal mechanisms + Notice boards 	<ul style="list-style-type: none"> + Satisfaction and motivation + Fair wages and rewards + Improved work-life balance + Regular training and skill development + Career growth + Safe and secure work environment
Community and civil society/NGOs	<ul style="list-style-type: none"> + Need assessment + Meetings and briefings + Partnerships in community development projects + Training and workshops + Impact assessment surveys + Official communication channels: Advertisements, publications, websites and social media + Complaints and grievance mechanism 	<ul style="list-style-type: none"> + Local employment and procurement + Infrastructure development + Funding for community development + Training and livelihood programmes + Contribution to local economy
Government and regulatory bodies	<ul style="list-style-type: none"> + Official communication channels: Advertisements, publications, websites and social media + Phone calls, emails and meetings + Regulatory audits/inspections 	<ul style="list-style-type: none"> + Aligning with the government to support economic development + Continued contribution to the exchequer
Institutions and industry bodies	<ul style="list-style-type: none"> + Conferences + Joint R&D initiatives + Internship opportunities for students 	<ul style="list-style-type: none"> + Exchange of knowledge + Collaboration in R&D + Industry exposure for students
Investors	<ul style="list-style-type: none"> + Analyst meets and conference calls + Annual General Meeting + Official communication channels: Advertisements, publications, websites and social media + Investor meetings and roadshows 	<ul style="list-style-type: none"> + Sustainable growth and returns + High standards of corporate governance and risk management + Compliance with global ESG norms and setting benchmarks in key areas
Suppliers	<ul style="list-style-type: none"> + Vendor assessment and review + Training workshops and seminars + Supplier audits + Official communication channels: Advertisements, publications, website and social media 	<ul style="list-style-type: none"> + Timely payment + Continuity of orders + Capacity building + Transparency

Aligning our priorities and strategy

Understanding, identifying and prioritising issues that could significantly impact our value creation abilities is a key step in our strategy planning process. At JSW Steel, we undertook a formal materiality assessment exercise in FY 2018-19 and a benchmarked alignment in FY 2019-20.

A fresh materiality assessment was executed during FY 2020-21 to explore the issues considered to be most relevant by our management and stakeholders, which were then factored into our strategic priorities.

JSW Steel Materiality Matrix



- | | | | |
|---|--|---|---|
| 1 Fair business practices and regulatory compliance | 7 Corporate governance, transparency and disclosures | 14 Biodiversity | 22 Air emission |
| 2 Market presence and customer focus | 8 Investment in clean technology and environmentally friendly products | 15 Waste Water | 23 Energy |
| 3 Vendor management and development | 9 Digitalisation and automation | 16 Technology, product and process innovation | 24 Employee health, safety and well being |
| 4 Contribution to local economy | 10 Business ethics | 17 Cultural heritage | 25 Resources |
| 5 Diversified product portfolio | 11 Human rights | 18 Social sustainability | 26 Sustainable mining |
| 6 Data privacy and security | 12 Water resources | 19 Economic performance | 27 Supply chain sustainability |
| | 13 Waste | 20 New growth opportunities | 28 Climate change |
| | | 21 Resilient business model | 29 Local considerations & indigenous people |

Outcomes and critical issues

The top right quadrant (high-high) of the matrix contains topics which are of high priority from both the business and stakeholder perspectives, and the following table contains the material topics categorised into six capitals (in alphabetical order). The outcome of the materiality assessment serves to confirm that the sustainability topics currently identified by JSW Steel continue to remain relevant and material for us from the point of view of stakeholder perceptions, impact on business objectives and risk, industry priorities and the external sustainability reporting landscape. The topics that have emerged as

material are also reflective of the critical ways in which we create value for the business and for stakeholders across varied forms of capitals.

We have been actively working across these areas to deliver lasting value. Approach, strategy, performance and outlook for each high priority topics is covered through the length of this report.

Material Topics Identified	Capital	Read more
Air emission		Page 142
Biodiversity		Page 144
Business ethics		Page 159
Climate change		Page 122
Corporate governance, transparency and disclosures		Page 158-159
Cultural Heritage		Page 157
Economic performance		Page 52
Employee health, safety and well being		Page 56
Energy		Page 130
Human rights		Page 159

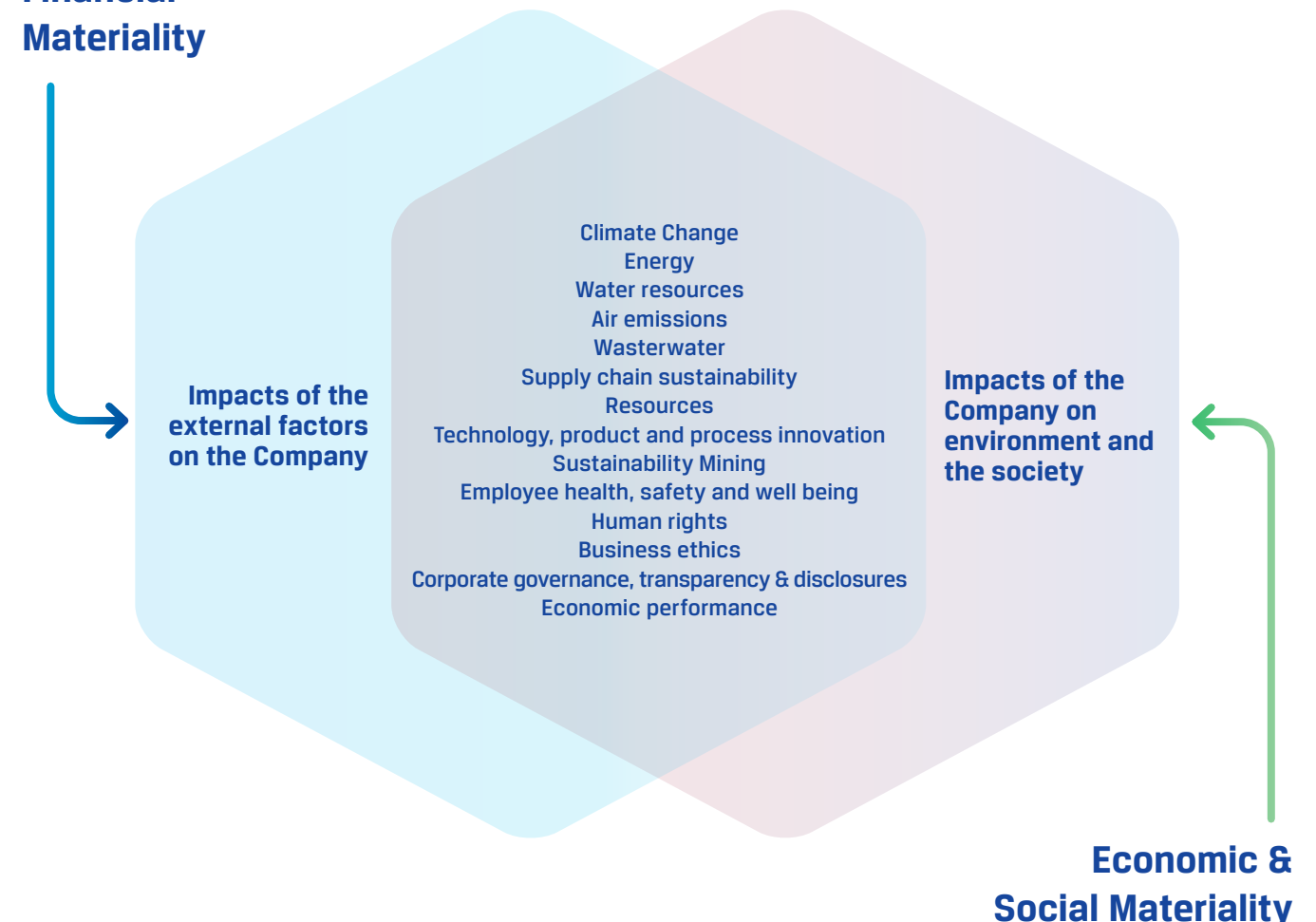
Material Topics Identified	Capital	Read more
Local Considerations & Indigenous People		Page 147
Resources		Page 132
Social Sustainability		Page 148
Supply chain sustainability		Page 157
Sustainable Mining		Page 146
Technology, product and process innovation		Page 88
Waste		Page 136
Wastewater		Page 140
Water resources		Page 134

- Financial capital**
- Intellectual capital**
- Human capital**
- Social and relationship capital**
- Natural capital**
- Manufacturing capital**

Double materiality

Our materiality approach takes into account the double materiality principle, which considers how certain topics are important for the environmental and social aspects, which also have financial consequences with time. The below representation encapsulates such issues for JSW Steel.

Financial Materiality



Well-placed in a high-growth environment

01 Steel is entering a supercycle

As the pandemic recedes, the steel sector is currently entering a commodity supercycle, a period of sustained high demand and narrow supply. They are marked by significant capital expenditure, and associated industrialisation and urbanisation. For steel companies, this marks as a landmark opportunity to cater to sustained and buoyant demand.

02 Headroom for domestic capacity growth

The Indian steel industry is currently operating at nearly 80% of combined capacity. As domestic steel consumption and exports increase, supply will need to rise concomitantly. This provides a significant headroom for Indian steelmakers to grow their capacities and cater to the rising demand. This is also aligned to the National Steel Policy, which aims to more than double India's domestic steelmaking capacity to 300 MTPA by FY 2030-31.

03 Government's thrust on infrastructure and housing

The Indian government has announced the US\$1.4 trillion National Infrastructure Pipeline (FY 2019-25), which is aimed at significantly enhancing India's infrastructure landscape. Similarly, the 'Housing for All' scheme is also accelerating India's residential infrastructure. These initiatives are expected to spur significant demand for India's steel industry.

04 Increase in per capita steel consumption in India

The National Steel Policy (NSP), unveiled in 2017, is a conducive plan for increasing the per capita steel consumption in India. Currently at ~64.2 kg (CY 2020), this is only 28% of the global apparent steel use per capita. The NSP proposes increasing this to 158 kg of finished steel consumption per capita by 2030-31.

05 Realignment of global supply chains and 'China+1' sourcing approach of MNCs

Post the pandemic, global organisations and OEMs are shifting their focus away China in search of alternative manufacturing hubs. With its conducive policy environment, mission-level movement for self-reliance (Aatmanirbhar Bharat), rising competitiveness and improving ease of doing business scenario, India is well-placed to fill in this gap. As India turns into a globally preferred manufacturing hub, the domestic steel industry will receive a shot in the arm.



~100%
Recyclability in steel

80%
Indian steel industry capacity utilisation

₹6,322 crore
Total PLI scheme outlay

06 Production-linked incentive scheme

The Union Government has included manufacturing of specialty steel under the PLI scheme, with a total outlay of ₹6,322 crore. This move is set to attract capital investment, increase employment in the sector and encourage Indian steelmakers to move up the value chain.

07 Consolidation of the domestic steel industry

The Indian steel industry is currently getting consolidated with efficient and large-scale players pursuing strong inorganic growth prospects. This will enable better progress in the organised steel sector, mainstreaming sustainability, policy advocacy and advanced manufacturing.

08 Steel is circular, and preferred

Steel is one of the most affordable and accessible building materials in the world. It is also equally sustainable and circular, with ~100% recyclability. With increasing innovation in the segment, steel is also being used as an alternative to several mainstream construction materials.

09 Part of the solution to a global issue

Traditionally, steel has been viewed as a contributor to the climate change crisis. However, with active, target-based decarbonisation drives being undertaken by steel companies worldwide, it's being seen as a sector that can help the world achieve targets set forth by the Paris Agreement and the UN SDGs.

10 Rise of personal mobility

Post the COVID-19 pandemic, the preference for individual and private mobility has grown manifold. Together with the rising affluent class and disposable income, this proves to be a significant opportunity for automotive sector, which is a consumer industry of steel.

11 Rise of India's healthcare infrastructure

The pandemic has outlined the need for larger scale investments in public and private health infrastructure in the country. As more medical centres are built around the country, steel would remain a material that can support the future of India's healthcare infrastructure.

Responding to dynamic externalities

Risks are integral to any business, and our risk-management framework over the years has evolved in line with our strategic objectives and changes in our operating environment. It helps us predict and undertake pre-emptive response to manage and mitigate key risks. Our Enterprise Risk Management (ERM) is underpinned by globally recognised 'COSO' framework, which analyses the potential upside and downside of all factors, that can materially impact our ability to create and protect value.

Pursuant to the requirement of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, we have create a robust risk-management framework. We have constituted a sub-committee of Directors to oversee Enterprise Risk Management framework to ensure resilience in the following manner

01
Intended risks, say growth, are taken prudently to plan for the best and be prepared for the worst

02
Execution of decided strategies and plan with focus on action

Unintended risks such as performance, incidents, process and transaction risks are avoided, mitigated, transferred (like in insurance) or shared (like through sub-contracting). The probability or impact thereof is reduced through tactical and executive management, policies, processes, in-built systems controls, MIS, internal audit reviews, and so on.

Strategic Risks

R1

Cyclical nature of the steel industry including operating margins, demand and supply impacting profitability



The steel industry, like most capital-intensive commodity industries, is cyclical in nature. The operating margins are affected by the sales realisation of steel products and fluctuations in demand and supply of steel products.

Further, the following can affect sales and margins:

1. Adverse global and domestic demand-supply dynamics
2. Unfair trade practices resulting into surge in imports
3. Trade barriers imposed by other countries like US, Europe

Risk Responses

- + Our primary operations are in India and we sell majority of the products to the domestic Indian market, which has significant growth potential.
- + Besides, given our reach and world-class products, we have been able to change the sales mix between domestic and export markets.
- + Sectoral research firms are indicating that the upcycle for steel industry is likely to continue till end of FY 2022-23. This is mainly due to strong pick-up in domestic & global steel demand and China's emissions related reforms leading to production cuts, decline in their steel exports.
- + We carry out a due diligence review before dealing with new or unfamiliar markets.
- + All business decisions are backed by market intelligence with inputs from marketing team.
- + We have broadened our portfolio of product offerings and entered into Value Add/Value Enhancement (VA/VE) activities with automotive customers.
- + We are supplying to wide range of industries, such as the automotive, construction, packaging, appliance, machinery, equipment and transportation industries, which are among the biggest consumers of steel products.
- + Sales presence is particularly strong in South and West India, where a large portion of India's steel customers are located. The Group is mainly focused on retail sales through its exclusive and non-exclusive retail outlets.

↑ Risk increase (y-o-y) ↓ Risk decrease (y-o-y) ↔ Risk unchanged (y-o-y)

R2

COVID-19 pandemic



The worldwide spread of coronavirus has impacted the businesses globally. The pandemic has posed risks to human life, steel production and sales.

Risk Responses

We have taken proactive actions to reduce the impact of the coronavirus pandemic.

Human life

- + Apex committee at Group level to monitor the situation & issue guidelines
- + Encouraging employees for COVID-19 vaccination
- + Strict adherence to guidelines issued by various government authorities
- + Travel restrictions advisory
- + Creating awareness amongst employees about hygiene
- + Work from home facility for non-technical staff
- + Periodic COVID-19 testing at the plant locations and Corporate office
- + Body temperature screening of employees before entering offices/plants; capturing of health status of employees & associates through daily self-declaration in online tracker to keep the workplace safe from infection.
- + Staggered and extended timings for canteens

Production & operations

- + After the government allowed production activities post lockdown, we assessed the critical manpower required to run the plant operations and mobilised the same inside the township. This has helped in gradual ramping up of production.

Sales

- + We have always focussed on strong customer relationships, cost effectiveness and new product developments. This has helped us have a strong presence in domestic as well as international markets.

R3

Raw material availability and cost



The primary raw materials that are used in the production of steel are iron ore and coal. In addition, our operations require substantial amounts of other raw materials and utilities, including various types of limestone, alloys, refractories, oxygen, fuel and gas.

The price and availability of raw materials may be adversely affected by a number of factors that are beyond our control, including interruptions in production by suppliers, demand for raw materials, supplier allocation to other purchasers, price and currency fluctuations, policy changes and transport costs, among others.

Risk Responses

- + Latest amendments to the Mines & Minerals (Development & Regulation) Act will help in unlocking huge mineral potential of the nation. The amendments allow the captive miners to sell up to 50% of their excavated minerals after meeting requirements of the end-use plant. This will augment the iron ore supply in domestic market. The Act facilitates seamless transfer of all valid rights and clearances of the lessee to next successful bidder. This will help in commencement of mining activities soon after leasing formalities.
- + These mines provide strategic long-term raw material security, access to high quality reserves and an advantage of consistency in grade which can bring operational efficiency in steelmaking
- + Procurement of coal on Annual Rate Contract where price is linked to TSI and PLATTS index to ensure procurement is in line with the market prices.
- + We plan to ensure availability of coking coal and minimise the impact of rising price by diversifying the sources across various geographies.
- + Our in-house and state-of-the-art blend management system ensures that our dependence on coking coal is minimised
- + We are also developing the Moitra coking coal mine in India. This serves the dual purpose of partial raw material security and cost efficiency.

↑ Risk increase (y-o-y) ↓ Risk decrease (y-o-y) ↔ Risk remains the same (y-o-y)

R4

Regulatory and compliance



Our operations are regulated extensively at the central, state and local levels in India as well as in other countries in which we operate. Failure to comply with these laws and

regulations may result in the suspension or termination of operations and subject the business to administrative, civil and criminal penalties.

Risk Responses

- + Comprehensive compliance management framework to track compliances, understand changes to regulatory standards in a timely manner and integrate these changes to the business strategy
- + Investing in systems and tools to facilitate better compliance to regulatory norms
- + Executing capex projects with equipment that meet global safety and emission standards
- + Ensuring that suppliers, partners and vendors stay compliant

R5

Intensifying competition and ability to market increasing volumes



The Indian steel industry is highly competitive. As an integrated steel manufacturer in India, we need to compete to varying degrees with other Indian integrated steel manufacturers.

We expect growing competition from international steel producers due to the increasing consolidation in the steel industry worldwide. A number of international competitors may have greater financial and other resources, and some have announced plans to establish manufacturing operations in India.

In the past, competing domestic steel producers have increased their manufacturing capacity which at times intensified domestic competition.

Risk Responses

- Market would be available to absorb more steel due to**
 - + Government's continued focus on infrastructure development as spelt out in Union Budget, 2021 like thrust on construction of roads & highways, stepped up budgetary allocations for railways, metro services & more airports
 - + Acceleration in rural economy expected to growth in steel demand
 - + Vehicle scrapping policy pushing auto sector demand
- Expanding market share and customer retention through**
 - + Developing strong customer relationship and gaining brand equity
- + Focus on new product development and value-added special steel segments
- + Exports to various countries across various geographies
- + Focus on high potential areas, where presence via our Shoppe Connect can be increased to widen customer base
- + Leveraging channel financing and micro credits for providing additional liquidity
- + Continued focus on cost has made JSW Steel, among one of the world's lowest conversion cost producers. Our timely response on cost control helps to remain competitive across cycles

R6

Foreign exchange and interest rate fluctuations



There has been considerable volatility in foreign exchange rates in recent years. We incur costs in one currency and generate sales in another, thus profit margins may be affected by changes in the exchange rates between the two currencies.

Any increase in the interest rates across key economies across the globe could result in slowdown in foreign currency inflows into the country. This could in turn affect the value of the domestic currency and interest rates, adversely impacting our ability to secure financing on favourable terms.

Risk Responses

- + A robust hedging policy with oversight by the Hedging Policy Review Committee of the Board of Directors
- + Hedging strategy follows a judicious mix of forwards and options
- + Diversified sources of capital including issuance of Non-Convertible Debentures and issuance of overseas bonds
- + Ensuring appropriate mix of rupee and foreign currency denominated debt, fixed and floating interest rate and debt of deferral tenure
- + Executing Interest Rate swaps to mitigate the risk of increasing / decreasing interest rates



R7

Global liquidity



If credit flow dries up globally it may jeopardise our ability to fund our growth aspirations. Such a scenario may impact our future financial performance and operations.

Risk Responses

- + We have a robust system on capital allocation to judiciously allocate capital amongst various competing capital expenditure projects across locations
- + We calibrate every capital expenditure to ensure that the leverage ratios are within the acceptable levels
- + We leverage appropriate opportunities to raise capital through structured trade solutions to diversify our liquidity pool
- + We consistently maintain a competitive borrowing rate by adopting appropriate balance between fixed and floating interest rate, in addition to diversified sourcing of funds

R8

Mergers and acquisitions



We have undertaken, and may undertake in the future, strategic acquisitions, which may require the incurrence of material indebtedness, may be difficult to integrate, and may end up being unsuccessful.

There is also risk of acquisition at value greater than fair value. This will have impact on Return on Capital Employed (RoCE). It will also have adverse impact on debt and interest serving. There may also be challenges in turnaround and scale up. Delay may drag the profitability.

There can be no assurance that such acquisitions will be successful, will result in a positive outcome or, in certain instances, will not result in a material adverse effect on our financial position or results of operations.

Further, old litigation may dent the JSW brand and reputation.

Risk Responses

- + We carry out due diligence that mainly includes finance, tax and legal aspects. This helps to identify risks and plan strategies for mitigations
- + We plan appropriate capital structures for the entity being acquired
- + We integrate synergies between companies to ensure optimum utilisation of plant capacities, resources and leverage locations to better serve customers with least supply chain costs
- + Transaction structuring to ensure simple holding structures
- + Our financing model is designed taking input from Strategy and Business Development and then M&A team decides the capital structure
- + Conservative approach to bidding in compliance with the leverage ratios
- + Leverage cost leadership strength in merged entity
- + As per National Company Law Tribunal (NCLT) process, the entire contingent liability of target is extinguished
- + During the year, we have successfully completed acquisitions of Bhushan Power & Steel Ltd. (BPSL) and Asian Colour Coated Ispat Ltd. (ACCIL) under Insolvency and Bankruptcy Code (IBC) process

R9

Infrastructure and logistics



Any congestion or disruption in transportation networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity.

An unforeseen deterioration of physical infrastructure could disrupt the transportation of goods and supplies and add to costs. These issues could interrupt operations, which could have an adverse effect on operations, financial condition and cash flows.

We are also in the process of brownfield expansions at the Dolvi and Vijayanagar plants.

Various factors can affect movement of enhanced quantity of inbound raw material & outbound goods such as:

- + Port congestion, channel blockage, unloading / loading infrastructure, rail & road connectivity
- + Storage & material handling (RMHS) system to protect material from exposure to weather thereby its metallurgical property

Risk Responses

Our facilities are well connected to rail, road and port for logistics support, which provides natural competitive advantages in terms of reliable and cost efficient supply of raw materials and delivery of finished steel products to the market

Over the years, the we have initiated several strategic measures to ensure seamless operations. Some key developments include:

- + Pipe conveyor system at Vijayanagar for iron ore movement from mines to plant

- + Infrastructure development such as:
 - > Additional storage yards for iron ore fines & coal
 - > Upgradation of infrastructure facilities at Dharamtar jetty to handle additional material volumes like – extended jetty length, dredging for deeper draft, additional barge unloaders
 - > Higher capacity barges River Sea vessels (RSV) for transportation of inbound raw materials and outbound finished goods. This will also help reduce pressure on road movement
 - > Investments in Railway schemes like special Freight Train operator (SFTO) and General Purpose Wagon Investment Schemes (GPWIS) for inducting private rakes to improve the reliability of supply chain network

R10

Geo-political tensions at Indo-China border



Risk of non-availability of critical spares, project material and consumables that are imported from China such as refractories, ferro alloys rolls, and other items.

Risk Responses

The key objective is to ensure that the organisation is able to respond efficiently to the changing geo-political dynamics.

We will continue to explore and build alternative supply chain across geographies to ensure that the business is sufficiently safeguarded against an event of severe geo-political tension.



Operational Risks

R11

Energy security



A stable supply of electricity in large quantities is essential for continuous production processes. The entire production process may get severely impacted if there is insufficient power or a suspension in the power supply.

In the event that there is any disruption to the electricity supply or network bandwidth, due to events beyond our control, such as natural calamities or sabotage, the operations will be affected.

Risk Responses

- + Substantial portion of the power requirements are increasingly being met through captive power plants. The units are also equipped with Waste Heat Recovery Plants to minimise energy loss and re-route power for processes
- + The power required would be met partly through self-generation from Coke oven/Blast Furnace gases and balance through long term power purchase agreements through open access
- + Long Term Power Purchase Agreements to ensure reliable power to steel making operating
- + Investments in equity for drawing renewable power of 958 MW
- + We are enhancing our power transmission capacity

R12

Environment protection and climate change



Climate action is growing in recent years across geographies including India. However, any drastic change in carbon emissions regulations may adversely impact our business and operations.

require additional capital expenditures or modifications in operating practices, as well as additional reporting obligations.

Steel making process involves emission of CO₂, dust & other hazardous gases/waste (slag). These emissions pose risk to environment and sustainable growth.

For planned capacity expansion projects, there is a need to adhere to legal requirements like environmental assessments, environmental impact studies and/or plans of development before commencing production activities. Any expiration or delay of approvals could prevent us from carrying out certain aspects of our operations.

Compliance with new and more stringent environmental obligations relating to greenhouse gas emissions may

Risk Responses

- + We are complying with the all applicable norms through use of best-in-class technology
- + We select the right equipment, technology, processes, inputs and tracks emissions. Additional capex allocation for advanced technologies like MEROS in sinter to further reduce dust emissions
- + Introduction of innovations such as Carbon Capture and Utilisation and Storage (CCUS), to recover carbon and divert to different applications
- + For our mining operations, we have undertaken comprehensive R&R programmes, in line with government mandates, and ensuring preservation of biodiversity and structural stability, among others
- + Building waste gas recovery plants
- + Deploying highly efficient molecular sieves
- + We regularly track changes in technology and future norms to plan in advance. We are exploring the use of steam box ageing technology to treat BOF slag that would be generated after proposed expansions at Vijayanagar and Dolvi
- + We disclose information related to carbon emissions under various initiatives such as Carbon Disclosure Programme (CDP) and Dow Jones Sustainability Index (DJSI), along with public disclosures in the annual integrated report
- + We lay thrust on sustainable products that are safe for consumers. We have developed products that are environment friendly and safe for usage like high strength low carbon steel, low thickness steel used in auto sector that makes the vehicle lighter and helps in reducing the carbon footprint as well as safety of travellers.



R13 Occupational Health & Safety



Steelmaking operations are subject to various risks associated with the inherently hazardous steel production. Hazards associated with steelmaking operations may include accidents involving moving machinery, on-site transport, forklifts and overhead cranes; explosions and resulting fires,

These hazards may cause severe damage to and destruction of property and equipment, environmental damage and personal injury or even fatalities among our personnel, which may result in temporary or lengthy interruptions of operations, damage business reputation and corporate image and the imposition of civil and criminal liabilities.

Risk Responses

- + Our health and safety guidelines ensure compliance with local and international laws, regulations and standards. The primary focus is protecting the employees and communities from harm and operations from business interruptions
- + International consultant 'DuPont' has been engaged for rolling out their international safety standards across pan-India plant locations
- + Periodic safety training, mandatory usage of safety gadgets such as safety shoes, helmets, hand gloves, masks on shop floor/plants
- + A group wide safety app has been introduced for Safety Observations (SOs) and Incident Tracking
- + E-modules introduced for safety training and remote learning
- + Safety awareness through street plays, dos and don'ts including travel restrictions advisory issued due to COVID-19 outbreak
- + We have launched Employee Assistance Program (We care) in partnership with a leading service provider to provide psychological and emotional counselling support to employees on one-to-one basis through online self-help tools, e-workshops
- + Monthly apex safety meetings are held for review of safety aspect, fatal accidents / near miss accidents, if any
- + Strong security arrangements like security check-post, entry pass / identity cards, access control system, CCTVs at critical locations
- + Mandatory individual and site level safety KRAs linked to variable pay

R14 Human resource and talent management



Human workforce with required skillset and experience is critical for maintaining current level of operations and upcoming expansions at plants.

While we consider our current labour relations to be good, there can be no assurance that we will not experience future disruptions in operations due to disputes or other problems with employees.

Risk Responses

- + HR policies that are centred around overall well-being of employees and that encourage diversity and inclusion, making us a preferred employer
- + We have robust performance management systems to reward performers which help attracting and retaining the talent
- + We have built platforms that aid in greater interaction between employees and senior management
- + Long term succession planning through creation of talent pool across bands and grooming them for next level roles through specially designed Future-Fit Leadership Development programs from IIM-Ahmedabad, ISB-Hyderabad & Cornell University, USA
- + Enhancing gender diversity through launch of 'SPRINGBOARD' for high performing female employees to encourage leadership development at IIM-Bengaluru
- + Online learning courses for employees in collaboration with Skillsoft to develop project management, team building, communication and other skills

↑ Risk increase (y-o-y) ↓ Risk decrease (y-o-y) ↔ Risk remains the same (y-o-y)

R15 Local communities



Public protests over our operations may cause operations to slow down, damage the reputation and goodwill

with the governments or public in the countries and communities in which we operate, or cause damage to our facilities.

Risk Responses

- + It is our social responsibility mission to empower communities with sustainable livelihoods
- + During the year, we continued initiatives that improve access to healthcare and nutrition; empower women with livelihood opportunities; focus on skill-building and better educational infrastructure and safeguard the culture and heritage
- + Amidst the COVID-19 pandemic, our social intervention measures also focused on creating social awareness around safety and hygiene. Our local teams undertook extensive drives to distribute food and hygiene kits to the communities
- + Ensuring no harm to local communities, by following all regulations across our mining and manufacturing operations and throughout our direct value chain

R16 Cyber security



We have undertaken extensive digital projects, which may be exposed to a wide array of cyber risks. Digital security is paramount to ensuring seamless operations, as a potential breach could lead to loss of process control and impact day-to-day functions.

Cyber security risk could result in substantial reputation and financial loss arising from;

During the COVID-19 pandemic, employees Working From Home (WFH) have been accessing Company data remotely posing greater cyber security risk.

- + Theft of corporate information
- + Theft of financial information (e.g. Financial results, bank details etc.)
- + Ransom ware – cyber extortion
- + Disruption to business (e.g. inability to carry out SAP transactions, online payments) loss of business or contract

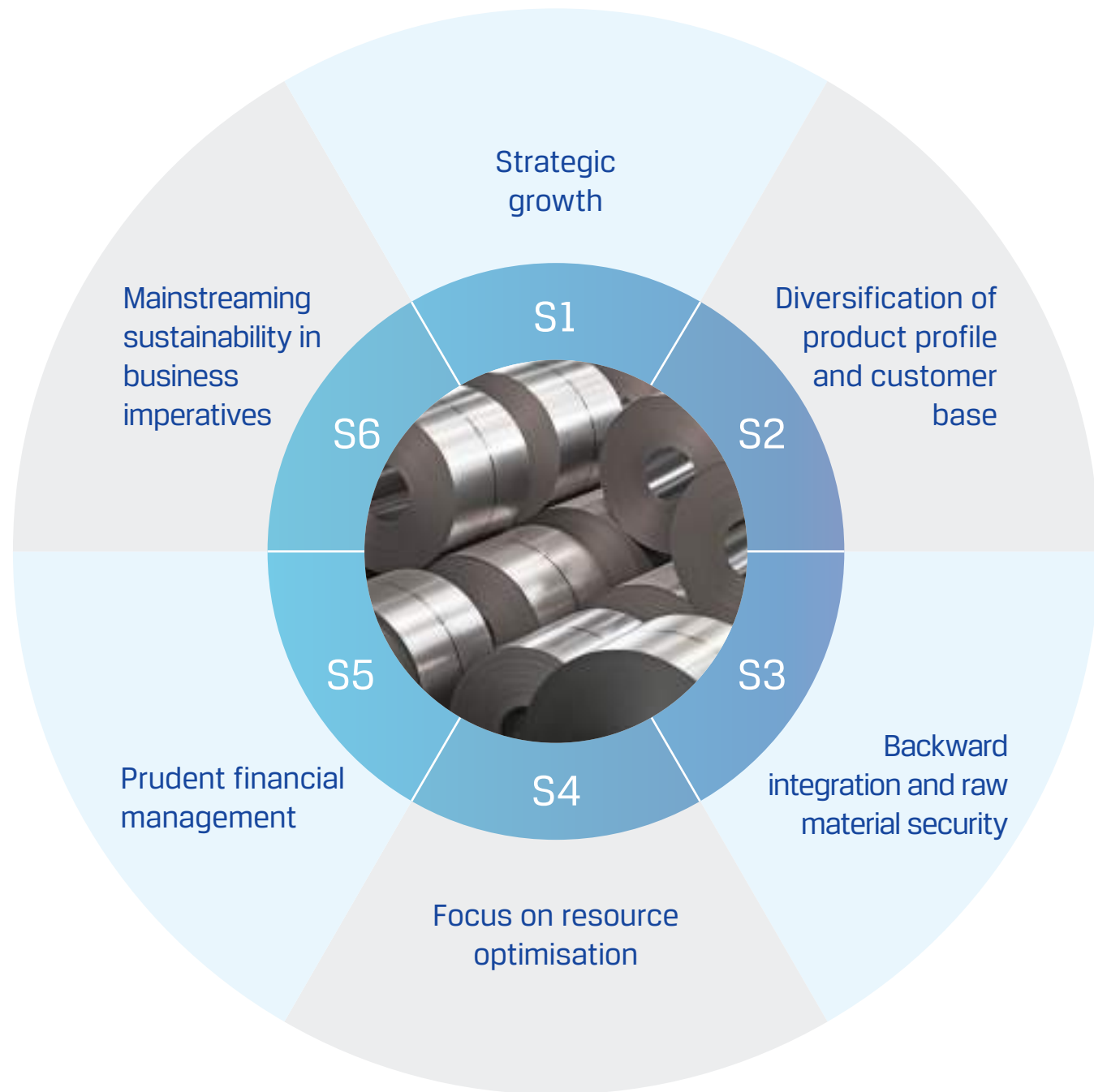
Risk Responses

1. Controls for Work From Home (WFH)
 - + Secure Virtual Private Network (VPN) enablement for home users
 - + Alternate disaster recovery secure VPN created for resilience
 - + Google Advanced phishing and malware protections features
 - + Periodic critical security updates of Operating System (OS) for all the remote endpoints
 - + Weekly Campaign on How to Securely Work from Home
2. Controlling system vulnerability
 - + Vulnerability Assessment and Penetration testing for all public facing assets.
 - + Firewall hardening rule sets implemented.
 - + Firewall remediation tool deployed and improvements done in identified areas
3. Breach assessment
 - + Carried out self-assessment and it is being continuously monitored. Third party view and peer comparison undertaken.
 - + Breach Assessment was done with subject expert partners
4. Incorporating cybersecurity and privacy into everyday business decisions and processes
5. In view of growing threats of cyberattacks due to increased online trades and transactions, cyber security awareness programme conducted across all the locations
6. Progress of cyber security roadmap is being tracked periodically
7. Monitor threats and respond, investigate and remediate cyber security related incidents and data breaches

↑ Risk increase (y-o-y) ↓ Risk decrease (y-o-y) ↔ Risk remains the same (y-o-y)

Building on our six anchors

At JSW Steel, we continue to deliver on our six strategic focus areas, that define our future roadmap. During FY 2020-21, we have progressed across all fronts of growth, brand, raw material security, efficiency, financial management and sustainability, and have optimised our performance amid a dynamic external environment.



S1

Strategic growth

Expanding our installed capacity through organic and inorganic routes to capitalise on opportunities and align with India's growth story

Capitals allocated



Capitals enhanced



[Read more on Page 80](#)

S2

Diversification of product profile and customer base

Innovating and offering value-added and differentiated products with a strong branded portfolio

Capitals allocated



Capitals enhanced



[Read more on Page 88](#)

S3

Backward integration and raw material security

Securing raw material supply through captive mines, long-term contracts, and an efficient supply chain

Capitals allocated



Capitals enhanced



[Read more on Page 98](#)

S4

Focus on resource optimisation

Achieving cost efficiency and maximising resource utilisation through varied interventions across operations

Capitals allocated



Capitals enhanced



[Read more on Page 104](#)

S5

Prudent financial management

Maintaining an optimal capital mix and diversifying our debt profile, while powering our growth ambitions

Capitals allocated



Capitals enhanced



[Read more on Page 112](#)

S6

Mainstreaming sustainability in business imperatives

Embedding good governance and economic, environmental, and social sustainability into everything we do to create value for our stakeholders

Capitals allocated



Capitals enhanced



[Read more on Page 116](#)

Financial capital

Intellectual capital

Human capital

Social and relationship capital

Natural capital

Manufacturing capital

Note: Any strategic action we undertake involves the utilisation of and impact on all our six capitals. However, the information presented above captures only the most significant capital linkages, with respect to specific strategic focus areas.



S1

Strategic growth

We aim to continue our leadership in the domestic steel sector with enhanced capacities that align with the needs of tomorrow. Our growth is fuelled by organic capacity expansion programmes and value-accretive acquisitions.

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We are embarking on a low-risk, value-accretive capacity expansion programme, on the back of our proven ability to execute on budget and timeframe. The foundations we have built at all our major sites are being leveraged to create scale and competitive advantage, that will ensure sustainable growth in the future.

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Dr. Vinod Nowal,
Deputy Managing Director



Key trends

- + Large-scale infrastructure programmes
- + Rising urbanisation
- + Growth potential for per capita steel consumption



Material issues

- + Economic performance
- + Resources
- + Biodiversity
- + Sustainable mining



Key risks

- + R4 Regulatory and compliance
- + R7 Declining global liquidity
- + R8 Mergers and acquisitions
- + R10 Energy security
- + R11 Environment protection and climate change
- + R12 Occupational health and safety



KPIs

- + 23 MTPA Total installed capacity (JSW Steel Group)
- + 6.7 MTPA Total coated capacity

Capex programme

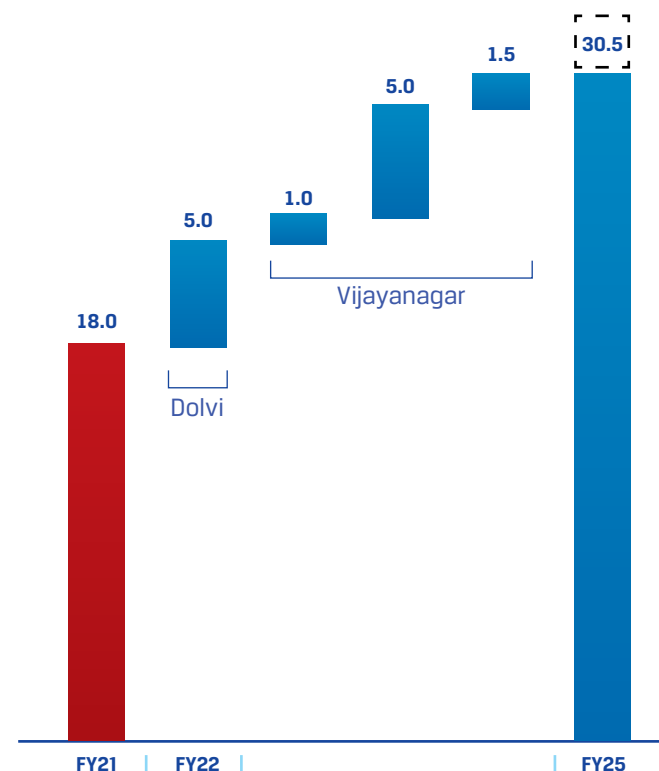
We are now well positioned to address the demand upcycle in India and overseas with higher margins on the strength of our capacity doubling at Dolvi, strategic acquisitions, expanded downstream capacities, cost

optimisation and digitalisation focus. Our next growth phase will include brownfield expansion at our flagship facility in Vijayanagar, with digitalisation, technology centricity and integration driving value.



Capex plan

In the next three years, the JSW Steel is expected to touch an overall 30.5 MTPA capacity, a ~70% increase from current levels.



Key projects

- + 5 MTPA Dolvi expansion to commence operations in FY 2021-22
- + Incremental expansion at Vijayanagar of existing facilities to enhance capacity by further 2.5 MTPA (1+1.5) in phases
- + 5 MTPA brownfield expansion at Vijayanagar announced with low capex of ₹15,000 crore (~US\$400/tonne)
- + Organic brownfield capacity expansion capex well below global benchmarks of replacement cost of US\$1,000/tonne for BF-based capacity

Capacity expansion summary

Plant/entity	Crude Steel (MTPA)	
	FY 2020-21 (MTPA)	FY 2024-25 (MTPA)
Vijayanagar	12.0	19.5
Dolvi	5.0	10.0
Salem	1.0	1.0
Standalone	18.0	30.5
JSWISPL	1.0	1.0
BPSL	2.5	4.5
JVs	3.5	5.5
JSW USA	1.5	1.5
JSW Steel Group	23.0	37.5

Capex outlay

(₹ in crore)

FY21 (Actual spent)

8,232

FY22

14,930

3,310

18,240

FY23

7,412

10,053

17,465

FY24

11,572

■ Ongoing Capex Programme ■ New Projects

₹22,342 crore
Ongoing capex programme

₹21,162 crore

Unspent capex including creditors and acceptances

₹805 crore

1.5 MTPA coke oven at Vijayanagar to support 5 MTPA brownfield steel capacity

₹380 crore

Augmenting 1 MTPA crude steel capacity at Vijayanagar

₹25,115 crore
New projects

₹15,000 crore

5 MTPA brownfield expansion at Vijayanagar through its subsidiary

₹100 crore

120 KTPA Colour Coated Line in Jammu and Kashmir (J&K)

₹3,450 crore

Odisha Mining (own mining infrastructure, beneficiation and digitisation)

₹6,565 crore

Sustenance capex

Project progress

● Plan – Progress

JSW Dolvi Works

- **Doubling steelmaking capacity from 5 MTPA to 10 MTPA**
 - **Coke Oven:** commenced production in February 2021
 - **Pellet plant:** commissioned in March 2021
 - **HSM:** Successfully rolled first slab in March 2021
 - Completion work pertaining to Blast Furnace and SMS has been impacted by the ongoing COVID-19 disruption; full integrated operations are now expected in September 2021

JSW Vasind and Tarapur

- **0.5 MTPA Continuous Annealing Line at Vasind**
 - To be commissioned by March 2022
- **Second Tinplate line of 0.25 MTPA at Tarapur**
 - To be commissioned by June 2022
- **0.45 MTPA GI/GL at Vasind**
 - To be commissioned in Q2 FY 2021-22

JSW Vijayanagar Works

- **CRM-1 complex capacity expansion (0.85 MTPA to 1.8 MTPA)**
 - 1.8 MTPA PLTCM project completed
 - One of the two CGL lines of 0.45 MTPA commissioned
 - Commissioning of second line by Q2 FY 2021-22
- **Colour Coating line (0.3 MTPA)**
 - Commissioning by Q2 FY 2021-22

JSW Kalmeshwar

- **Kalmeshwar capacity enhancement of PPGL by 0.22 MTPA**
 - Commenced production with first Coil in March 2021

Value-accretive 5 MTPA brownfield project at Vijayanagar

Through this project, we plan to set up 5 MTPA steelmaking capacity at at Vijayanagar through a wholly owned subsidiary, JSW Vijayanagar Metallics Limited. The total project cost is estimated to be ₹15,000 crore, with a fairly low capex of ~US\$400/tonne.

We expect to leverage the existing facilities at Vijayanagar to support the project and utilise surplus pellets, sinter, coke making facilities at existing operations to meet the key raw material requirements of the project.

This new capacity along with the ongoing expansions at Vijayanagar would take the steelmaking capacity to 19.5 MTPA by FY 2023-24.



Feature Story

Exploring Eastern India, brimming with potential

Eastern India is a rich reservoir of natural resources and has been fast emerging as an attractive market with high growth potential. Thoughtful government programmes, steadily improving business scenario, building of critical infrastructure assets, and growing consumption trends have acted as fodder for progress in the region. JSW Steel's newly acquired mines in Odisha marks our foray into Eastern markets, expanding footprint from South and West India, our traditional strongholds.

We have drawn a strategic way forward for the eastern sector and will make investments to the tune of ₹1 lakh crore in Odisha over the next 10 years. Our close collaboration with the state government will unlock the full potential of the region's rich mineral endowment, surplus power and natural advantage in terms of ports. In line with the National Steel Policy,

these efforts from us will boost Mission Purvodaya, which aims to transform Odisha into an integrated steel hub, bringing holistic advancements and socio-economic growth for the people of Odisha.

The region complements our long-term ambitions and we plan to consolidate our position in the region through organic (greenfield and brownfield) and inorganic routes. The key projects planned in Odisha include a 13.2 MTPA greenfield steel plant in Jagatsinghpur district, along with a 900 MW captive power plant. This greenfield steel plant, along with the plan for setting of the cement plants and an all-weather multi-cargo jetty, is expected to derive the benefits of forward integration and logistics synergies.

13.2 MTPA Greenfield steel facility planned in Odisha

900 MW Captive power plant Planned in Odisha

Inorganic growth

To pursue our strategic growth, we are on the constant lookout for viable acquisitions that will help us consolidate our position as a value-added steel player.

Acquisitions in FY 2020-21

Asian Colour Coated Ispat Ltd. (ACCIL)

1 MTPA
Downstream capacity

Synergies

- + Acquired ACCIL in October 2020 for ₹1,550 crore through IBC process
- + Pure-play downstream company with a capacity of 1 MTPA, with production facilities in Maharashtra and Haryana
- + Major products: Galvanised and colour-coated coils and sheets mainly for white goods, industrial sheds, pipes, drums and barrels, etc.

Bhushan Power and Steel Ltd. (BPSL)

2.5 MTPA
Capacity

Synergies

- + Acquired BPSL in March 2021 with stake of 49% through IBC process.
- + Payment to financial creditors in IBC process for 100% stake was ₹19,350 crore. The cash outgo from the company was ₹5,087 crore.
- + Integrated steel producer with liquid steel capacity in Jharusuguda, Odisha, with primary focus on flat steel; and downstream facilities in Kolkata and Chandigarh.
- + Acquisition gives JSW Steel a strategic presence in Eastern India

Plate and Coil Mill Division (PCMD) of Welspun Corp Ltd.

1.2 MTPA
Plates and coil capacity

Synergies

- + Acquired PCMD business of Welspun Corp for ₹850 crore
- + Manufactures high-grade steel plates and coils. Located in Anjar, a port based facility in Gujarat.
- + Acquisition enables JSW Steel's entry into different grades of steel products, especially plates

Vallabh Tin Plate Ltd. (VTPL)

0.1 MTPA
Tinplate capacity

Synergies

- + Adds to JSW Steel's growing focus on tinplate



Previous acquisitions

Vardhman Industries Ltd.

0.04 MTPA
Colour coating capacity

Synergies

Helps consolidate the downstream or value-added steel products industry in the country

JSW Steel Piombino Works (previously Aferpi S.p.A)

1.3 MTPA
Finishing Capacity

Synergies

Serves as our captive conduit to the European markets

JSW Ispat Special Products Ltd. (erstwhile Monnet Ispat and Energy Ltd.)

1 MTPA
Crude steel capacity

Synergies

Located close to the mineral-rich belts of Chhattisgarh and Odisha, this acquisition extends our reach to the central and eastern markets.

JSW Ohio (previously Acero Junction)

1.5 MNTPA* **3 MNTPA***
Integrated Steel Plant Finishing Capacity

Synergies

Helps serve the US market by making and finishing steel products within the country, giving us market access

* million net tonnes per annum

Outlook

Near-term outlook

- Complete the capex projects as per stated plan

Long-term outlook

- Vision to reach 45 MTPA capacity in India by FY 2030-31
- Continue to leverage our proximity to iron ore reserves and existing logistics infrastructure to expand production capacity at a low investment cost per tonne
- Maintain and grow our share of steel production in India, contributing to India's National Steel Mission
- Maintain our domestic and international market share through selective inorganic and organic growth
- Continue to undertake brownfield expansions in the domestic market, which can be accomplished at a low specific investment cost per tonne, and consider inorganic growth opportunities that are value accretive
- Consolidate our presence as a true global player, with the world as market for our high-end steel products





S2

Diversification of product profile and customer base

We now have a robust and growing portfolio of Value Added and Special Products (VASP) products, contributing to over half of our revenue. This directly correlates with our topline momentum and results in superior operating margins. By building well-established brands associated with these products and closely engaging with our customers, we are protected against market volatilities.

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A shift towards more sustainable living is not only shaping new trends in consumer industries but also in areas such as steel. Today the variety of applications where steel is used necessitates producers to continuously improve quality and offer products with a lesser carbon footprint. JSW steel is at the forefront of both these trends. On one hand, we are investing heavily in R&D and increasing our downstream portfolio of sustainable products and on the other, we are doubling up on sustainability by controlling our emissions, improving resource consumption, making processes efficient, being energy-light and ensuring multi-pronged digital focus, helping us improve existing practices.

Jayant Acharya,
Director (Commercial and Marketing)

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Key trends

- + Steel as an alternate building material
- + Steel being viewed as a greener, recyclable material
- + Brand consciousness



Material issues

- + Economic performance
- + Technology, product and process innovation



Key risks

- + R5 Increasing competition and inability to market increasing volumes



KPIs

- + 52% of VASP in topline
- + 83 new grades/products developed
- + 14.95 MnT saleable steel sales
- + 11.4% domestic market share
- + 72:28 domestic to export sales mix
- + 16,000+ exclusive and non-exclusive retail outlets

Brand highlights

01 One of largest Tinplate suppliers in India	02 Leading Indian producer of automotive steel	03 Preferred-supplier for high-end corrosion resistant steel products for white goods
04 India's largest steel supplier to the solar industry	05 Houses India's largest electrical steel range	



Key ATL branding initiatives

44 million+
Impressions for Colouon+ commercial on Hotstar

1.3 million
Views of Colouon+ TVC on social media including YouTube

50 million+
Impressions on social media for #KheIkhushiyonKa campaign

Enhancing customer connect

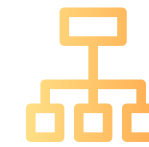
At JSW Steel, we hold strong relationships with our various customer segments.

Customers

- + Construction, Infra, OEMs
- + Automotive and white goods OEMs
- + Export customers across segments
- + MSMEs
- + Retail

During the year, we undertook several initiatives to build our brand recall and enhance customer connect.

- + First-ever digital brand launch with JSW Radiance colour coated sheets in six variants
- + Content digitalisation of JSW Eklavya, our fabricator academy
- + New marketing campaign with cricketer Rishabh Pant to showcase our high-quality product portfolio. Print campaign for TMT with Rishabh pant covered around 13 states and 21 publications.
- + 10 webinars conducted every month to engage with customers
- + Organised JSW Bandhan, a distributor conclave at Vijayanagar, to recognise and reward top performing distributors
- + Eight Bandhan Retail meets conducted, covering 500+ retailers
- + Indian Premier League (IPL) contests conducted under Distributor Premier League, Retailer Premier League, Consumer Premier League, Sales Premier League, and DSR Premier League
- + Conducted 360 degree marketing campaign during the IPL season including in-stadium advertisements, social media advertising and commercials aired on TV and over-the-top (OTT) channels



Feature Story

Building omni-channel customer experiences in steel

Over the years, a strategy we have religiously followed is to leverage our resources and innovative inclinations to enhance customer convenience at par with global trends. To create a uniform and omni-channel experience for our customers, which comprise Micro, Small and Medium Enterprises (MSMEs), influencers and individual home builders (IHBs), we instituted JSW ONE Platforms Limited, which saw us integrating distribution networks across all product lines and businesses of the Group. A technology-led, solution-oriented entity that will provide a seamless one-stop destination to our customers and other stakeholders, and a unified layer of loyalty programmes for our customers and stakeholders.

A technology-led, solution-oriented entity that will provide a seamless one-stop destination to our customers and other stakeholders





Roof to Dream

Recently, we found that 58% of the school buildings in India require significant repair. Around 41% of our students have classes conducted in open spaces. This presented us with an opportunity to make a real difference in the lives of India's future citizens, while reinforcing our brand. Under project 'Roof To Dream', we used our JSW Colouon+ sheets to cover and reinforce roofing of eight schools in four states, which earned us significant appreciation and a Steelie Award for Communications for this campaign. We also built toilets and painted the institutions, making the school environment much more conducive for students.

8

Schools in 4 States

used our JSW Colouon+ sheets to cover and reinforce roofing



New product development in alloy steel

During the year, a total of 14 new grades/customisations were developed for various applications like automotive, rail, textile, and general engineering, among others.

AS cast billet



1 Grade

Application
High tensile structural steel

Wire rod



2 Grades

Application
Doffer wire, fine wire drawing

Long product flats



2 Grades

Application
Rotavator blades

Round bars



9 Grades

Application
Grinding media, bearings, gear and pinion



0.50 MnT
Fe550D high strength TMT
supplied in H2 FY 2020-21

In FY 2020-21, we also shifted to high-strength TMT-Fe 550 D from Fe 500 D in retail during H2 FY 2020-21 and supplied over 0.50 MnT during the year. Further, we developed seismic resistant steels – both Fe 500 D and

Fe 550 D varieties – for supplying to earthquake-prone areas across the country. Following satisfactory trials, commercial production and supplies will start in FY 2021-22.

Wide innovation spectrum

Our industry leadership and future success depend on our ability to stay attuned to evolving trends and to satisfy changing customer aspirations by offering innovative products in a timely manner. This helps sustain our market competitiveness and grow our market share. To develop and nurture a sustainable business, we constantly focus on innovation and operational excellence.

Innovation objective	Product category	Key customers	Key result(s)
High Strength Steel (HSS) grade offerings to automotive sector for load bearing, safety & crash parts as an import substitution initiative	CRCA-SPFC980DUB, JSC780Y HRPO-S355 S420, S500, SS400 HR- HRO,HR300LA,HR210LA Coated-ES SES E275D E335D 390D DP590		Leveraged our unique capability to produce HSS & Advanced High-Strength Steel (AHSS) grades in Hot Rolled and Cold Rolled product categories and secured approvals from major auto OEMs for critical applications, replacing imports. Through this, we complemented the automotive industry in achieving their safety & light weighting
JAZ coated Galvannealed Product with improved formability	GA-270D		Leveraged our capability to produce JAZ coated GA, thereby developing excellent sliding characteristics
Development of AHSS in ATM Safe Mint Application	IS 5986_2017 750 LA		First time, high strength material in a new Application segment of "ATM" developed from JSW
Grade with high corrosion resistance	CORTEN-B		Leveraged product characteristics of CORTEN Steel for enhancing corrosion life and optimal strength to be used in boiler parts
Grade with better Bendability	SAE1030M(Nb)		Better bendability and toughness material for strapping application and this will be Import substitute
Weldable high strength steel	ASTM A283GRD, ASTM A572 GR50		Weldable high strength steel for cooling tower and Transmission Lines
Development of special high permeability Electrical steel grade for windmill, an import substitute product	65C1000-P		High permeability Cold Rolled Non Grain Oriented (CRNGO) fully process material developed for improving windmill generator efficiency improvement
Cost effective Electrical Steel @ Hybrid Uncoated Grade (intermediate product of fully & semi process) targeting for FHP & fan motors	50SP660D		The product can be now used in supplied punched condition, eliminating the need for annealing.



Innovation objective	Product category	Key customers	Key result(s)
Development of forging grades for cold forging application with value addition of precision roll, annealing, peeled condition	Forging Grades/SAE1045H/C35E		Product designed to meet specific end application requirements i.e. precision dimensional tolerance, annealed/peeled & better surface quality for connecting rods, crankshafts
Development of cost-effective flat products which will be used in the agricultural sector	27MnCrB5 grade-Without Ni		Product design material suited for Rotavator blades important part of a rotavator and drives the machine in preparing the seed bed and mixing the residual soil
Development of import substitute Tungsten - Vanadium alloy grade in wire rod form.	80WV3		The product can be used in specific doffer wire application in textile machinery
Development of Tin plate material for Packaging Industries.	(T73, DR 8.5); (T75, DR 9); (T76, DR 9.5) TH480		Material meets the specific application needs of Lug CAP @ type of vacuum seals and Decorative Cans Import substitution Increased JSW Steel's range to market
Development of Pragati Mono Coated in VTK plants for retail segment for roofing application	PP soft & PP Hard in thickness 0.45/0.50 & 0.60 mm in Retail Segment		Commercialisation of single coat with low dry film thickness (DFT) helps in paint savings, reducing overall cost to customer
Promotion & Replacement of GI & PPGL with GL & PPGL in sandwich panel application	Thickness 0.35 - YS 350 MPA		By switching from GI to GL, the customers get more life of panels and enhanced barrier protection
Development of GL in 0.18mm (YS 550 MPa) for construction & Solar Application.	Thickness- 0.18 mm in YS 550 MPa.		Commercialisation of 0.18 mm in YS 550 MPa (earlier min thickness 0.20). Customer Base in 0.18 mm is achieved with good parameters of GL wrt GI

Contribution to key projects

We supplied JSW Neosteel to several noteworthy projects through retail distributors during the year.



Infrastructure

- + Airports – Goa, Puducherry, Cuddalore, Kolhapur, Guwahati
- + Ports – Puducherry
- + Mumbai International Cruise Terminal
- + Rapid Rail – Delhi-Meerut High Speed Corridor
- + Power Project – Sikkim, Behrampur
- + Roads (National highways, state highways and bridges)
- + Salem-Bengaluru Express Flyover
- + Delhi-Vadodara Expressway
- + Farakka Barrage, West Bengal



Residential

- + Presidential Towers – CNTC, Bengaluru
- + Aparna One (Hyderabad)
- + Piramal Realty (Mumbai)
- + Lotus Builders & Developers (Mumbai)
- + PS Group (Kolkata)



Commercial, religious and educational centres

- + Pavitram Convention Centre (Kollam, Kerala)
- + Religious and Educational Institutes: Iskcon (Bengaluru, Trichy, Kurukshetra)
- + Tirumala Tirupati Devasthanam
- + IIT – (Dharwad, Chennai, Palakkad, Bhubaneswar, Kharagpur)
- + PSG Institute of Technology, Coimbatore

Outlook

Near-term outlook

- Complete the downstream projects as per capex plan
- Maintain ~60% contribution from VASP in the overall product portfolio
- Effective influencer's management - Aim for >10% increase in base of masons, contractors, architects and engineers in the Privilege Club Loyalty Program
- Enrich product mix by addition of value-added products – Seismic Resistant Steel and Binding Wires
- Providing retail solutions using technology – launching Distributor Management Services on digital platform

Long-term outlook

- Continued focus on increasing the share of VASP to 60% of the portfolio, to enhance margins
- Help India achieve import substitution in value added steel products.
- Company to leverage reach through international acquisitions



S3

Backward integration and raw material security

In FY 2019-20, we acquired six additional iron ore mines in Karnataka and four iron ore mines in Odisha, resulting in a cumulative acquisition of 13 iron ore mines.

In FY 2020-21, we operationalised all the newly acquired mines, which have started significantly contributing to our raw material security. With this we have embarked on completely integrated steel manufacturing operations, guarded against input price fluctuations. JSW Steel remains well-positioned to drive value-chain efficiencies and support its massive capex plan on the back of the captive iron ore mines. We also have a coal block at Moitra, and cumulatively have over captive power capacity of 1,029 MW, enhancing our overall backward integration focus.

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The acquisition of iron ore mines in Karnataka and Odisha has not only improved our positioning as a prime player in the industry, but also aided us in unlocking superior value by running our plants efficiently. We intend to lock-in at least half of our ore requirements from captive sources. Our investments in large scale pellet plants and logistics optimisation further enhance competitiveness and allow us to remain leaders on the conversion cost curve.

Jayant Acharya,
Director (Commercial and Marketing)

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Key trends

- + Dynamic material pricing scenario
- + Uncertain global trade movement
- + Opening up of new mining leases in India



Material issues

- + Sustainable mining
- + Business ethics
- + Human rights
- + Supply chain sustainability
- + Economic performance



Key risks

- + R3 Raw material availability and cost
- + R4 Regulatory and compliance
- + R11 Environment protection and climate change
- + R12 Occupational health and safety
- + R14 Local communities



KPIs

- + 18.2 MnT iron ore from captive sources
- + 1,029 MW total capacity of captive power plants



Feature Story

Setting benchmarks in sustainable mining

Going beyond the mining plan in Odisha

Sustainability remains at the heart of our mining work. A carefully crafted mining action plan across our Odisha mines is complemented and furthered by our well-monitored, multi-disciplinary team with utmost earnestness. The plan is designed to bring in economic, environmental and social development, and substantially fuel mine economics. We expect enhanced operational efficiency, safety, utilisation of low-grade ore and digitalisation of the entire mineral value chain by way of these integrations. Ecological management and overall performance improvements undergo regular evaluations at our Odisha mines.

Across our mines, diverse environmental measures, such as dry fog systems, regular/fixed water sprinkling, rainwater harvesting, plantation of native species and afforestation for biodiversity are being actively adopted. While overburden dumps are scientifically stabilised, followed by their reclamation and rehabilitation to create a self-sustaining ecosystem, hazardous wastes are responsibly stored and disposed off with authorised

vendors, in accordance with government regulations. To mitigate climate change, the mines have been tracking and reducing their electricity and diesel consumption, apart from undertaking large-scale afforestation activities with the cooperation of State Forest Department and local communities.

Within the domain of logistics, we prioritise maximum transportation of ore through railways and planned slurry pipeline. This is in line with our goal of reducing traffic on the village roads and ensuring the security of adjacent communities, bringing down GHG emissions ecological impact.

JSW Foundation has transformed lives for countless people and several communities of Odisha. We work to remain in touch with the afflictions of local communities and actively identify needs through participatory rural appraisal processes. Accordingly, we design development projects in collaboration with local NGOs and SHGs.



Reclamation and rehabilitation (R&R) of mines in Karnataka

In Karnataka, the mines we acquired through auctions included Category-C mines, where previously boundaries had stretched beyond their permitted lease limits. Further, the Indian Council of Forest Research and Education (ICFRE), who had done a macro level environment impact assessment of Bellary, noted "severe and significant damage to environment" in its reports.

As JSW Steel assumed control of the mines, we undertook a scientific R&R methodology, in line with ICFRE and government suggestions. The R&R plans straddled the following objectives:

1	2	3	4
To carry out time bound reclamation and rehabilitation of the areas under illegal mining	To ensure scientific and environmentally sustainable mining	To ensure compliance with standards stipulated under the environment / mining statutes	Regular and effective monitoring, evaluation and corrective measures

Before the operationalisation of mines, we undertook large-scale R&R actions aligned to the above objectives, including capex for systems to control dust suppression, fugitive emissions, water usage and ecosystem impact.

These interventions, designed for long-term sustainability and viability of mines, are over and above the statutory compliances.

Dust

- + 24 km conveyor belt in Vijayanagar for logistics to contain fugitive emissions
- + 24 km long water pipeline constructed to use recycled water for dust suppression

Water

- + De-siltation of existing water bodies at Ramgad, Bellary helping both the ecology and the communities
- + Rainwater harvesting systems and Gabion check dams

Ecosystem restoration

- + Robust surface and dump management to restore damages and rejuvenate dried water streams

CSR

- + Rural infrastructure development
- + School infrastructure development
- + Women Empowerment
- + HAQDARSHAQ: Linking MIZ village population with government schemes
- + Mobile health units for mining impacted villages
- + Skill development

Biodiversity

- + Soil moisture conservation plans prepared for conservation of floral and faunal elements
- + Artificial bird nests (bio-degradable material) will be supplied to forest department
- + Mine closure plan with thematic conservations- medicinal plants, wetlands, native diversity park etc.
- + Green belt and afforestation with local species
- + Butterfly food plants plantation at water conservation site

Note: If there is an instance of closure of mines, it will be done as per the standard guidelines issues by the Government of India



Feature Story

Operationalising Odisha mines for a winning edge

As part of our long-term raw material security strategy, we acquired four iron ore mines in Odisha in FY 2019-20 through license auctions.

Since July 2020, all mines have been operationalised and in FY 2020-21, they collectively produced around 12.37 MnT of iron ore, which have been directed to our three integrated steel plants. Currently, we are exploring ways in which the production can be ramped up from the mines. Further, we are exploring setting up of beneficiation plant to upgrade the iron ore fines that the plants can operate with. We are also exploring setting up a slurry pipeline to efficiently transport the concentrate for pellet manufacturing at Paradip.

Key benefits

At JSW Steel, we foresee four-fold benefits from the mine acquisitions:

- | | |
|--|---|
| <p>01
Unhindered mineral production without any gestation period or uncertainty associated with greenfield projects</p> | <p>02
Significant cost competitiveness in terms of early production, reduced logistics cost and value addition by virtue of long-term planning</p> |
| <p>03
Assured feed grade for steelmaking</p> | <p>04
Reduced dependence on external iron ore procurement</p> |

Outlook

The Odisha iron ore production scenario remains buoyant, with private miners and Odisha Mining Corporation (OMC) ramping up production, with the support of the State Government.

Logistics are becoming more streamlined, even as supply bottlenecks remain with regard to rake allocation

and truck unloading at ports. To mitigate these challenges, JSW Steel has planned the laying of a 324 km long slurry pipeline from Barbil to Paradip. JSW Steel is keen to ramp up mineral production from its mines in Odisha, achieve cost competitiveness and leverage on digital technologies to achieve an end-to-end optimisation from its mine-to-mill.

Enhancing mining capabilities and efficiencies at Odisha mines

We are currently undertaking the enhancement of own mining infrastructure at Odisha to reduce reliance on outsourced mining. With a total project outlay of ₹3,450 crore, we are also including grinding and washing facilities to improve the quality of the ore, aiding higher productivity at the steel-making operations. The enhancements will also be done with a strong digital overlay.

1135 MnT
Total iron ore reserves in Odisha



Coal

We continue to focus on backward integration by investing in our resource base to secure critical raw materials. We believe that securing critical raw materials, either for sale in the global market or for direct use in our production, will help protect us from variations in raw material prices.

We have acquired coking coal mines in West Virginia, U.S. and have also acquired coal mining concessions in Mozambique.

We also secured the 'Moitra' coking coal block located in Jharkhand via an auction process in April 2015, which has a total extractable coal reserve of approximately 30 MnT. This is expected to further enhance our raw material security and lead to integrated and efficient operations. The mine is expected to be operational by the end of FY 2021-22.

Outlook

Near-term outlook

- Continue operations across the acquired mines that meet the cost-efficiency and sustainability goals of the business
- Commission 1.5 MTPA Coke Oven battery in phases from Q3 FY 2021-22 at Vijayanagar, supporting expansion plans.
- Continue to focus on enabling better logistics handling
- Evaluate and develop a slurry pipeline in Odisha, connecting Nuagaon mine with Paradip port

Long-term outlook

- Target to source up to 50% of the iron ore requirement captively
- Enhance mining capabilities and efficiencies at Odisha with an estimated capex of ₹3,450 crore; expected completion over two years
- Enhance own mining infrastructure in Odisha to reduce reliance on outsourced mining, additionally grinding and washing facilities to improve the quality of the ore, aiding higher productivity at the steel-making operations
- To participate in Government's iron ore and coal auctions to improve backward integration
- Evaluate opportunities to increasingly use domestic coal and continue diversification of coal sources



S4

Focus on resource optimisation

High input costs owing to surging commodity prices pose an escalating challenge to global steelmakers including us. The broad market scenario is also fraught with downside risks owing to an unexpected health crisis. Operating in such an external environment, our consistent focus is on elevating the efficiency curve in order to protect and strengthen our margins. We are containing our overheads and managing resource allocation effectively.

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Digitalisation for us is not a short-term tinkering with flavour-of-the-day systems and off-the-shelf products. It is a progressive journey that enables a mindset change and cultural transformation towards being a truly digital enterprise. We are making rapid strides in identifying digitalisation and efficiency-enhancing opportunities across the value chain and deploying the most progressive technologies at the front and back-end, to set off a virtuous cycle that gives us world-scale competencies.

Vineet Jaiswal,
Chief Digital Officer, JSW Group

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Key trends

- + Digitalisation
- + Steel cyclicality



Material issues

- + Technology, product and process innovation
- + Economic performance



Key risks

- + R1 Cyclical nature of the steel industry
- + R2 COVID-19 pandemic may adversely impact business profitability
- + R9 Infrastructure and logistics
- + R13 Human resource and talent management
- + R15 Cyber security



KPIs

- + US\$110 conversion cost per tonne of steel (Standalone)
- + ~5 MnT iron ore transported using pipe conveyor
- + 84% capacity utilisation
- + ₹13,477 EBITDA per tonne of sales
- + 20% RoCE
- + 25.2% operating EBITDA margin

Strategic Focus Areas > Focus on resource optimisation

In FY 2020-21, we focused on optimising our fuel consumption at blast furnaces, reducing coke moisture, utilisation of pipe conveyor system for the transport of iron ore from mines to reduce supply chain costs. We have also undertaken strategic initiatives to improve efficiency and cut costs in the long run.

~5 MnT
Iron ore transported via pipe conveyor

Cost reduction projects and manufacturing integration



01
Setting up of 8 MTPA pellet plant and 1.5 MTPA coke oven plant at Vijayanagar

In order to decrease the facility's requirement of expensive lump iron ore, we have set up an 8 MTPA pellet plant at Vijayanagar and the project has been commissioned and is under trial run. The construction of Coke Oven Battery of 1.5 MTPA is under process and will be commissioned in phases from Q3 FY 2021-22. We have also decided to further enhance the capacity by 1.5 MTPA coke oven plant at Vijayanagar and we expect the same to be commissioned by second half of FY 2022-23. Cumulatively, the projects will contribute towards substantial cost savings.

02
Phase-2 coke oven plant of 1.5 MTPA at Dolvi

We are setting up a second line of 1.5 MTPA coke oven plant along with Coke Dry Quencher (CDQ) facilities to cater to the additional coke requirement for the crude steel capacity expansion to 10 MTPA at Dolvi. One of the 2 batteries (0.75 MTPA each) is fully in operation. Similarly, the second battery's start-up is under progress and the unit is expected to be operational during Q2 FY 2021-22. One out of three CDQ units will be operational before Q1 FY 2021-22. However, balance two CDQs are expected to be commissioned during Q2 FY 2021-22.



03
Setting up 175 MW and 60 MW power plants at Dolvi

The Company is setting up 175 MW Waste Heat Recovery Boilers (WHRB) and a 60 MW captive power plant to harness flue gases and steam from CDQ. These power plants are expected to be commissioned during Q1 FY 2021-22.



Digitalisation

Digital Vision: Deliver WOW by Digitally transforming and nurturing our ecosystem, thereby creating sustainable value

Our digital strategy focuses on bolstering sales, enhancing throughput, reducing defects, increasing availability of assets and improving safety. It also encompasses our adoption of Industry 4.0 technologies, including Artificial Intelligence (AI), Machine Learning (ML), computer vision, Internet of Things (IoT), robotics and big data analytics, among others. These technologies have been deployed across our integrated steel plants, specialised downstream plants and centralised functions.

Our digital strategy aims to address four key themes critical to and aligned with overall stakeholder value maximisation.

01
Ensuring higher productivity from existing assets in the most cost-efficient manner

02
Ensuring safety

03
Providing a world-class experience to our customers and vendors

04
Complete digital transformation of key support functions

We have steadily introduced process improvements by fast-tracking digitalisation. FY 2020-21 was marked as the year of 'Digital Acknowledgement' in JSW Steel, wherein we extended our digitalisation drive across new frontiers, while consolidating and seeing consistent impact through earlier deployed initiatives. Across all our integrated plants, sales and marketing and other support functions, our employees participated in the journey with vigour and enthusiasm.

Over 6,000 employees directly engaged in our cultural transformation journey, 200+ digital ideas got generated in-house by plants and functional teams, and some of the world's best and most cost-effective cutting-edge technology solutions such as Artificial Intelligence/ Machine Learning, Fog Computing, Deep Learning, IoT, Computer Vision, Robotics are being deployed.

₹89 crore
Investment in digitalisation projects FY 2020-21

₹427 crore
Savings from digitalisation projects in FY 2020-21

6,000+
Employees engaged in digital cultural transformation journey

Feature Story

Digitalisation effecting better business decisions

Digitalisation has made way for greater efficiencies and delivery of superior business value. As early adopters, our digitalisation journey goes back to 2017 and has since been the basis of efficiency enhancements, cultural transformation and seamless system-people interaction. We are seeing visible results in term of profitability, and have consistently pushed the boundaries of our sustainability agenda.

Our key objective has been to ensure granularity and consistency in adopting ways of working and keeping in with changing times, without incurring significant capital expenditure. We anticipate our digital efforts to bring in positive returns within one year of deployment. For FY 2020-21, our digital investments stood at ₹89 crore, and we are determined to multiply investments significantly, going forward. Our digital efforts are led by a Chief Digital Officer and Chief Information Officer

In the digital universe, we have 13 priority areas that we are pursuing with diligence:



Third wave updates

We conducted phased rollout of digitalisation interventions, with the third wave currently underway. Concentration has been on workforce upskilling and equipping them with necessary tools to adopt and sustain the lighthouse initiatives we

have operationalised. We achieved ₹427 crore of savings in FY 2020-21, cumulatively accounting to ~₹1,100 crore so far. Our future plans entail working towards achieving another ₹800 crore in savings and upskill for 2000+ employees.

Data analytics

Data is at the centre of all our functions and it is has been crucial in the optimisations of our digital journey. Today, data collection and management are a deeply ingrained part of our systems and our workforce is empowered to use data effectively for accelerated decision-making.

We work to make the most of Big Data analytics to determine the ideal superheat temperature at which the heats from ladle furnace should be transferred to caster, enabling acceleration in the casting process and diversion of more of our liquid steel production towards making HRC. This is because it has a higher margin than that of long products, thus enabling us to gain higher realisation.

Artificial intelligence (AI)

Predictive and rule-based AI systems across multiple shops have given us the power to automate decision-making across process parameters and remove operator discretion and errors in estimation.

video data at our disposal, we ran a time motion study to estimate the ideal time for each activity and identify opportunities for task parallelisation.

For example, we leveraged AI to reduce the set-up time in our Steel Melting Shop (SMS). Variations in the set up time was proving to be the biggest factor contributing to and governing the overall throughput of the shop. To resolve this, we installed cameras across multiple points to ensure activities are captured adequately for inferences. With sufficient

Following the analysis, we ran a workshop to educate and train shop floor employees on working more efficiently. Following the workshop, we built image- and movement-based machine learning algorithms, which analyse the process in real time, records the results and reports deviations from the 'ideal time' to the shift in-charges and line managers.

Digital Centre of Excellence (DCoE) and digital champions

Setting up our now fully functional Digital Centre of Excellence, led by relevant experts in Industry 4.0 technologies has been a winning move. Our team brings together functional experts with deep knowledge of operations and support functions, helping us successfully drive a focused transformation agenda. At every manufacturing location, a digital champion (among the senior leaders in the plant) is responsible for carrying out effective digitalisation efforts.

So far, 200+ digital use cases were implemented and 4,000+ people were covered under it. We are easing the shift among people through a thoughtful mix of gamification initiatives, appreciation and awards for pioneers and adopters, and creating technical cells.

Going forward, we plan to bring onboard 30 people as full-time DCoE members, 300+ Digital Stewards and Enablers, contributing to the ongoing transformation. We also plan to upskill 80+ existing employees on analytics and data scientist skills.

From our digital evangelist

"Perseverance is key for a Company's digital journey and the pace in which we have been progressing at JSW Steel is in perfect alignment with our global peers. We have constantly been focusing on strengthening business verticals with digital capabilities and novel technologies like Artificial Intelligence, IOT, Robotics and Industry 4.0. Our aim is to build a progress-driven approach and a mindset to enable collaboration across departments, whereby we can successfully transform the business to be #BetterEveryday."

Puneet Pahwa, Digital Node, Vijayanagar

"My tryst with digitalisation started in 2018 and it has since been an experience enriched with great learning, as I got used to addressing problems with a systematic approach of leveraging data collection, data analysis and digital technology. I am gratified to our management and our digitalisation committee for the opportunity to be a part of this wonderful initiative and for the recognition I have been accorded for my efforts."

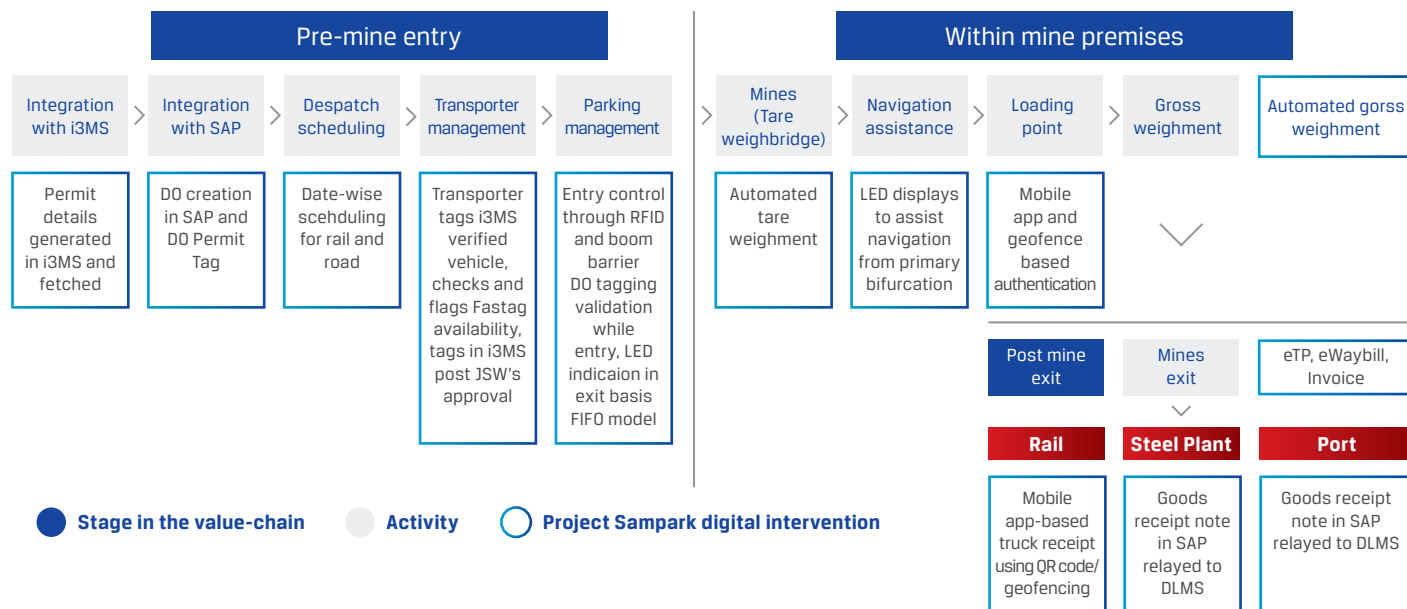
Gautam Khera, Digital Steward, Dolvi

Project SAMPARK to optimise logistics efficiency

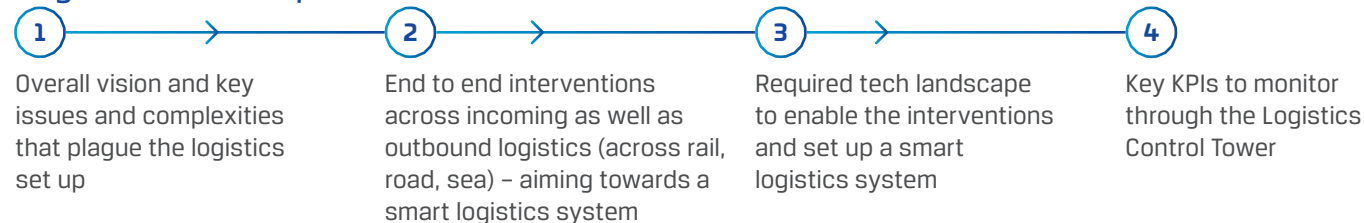
Project SAMPARK is designed to optimise logistics cost by leveraging technology and in process improve resource utilisation, accommodate supply/demand variations without impacting delivery and best in class OTIF (On-time-in-full) through real-time co-ordination between functions and efficient planning.

SAMPARK is envisaged to deliver the desired results for the business by combining processes, integrating with IT and Operational Technology (OT) systems, creating new digital interventions to capture last mile data, manless weighbridge automation and giving a powerful App to all stakeholders.

Project SAMPARK in action at JSW Odisha mines



Logistics roadmap



Outlook

Near-term outlook

- Aim to achieve ₹2,000 crore of cumulative savings via digitalisation, upskill over 2,000 employees
- Operationalise Phase-2 coke oven plant of 1.5 MTPA at Dolvi along with Coke Dry Quenching (CDQ) facilities
- Commission 175 MW Waste Heat Recovery Boilers (WHRB) and 60 MW captive power plant to harness flue gases and steam from CDQs at Dolvi
- Increase Pulverised Coal Injection (PCI) to reduce fuel consumption

Long-term outlook

- Target to achieve and sustain first quartile conversion cost
- Continue to focus on improving resource efficiency of processes and manpower productivity
- Focus on digitally enabling various business functions with a clear roadmap for growth



S5

Prudent financial management

Our stronger balance sheet in FY 2020-21 is the outcome of optimal capital allocation, disciplined treasury management and prudent deleveraging to reduce finance cost and strengthen profitability. We will continue to fulfil all fiduciary responsibilities vested upon us by the investing community.

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A strong balance sheet is a prerequisite for any meaningful growth action. Our acquisitions and capex outlays have all been achieved through a judicious mix of efficient borrowing and deploying internal accruals. An improving EBITDA, captive mining, higher realisation and lower borrowing costs have added further muscle to our balance sheet, with the gearing within comfortable limits and providing headroom for further borrowing without skewing the ratios. This is one of the biggest strengths of JSW Steel today.

Rajeev Pai,
Chief Financial Officer

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Key trends

- + Accommodative monetary policy



Material issues

- + Economic performance
- + Business ethics



Key risks

- + R6 Foreign exchange and interest rate fluctuations
- + R7 Declining global liquidity
- + R8 Mergers and acquisitions



KPIs

- + 1.14x net debt to equity
- + 2.61x net debt to EBITDA
- + ₹12,821 crore cash and cash equivalents
- + Credit rating:
International: Fitch: BB-(Positive outlook) and Moodys: Ba2 (Stable outlook)
Domestic: CARE: AA (Stable outlook), IndRa: AA (Stable outlook), ICRA: AA- (Positive outlook)

Strategic Focus Areas > Prudent financial management

At JSW Steel, we work in a capital-intensive industry with a history of volatile prices. Therefore, we continuously seek to improve our financial profile and believe that a strong financial position will be critical to support our future growth.

We also maintain a strong focus on cost management and prudent investment in new projects. We have developed robust financial principles and business criteria to assess

potential acquisitions and expansions. We intend to manage our capacity expansion, improve the debt maturity profile, and diversify our funding sources so as to capture market opportunities without taking on excessive risk.

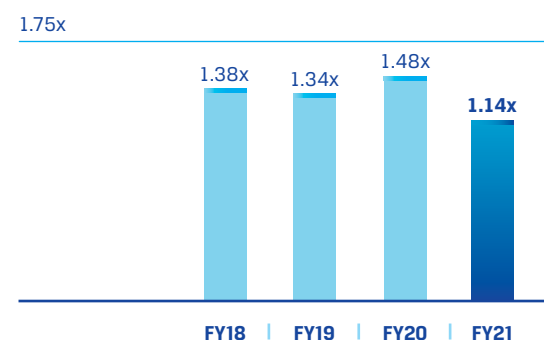
In December 2020, we raised \$250 million by selling bonds overseas. The bond sale was an extension to our earlier issuance in October, wherein we raised \$500 million.

Debt Profile

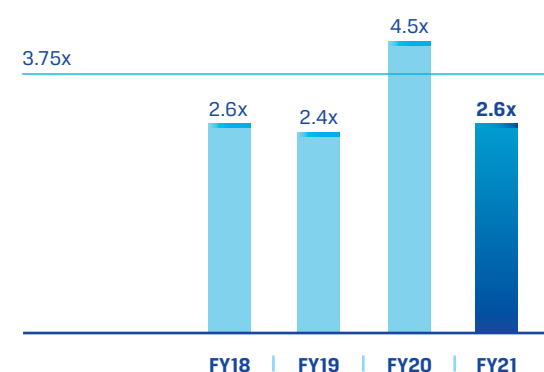
At JSW Steel, we access capital through diverse sources, enabled by strong relationships with domestic and international banks and financial institutions. At the end of FY 2020-21, our total debt stood at ₹52,615 crore, ₹858 crore lower than a year ago. However, this debt is inclusive of the capex of ₹8,233 crore, and the outlay of ₹6,750 crore for acquisition of ACCIL and BPSL. Hence at a net

level, we have significantly deleveraged our balance sheet. Previously, we had set out limit of our net debt to EBITDA at 3.75x. However, with strong cash flow generation and significant turnaround of acquired assets, we are now taking an internal target of 2.75x, even as capex projects are underway.

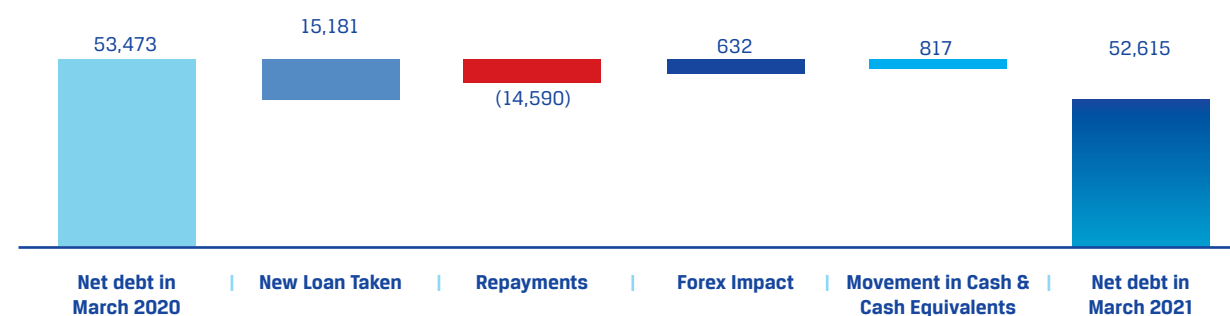
Net gearing (ND/Equity) well under the stated cap to 1.75x



Leverage (ND/EBITDA) well under the stated cap of 3.75x



Net debt movement (₹ in crore)



Managing Financial Risks

We use derivative financial instruments to hedge the foreign currency risk arising on account of our revenue and debt portfolio. All hedging activities are carried out in accordance with our internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where we operate. JSW Steel's risk management policies attempt to protect business planning from adverse currency and interest rate movements. We do not use derivative contracts for speculative purposes.

We follow a gross hedging policy for our imports and exports. Exports are hedged using forwards. For imports, we hedge our exposure appropriately by either using

forwards or options. We hedge our US dollar interest rate risk through interest rate swaps to reduce the floating rate risk. Hedging commodity is based on its procurement schedule, price risk and economic benefits through swaps. Commodity hedging is undertaken as a risk offsetting exercise and, depending upon market conditions hedges, may extend beyond the financial year. We have a policy of hedging up to 25% of our consumption. We are exposed to the interest rate risk on short-term and long-term floating rate instruments and also on the refinancing of fixed rate debt. It is our policy to maintain a balance of fixed and floating interest rate borrowings.

See page 216-227 to read more on financial performance



Outlook

Near-term outlook

- Rating upgrade across domestic and international agencies
- Acquiring assets via IBC, with minimal impact on balance sheet

Long-term outlook

- Projects to be funded by debt and internal accruals with net debt to EBITDA and net debt to equity within levels of 2.75x and 1.75x, respectively
- Diversify sourcing of funding with a right mix of rupee and foreign currency debt
- Be among the top five steel companies globally in terms of RoCE



S6



Mainstreaming sustainability in business imperatives

JSW Group's Sustainability Vision

It is our Vision here at JSW 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 us to meet the needs of their own, future generations.

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Sustainability is an imperative in every aspect of our business, and we aspire to be the best-in-class across multiple parameters. Energy management, carbon capture, reducing emissions, and using Hydrogen as a reductant are key areas of focus for us, that will help us reach top quartile emission levels, globally. Our empowering CSR projects, strong focus on waste-reduction and recycling and an enabling culture for our workforce will all lead to improving our performance steadily. Together, all initiatives form part of our comprehensive ESG strategy, with a focus on 17 key areas, and a disciplined, target-driven approach to improve sustainability performance will create the enterprise of the future.

Prabodha Acharya
Chief Sustainability Officer, JSW Group

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Key trends

- + Circularity
- + Decarbonisation
- + COVID-19 disruptions
- + Emergence of steel as a sustainable alternative for other materials
- + Alignment to UN SDGs



Key risks

- + R10 Energy security
- + R11 Environment protection and climate change
- + R12 Occupational Health and Safety
- + R13 Human resource and talent management
- + R14 Local communities



Material issues

- | | |
|--|--|
| + Air emission | + Local Considerations & Indigenous People |
| + Biodiversity | + Resources |
| + Business ethics | + Social Sustainability |
| + Climate change | + Supply chain sustainability |
| + Corporate governance, transparency and disclosures | + Sustainable Mining |
| + Cultural Heritage | + Technology, product and process innovation |
| + Economic performance | + Waste |
| + Employee health & safety | + Wastewater |
| + Energy | + Water resources |
| + Human rights | |

Long-term outlook

- | | |
|--|---|
| + Continue focus on health and safety management | available technologies (BATs) towards decarbonisation, focus on circularity, hydrogen economy and responsible product stewardship towards sustainable steel |
| + Continue decarbonisation and emissions control in line with stated targets | |
| + Continue emphasis on conservation initiatives, implementation of best | + Make conscious efforts to enhance diversity in the workforce |



Sustainability at JSW Steel



During 2020, we documented and unveiled 17 sustainability focus areas, which guide our efforts across social, environmental and ethically responsible business practices across the organisation. We are working towards set targets across these focus areas, and are progressing on all key parameters.

Each focus area is associated with a policy, and each policy is further supported with a technical standard that outlines how we will achieve our policy ambitions.



Environment focus areas



Social focus areas



Governance focus areas



Environmental stewardship

At JSW Steel, we act as responsible green stewards, with prudent use of natural capital as inputs and minimal footprint as the outcome. We have in place a dedicated Environmental Management System (EMS) to help achieve this.

We are taking mindful steps to decarbonise our operations and reduce carbon dioxide (CO₂) emissions across the board. We pursue circularity in mission mode, thus striving to become a part of the solution. Our innovation spectrum across water stewardship has been well-recognised and we continue to manage wastes and by-products efficiently. We also map diligently our dust and air emissions to ensure the well-being of the communities living in and around our impact zones.



Focus areas	KPIs	Unit	FY 2020-21	FY 2019-20	FY 2018-19
Climate change	Emissions (Scope 1 and 2)	'000 tCO ₂	37,523.07	40,522.31	45,848.31
	GHG emission intensity (Scope 1 and 2)	tCO ₂ /tcs	2.49	2.52	2.75
Energy	Specific energy consumption	GJ/tonne	26.69	27.47	26.14
	Energy consumption within the organisation	million GJ	402.55	441.15	436.3
Resources	Specific iron ore consumption	t/tcs	1.68	1.59	1.57
	Specific coal consumption	t/tcs	0.69	0.73	0.55
Water resources	Specific freshwater consumption*	kl/tcs	2.41	2.60	N/A
Waste***	Non-hazardous waste generated	'000 tonne	11,968.06**	14,650.8	13,616.75
	Hazardous waste generated	'000 tonne	84.57	118.27	129.72
	Waste recycled	%	92.67	-	-
Waste water	Wastewater recycled	'000 KL	16,050	16,313	19,161
Air emissions	Particulate matter	kg/tcs	0.48*	0.98	0.94
	SO _x	kg/tcs	2.05	1.88	1.74
	NO _x	kg/tcs	1.52	1.36	1.29
Biodiversity	Mangroves planted	Nos.	1,50,000	3,49,970	3,06,942

*for steelmaking process

**excluding tailings

*** Non-hazardous waste disposed - 11,897.31 ('000 tonne) and hazardous waste disposed - 86.62 ('000 tonne)



Climate Change

Focus area

Climate change is one of the biggest perils humanity faces today. But even more disturbing is the lack or sluggishness of climate action to get rid of the peril. To remain well below 1.5°C temperature rise compared to pre-industrial level, the world has to halve its carbon emissions by 2030. There has to be a sense of greater urgency among nations, businesses and institutions.

The carbon footprint of the steel industry is significant, with ~7% of annual global emissions. Hence, it's imperative that the industry accelerates its transition towards a carbon-neutral scenario, with set targets and strong actions. Global players in steel consumer industries such as automobiles have already announced decarbonisation of their value chains, indicating demand for greener steel.

Globally steelmakers have recognised this fact and are actively pursuing decarbonisation. Further, steel is now being increasingly seen as a part of the solution. This is owing to the inherently sustainable nature of the material with near-infinite recyclability,

which constantly reduces dependence on fresh withdrawal of natural resources.

In India, the 2017 Steel Policy included specific reduction 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. This is aligned to India's Intended Nationally Determined Contributions (INDCs) post COP 21 and Paris Agreement.

Even as India strives to increase production and consumption of steel manifold by 2030, steelmakers in the country will need to significantly reduce their per tonne carbon emissions. As one of India's largest steelmakers, JSW Steel has proactively committed to significantly reducing its carbon emissions and intensity. We have set a clear target for decarbonisation, have a dedicated climate change policy and have instituted a Climate Action Group to drive the organisation's climate action agenda.



Feature Story

Enabling India's transition to a hydrogen economy

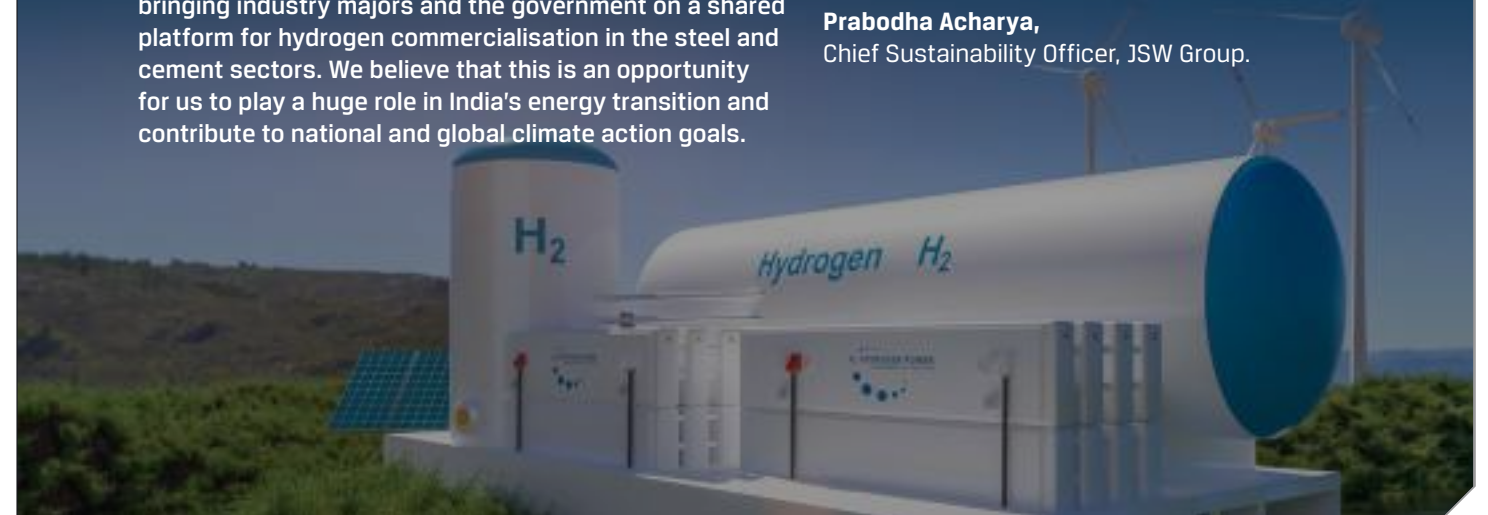
Hydrogen is increasingly being considered as a viable and climate-friendly fuel alternative to carbon. Shifting to a hydrogen-based economy accelerates the possibilities that come with global energy transition and significant decarbonisation. The India H2 Alliance (IH2A) is a consortium working in support of mainstreaming hydrogen as the fuel of the future. A collaboration of global and Indian companies, research and academic institutions and development organisations have come together to scale and build economies through hydrogen, and enable a robust and cost-efficient supply chain for the environment-friendly fuel.

In June 2021, JSW Steel became a key member in the IH2A and we were entrusted with the responsibility of bringing industry majors and the government on a shared platform for hydrogen commercialisation in the steel and cement sectors. We believe that this is an opportunity for us to play a huge role in India's energy transition and contribute to national and global climate action goals.

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JSW Group is uniquely placed to lead on the green hydrogen subject as we have significant interests in steel, cement, and renewable energy. As the IH2A Work Group Lead for Steel and Cement, we will bring other industry majors and the government together to build consensus for a common path towards hydrogen commercialisation in the steel and cement sectors. Green steel as hydrogen product exports can be a national strategy for cementing our position in the global hydrogen value chain and embedding hydrogen in the industrial supply chain. In every way, it is an opportunity to take the lead.

Prabodha Acharya,
Chief Sustainability Officer, JSW Group.



Collaborating to decarbonise

At JSW Steel, our decarbonisation strategy is augmented by engagements with leading initiatives such as Net Zero Steel Pathway Methodology Project, Assessment of Low-Carbon Transition (ACT), worldsteel's STEP-UP Programme and Net-Zero Steel Initiative.

Further, we are actively engaging with technology companies, academia, companies from other sectors having similar challenges on development and scale-up of deep decarbonisation technologies such as CCUS, hydrogen generation and its use in steelmaking, use of biomass and other alternate ironmaking routes.

For example, we have signed an agreement with Shell India Markets Private Limited to evaluate and co-develop short- and long-term options for:

- + improving energy efficiencies
- + optimising demand around carbon-intensive products and services
- + decarbonisation technologies
- + digital technologies

We are also collaborating with Larsen and Toubro Limited to explore and evaluate various Carbon Capture Utilisation and Storage (CCUS) technologies and their applications.



Feature Story

CCU: Imbuing climate consciousness in carbon management

Steel industries around the world are being plagued with the growing challenge of reducing carbon emissions. Environment management is given precedence in JSW Steel and in addressing the issue of reducing carbon emissions we implemented the CCUS technology.

The JSW plant at Salav, Maharashtra is based on HYL III technology from HYLSA, Mexico and is operating across two independent sections, generating the reducing gas and reducing iron oxides. This technology enables us to capture carbon dioxide from the source, use it as a resource, and create valuable products or services.

The process

Commencing with the capture of generated CO₂, the process then undergoes purification and compression to form an easy-to-transport product, which can be used as a raw material in other industrial processes, such as in the Food and Beverage industry.

Key benefits

- + The technology can capture and utilise 100 TPD CO₂ and generate CO₂ with a purity of 99.5%
- + This technology can be applied across the energy system and presents a strong case for enabling emission reduction by scaling up. It has significant potential to help us move further along the goal of achieving net-zero emissions.

Going forward

CCUS is an emerging technology which is rapidly gaining popularity. It is expected to mature in 2030, according to the International Energy Agency (IEA). JSW Steel has adopted this technology at a very early stage which gives us a head-start in carbon sequestration. Further, we plan to scale up the utility of CCUS in conjunction with carbon-based technology such as BF-BOF in our operations.

Climate Change Policy and CAG

At JSW Steel, our Climate Change Policy commits to preventing the causes of climate change; mitigating and adapting to the impacts and building overall resilience. We have also formed a Climate Action Group (CAG) with representatives from different functions and facilitated by the Corporate Sustainability team. CAG operates as a central think tank, to formulate and drive the climate change mitigation strategy and actions for JSW Steel towards a low-carbon pathway.

JSW Steel Dolvi received the Climate Action Programme (CAP) 2.0 Award in the Energy, Mining and Heavy Manufacturing Sector by CII Centre of Sustainable Development in FY 2020-21

Declaration on Climate Change

In December 2020, we joined hands with 24 other leading private sector enterprises at the India CEO Forum on

Climate Change to pledge collective and individual action towards combating climate change.

Achieving leadership in CDP

CDP has identified JSW Steel as a leader in emissions control, value-chain engagement, business strategy and financial planning, risk management processes, risk and opportunity disclosures and governance. We have improved our position to A- from B, thus being placed within the leadership category of CDP, which recognises

the best practices we are implementing. We are among the top 23% of companies globally that have achieved the Leadership Level within the Metal Smelting, Refining and Forming industry. At a comparative level, we have performed better than the global average (C), Asia regional average (D), and the overall sector average (D).

Product sustainability

Reflecting our sense of responsibility, we have made Environmental Product Declarations (EPDs) for our Hot Rolled Coils and Cold Rolled Closed Annealed products, and have completed life-cycle assessment for 14 final products. We have obtained the GreenPro Eco-label certification for TMT rebars (JSW Neosteel) by CII under the aegis of Global Eco-labelling network. All our rebar making facilities are covered under GreenPro, across all grades. Through this, we aim to communicate the environmental impact of our products transparently to all our stakeholders.

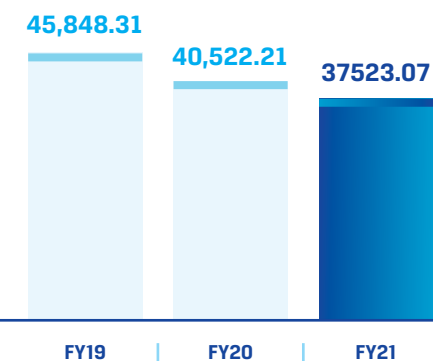
Recently, we also entered into a strategic alliance with JFE Steel Corporation (Japan) to set up a grain oriented electrical steel sheet manufacturing and sales joint venture company in India. Primarily used in electrical transformers, this is aligned to the rising adoption of renewable energy and mainstream electrification of vehicles. We are also indirectly contributing to reduced automobile emissions by catering to the light-weighting of auto parts.

Target

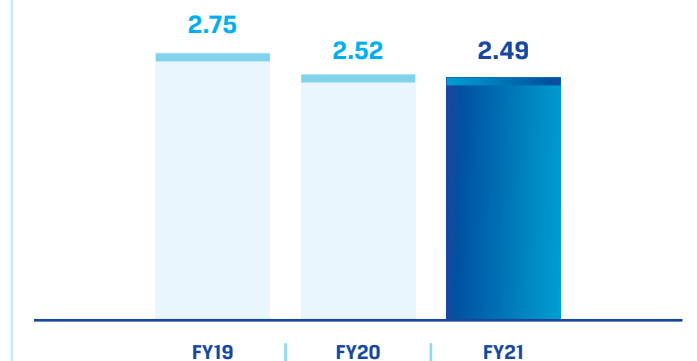
We are committed to reducing specific GHG emissions from our three ISPs to <1.95 tCO₂/tcs and achieving carbon neutrality at JSW Steel Coated Products by 2030.

Performance

Emissions (Scope 1 and 2) '000 tCO₂



GHG emission intensity (Scope 1 and 2) tCO₂/tcs



Note: 47.7 kg CFC11e of emissions are of ozone-depleting substances.

Key actions in FY 2020-21

Interventions	Outcomes
Vijayanagar	
Installation of waste gas recovery at sinter plant 4	Fuel savings of up to 4.5kg/t sinter
Dolvi	
Usage of by-product gas (COG) in SIP up to 10,000 Nm ³ /hr	Reduction in purchased fuel (NG) consumption upto 4800 Nm ³ /hr
Coke Oven 1 boiler capacity enhancement by optimising air-fuel ratio	Reduction in fuel consumption for steam generation and meeting the shortfall in steam requirement
TRT power generation increased by 22.5% from 8.03 MW in FY 2019-20 to 9.84 MW	Reduction in purchased power requirement leading to emissions reduction
Reduction in solid fuel heat rate in sinter plant by optimising use of recycled material	Increase in energy efficiency from 0.514 GCal/tp* in FY 2019-20 to 0.495 GCal/tp
Salem	
Introduced highly efficient molecular sieves in ASP for air purification (such as removal of moisture etc.)	Reduction in regeneration temperature from 200°C to 160°C. resulted in reduction of GHG emission of 292 tonnes per annum
Auto adjustment of vacuum set point in CPP#2 unit-III-air cooled condenser	Reduction of specific steam consumption leading to the reduction of GHG emission of 535 tonnes per annum
Installation of VFD in coke oven wet quenching water recirculation pump	Speed optimisation (1,485 rpm to 900rpm) in VFD resulted in reduction of GHG emission of a ~30 tonnes per annum
Maximisation of waste heat utilisation from CO through draft control	Increase in steam generation from WHR Boiler from 136 TPH to 142 TPH resulting in energy saving of 42,100 GCal per annum, with the GHG avoidance of 10,400 tonnes per annum
Mines	
Bamboo plantation	Enabling scaled and natural carbon capture
Preference for conveyor transportation over road	Savings in fossil fuel and energy

*tp: tonne of product

Scope 3 GHG emissions

We also measure and monitor Scope 3 GHG emissions. Observing Scope 3 emissions helps us monitor overall GHG impact across our supply chain. During the reporting period, we had a credit of about 1.05 million tCO₂e as per the guidance of the World Steel Association.

The purchased goods and services, inbound, outbound, waste transportation, employee commute and business travel considering all three ISPs contributed to about 1.05 million tCO₂e emissions. Estimation of emissions was carried out on the basis of guidance provided in the GHG protocol.



TCFD

TCFD alignment

In light of JSW Steel's goal of transitioning to a greener and more climate resilient business, we have adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework and are working towards alignment with its recommendations. The Company is a signatory to the TCFD for climate change and in the process to fully identify the transition risks and opportunities to decarbonise its operations over a period of time.

In this regard, our Board members and senior management take an active role in defining and steering the Company's climate actions. Every level of our governance structure participates in assessing the risks and opportunities that climate change poses to the Company.

Board oversight

At the Board level, the Business Responsibility and Reporting Committee and the Risk Management Committee are primarily responsible for reviewing climate-related risks and opportunities during their biannual meetings. These committees have open channels of communication with each other allowing them to collaborate as and when necessary.

Some of the key climatic themes that were covered by the committees over the course of FY 2020-21 included our climate-related policies, COVID-19 impact on emissions, the 10-year low carbon and sustainable development roadmap, and harnessing of rooftop solar power generation potential.

Management oversight

The executive committee members, comprising of Joint Managing Director and Group CFO, Deputy Managing Director, Director (Commercial and Marketing), Head of Plants along with their direct reportees, supported by Chief

Sustainability Officer, are responsible for closely reviewing and governing climate-related matters on a month-on-month basis.

Climate Action Group (CAG)

The CAG is our central think tank responsible for driving JSW Steel's climate change agenda, ensuring unified climate actions across the Company. The Group consists of experts from various corporate functions along with significant representation from operations. The CAG, which convenes on a monthly basis, is responsible for monitoring

and directing the our climate change performance, assessing climate-related risks and opportunities and designing relevant risk mitigation strategies. The CAG and directly reports to the executive committee as well as the Board.

TCFD alignment (contd.)

In addition to strengthening our climate change governance framework, we have introduced Internal Carbon Price (ICP) based on shadow pricing approach. The ICP arrived at US\$20/tCO₂e is being integrated into business decisions. Further, we have developed our 2030 Low Carbon and Sustainable Development Roadmap to serve as a guidepost in our low-carbon growth journey. This roadmap establishes company-wide sustainable development targets till 2030 as well as the strategies and measures that will be implemented to achieve these targets.

Apart from making changes in our policy framework, we continuously evaluate our risk and opportunity portfolio on a regular basis. In this regard, we have presented below a handful of risks and opportunities that we believe are currently essential to our low carbon journey showcasing considerations key to our decarbonisation and wider climate agenda. These are discussed below.



Physical risks

Physical risks resulting from climate change can be event-driven (acute) or longer-term shifts (chronic) in climate patterns.

Chronic

Water unavailability leading to significant operational impacts to our plants located in regions with high water stress.

Acute

Extreme climatic events leading to operational shutdowns and/or service disruptions, unstable raw material procurement.

Mitigation strategy

Taking cognisance of these risks, we are taking multiple measures to increase the resilience of our operations, starting with increased monitoring of weather patterns (especially rainfall patterns) to understand the likelihood of these risks occurring in the near term. We have focused on diversifying our raw material sources – which is demonstrated by our progress on backward integration for iron ore reserves. Furthermore, we emphasise on material efficiency improvement to reduce consumption of virgin raw material the iron ore beneficiation plant in Vijayanagar

Steel Works is a testimony. We have also adopted a range of measures for water security for us as well as the communities in and around us that includes improving water consumption efficiency, increased recycling of treated waste water to reduce fresh water intake, selection of advanced water treatment technologies, sustained Zero Liquid Discharge (ZLD) from the plants and also rainwater harvesting, integrated watershed management projects beyond the fence.



Transition risks

Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change.

Policy

Increasingly stricter environmental laws and regulations such as the Renewable Energy Certificate (REC) mechanism, the Perform, Achieve, and Trade (PAT) mechanism, Steel Scrap Recycling Policy 2019, environmental standards for reducing air and water pollution as well as waste management policies urging recycling and circularity, the impending carbon tax on exported basic materials to be imposed under EU's Carbon Border Adjustment Mechanism (CBAM) – altogether potentially increasing the cost of production and lower profit margins.

Market

Change in consumer preferences with increasing demand for low-carbon products compounded by increased competition from substitute materials such as aluminium and cement that offer lower emissions during their use phase thus helping consumers decrease their footprints.

Technology

Financial non-viability of capital intensive low-carbon technologies for the 'hard-to-abate' sector in the near to medium-term along with technology lock-in leading to stranded assets due to over investment in high-carbon technologies driven by fossil fuels such as coal in the long term.

Mitigation strategy

As an organisation that prides itself as a forward thinker and leader in innovation, we have taken heed of these likely changes in the near term, and have combined our emission reduction initiatives with increased efforts in internal R&D measures aimed at decreasing our product's life cycle carbon footprint (e.g. piloting the use of hydrogen and CCU in our operations – the successful implementation of CCU at Salav works is a testimony of our commitment). We have also taken various initiatives to improve our resource use efficiency throughout our

Reputation

Adverse impacts of our business decisions on our social licence to operate which is intrinsically tied to our contributions towards the well-being of the wider community and environment affecting our standing with our investors as well as society at large.

operations (e.g. recovery of waste energy, beneficiation of iron ore, use of natural gas in place of coke). Additionally, we are collaborating with academia and other companies for technologies for ultra low carbon steel making. Furthermore, our ICP of US\$20/tCO₂e will allow us to adopt a balanced view of the feasibility of any proposed low-carbon projects in the near and medium term, ensuring that we continue on our low carbon journey without losing our competitive edge.



Opportunities

Efforts to mitigate and adapt to climate change also produce opportunities for organisations, for example, through resource efficiency and cost savings, the adoption of low-emission energy sources, the development of new products and services, access to new markets, and building resilience along the supply chain.

While climate change presents multiple challenges, it also offers a number of opportunities that the industry can take advantage of. With increasing need for infrastructure to support the global low carbon agenda, whether it's in the installation of solar and wind power plants or in the deployment of EVs across the globe, steel, particularly low carbon steel will play a major role in establishing the foundations of decarbonisation. Furthermore, increasing policy and regulatory push towards low-carbon growth creates advantage for our ongoing innovation in products (as clearly demonstrated by our growing portfolio in high-performance steel materials that help save energy when

customers use them), pressing needs such as increased use of scrap and ultra low carbon technologies like hydrogen and CCUS that can have a positive impact on our life cycle environmental footprint, financial health while maintaining our product quality. While we recognise that not all of these measures are viable today (e.g. India has a very limited scrap market making it expensive to source the raw material required when compared to virgin stock while CCU technology is currently financially non-viable at any relevant scale), we are continuously monitoring the landscape to ensure that we do not miss the bus on any of these opportunities as and when they do turn the corner.

We are also cognisant of the fact that a number of our processes and strategies are disaggregated across our various operations. The establishment of the CAG and the development of our 2030 Low Carbon and Sustainable Development Roadmap are but preambles to our endeavour towards developing a singular, holistic platform governing our decarbonisation journey. However, to further align with TCFD's framework, we are conducting a detailed forward-looking, scenario-based climate risk and opportunity assessment exercise to further analyse and understand the long-term impacts of these (and any additional) risks and opportunities.

We intend to utilise the outputs of this study to further enrich our Low Carbon and Sustainable Development Roadmap, helping us align our strategies with the goals of the Paris Agreement. The outcome of this study, to be published later, will be utilised to strengthen our future financial planning, including decisions on capital planning and allocations, operating costs, R&D investments, possible revenue streams, as well as acquisitions and/or divestments to drive decarbonisation and low-carbon growth throughout the organisation.



Energy

Focus area

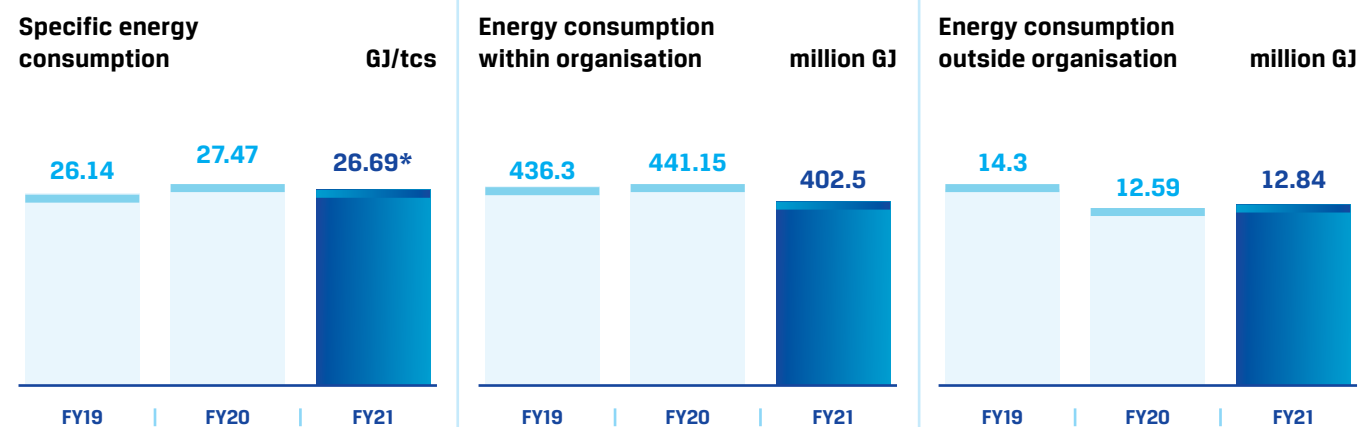
Globally, there is a clear transition to cleaner energy and fuels. A definite megatrend, it's an opportunity for industries such as steel with conventionally large-scale dependence on fossil fuels, to relook at their energy mix and ensure energy sufficiency for the future.

As global energy prices are spiralling and the demand for energy continues to grow with population growth, and aspirations for a better quality of life, it is essential that businesses future-proof themselves against the availability and affordability of sustainable energy to conduct their operations.

At JSW Steel, we have adopted state-of-the-art and energy-efficient systems and practices across our operations. This helps us continuously conserve resources and energy, and consequently, keep our input costs under control. Further, as part of our long-term plan, we are evaluating the building of adequate infrastructure to produce green electricity as a part of our overall energy portfolio. Our energy policy predominantly straddles efficient energy use, implementation of innovative projects to reduce energy demand and proactively embracing renewable energy (RE).



Performance



*equivalent to 6.37 GCal

Interventions

Outcomes

Vijayanagar

Installation of waste gas recovery and waste gas recirculation system at sinter plant 4	Fuel saving up to 4.5kg/t sinter
Installation of coke oven dry quenching power plant	Power generation of 65 MW
Better demand and supply management	Reduction in oxygen venting losses
Up-gradation of Energy Management Centre (EMC) control room and servers	Better monitoring of gas network signals
Steam line interconnection between iron zone and steel zone	Optimum utilisation and saving of 2.5 tph

Salem

Increasing reliability of Coke oven plant chimney damper	Increase in steam generation from WHR Boiler from 136 tph to 142 tph (energy saving of 42,100 GCal per annum)
Installation of VFD in 75kW pump in Intake water pump house	Optimisation of power consumption and resultant saving of 25,488 kWh per month

Target



Committed to achieve energy target of 5.91 GCal/tcs by 2030

Targeting an RE consumption of ~1,000 MW by 2030

Subsidiary	Energy consumption of subsidiaries		Energy consumption within organisation ('000 GJ)		Specific energy consumption (GJ/tonne)	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
JSW SCPL	3932.12	3914.51	1.57	1.56		
JSW ARCL	42320.00	45908.90	44.94	45.40		
JSW Industrial Gases	2455.87	2631.80	1983.53*	1951.75		
Energy consumption of JSW Mines and JSW Salav						
JSW Mines	193.80	127.00	0.03	0.03		
JSW Salav	6989.85	8056.02	16.41	14.16		

*GJ/million Nm³



Resources

Focus area

With burgeoning population and increasing urbanisation, demand for resources has significantly increased worldwide. The competition between industries and nations are expected to increase, and in this context, prudent sourcing, long-term raw material security and efficient utilisation assume priority.

At JSW Steel, we have institutionalised processes that maximise the utilisation of natural resources that we rely on. This includes interventions such as coal blending, and

minimal wastage of the iron ore we mine and transport. In addition, we are stepping up our iron ore beneficiation from owned mines to enable better resource efficiency.

To control losses during storage, we have ensured covered shedding where critical raw material inventory is stocked. Our resource conservation policy is anchored on considerate sourcing of materials, efficient use, and innovative projects to reduce the demand for raw materials.

Interventions

Outcomes

Vijayanagar

Utilisation of dry pit slag as a coarse aggregate

Replaces the natural resource thereby avoiding the depletion of reserves

Dolvi

Acquisition of mines and procurement of Odisha fines only from JSW owned mines

This will eliminate the dependency on third parties for supply of key raw material for plant operations

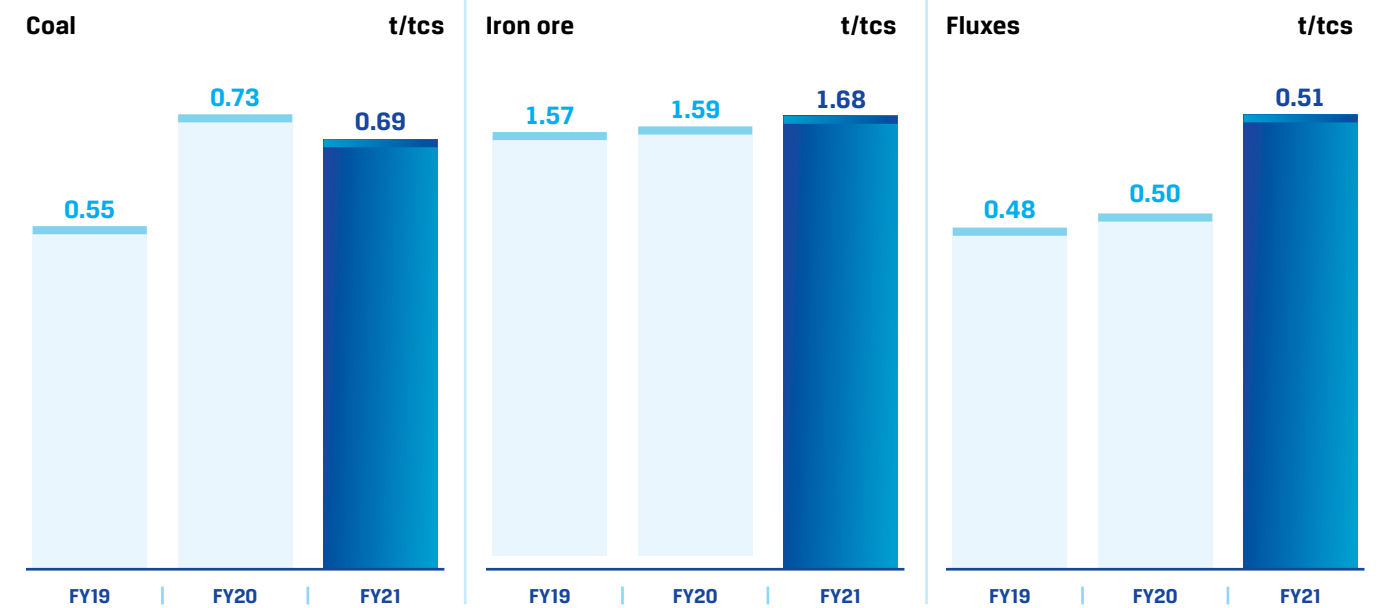
The capacity of covered Jetty Yard-A has been increased from 73,000 tonnes to 1.25 lakh tonnes

There will be less ingress of moisture in coal during monsoon which will result in increased production efficiency

Covered new Jetty Yard-B for Phase-2 having capacity around 2.7 lakh tonnes

There will be less ingress of moisture in iron ore fines during monsoon which will result in increased production efficiency

Performance



Note: Specific consumption of iron ore and fluxes has increased due to usage of lower quality raw material and disruptions in production pertaining to the pandemic



Water resources

Focus area

The requirement for freshwater is rising across communities and industries, and there is a global focus on achieving water security. Innovative ways of sourcing and managing water are being sought across the board, to manage persistent and long-term challenges.

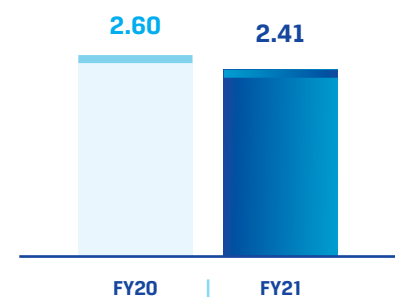
At JSW Steel, water continues to be a material concern as we have a strong dependence on the availability of freshwater. Some of our plants function in water-stressed regions, and it's an imperative that we continue to push the envelope in building long-term water security for our operations and communities. Careful sourcing and innovative and efficient use of water form part of our water stewardship approach. All our plants have a water management plan in place curated with foresight and meticulous planning.

JSW Steel was awarded the CII National Award for Excellence in Water Management 2020 for Vijayanagar

Several water conservation measures have been initiated at both plant and community levels, which help us manage our available and sourced water efficiently, including conducting aquifer mapping and hydrogeological studies.

Performance

Specific freshwater consumption (standalone)* (m³/tcs)



Target

We are committed to reducing specific water consumption for production from ISPs to 2.41m³/tcs* by 2030

*Considering the crude steel production process only

Interventions

Outcomes

Vijayanagar	
Increased utilisation of recycled water	Capacity utilisation of RO plants was increased from 86% in FY 2019-20 to 92% in FY 2020-21.
Revamping the firefighting line of Lime-calcination Plant (LCP)	600m ³ /day of fresh water is saved
Salem	
Replaced Ultra Filter (UF) model that avoids water while backwashing	<ul style="list-style-type: none"> + UF reject quantity reduced from 420 m³/day to 195 m³/day + UF outlet water quality improved (4.8 NTU to 2.5 NTU) + UF efficiency increased from 90% to 97% + MGF outlet flow increased from 3,400 m³/hr to 3,750 m³/hr
Periodically review of water consumption by the Plant Water Conservation Committee	100 m ³ /day of water saved by small improvement projects.
Dolvi	
Laying of 23 km new pipeline for freshwater from Nagothane to Dolvi	The availability of fresh water is ensured for both Phase-1 and Phase-2
Mines	
Use of process water from plant to save fresh water; ₹16 crore project under implementation	Net water savings of 6,000 m ³ /day
Rainwater harvesting through R&R structures	10,000 m ³ water conserved every year

Subsidiary	Total water consumed ('000 m ³)		Specific water consumption (m ³ /t of finished product)	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Water consumption of subsidiaries**				
JSW SCPL	1890.17	1484.29	0.76	0.59
JSW ARCL	2785.55	2579.95	2.96	2.55
JSW Industrial Gases	731.90	929.43	591.13*	689.27
Water consumption of JSW Mines and JSW Salav				
JSW Mines	180.72	132.09	0.03	0.03
JSW Salav	2785.22	2358.30	6.54	4.15

*m³/million Nm³
**excluding townships



Waste

Focus area

Every year, over 11 billion tonnes of solid waste is collected globally, and its disposal and management pose significant challenges. Lack of proper treatment of waste causes several spillover effects, including organic decay of matter that contribute to GHG emissions, and non-decay of single-use plastics that clog the natural ecosystem.

In response to this large-scale issue, economies and organisations are increasingly viewing circularity as a plausible solution, departing from the traditionally linear use-and-dispose paradigm.

At JSW Steel, we generate hazardous and non-hazardous waste in different forms and quantities as by-products during steelmaking. To manage these, we have an integrated strategy towards efficient waste management which takes into account environmental impact, social effects and commercial viability. We follow a widely accepted 'waste management hierarchy', which follows a 'prevent-reuse-recycle-dispose' value chain. We are also a member of the Unplastic Collective.

Circularity at JSW Steel

At JSW Steel, we follow a 'Zero Waste to Landfill' model to manage our waste. We achieve this with consistent monitoring and optimisation of resource usage, and finding alternative utilities for the waste material we generate. For example, we innovated and patented the manufacturing of paver blocks from steelmaking slag, thereby offsetting the need for withdrawing naturally occurring coarse and

fine aggregates. Similarly, recognising the physical similarity of granulated blast furnace slag (GBS) to river sand, we were able to gainfully recycle the GBS generated in our plant to make commercial grade construction material for building roads and other infrastructure enabling us to conserve precious natural resources.



Feature story

Innovation for better waste management

In continuation to the ethos of effective waste management driven by the Company and our ongoing initiatives of making a plastic-free environment, Steel Melting Shop 3 (SMS-3) at JSW Steel Vijayanagar Works has developed and commissioned a first-of-its-kind technology – EAF Plastic Injection System. This technology helps in injecting plastic waste and residue into the Electric Arc Furnace (EAF).

The commissioning of this system will mean controlled plastic-dumping in open grounds and diminish coke fines' consumption in EAF. As of March 2021, plastic consumption was around 1.2 tonnes/day which replaces equivalent amount of coke fine injection.

With growing awareness and sensitivity around the cause of the environment, this novel intervention may prove to be a model project for other JSW Group locations to emulate in the future.



Target



We are committed to achieving 100% recycling of all waste generated from our operations by 2030

Performance

Total co-product/waste generated (hazardous)

('000 tonnes)

FY19

129.72

FY20

118.27

FY21

84.62

Total co-product/waste generated (non-hazardous)

('000 tonnes)

FY19

13,616.75

FY20

14,650.80

FY21

11,968.06

During the year 1.59 MnT tailings were generated from the ore beneficiation

Interventions

Outcomes

Vijayanagar

Installation and commissioning of the plastic injection in SMS 3	3 tonnes of plastic per day can be recycled through SMS 3 thereby reducing fuel source and avoiding plastic disposal
Utilisation of steel slag in making paver blocks	Replaces sourcing of natural aggregate and also avoids the disposal of Steel slag. New design mix has been developed to utilise 100% EAF slag component in manufacturing of paver and concrete bricks
Utilisation of BF slag as replacement of river sand	During FY 2020-21, 5 lakh tonnes of BF slag sold as fine aggregates in civil construction replacing the natural river sand

Dolvi

New vertical filter press installed at Sponge Iron Plant (SIP) to handle SIP sludge	Prevents losses during monsoon due to open storage and provides for consistent use throughout the year due to removal of moisture. Controls fugitive dust emissions during summer
New vertical filter press for de-oiling and de-watering facility installed at Hot Strip Mill (HSM) to handle Compact Strip Plant (CSP) sludge	Enables reutilisation of CSP sludge of 18 tonne/day in sinter plants
Lab scale trials for utilisation of EAF slag in road applications by Central Road Research Institute (CRRRI)	The results enable field testing of EAF slag as aggregates in both road and concrete applications

Salem

Maximising the SMS crushed slag utilisation to paver making facility	Usage of about 1,100 tonnes (for 6 months) SMS crushed slag to produce about 3.6 lakh paver blocks
Control on ash generation in coal boiler	Reduction (y-o-y) of ash generation of about 2,400 tonnes
Low grade ore is put to use (instead of 45 % plus, 35% plus Fe material is used)	Conserving mineral resources. All recently approved mining plans by Indian Bureau of Mines (IBM) have this grade mentioned

Waste at subsidiaries

Subsidiary	Non-hazardous ('000 tonnes)		Hazardous ('000 tonnes)	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
JSW SCPL	16.14	15.40	10.72	36.67
JSW ARCL	37.38	32.72	0.059	0.082
JSW Industrial Gases	13*	-	0.002	0.001

Waste at JSW Mines and JSW Salav

JSW Mines	2493.07	2435.15	0.022	0.067
JSW Salav	0.25	0.17	0.048	0.246

*in kg



Waste water

Focus area

Industrial waste and effluents, along with domestic sewage, can threaten natural ecosystems and communities if disposed without treatment. Globally, about 80% of wastewater flows back into the ecosystem without being treated or reused, contributing to a situation where around 1.8 billion people do not have clean drinking water. There is thus a significant need for the industry to consciously manage their effluents and restrict discharge into natural water bodies.

At JSW Steel, we continue to uphold our Zero Liquid Discharge (ZLD) status across all our steel manufacturing locations. Following the ZLD process, we have, achieved cost savings, mitigated water acquisition risks and have achieved overall better environmental performance and compliance. Our onsite Sewage Treatment Plants (STPs) manage sewage from domestic use, and direct the treated water towards irrigation purposes.



Feature story

Resolving water stress with a winning proposition

Water is a critical resource necessary for conducting various steelmaking operations. JSW Steel maintains a strong oversight on the water being used within its plants and surroundings, including its withdrawal and treatment.

JSW Steel Vijayanagar Works also augmented the capacity utilisation of its RO plant by drawing and treating water from the nearby sewage treatment plants (STPs). Further, to increase the quality of the treated water, a Membrane Bio-Reactor (MBR) system was added to the STP, where the water was treated first before entering the RO plant. The treated water could then be utilised in Cold Rolling Mills (CRMs) and various other plant processes.

Key outcomes and benefits

- + Due to the deployment of this system, demand for freshwater was reduced by 3,800 m³/day. In addition, significant savings of up to 1.84 million kWh per year were observed in energy use, as long-distance pumping of large quantities of water could be avoided
- + At present, JSW Vijayanagar is providing domestic water requirements of around 40 villages having a population of about 1,85,000 and a water demand

of 18,560 m³/day. Fresh water saved from the project is supporting to meet this domestic water demand

- + For JSW Steel, this project was economically viable, with an annual savings of over ₹2 crore

Going forward

The technology we are using at Vijayanagar, unlike most others, is enabling the generation of water that can be put to diverse uses, including in critical process applications. The efficiency of the present system has encouraged us to expand the project, configure additional sources of low-grade sewage water and increase water availability for industrial use within the JSW Steel Vijayanagar complex, thus minimising our dependency on external freshwater sources.

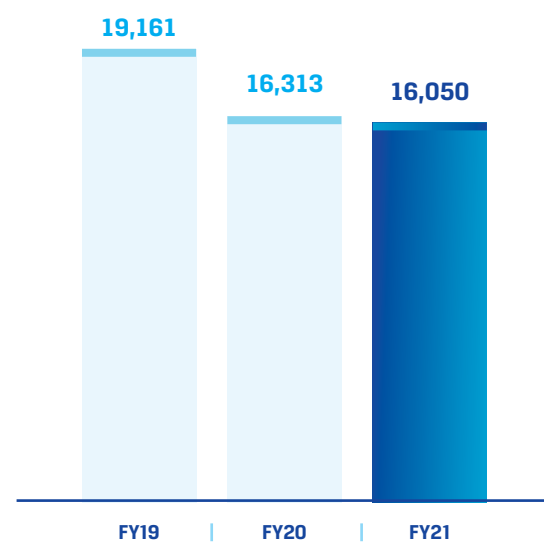
The technology of MBR and RO are both relatively straightforward and, as such, the approach adopted at Vijayanagar can in all likelihood be replicated at any steel plant which has local municipal sewage treatment plants close by. With this level of scalability, we are already looking to replicate this technology at our Dolvi plant.

Target

We are committed to maintaining zero liquid discharge (ZLD) status

Performance

Waste water recycled ('000 kl)



Interventions

Vijayanagar

Utilisation of SMS 3 blowdown water in DRI for processes	500 m ³ /day fresh water is avoided
Utilisation of sewage water from Sun rise valley township in the processes through advanced treatment technologies	900 m ³ /day of fresh water is avoided
Utilisation of sewage water from Hill side township in the processes through advanced treatment technologies	1,500 m ³ /day of fresh water is avoided
Neutralisation of SMS 2 GCP circuit water by CPL-2 waste water	Improves the quality of water

Mines

Zero waste water generation across all mines	Waste water is not generated at mines as mines are devoid of wet processing
Waste water will be used in place of ground water	6,000 m ³ waste water from steel plant will be reused / day in dust suppression at mines



Air emissions

Focus area

Particulate Matter (PM), SOx and NOx are pollutants that can have severely detrimental effects on local ecosystems, air quality, habitats, agriculture, and human and animal health.

At JSW Steel, we are committed to preventing, abating and mitigating our emissions to air and have dedicated policies addressing point (stack) and non-point (fugitive) source emissions. In order to contain the emissions, we have put in place systems, policies and interventions to maintain our emissions under the statutory limits.

To achieve a better compliance and adhering to our environmental commitment, we installed the MEROS (Maximised Emission Reduction of Sintering) system to treat process gases of Sinter Plant 4 at Vijayanagar Works. The installation of this state-of-the-art, globally recognised system helps us maintain emissions at less than 10 mg/Nm³.



Target



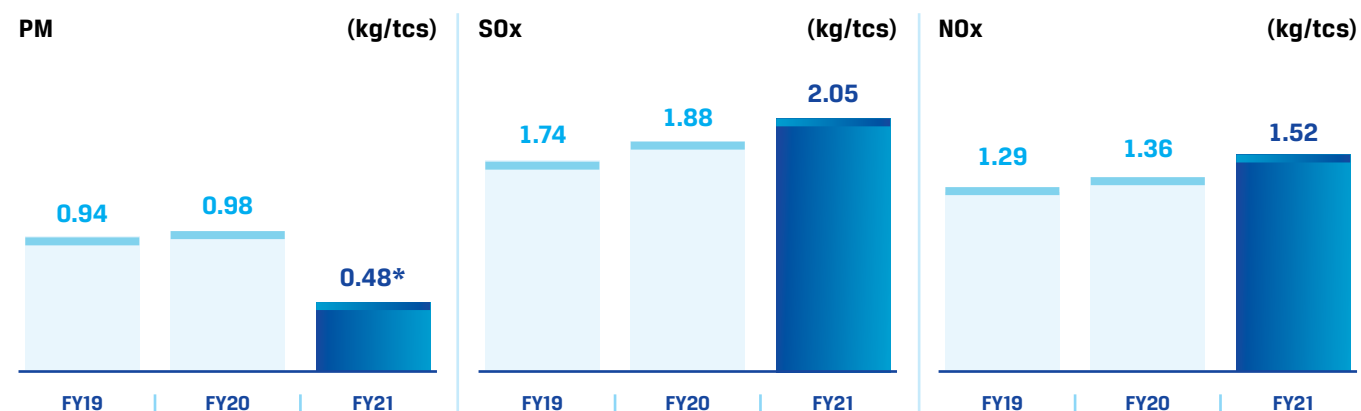
We are committed to reducing

Specific dust emissions to 0.28 kg/tcs by 2030

Specific emissions of oxides of sulphur to 1.69 kg/tcs by 2030

Specific emissions of oxides of nitrogen to 1.64 kg/tcs by 2030

Performance



*from process stacks

Note: We acknowledge the increase in our SOx and NOx emissions in FY 2020-21, compared to the preceding year. While these are under permissible limits, we are constantly working towards reducing these emissions across our operations.

Interventions

Outcomes

Vijayanagar

A bag filter of 1,50,000 m ³ /h commissioned at Raw Material Handling System (RMHS) JH14-15	Work zone emission of less than 2,000 mg/m ³ achieved in the respective junction house
Yard sprinklers installed at pellet plant stockyard	Reduction of fugitive emissions from the yard
A bag filter of 2,50,000 m ³ /h commissioned at BF2 – (Sinter Fines Conveyor building de-dusting system)	Reduction in work zone emissions of BF2

Salem

Installation of mobile de-dusting system in BF pit scale cutting	Reduction of fugitive emissions from 12,500 µg/m ³ to 3,200 µg/m ³
Provision of concrete road of about 1.5 KM to control fugitive emission	Reduction of fugitive emissions from 7,000 µg/m ³ to 950 µg/m ³
Water sprinklers system in raw material movement road to control fugitive emission due to vehicular movement	Reduction of fugitive emissions from 8,500 µg/m ³ to 2,200 µg/m ³
Air pollution control measures installation in slag crushing unit	Reduction of fugitive emissions from 3,750 µg/m ³ to 740 µg/m ³
Coke cutter de-dusting system installation	Reduction of fugitive emissions from 14,000 µg/m ³ to 1,800 µg/m ³

Dolvi

Upgrading of Gas Cleaning Plant (GCP) of Steel Melting Shop (SMS) to achieve PM emissions <10 mg/Nm ³ from stack	Reduction of emissions from secondary source. Improved source emissions from stack beyond EU Norms
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Mines

Pipe conveyor for reducing emissions	80% emissions reduction
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Air emissions at subsidiaries	SPM (kg/tcs)		SOx (kg/tcs)		NOx (kg/tcs)	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
JSW SCPL	0.066	0.046	0.064	0.064	0.037	0.032
JSW ARCL	0.369	0.240	1.578	0.567	0.768	0.699
JSW Industrial Gases (per million Nm ³)	0.016	0.012	0.279	0.280	0.359	0.318
Air emissions at JSW Mines and JSW Salav						
JSW Mines	5.56E-05	6.58E-05	6.32E-05	2.26E-04	8.90E-04	5.44E-04
JSW Salav	0.002	0.002	0.0185	0.013	0.0738	0.068



Biodiversity

Focus area

Biodiversity is increasingly being challenged on land and water, through deforestation and habitat loss, overexploitation, the presence of invasive species, pollution and the impact of climate change. The preservation and restoration of biodiversity are critical for maintaining a balanced ecosystem.

JSW Steel recognises biodiversity as a core focus area. Thus, we are aligned to the National Biodiversity Targets, and take a risk-based approach for making biodiversity a key decision making consideration. We are also committed to not operating in World Heritage areas and IUCN Category I-IV protected areas.

Together with the International Union for Conservation of Nature (IUCN), we continue to

undertake site-specific assessment of biodiversity impact. We are also a Working Group (WG) and founding member of the India Business and Biodiversity Initiative (IBBI) Chapter of CII-CESD.

We have taken proactive measures to analyse the impact of our operations on biodiversity in our impact zones and have taken scalable measures for its preservation in various forms. In areas where biodiversity loss has led to livelihood loss, we have stepped in and worked with the communities to restore the natural cover. For example, we helped scientifically manage the mangrove ecosystem near our Dolvi facility, thus preventing saltwater inundation of farmlands.

Target



We strive to achieve 'No net loss' of biodiversity at all our operating sites by 2030

Interventions

Outcomes

Vijayanagar

Planted 20,000 trees/shrubs for the FY 2020-21

Improvement in overall biodiversity index

Salem

18,130 trees across various species planted

Carbon offset about ~3,500 tonnes/annum

Rain water collection system expansion from 7,000 m³ to 15,000 m³ (inside the plant premises)

Additional rain water collection and recharge earth and reuse in processes

Dolvi

1.5 lakh mangroves planted

Enriches local biodiversity

Mines

Wildlife management, providing camera traps, patrolling vehicles and water tankers to forest department

Supports overall biodiversity management and conservation efforts

Plantation of 1,00,000 trees (Agave over other species) undertaken in FY 2020-21

Helped save 8-10 times on water consumption; and 8-10% productivity over other species planted

Committing to IBBI

We were among the firsts to sign up and commit to the Indian Business and Biodiversity Initiative (IBBI), an initiative by the Confederation of Indian Industry (CII) in partnership with India's Ministry of Environment, Forest & Climate Change. In compliance with the IBBI declaration, we have mapped the biodiversity interfaces with business operations designated as biodiversity champion and have implemented schemes for enhancing awareness on biodiversity within the organisation. We also continue our biennial disclosure under the 10 points prescribed by the IBBI.

Biodiversity highlights

253
IUCN red list species identified in Vijayanagar

1,50,000
Mangrove saplings planted

240 hectares
Covered by mangroves plantation



Sustainable mining

Focus area

Mining is a natural capital intensive activity that poses significant environmental risks, if not managed scientifically. Various aspects, such as tailings, energy and water consumption, biodiversity and structural stability are some of the aspects that are considered critical in mining operations.

We currently operate 13 iron ore mines across Karnataka and Odisha, to support our raw material requirements. We ensure that sustainable mining with minimal environmental and social impact is practised across these operations.

[+ Read more on R&R at Karnataka on page 100](#)

At JSW Steel, we adhere to the regulations as prescribed by the Government under the Forest Conservation Act, 1980 and the Compensatory Afforestation Fund Act, 2014 along with our mine closure plans.

We also adhere to the guidelines as per the National Rehabilitation and Resettlement policy, 2007.

Interventions

Wildlife management plans put in place
Comprehensive mines restoration plan (R&R) for all 6 mines in Karnataka implemented with water conservation structures
Preparation of soil moisture conservation plans
Artificial, biodegradable bird nests supply to the forest department
Mine closure plan with thematic conservations
Afforestation with native species

Outcomes

Documenting and conserving biodiversity
Ecological stability of mines
Conservation of flora and fauna
Restoration of avifauna
Ecologically sensitive and socially relevant use of depleted mines with native diversity park, medicinal plants, wetlands etc.
Improved green belt and used Miyawaki plantation method to achieve tree density of 2,800 ind./hectare and shrub density above 3500 ind./hectare. Bamboo plantation was another key initiative to build biodiversity and increase carbon sequestration.



Local considerations

Focus area

Steelmaking is a heavy manufacturing activity that involves several processes. During our operations across the value chain, there is potential for the generation of noise, odours, smoke, fumes, dust, etc., that can disturb the local communities in and around the plant premises.

At JSW Steel, we maintain an identification-prevention-feedback-monitoring strategy to tackle these stakeholder-critical issues.

Interventions

Outcomes

Vijayanagar	
Installation of polymer lined idlers as a replacement of metallic idlers for pipe conveyor over a stretch of 1.5 km.	Ambient noise reduction
Mines	
Employment to local people	Creation of multiple job opportunities for local communities
CSR interventions worth ₹6 crore	Improving livelihood and overall upliftment of communities
Use of waste water for dust suppression	6,000 m ³ / day water that can be used for local farming purposes



Social performance

Our stakeholder relationships are enabled by continuous engagement and a long-term approach to business sustainability. Be it the communities we support, the employees we nurture, the partners we collaborate with,

or the investors who lay their trust in us, continuous value-creation for all is the cornerstone of stakeholder relationships at JSW Steel.

Employees

At JSW Steel, we lay the highest emphasis on the overall well-being and personal and professional growth of our employees. Their unwavering efforts have made us what we are today, and their continued support will chart the way forward for us. In response, we consider it our duty to provide them with a best-in-class working environment, high-levels of safety, meritocratic career progression and competitive compensation and benefits. We continue to uphold employment rights of our people and positively go beyond compliance in areas such as human rights.

This year, we have also emerged as a Great Place to Work (GPTW), banking strongly on aspects such as pride in the organisation, management competence, visionary leadership, camaraderie and communication. Through the GPTW assessment we have also identified key areas for improvement that we will focus on as we go forward.



Key metrics

₹996

Total cost of employment/tonne of steel produced Standalone

11.8%

Workforce represented through employee association(s) under the provision of collective bargaining

587

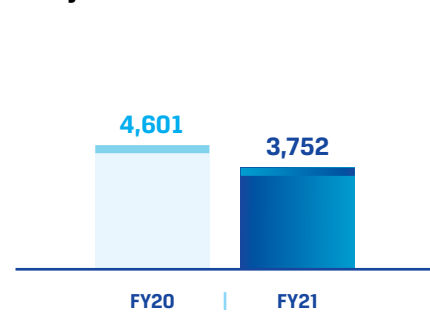
New permanent employees joined in FY 2020-21

99.68%

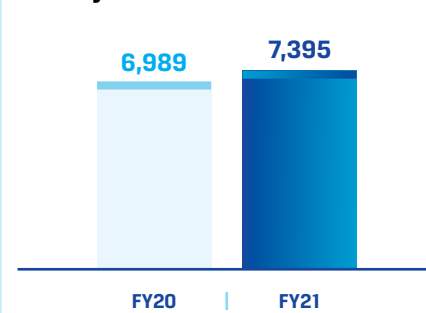
Employees receiving regular performance and career development reviews

Employees at site (age-wise segmentation)

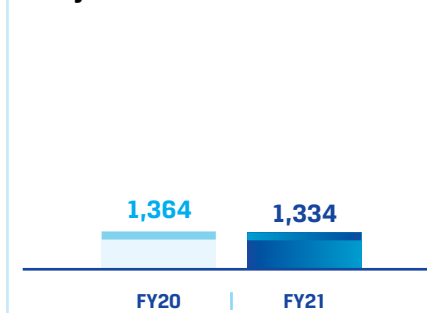
< 30 years



30-50 years

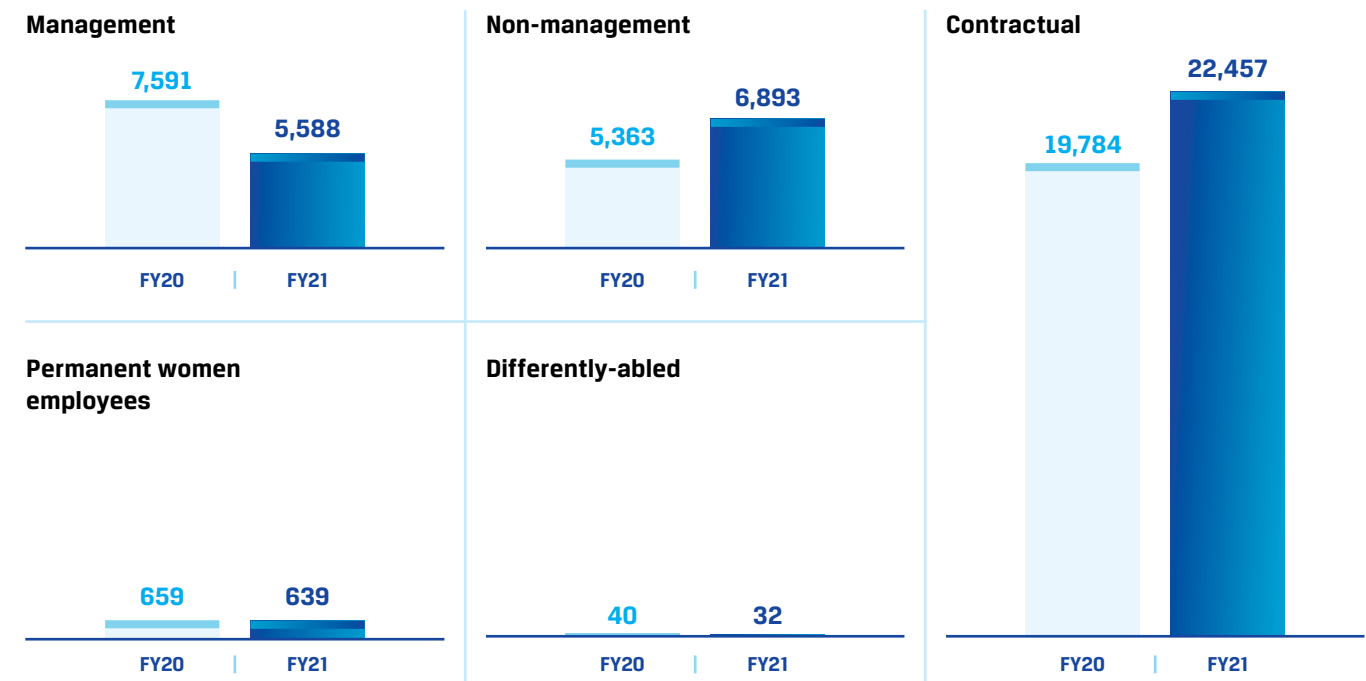


> 50 years



Total number of employees

JSW Steel (standalone)



Note: This excludes JSW Mines (Odisha and Karnataka) and Salav

Employment at JSW Steel subsidiaries

Employment at JSW Mines and JSW Salav

Subsidiary	JSW SCPL		JSW ARCL		JSW Industrial Gases		JSW Mines		JSW Salav	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Permanent	2,026	2,045	187	201	30	31	250	183	313	327
Management	724	753	138	146	18	20	80	71	79	131
Non-management	1,302	1,292	49	55	12	11	170	112	234	196
Male	1,973	2,006	181	195	29	30	235	173	307	321
Female	53	39	6	6	1	1	15	10	6	6
New hires	135	155	0	9	1	0	19	2	1	0
Separated	160	91	5	12	4	5	13	0	8	33

Talent management

We maintain a strong oversight of our business outcomes while managing career growth and talent management pipeline. This multi-pronged approach continues to facilitate our talent management approach and performance.

Key drivers

- + Visibility of talent pipeline: unique strengths and blind spots
- + Shared view on emerging talent in the organisation
- + Appreciating leadership preferences and capabilities to determine best fit vis a vis future roles: Talent mapping for succession
- + Creating interventions to build capabilities of the leaders for current and future roles

Business outcomes

For the organisation

- + Getting the high impact current and future roles mapped to the best talent within the organisation
- + Identifying career and capability intersections amongst the senior leadership
- + Defining what will work best for each individual to improve effectiveness: Robust leadership development strategies

For the individual

- + Clearer understanding of their personal capabilities
- + Greater insight into motivating and engaging themselves and their teams

Focus areas



Talent management

Virtual Potential Assessment for identifying Future Fit Leaders (L08 – L16)
JSW SLDP Programme for (Assessment and Development) L17 – L19
Infuse young talent through GRP and MT programmes



Talent development

Development journey with Ivy League institutions - Brown, Cornell, ISB
IDPs and Career Conversations to enhance readiness for next role
Second Level Talent Pool Developed through IIM A, IIM B & XLRI



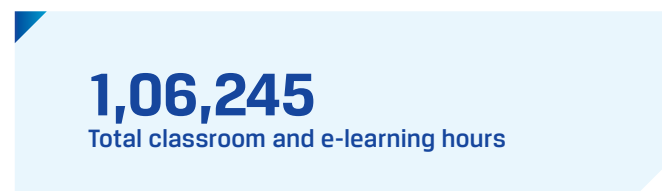
Careers and talent pipeline

Succession planning and talent pipeline for critical roles
Career enhancement/movement for identified Future Fit Talent
Job Rotation for FFL and SLDP Cohort

Future Fit

The Future Fit Leadership (FFL) platform is our flagship career development programme that identifies promising talent and formulates cohorts from our talent pool for accelerated growth within the organisation. In FY 2020-21, FFL moved to a cloud-based technology platform, owing to the pandemic.

- + FFL identification was anchored on the 3A construct comprising three distinct elements – Agility, Ability and Aspiration. This unique lens helped us to view talent holistically
- + 978 high performers across businesses underwent cognitive ability assessments as part of Phase I
- + 324 employees moved to the Phase II i.e., Virtual Development Centre
- + Conducted 21 Virtual Development Centres across bands from February 11-March 16, 2020 before moving to Phase II in FY 2020-21
- + Identified 68 FFLs across bands



Succession planning and coaching for top management

We have identified a core succession planning framework for critical leadership roles to identify best-fit leaders. We use a 360-degree, predictive lens covering potential, perception and performance to filter prospective leaders. Subsequently, based on exposure, experience and education, we create short- and medium term Individual Development Plans against specific role requirements. We seek to:

- + Make leaders in current and transitioning roles to be effective, successful and ready for future growth
- + Create self-awareness and deeper understanding of leadership strengths, motivators and blind spots
- + Ensure tangible outcomes based on Individual Development Plans



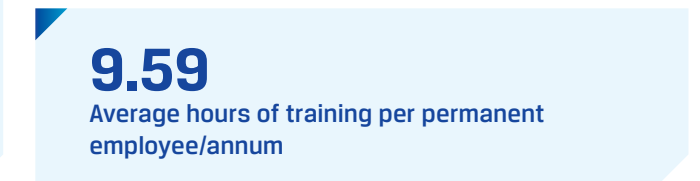
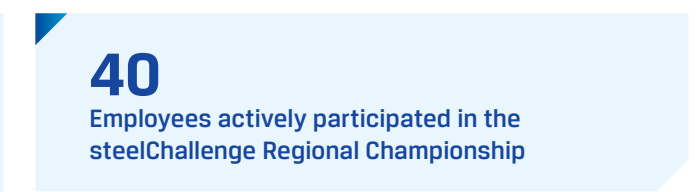
Learning platforms

In FY 2019-20, we onboarded the Percipio platform from Skillsoft that delivers an immersive learning experience. It leverages highly engaging content, curated into nearly 700 learning paths (channels) that are continuously updated to ensure users always have access to the latest information. This programme witnessed 100% utilisation during FY 2020-21.

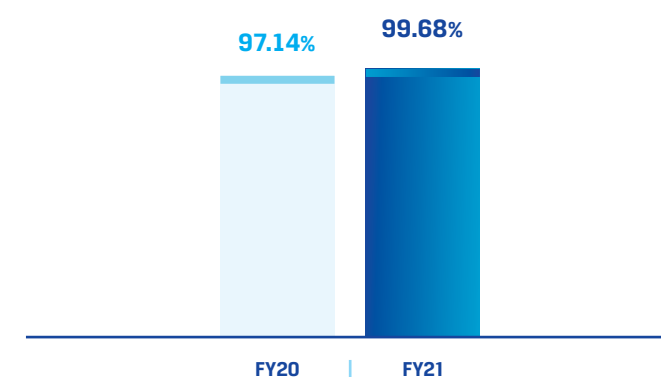
Similarly, our Harvard ManageMentor® Spark™ provides a highly personalised experience, fueled by the latest and best leadership and management content. It empowers learners to develop critical business skills when and how it works best for their busy schedules. This programme recorded 85% utilisation during FY 2020-21.

Other initiatives

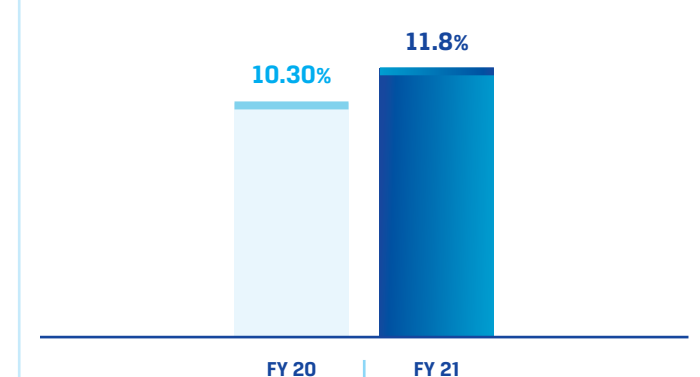
- + **Learn-a-thon:** A blended learning programme launched for 500+ Future Fit Leaders based on the cohort development areas mapped with courses on Percipio
- + **Digital Quotient:** Launched in three phases-Digital Readiness, Digital Literacy and Digital Dexterity aimed at upskilling employees for the impending Digital Transformation journey was the highlight of the year. Launched for 8,000+ employees had over 92% uptake and utilisation
- + **Thank God It's Friday:** A feature programme scheduled for every Friday with the mission of creating awareness of the learning platforms and the benefits the employees can reap from them
- + **Future Skills 2025:** This programme was aimed at upskilling current workforce with the skills needed for the future. Launched for 8000+ employees, this had a 60% utilisation
- + Other ongoing initiatives run daily, weekly and monthly are – Equip-The Daily Journal which attracted over 60% audience and Free@3 which attracted 50% of repeat users to the platforms



Employees receiving regular performance and career development reviews



Workforce represented through employee association(s)



Diversity and Inclusion

An equal opportunity employer, we encourage employment from various backgrounds and draws strength from the multi-faceted diversity of our workforce across region, grade, education, experience and gender. As we onboard new talent, diversity will be maintained as a key consideration, that can act as a competitive advantage for the organisation. We follow a gender neutral compensation policy which pays for role of the employee, individual performance, as per market demand and supply for the role, statutory compliances and as per overall budgetary outlay for the role. There are currently no expats (i.e. non-Indian citizens) employed in JSW Steel Limited.

JSW Springboard

Our flagship employee diversity initiative, Springboard, continues with IIM Bengaluru Women Leadership Journey Batch 2. We have our group of 21 high-performing women going through a development journey designed and delivered by IIM Bengaluru to enhance their capability in becoming a future leader. They gain insights on various aspects such as self-awareness, career

JSW Steel is among 100 Best Places to Work for Women for the 3rd consecutive year

as adjudged by Working Mother & Avatar

management, personal branding, and strategic topics like macroeconomics, industry analysis, digitalisation. The programme also focuses on leadership skills with topics such as influence tactics and leading change. The participants are further going through a structured Individual Development Plan as well as an Action Learning Projects to implement their learnings.



Employee engagement and well-being

Focus area

We maintain a healthy dialogue with our employees, to ensure that their needs are adequately met and their time with the organisation is valued and fruitful. In order

to keep them motivated, we have unveiled multiple platforms, through which we sustain our employee connect.

JSW Spotlight

Launched in Feb 2020, Spotlight is a recognition and rewards platform. In FY 2020-21, we covered about 1,500 employees to conduct various awareness sessions in both online and offline formats and launched initiatives such as:

- + **Thankathon:** Recognising team members who rose to challenges while working from home
- + **JSW Heroes:** Celebrating those members who have lived the JSW values, being torchbearers
- + **Rang Barse:** Sales incentive scheme for Retail Sales Coated team

Digital initiatives

We have entered the third wave of our digital journey and our people processes have also become significantly digital-first. The biggest outcome of this is myJSW, a cloud-based SaaS HR platform which ties in a mobile first employee experience, increases technology penetration across the organisation and speeds up the HR Transformation journey for JSW. It seeks to provide a well-rounded employee experience that consolidates employee data, approvals, and hire to retire transactions at one place.

Key tenets of the project:

- + **Mobile-optimised applications:** Enabling a mobile-first, anytime anywhere approach to truly empower employees with access on-the-go
- + **Employee experience:** Smooth, in one place, simple consumer grade user Interface enables collaboration

for multi-functional teams such as HR, GBS, IT, and Finance to provide smooth employee experience to JSW employees by bringing them on the same platform

- + **Manager enablement:** myJSW will help Managers access necessary information about their team real time using their hand held device saving time and effort
- + **Single source of truth:** myJSW is our single source of truth pertaining to all employee data, thereby increasing data accuracy and standardisation to drive data based people insights and decision making
- + **Simplified HR processes:** Technology had significant influence in work redesign, myJSW HR processes eliminate redundant processes and paper based documentation, thereby making work simpler



Social sustainability

Through our Group's social arm, JSW Foundation, we contribute to the progress of the communities inside and outside our direct impact zones. We are of the firm belief that community well-being is the outcome of collaborative developmental models that are replicable, scalable and sustainable.

A highly collaborative operating model

We follow a ground-up approach to our interventions, starting with a need assessment of communities in and around our Direct Impact Zones (DIZs). Our operating model is highly collaborative, with community involvement, an imperative in every stage of assessment, aspiration setting, planning, and implementation. This also contributes to clear expectations management, where we are seen as an equal partner than a philanthropic entity. This level of involvement also helps our programmes to be on auto-pilot, led and sustained by the communities. In this regard, we also build institutions that can front-end the programmes. These include farmer producer



organisations, JSW Shakti BPOs (Section 8 company), and watershed committees, among others. Further, we encourage government participation across our initiatives, as a multi-stakeholder model augurs well for the continued viability of the programmes and their success.

We regularly involve credible implementation partners to lead from the front together with the communities. They form a core part in maintaining the MIS on each of our activities, so that they are monitored, calibrated and delivered as per the intended project charter outcomes. The impact assessment of all our programmes are executed by independent third parties.

Envisioning and achieving progress across intervention areas

Focus area

- + **Education:** The focus has been on holistic improvement of available physical infrastructure and capacity building of enablers and teachers. Facilitating education in the government schools for children from preparatory age to middle school and through Jindal Vidya Mandirs. We run a scholarships programme for meritorious students for encouraging higher education.
- + **Health, nutrition and sanitation:** Setting up of multi-specialty hospitals with state-of-the-art equipment and qualified personnel. The Foundation also fosters targeted interventions for children, women and senior citizens. Construction of toilets and municipal solid waste management for better sanitation is another key focus area.
- + **Skill and livelihoods:** Helping communities attain a better standard of living through enhanced outcomes, with interventions such as BPOs, vocational training etc. Further, farmers are supported with technical knowhow and technological support to improve their yields and enhance their income.
- + **Water, environment & sanitation:** Working towards mitigating adverse effects of climate change by bringing in innovative technology-based solutions to ensure clean villages, conserving and augmenting sources of water, promoting biodiversity, sanitary living conditions, and sustainable livelihoods.
- + **Community interventions:** Developing public infrastructure and initiatives towards afforestation and water stewardship, among others.

Tamanna

At Vijayanagar, JSW Foundation operates Tamanna, a school for differently-abled children, to help them pursue specific need-based education requirements. With specialised and qualified personnel and enabling infrastructure, Tamanna also offers occupational therapy for the students.

114

Students enrolled under Tamanna



Initiatives and outcomes in FY 2020-21

In FY 2020-21, in the wake of a massive health crisis that plagued the global population, our social interventions concentrated on providing the local population and administration with the required assistance and support. Our focused health interventions and awareness initiatives helped our communities be well-informed and protected. However, owing to the announcement of a nation-wide lockdown and subsequent restrictions on movement, some of our outreach activities did witness a slight impact.

₹164.81 crore
Standalone CSR spend in FY 2020-21
(unspent ₹86.49 crore)

57,100
People reached out through healthcare screening services

7,100
Farmers supported

1 million
Families supported during COVID-19

1,800 tonnes
Commodities linked with markets

1.03 million m³
Additional water storage capacity created

18,700 hectares
Land covered through integrated watershed management

Beneficiaries of community initiatives (direct and indirect)	~5.5 lakh
Overall coverage	255 villages in 4 states
Students benefitted through various interventions	1,36,918
Students supported through JSW UDAAN Scholarship for pursuing higher education	2,406
Uptake of Government schemes by facilitating convergence (Project Margdarshak)	1,17,700 beneficiaries, ₹7.6 crore accrued through direct benefits

Key initiatives under core impact areas

Health and nutrition

- + 16,500 pregnant women reached out through antenatal care tracking annually
- + 32,000 patients availed healthcare services through multi-specialty hospitals/clinics annually
- + 8,200 cataract surgeries facilitated

Vijayanagar

- + Over 72,000 truckers supported through various interventions such as awareness on HIV/AIDS, safe sex, individual testing and counselling, vision correction, and so on
- + More than 34,000 people were screened and 9,433 households were covered under community health monitoring programme

Dolvi

- + Since inception, 6,756 residents have been screened at general health check-up outreach camps

Salem

- + Upgraded two Public Health Centres (PHC)
- + 10,000 residents screened at general health check-up outreach camps since inception
- + 25,000 residents screened at camps for eye problems since inception. Around 13,000 residents received glasses for eye problems and 1,200 cataract surgeries carried out

Tarapur

- + 3,900 people screened through general health camps

COVID-19 support

- + ₹75 crore contribution to PM CARES Fund
- + 300-bed COVID Hospital
- + 125-bed COVID isolation ward
- + 8 ventilators donated
- + 11,140 PPE kits distributed
- + 1,86,700 sanitation kits distributed
- + 5,80,000 cooked meals distributed
- + 2,35,000 dry ration kits distributed

Skill and livelihoods

- + More than 400 girls are currently employed in 2 BPOs; 2,760 women from 27 villages have benefitted so far
- + 5 satellite tailoring centres were established in mining villages
- + 9,863 women of Self-help Groups supported
- + ₹10.86 crore of credit linkages facilitated
- + 6,059 employees are trained on various skills under Recognition of Prior Learning Initiative
- + In Skill School, 1,530 students have enrolled in various courses such as General Duty Assistants, Beautician, BPO, Loan Approver, Warehouse Assistant etc.

ITI at Mettur, Tamil Nadu supported by JSW won the GOLD trophy of ASSCOCHAM for National level best ITI on Skill Development under Public Private Partnership Scheme.

Vijayanagar

- + 202 girls are currently employed across two BPOs, with a total of 3,428 women beneficiaries
- + Initiated around 290 SHGs, involving 3,770 women
- + Reached out to 461 farmers in Farmer Producer Organisations (FPOs)

Dolvi

- + Supports 412 SHGs

Kalmeshwar

- + 94 girls are currently employed in BPOs

Agri-livelihood

- + 15,086 farmers reached annually
- + 152 farmer interest groups promoted
- + 6,017 tonnes of produce linked with market
- + ₹9.48 crore revenue generated

Vijayanagar

- + Reached out to 461 farmers in Farmer Producer Organisations (FPOs)

Dolvi

- + Reached out to 2,459 farmers
- + Helped market linkages with nearly 4,122 tonnes of agricultural produce

Salem

- + Reached 3,500 farmers through various initiatives

Education

- + 1,36,918 students supported through multiple interventions
- + 2,238 students supported through JSW UDAAN Scholarship for pursuing higher education

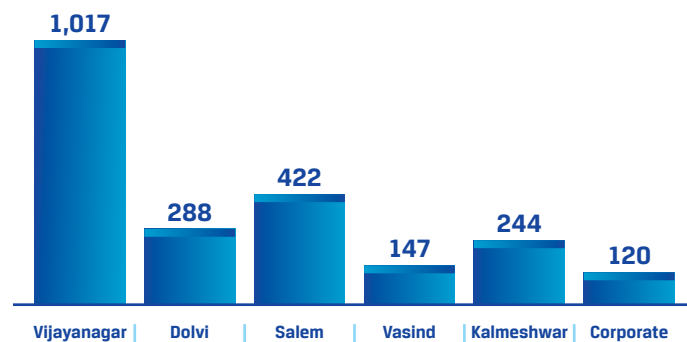
Vijayanagar

- + 114 students benefitted through Tamanna School

Salem

- + 35 children supported through centre for special children in Mecheri

Students supported through JSW UDAAN Scholarship since inception



Water, Environment and Sanitation

- + 1.09 million m³ additional net water storage capacity created
- + 90,390 households benefiting from water supply
- + 3 lakh trees planted, greening 1,172 hectares of land

- + 1.23 million mangroves planted, restoring 240 hectares of land
- + 4,840 community and individual toilet blocks constructed

Vijayanagar

- + 20,500 households segregating the waste at source
- + 1,332 tonnes of wet waste, 23 tonnes of Quantity of plastic waste and 331 tonnes dry waste being responsibly disposed

Vasind

- + 1,000 households segregating the waste at source
- + 8.64 tonnes of wet waste, 5.42 tonnes of dry waste and 1.3 tonne of plastic waste responsibly disposed
- + 25,000 households benefitted with drinking water supply

Dolvi

- + 16,500 households benefitted with drinking water supply
- + 500 households segregating the waste at source
- + 2.1 tonnes of dry waste and 1.3 tonnes of wet waste responsibly disposed

Kalmeshwar

- + 158 households segregating waste at source
- + 12.75 tonnes of wet waste and 14.6 tonnes of dry waste responsibly disposed
- + 25,650 households benefitted with drinking water supply

Salem

- + 17,000 households benefitted with drinking water supply

Salav

- + 2,971 households benefitted with drinking water supply

Additional net water storage capacity created

Location	Water storage created (m ³)
Vijayanagar	45,000
Dolvi	3,75,000
Salem	2,92,500
Tarapur	65,000
Vasind	56,800
Kalmeshwar	2,43,000
Salav	16,700



Community empowerment

- + 1,17,700 benefitted for uptake of Government schemes by facilitating convergence (Project Margdarshak)
- + ₹7.6 crore accrued through direct benefits



Supply chain sustainability

Focus area

At JSW Steel, suppliers are an integral part of our business, who contribute to our growth and viability as a business.

We engage regularly with our suppliers to ensure that our overall ecosystem functions with a sense of responsibility, integrity and overall compliance. To achieve this, we have formulated a [Supplier Code of Conduct \(SCoC\)](#) that lays down norms of behaviour and practices for smoother and compliant conduct. This SCoC takes cognisance of the themes of human rights, labour, environment, and anti-corruption, as described in the United Nations Global Compact (UNGC). Principles and norms described under the theme of 'labour' are based on the standards specified by International Labour Organisation (ILO) from time-to-time.

We have developed vendor and supplier registration tool in which we have provided questionnaires so that every new supplier/distributor has to disclose the social and environment parameters such as licence to operate industrial H&S department, consent from the respective state pollution control boards, ISO certifications, etc.

The key principles of SCoC include:

- + **Compliance management** including aspects of statutory compliances, notices, tax evasion, quality assurance and end-user information
- + **Environment** that includes natural capital protection, management of hazardous materials, waste and effluent management, energy use and water use, responsible production and consumption, air emissions and ecosystem
- + **Human rights** that include the protection of human rights, promotion of humane treatment, indigenous culture and local communities
- + **Labour** including aspects such as freedom of association and collective bargaining, forced and compulsory labour, child labour, discrimination, OHS, wages, protection of vulnerable groups among others
- + **Business ethics** that include prohibition of corrupt practices conflict of interest, business conduct, information security, ethical competition among others

Note: Details on customer engagement are covered in page 64 and 65

Our approach towards focus areas of indigenous people and cultural heritage can be found in the respective policy documents available at <https://www.jsw.in/groups/sustainability-policies>



Governance

Guided by the tenets of transparency and openness, our governance approach focuses on the effective working of the management and Board, while ensuring that corporate behaviour remains responsible.

Corporate governance framework

TRANSPARENCY AND OPENNESS

Board of Directors

Balanced Board of Executive and Non-Executive Independent Directors with a diverse range of expertise and experience

Provides strategic direction and evaluates overall performance

Ensures the long-term interest of the stakeholders are being served

Board Committees

Audit	Nomination and Remuneration	Business Responsibility/ Sustainability Reporting	Stakeholder Relationship	Risk Management
Project review	Corporate Social Responsibility	Hedging Policy Review	JSWSL ESOP	Finance
Share allotment	Share / debenture transfer	JSWSL Code of Conduct implementation	Under the guidance of the Board and its committees, JSW Steel drives performance by adopting various policies on key domains such as corporate governance, sustainability and CSR. Respective information on the policies is available at jsw.in/investor-relations-steel	

Mangement reporting to the Board

Executive Committee

Operations Committee below the Executive Committee

Key corporate functions

Finance	Risk	Operations	Sustainability	Sales and Marketing
Legal	Information Technology	Safety	Human Resources	Commercial



Ethics and integrity

Focus area

Ethical behaviour in all operations, functions and processes is the cornerstone of any business, guiding their governance of economic, social and environmental responsibilities. A strong and fully embedded commitment to undertaking business ethically brings considerable benefits, including improved consumer perception (leading to increased loyalty), greater investment, reduced costs, and enhanced employee motivation, involvement and interaction.

At JSW Steel, our policy on business conduct demonstrates our commitment to embed sound governance, deliver transparency, tackle corruption, manage risks. Our Board of Directors oversees our codes of conduct, overall corporate behaviour and integrity of the organisation.

<https://www.jsw.in/sites/default/files/assets/industry/Sustainability/22.%20POL15%20-%20Policy%20on%20Business%20Conduct.pdf>



Human rights

Focus area

At JSW, we strongly advocate against all kinds of discrimination and stand with our team in the event of any violation. We strive to involve all employees in upholding and sustaining the SA8000 policy in our operations. We are committed to ensuring a workplace adhering to international guidelines and conventions such as ILO.

capabilities to our team and, as such, JSW is fully committed to employing people solely on the basis of their ability to do the job, prohibiting any discrimination based on race, colour, age, gender, sexual orientation, gender identity and expression, ethnicity, religion, disability, family status, social origin, and so on.

We are cognisant of the fact that every individual brings a different and unique set of perspectives and

Appointment and rotation of auditors

Our Audit Committee is responsible for overseeing and evaluating the performance of the external auditors on behalf of the Board of Directors and recommends to the Board whether a specific external auditor should be elected or re-elected. We have in place stringent criteria applied for the performance assessment of an external auditor. The assessment includes technical and operational capability, credibility of the auditing firm, team strength, ability to provide transparent and accurate recommendations, and open and effective communication and coordination with the Audit Committee, Corporate Auditing, and management.

As per the Companies Act, 2013, no listed company can appoint or reappoint:

- + An individual as auditor for more than one term of five consecutive years, and
- + An audit firm as auditor for more than two terms of five consecutive years.

JSW Steel's independent auditor, S.R. Batliboi & Co. LLP (SRBC), is EY's network company performing the audit function in India. The firm follows a stringent process for assigning partners who are in charge of audits. The firm has laid out guidelines for partners' rotation requirements.

Contributions to institutions, bodies and political parties

During FY 2020-21, we contributed ~ ₹3.80 crore towards memberships to trade bodies such as WorldSteel, Indian Steel Association, ASSOCHAM and FICCI. There were no

direct monetary contributions made to political parties. Details of tax paid can be found in Form AOC which forms part of this report.



Engaging with the industry bodies

We are an active member of various trade bodies and associations that help us voice our opinions to the larger audience and even serve as fora for cross-pollination of ideas and thoughts. We strive to regularly participate in the discussions conducted by these bodies, helping us keep a pulse on industry trends, at both global and regional levels.

Our key memberships

- + World Steel Association
- + Confederation of Indian Industry (CII)
- + Federation of Indian Chambers of Commerce & Industry (FICCI)
- + Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- + Indian Steel Association
- + Global Reporting Initiative (GRI)
- + United Nations Global Compact (UNGC)

- + Bengaluru Chamber of Industry & Commerce, Karnataka Iron & Steel Manufacturing Association
- + Indian Institute of Metals
- + American Society of Metals, Association of Iron & Steel Technology (US)
- + Iron and Steel Institute of Japan
- + PMS (Metal Society of USA)
- + Indian Chamber of Commerce
- + Bengal Chamber of Commerce & Industry
- + Karnataka Iron & Steel Manufacturers' Association (KISMA)
- + Sponge Iron Manufacturers Association (SIMA)
- + Federation of Indian Mineral Industries (FIMI)
- + All India Induction Furnaces Association (AIIFA)
- + Alloy Steel Producers Association (ASPA)
- + Indian Tin Manufacturers Association (ITMA)

Stakeholder grievance mechanism

We have a set policy to govern business conduct that is applicable to all our employees and value chain partners. We also have a structured stakeholder grievance redressal mechanism through which stakeholders can freely

share their concerns and grievances. In FY 2020-21, we received 402 shareholder complaints and all of them were satisfactorily resolved.

https://www.jsw.in/sites/default/files/assets/industry/Sustainability/21.%20Grievance_Redressal_Mechanism.pdf

Whistleblower policy

We formulated the whistleblower policy/vigil mechanism in order to provide a mechanism for Directors and employees of JSW Steel to approach the Ethics Counsellor/Chairman of the Audit Committee of the Board to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or Ethics Policy, or any other unethical or improper activity.

In FY 2020-21, we launched a dedicated 'Ethics Helpline' for discreetly reporting any matter of concern for all our stakeholders, including employees, directors, vendors, and suppliers. The helpline is managed by independent consultants.

<https://www.jsw.in/sites/default/files/assets/industry/Sustainability/34.%20Whistle%20Blower%20Policy.pdf>

Awards and recognition

Sustainability is rewarding

JSW Steel Ltd. rated at Leadership Level (A-) by CDP

Recognised with A rating at among the list of India's Most Sustainable Companies, published by Businessworld in association with Sustain Labs Paris

Entered The Sustainability Yearbook 2021 released by SP Global. Over 7,000 companies assessed in the 2020 Corporate Sustainability Assessment (CSA) were considered for The Sustainability Yearbook, of which only 631 companies with top scores made it into the Yearbook this year. In the steel industry, 67 companies were assessed and only the top 9 made it to the Yearbook

Conferred the Golden Peacock Award for sustainability in the steel sector in 2020

JSW Steel's 2019-20 Integrated Report was selected as the world's eighth best report and India's best report by League of American Communications Professionals (LACP)

JSW Steel named Worldsteel Steel Sustainability Champion for 3rd consecutive year in 2020

Dolvi Works received the CII-ITC CESD CAP2.0 Award for 2020

JSW Steel remained a constituent of the FTSE4Good index

Vijayanagar Works bagged the 14th CII National Award for Excellence in Water Management 2020

Received the Best CSR & Sustainability Practices Award 2019 at the 7th Asia Business Responsibility e-Summit

Recognised by the World Benchmarking Alliance as one of the 2000 most influential companies in the world towards achieving the Sustainable Development Goals



JSW Steel crowned worldsteel Sustainability Champion 2020



JSW Group awarded by Asian Centre for Corporate Governance & Sustainability



JSW Steel Dolvi receives CII CAP 2.0 Award recognising action against Climate Change



JSW Steel, Vijayanagar received CII National Award for Excellence in Water Management

GRI Content Index

This report has been prepared in accordance with the GRI Standards (Core) option.

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE NUMBER / REFERENCE LINK	Exclusions
GRI 102: GENERAL DISCLOSURES 2016				
ORGANISATIONAL PROFILE	102-1	Name of the organisation	Cover, 26, Back cover	
	102-2	Activities, brands, products, and services	30-35	
	102-3	Location of headquarters	Back cover	
	102-4	Location of operations	27-29	
	102-5	Ownership and legal form	26	
	102-6	Markets served	1	
	102-7	Scale of the organisation	1, 10, 11	
	102-8	Information on employees and other workers	148-152	
	102-9	Supply chain	157	
	102-10	Significant changes to the organisation and its supply chain	82-87	
	102-11	Precautionary Principle or approach	05	
	102-12	External initiatives	04	
	102-13	Membership of associations	160	
STRATEGY	102-14	Statement from senior decision-maker	20-25	
	102-15	Key impacts, risks, and opportunities	68-77	
ETHICS AND INTEGRITY	102-16	Values, principles, standards, and norms of behavior	26, 159	
	102-17	Mechanisms for advice and concerns about ethics	159	
GOVERNANCE	102-19	Delegating authority	42	
	102-20	Executive-level responsibility for economic, environmental, and social topics	127	
	102-21	Consulting stakeholders on economic, environmental, and social topics	66	
	102-22	Composition of the highest governance body and its committees	46	
	102-23	Chair of the highest governance body	42	
	102-24	Nominating and selecting the highest governance body	46	
	102-25	Conflicts of interest	314	102-27, 102-33, 102-34, 102-37, 102-38, 102-39
	102-26	Role of highest governance body in setting purpose, values, and strategy	42	
	102-28	Evaluating the highest governance body's performance	46	
	102-29	Identifying and managing economic, environmental, and social impacts	311	
	102-30	Effectiveness of risk management processes	70, 127	
	102-31	Review of economic, environmental, and social topics	127, 311	
	102-32	Highest governance body's role in sustainability reporting	311	
102-35	Remuneration policies	307, 308		
102-36	Process for determining remuneration	307, 308		

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE NUMBER / REFERENCE LINK	Exclusions
STAKEHOLDER ENGAGEMENT	102-40	List of stakeholder groups	64	
	102-41	Collective bargaining agreements	148	
	102-42	Identifying and selecting stakeholders	64	
	102-43	Approach to stakeholder engagement	64	
	102-44	Key topics and concerns raised	65	
REPORTING PRACTICE	102-45	Entities included in the consolidated financial statements	226-227	
	102-46	Defining report content and topic Boundaries	4-5	
	102-47	List of material topics	66-67	
	102-48	Restatements of information	4	
	102-49	Changes in reporting	4-5	
	102-50	Reporting period	4	
	102-51	Date of most recent report	4	
	102-52	Reporting cycle	4	
	102-53	Contact point for questions regarding the report	5	
	102-54	Claims of reporting in accordance with the GRI Standards	4	
	102-55	GRI content index	162-167	
	102-56	External assurance	168-169	
GRI 200: ECONOMIC PERFORMANCE				
GRI 201: ECONOMIC 2016	103-1	Explanation of the material topic and its Boundary	66	
	103-2	The management approach and its components	112-115	
	103-3	Evaluation of the management approach	112-115	
	201-1	Direct economic value generated and distributed	8, 345, 447	
	201-2	Financial implications and other risks and opportunities due to climate change	75, 127-129	
	201-3	Defined benefit plan obligations and other retirement plans	401-4012, 459,512-513	
	201-4	Financial assistance received from government	459-502	
GRI 202: MARKET PRESENCE 2016	103-1	Explanation of the material topic and its Boundary	88-97	
	103-2	The management approach and its components	88-97	202-1 202-2
	103-3	Evaluation of the management approach	88-97	
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	103-1	Explanation of the material topic and its Boundary	97, 153-157	
	103-2	The management approach and its components	97, 153-157	203-2
	103-3	Evaluation of the management approach	97, 153-157	
	203-1	Infrastructure investments and services	97, 153-157	






GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE NUMBER / REFERENCE LINK	Exclusions
GRI 204: PROCUREMENT PRACTICES 2016	103-1	Explanation of the material topic and its Boundary	98-103	
	103-2	The management approach and its components	98-103	204-1
	103-3	Evaluation of the management approach	98-103	
GRI 205: ANTI-CORRUPTION 2016	103-1	Explanation of the material topic and its Boundary	159-160	
	103-2	The management approach and its components	159-160	205-1, 205-2
	103-3	Evaluation of the management approach	159-160	
	205-3	Confirmed incidents of corruption and actions taken	240	
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	103-1	Explanation of the material topic and its Boundary	159	
	103-2	The management approach and its components	159	206-1
	103-3	Evaluation of the management approach	159	
GRI 207 TAX 2019	103-1	Explanation of the material topic and its Boundary	460-461, 498-500	
	103-2	The management approach and its components	460-461, 498-500	
	103-3	Evaluation of the management approach	460-461, 498-500	
	207-1	Approach to tax	460-461, 498-500	
	207-2	Tax governance, control, and risk management	337, 354, 498-500, 364	
	207-3	Stakeholder engagement and management of concerns	340-341, 393	
	207-4	Country-by-country reporting	216, 220, 256, 460-461, 470	
GRI 300: ENVIRONMENT PERFORMANCE				
GRI 301: MATERIAL 2016	103-1	Explanation of the material topic and its Boundary	132-133	
	103-2	The management approach and its components	132-133	
	103-3	Evaluation of the management approach	132-133	301-3
	301-1	Materials used by weight or volume	132-133	
	301-2	Recycled input materials	132-133, 136-139	
GRI 302: ENERGY 2016	103-1	Explanation of the material topic and its Boundary	130-131	
	103-2	The management approach and its components	130-131	
	103-3	Evaluation of the management approach	130-131	
	302-1	Energy consumption within the organisation	130-131	302-5
	302-2	Energy consumption outside of the organisation	130-131	
	302-3	Energy intensity	130-131	
	302-4	Reduction of energy consumption	130-131	








GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE NUMBER / REFERENCE LINK	Exclusions	
GRI 303: WATER AND EFFLUENTS 2018	103-1	Explanation of the material topic and its Boundary	134-135, 140-141		
	103-2	The management approach and its components	134-135, 140-141		
	103-3	Evaluation of the management approach	134-135, 140-141		
	303-1	Interactions with water as a shared resource	134-135, 140-141		
	303-2	Management of water discharge-related impacts	134-135, 140-141		
	303-3	Water withdrawal	134-135, 140-141		
	303-4	Water discharge	134-135, 140-141		
	303-5	Water consumption	134-135, 140-141		
	GRI 304: BIODIVERSITY 2016	103-1	Explanation of the material topic and its Boundary	144-145	
		103-2	The management approach and its components	144-145	
103-3		Evaluation of the management approach	144-145		
304-1		Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	144-145		
	304-2	Significant impacts of activities, products, and services on biodiversity	144-145		
	304-3	Habitats protected or restored	145		
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	145		
	GRI 305: EMISSIONS 2016	103-1	Explanation of the material topic and its Boundary	122-126, 142-143	
103-2		The management approach and its components	122-126, 142-143		
103-3		Evaluation of the management approach	122-126, 142-143		
305-1		Direct (Scope 1) GHG emissions	125		
305-2		Energy indirect (Scope 2) GHG emissions	125		
305-3		Other indirect (Scope 3) GHG emissions	126		
305-4		GHG emissions intensity	125		
	305-5	Reduction of GHG emissions	126		
	305-6	Emissions of ozone-depleting substances (ODS)	125		
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	142-143		
GRI 306: WASTE AND EFFLUENTS 2016	103-1	Explanation of the material topic and its Boundary	136		
	103-2	The management approach and its components	136, 139		
	103-3	Evaluation of the management approach	138	306-3, 306-4	
	306-1	Water discharge by quality and destination	134-135, 140-141		
	306-2	Waste by type and disposal method	121, 138, 139,		
306-5	Water bodies affected by water discharges and/or runoff	134			

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE NUMBER / REFERENCE LINK	Exclusions
GRI 307: ENVIRONMENTAL COMPLIANCE 2016	103-1	Explanation of the material topic and its Boundary	120	
	103-2	The management approach and its components	120	
	103-3	Evaluation of the management approach	120	
	307-1	Non-compliance with environmental laws and regulations	249	
GRI 400: SOCIAL DIMENSION				
GRI 401: EMPLOYMENT 2016	103-1	Explanation of the material topic and its Boundary	148-149	
	103-2	The management approach and its components	148-149	401-2, 401-3
	103-3	Evaluation of the management approach	148-149	
	401-1	New employee hires and employee turnover	64, 148-149	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	103-1	Explanation of the material topic and its Boundary	56-59	
	103-2	The management approach and its components	56-59	
	103-3	Evaluation of the management approach	56-59	
	403-1	Occupational health and safety management system	56	
	403-2	Hazard identification, risk assessment, and incident investigation	57, 58	
	403-4	Worker participation, consultation, and communication on occupational health and safety	58	403-3, 403-8
	403-5	Worker training on occupational health and safety	57, 234	
	403-6	Promotion of worker health	56, 58, 234	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	16, 21, 56, 57, 58, 59, 76	
403-9	Work-related injuries	56, 76, 234		
GRI 404: TRAINING AND EDUCATION 2016	103-1	Explanation of the material topic and its Boundary	150-152	
	103-2	The management approach and its components	150-152	
	103-3	Evaluation of the management approach	150-152	
	404-1	Average hours of training per year per employee	150-152	
	404-2	Programs for upgrading employee skills and transition assistance programs	150-152	
	404-3	Percentage of employees receiving regular performance	150-152	

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE NUMBER / REFERENCE LINK	Exclusions
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	103-1	Explanation of the material topic and its Boundary	152	
	103-2	The management approach and its components	152	405-2
	103-3	Evaluation of the management approach	152	
	405-1	Diversity of governance bodies and employees	49, 152	
GRI 406: NON-DISCRIMINATION 2016	103-1	Explanation of the material topic and its Boundary	159	
	103-2	The management approach and its components	159	
	103-3	Evaluation of the management approach	159	
	406-1	Incidents of discrimination and corrective actions taken	243	
GRI 411: Rights of Indigenous Peoples 2016	103-1	Explanation of the material topic and its Boundary	157	
	103-2	The management approach and its components	157	411-1
	103-3	Evaluation of the management approach	157	
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	103-1	Explanation of the material topic and its Boundary	159	
	103-2	The management approach and its components	159	412-1, 412-2, 412-3
	103-3	Evaluation of the management approach	159	
GRI 413: LOCAL COMMUNITIES 2016	103-1	Explanation of the material topic and its Boundary	153	
	103-2	The management approach and its components	153	
	103-3	Evaluation of the management approach	153	413-2
	413-1	Operations with local community engagement, impact assessments, and development programmes	153-156	
GRI 415: Public Policy	415-1	Political contributions	159	

Mapping with the United Nations Sustainable Development Goals (UN SDGs)

SDG		Location(s)	Page number
	End poverty in all its forms everywhere.	Communities	154-155
	End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.	Communities	154-155
	Ensure healthy lives and promote well-being for all at all ages.	Communities	154-156
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Communities	154, 156
	Achieve gender equality and empower all women and girls.	People Communities	152, 154-156
	Ensure availability and sustainable management of water and sanitation for all.	Water resources, Waste water	134-135 140-141
	Ensure access to affordable, reliable, sustainable and modern energy for all.	Energy	130-131
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	Strategic growth, Diversification of product profile and customer base, People, Social sustainability, Human rights	82-85, 92, 96-97, 152-153, 155

SDG		Location(s)	Page number
	Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation.	Strategic growth, Diversification of product profile and customer base, Setting benchmarks in sustainable mining, Focus on resource optimisation	82-85, 94-97, 100-101, 106-109
	Reduce income inequality within and among countries.	Communities Governance	153, 156, 159
	Make cities and human settlements inclusive, safe, resilient, and sustainable.	Water resources, Waste, Air emissions	134, 136, 142
	Ensure sustainable consumption and production patterns.	Energy, Resources, Water resources, Waste, Waste water, Air emissions	130-149
	Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy.	Climate change, Energy	122-131
	Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	Wastewater, Biodiversity	140-141, 144-145
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	Biodiversity	144-145



KPMG Assurance and Consulting Services LLP
1st, 2nd and 3rd Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011, India

Telephone: +91 (22) 3089 9000
Fax: +91 (22) 3090 2210
Internet: www.kpmg.com/india

Independent Limited Assurance Statement to JSW Steel Limited on select Sustainability disclosures in the Integrated Report for financial year 2020-21

To
The Management of JSW Steel Limited,
Bandra Kurla Complex, Near MMRDA Grounds, Bandra East,
Mumbai – 400051.

Introduction

We ('KPMG Assurance and Consulting Services LLP', or 'KPMG') have been engaged by JSW Steel Limited ('JSW' or 'the Company') for the purpose of providing an independent limited assurance on the non-financial disclosures presented in the Integrated Report ('the Report') for the reporting period covering 1st April 2020 to 31st March 2021 ('the Year' of 'the Reporting Period'). Our responsibility was to provide limited assurance on the Report content as described in the scope, boundary and limitations.

Reporting Criteria

The Company applies non-financial performance criteria for developing its report derived from the following:

- The International Integrated Reporting Council's <IR> Framework.
- Global Reporting Initiative (GRI) Standards' in accordance – Core option.
- World Steel Association's environmental performance indicator for greenhouse gas emissions.

Assurance Standards Used

We conducted our assurance in accordance with

- Limited Assurance requirements of International Federation of Accountants' (IFAC) International Standard on Assurance Engagements (ISAE) 3000 (revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information, for the environmental and social disclosures in the Report.
 - Under this standard, we have reviewed the information presented in the Report against the characteristics of relevance, completeness, reliability, neutrality and understandability.
 - Limited assurance consists primarily of enquiries and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement.
- 'Limited Assurance' procedures as per International Federation of Accountants' (IFAC) International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements, for the GHG emissions data.
 - A limited assurance engagement in accordance with ISAE 3410 involves performing procedures to obtain evidence about the quantification of emissions and related information in the GHG Statement.
 - The nature, timing and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the GHG Statement whether due to fraud or error.



Scope, Boundary and Limitations

- The scope of assurance covers the assurance on select non-financial sustainability disclosures, based on GRI Standards and World Steel Association, as mentioned in the table below.
- The boundary of the Report covers the following operations in India:
 - JSW Steel Limited's operations at Vijayanagar, Salem, Dolvi, Salav, and mines at Vijayanagar (9 operational mines).
 - JSW Steel Coated Products Limited's (JSW SCPL) operations at Kalmeshwar, Tarapur and Vasind
 - Amba River Coke Limited's (ARCL) operations at Dolvi.
 - JSW Industrial Gases Private Limited's (IGPL) operations at Vijayanagar.
- The review of sustainability performance data was limited to the operational locations as mentioned above.

GRI Standards: Universal Standard	
• Management Approach: 103-1 to 103-3.	
GRI Standards: Topic Specific Standards	
Environmental	Social
<ul style="list-style-type: none"> • Materials: 301-1, 301-2. • Energy: 302-1, 302-2, 302-3, 302-4. • Water (2018): 303-4, 303-5. • Biodiversity: 304-1, 304-4. • Emissions: 305-3*, 305-6, 305-7. • Effluents and Waste: 306-1, 306-2. 	<ul style="list-style-type: none"> • Employment: 401-1, 401-2, 401-3. • Occupational Health and Safety (2018): 403-9. • Training and Education: 404-1. • Diversity and Equal Opportunity: 405-1. • Local Communities: 413 -1.
World Steel Association: Environmental Performance	
• Greenhouse gas emissions**	

* The data for 305-3 (Scope-3 GHG Emissions) is restricted to inbound transportation (road and rail), outbound transportation (road and rail), waste transportation, business travel and employee commute and business travel (rail and air travel).

** The GHG emissions for the integrated steel operations covers GRI Standards 305-1, 305-2 and 305-4. The quantification of GHG emissions followed the World Steel Association (WSA) CO2 data collection user Guide version 10. The Scope-3 emissions is restricted to upstream emissions or credits related to procurement / delivery of pre-processed materials / by-products from the site.

Limitations

The assurance scope excludes following:

- Data related to Company's financial performance.
- Data and information outside the defined reporting period.
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
- Data review outside the manufacturing operations as mentioned in the boundary above.
- Strategy and other related linkages expressed in the Report.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.



- Aspects of the Report other than those mentioned under the scope above.

Assurance Procedures

Our assurance process involves performing procedures to obtain evidence about the reliability of specified disclosures. The nature, timing and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the selected sustainability disclosures whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report in order to design assurance procedures that are appropriate in the circumstances.

Our assurance procedures also included:

- Assessment of JSW Steel Limited's reporting procedures regarding their consistency with the application of GRI Standards.
- Understanding the appropriateness of various assumptions, estimations and materiality thresholds used by the Company for data analysis.
- Evaluating the appropriateness of the quantification methods used to arrive at the sustainability disclosures presented in the Report.
- Review of systems and procedures used for quantification, collation, and analysis of sustainability disclosures included in the Report.
- Discussions with the personnel responsible for the evaluation of competence required to ensure reliability of data and information presented in the Report.
- Assessment of data reliability and accuracy.
- Review of sustainability performance data was carried out remotely through screen sharing tools.

Appropriate documentary evidences were obtained to support our conclusions on the information and data reviewed. Where such documentary evidence could not be collected due to sensitive nature of the information, our team reviewed the same with the relevant authority at respective sites and at corporate office through screen sharing tools.

Conclusions

We have reviewed selected non-financial disclosures in the Integrated Report of JSW Steel Limited for the reporting period from 01st April 2020 to 31st March 2021. Based on our limited review and procedures performed, nothing has come to our attention that causes us not to believe that the sustainability data and information as per the scope of assurance mentioned above, presented in the Report is appropriately stated, in material aspects and in line with the reporting principles of the GRI Standards.

We have provided our observations to the Company in a separate management letter. These, do not, however, affect our conclusions regarding the Report.

Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information as per the requirements of ISAE 3000 (Revised) and ISAE 3410 standards.

Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding



integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies ISQC-1 and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.

Responsibilities

JSW Steel Limited is responsible for developing the Report contents. The Company is also responsible for identification of material sustainability topics, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported. This statement is made solely to the Management of JSW Steel Limited in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might state to the Company those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work, for this report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. Our report is released to JSW Steel Limited on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

Prathmesh Raichura
 Partner
 KPMG Assurance and Consulting Services LLP
 Date: 27-July-2021

Management Discussion and Analysis



1.0 | Organisational overview

JSW Steel Ltd. (JSW Steel), the flagship company of the diversified US\$ 13 billion JSW Group, is an integrated manufacturer of a diverse range of steel products and is India's leading crude steel manufacturer. The company has an extensive portfolio of flat and long products and has an export presence across 100+ countries. The company manufactures hot rolled coils, sheets and plates, cold rolled coils and sheets, galvanised and galvalume products, tinplates, non-grain oriented electrical steel, pre-painted galvanised and galvalume products, thermo-mechanically treated (TMT) bars, wire rods, rails, grinding balls and special steel bars. It is one of

the leading producers and exporters of coated flat steel products in India.

Currently, JSW Steel has an installed crude steel capacity of 18 MTPA in India, which comprises 12.5 MTPA of flat products and 5.5 MTPA of long products. The facilities in India are strategically located near raw material sources and/or are well connected via ports and railways, thus helping the Company to maintain a competitive cost structure.

JSW Steel's overseas manufacturing facilities comprise a plate/pipe mill in Baytown, Texas, U.S., a steel making facility at Ohio, U.S., and a long product mill in Italy. The Baytown facility has a 1.2 million net tonnes per annum (MNTPA) plate mill and a 0.55 MNTPA pipe mill. The Ohio facility is a hot rolling mill with a 3 MNTPA capacity. It is partially backward integrated with a 1.5 MNTPA Electric Arc Furnace (EAF). The facility in Italy produces long products – railway lines, bars, wire rods and grinding balls – with aggregate capacity of 1.3 MTPA. JSW Steel plans to expand its domestic steel capacity to 45 MTPA in the next decade through a combination of organic and inorganic growth.

18 MTPA

Current installed crude steel capacity*

A leading player in India

JSW Steel is a leading player in the Indian steel market with significant domestic and international reach. The Company has expanded its Indian steelmaking capacities rapidly – from 3.8 MTPA in FY 2006-07 to 18.0 MTPA in FY 2015-16, through organic and inorganic growth. The Company has also continuously sustained its market position with its core strengths of agile operations, rich product mix, best-in-class technology, excellence in project execution, sustainable sourcing and consistent focus on employee engagement.

With the long-term growth potential for steel consumption in the domestic market, the Company has embarked on additional capital expenditure programme to expand its capacities at its plants, and also to modernise and expand capacities of its downstream business. The capacity at Vijayanagar Works is being expanded from 12 to 19.5 MTPA through brownfield expansion, setting up a 5 MTPA steelmaking capacity through one of its wholly owned subsidiary JSW Vijayanagar Metallics Limited and other productivity enhancing initiatives. The capacity expansion project at Dolvi from 5 MTPA to 10 MTPA is nearing completion, along with the 1 MTPA capacity at Salem thereby bringing the overall capacity to 30.5 MTPA in the next four years.



~30.5 MTPA

by FY 2024-25

Expected installed crude steel capacity*

Please refer to Page 260-262 of the Directors' Report for a detailed discussion on expansion plans and capex

*JSW Steel standalone



Integrated manufacturing process and retail front-end

JSW Steel is an integrated manufacturer of a diverse range of products, utilising various industry leading technologies. It has one of the lowest conversion costs in the industry, primarily due to efficient operations, high people productivity, strategic location of its facilities and its state-of-the-art manufacturing facilities. The JSW Steel Group's integrated operations span mining, raw material processing units such as beneficiation plants, pelletisation and sinter plants, steel manufacturing, to downstream value addition capabilities such as production of cold rolled, galvanised and galvalume, colour-coated and tin plate products.

JSW Steel's facilities are well connected to rail, road and port for logistics support, which provide a natural competitive advantage in the form of reliable and cost efficient raw materials supply and delivery of finished steel to the market.

Most of the Company's domestic production facilities are serviced by captive power plants. Vijayanagar Works has captive power generation of 865 MW; Dolvi Works has a 67 MW captive power generation and long-term power purchase arrangement with JSW Energy Limited; and Salem Works is powered by a 97 MW captive power generation. Of the aggregate capacity of ~1,029 MW generated by the captive power plants, 45-50% is generated through waste gases and heat generated from operations, an environmentally friendly and cost-efficient source. The Company also has tie-ups for utilities and industrial gases with its wholly owned subsidiary JSW Industrial Gases Private Limited (previously known as JSW Praxair Oxygen Company Private Limited).

JSW Steel was successful in the competitive bidding process for six iron ore mines in Karnataka at auctions conducted in October 2016 and October 2018. These mines have begun operations during the financial year 2019-20.

The Company was also declared as a 'preferred bidder' for seven additional iron ore mines (three in Karnataka and four in Odisha) in the auctions held by the Governments of Karnataka and Odisha in the financial year 2019-20, with estimated resources of approximately 1.20 BnT.

The Company has signed the Mine Development and Production Agreement and the Lease Agreements for these mines. In respect of the four mines located in the State of Odisha, the Company's operations commenced from July 1, 2020. The Company has also commenced production in the last of the three recently acquired mines in Karnataka during the year. The captive iron ore mines contributed just ~4% and ~15% of the total iron ore requirement in FY 2018-19 and FY 2019-20 respectively, but in FY 2020-21, this proportion was 35%, with captive iron ore production of 18.2 MnT.

1.2 BnT

Estimated total reserves in the 7 new mines in Karnataka and Odisha

~35%

Current iron ore from captive mines

The Company has also secured the 'Moitra' coking coal block located in Jharkhand via an auction process in April 2015, which has a total extractable coal reserve of ~30 MnT. This is expected to provide certain coking coal security to the Company. JSW Steel also operates a coking coal mine in West Virginia, U.S. and has also acquired coal mining concessions in Mozambique.

Therefore, together with integrated steel plants and superior logistics connectivity, JSW Steel is adequately backward integrated with multiple iron ore mines, captive power plants.

JSW Steel has a strong retail presence with its products sold through 16,000+ retail outlets covering 600+ districts in India. This helps the Company build a customer-centric brand and strengthen feet-on-the street presence.

Adopted a combination of industry leading technologies, including non recovery coke ovens, blast furnace, DRI, twin shell Conarc, Corex and galvalume technology.

Technological Competence

JSW Steel is a pioneer in introducing leading technologies in India. In order to achieve high quality at competitive production costs, the Company has adopted a combination of industry leading technologies, including non-recovery coke ovens, blast furnace, DRI, twin shell Conarc, Corex and galvalume technology, in addition to other well-established steelmaking methods. The Corex process is used in combination with blast furnace technology at Vijayanagar Works. In addition, the Company's beneficiation plant at Vijayanagar is able to convert low grade iron ore to higher grade variants, thus allowing the Company to utilise lower grade iron ore and achieve significant cost savings and plant efficiency. Dolvi Works is the first facility in India to adopt a combination of Conarc technology for steelmaking

and Compact Strip Production for producing hot rolled coils.

The adoption of various advanced technologies gives the Company the flexibility to blend coking coal of different quality for the manufacture of coke, produce pellets and sinter in the iron ore agglomeration (pelletisation and sinter plants) process, make use of coal fines, utilise waste heat for power generation and produce galvalume products, each of which generates cost efficiencies for the Company. These advanced technologies also allow for flexibility in the choice of raw materials and enable the Company to take advantage of market variances in the availability and price of such materials, leading to better efficiency and operational stability.

Diversified product portfolio and strong business profile

52%
Value Added Special Products (VASP) contribution in the product mix in FY 2020-21

Please refer to Annexure A on Page 279 for detailed discussion on product innovation and R&D

JSW Steel has a wide range of product offerings that cater to diversified markets across geographies. The Company has significantly expanded its product portfolio through a mix of acquisitions, downstream capacity expansions and joint ventures with other leading companies. This gives it flexibility to adapt its product mix to the evolving nature of the market and

enables business continuity through adverse conditions. In FY 2020-21, amidst the COVID-19 led slowdown, the Company could manoeuvre through the market dynamics and ensure seamless sales operations and also record 41% rise in total exports. The high share of value-added products in the sales mix adds to the margin profile.



Strategic acquisitions and joint ventures

JSW Steel has entered into strategic joint ventures and acquired equity interests in various entities which have enabled it to add more value-added products, enhance its global footprint, secure raw materials and achieve backward integration.

In October 2020, JSW Steel completed the acquisition of Asian Colour Coated Ispat Ltd. (ACCIL) through JSW Steel Coated Products Ltd. (JSWSCPL). ACCIL manufactures downstream steel products and has two manufacturing units located at Bawal, Haryana and Khopoli, Maharashtra.

ACCIL has a capacity of 1 MTPA, with 3 lakh tonnes of colour-coated steel.

In March 2021, JSW Steel closed many strategic acquisitions which will enable its growth plan in diverse ways. It completed its acquisition of Vallabh Tinplate Pvt. Ltd. (now known as JSW Vallabh Tinplate Pvt. Ltd.). The Company produces tin plates and has a capacity of 0.1 MTPA. The Company also completed the acquisition of Bhushan Power & Steel Ltd. (BPSL), which has an integrated steel unit with a capacity of 2.5 MTPA in Jharsuguda, Odisha. The Company holds 49% stake in BPSL through Piombino Steel Ltd. and the balance of 51% is held by JSW Shipping & Logistics Pvt. Ltd. (JSLPL). BPSL is jointly controlled by the Company and JSLPL. The Company also acquired the Plate and Coil Mill Division of Welspun Corp Ltd. at Anjar, Gujarat, which will enable JSW Steel's entry into different grades of steel products.

Key Acquisitions in FY 2020-21

Asian Colour Coated Ispat Ltd. (ACCIL)

1 MTPA

Pure-play downstream company with production facilities in Maharashtra and Haryana

Bhushan Power and Steel Ltd. (BPSL)

2.5 MTPA

Integrated steel producer with liquid steel capacity in Jharsuguda, Odisha, and downstream facilities in Kolkata and Chandigarh

Plate and Coil Mill Division (PCMD) of Welspun Corp Ltd.

1.2 MTPA

High-grade steel plates and coils manufacturer, located in Anjar, Gujarat

Vallabh Tinplate Pvt Ltd.

0.1 MTPA

Tinplate manufacturing capacity



Robust financial discipline

JSW Steel maintains a strong focus on cost management and prudent investment in new projects. It has developed robust financial policies and business criteria to assess potential acquisitions and capacity expansion while improve its debt maturity profile, and diversify its funding sources.

In October 2020, JSW Steel raised US\$500 million through an offshore bond and followed up with a tap issue of US\$250 million in December 2020.

Credit Rating

Domestic

A1+ by CARE and ICRA
Short-term debt / facilities rating

CARE: AA- with Stable Outlook

ICRA: AA- with Positive Outlook

Long-term debt facilities / NCD's credit rating

International

Fitch: BB - with Positive Outlook

Moody's: Ba2 with Stable Outlook

Driving a sustainable business

JSW Steel is committed to its environmental, social and governance (ESG) goals to create sustainable long-term value for all its stakeholders. With sustainability at the core of the Company's corporate strategy, over the years, it has built in processes and initiated measures that strives to be a force for good, to ensure responsible business conduct and overall well-being of its employees and its communities.

In sync with the JSW Group's sustainability vision, the Company endeavours to demonstrably contribute in a socially, ethically and environmentally-responsible way to the development of a society where the needs of all are met. The Company is supported with a sustainability framework based on 17 focus areas across the ESG facets and all sustainability interventions broadly fall under these focus areas. JSW Steel endeavours to consistently achieve targets set under each of this focus areas and remains cognisant of the needs of a dynamic world and is aligned to making it a better place for the wider community.

[Read more on JSW Steel's sustainability initiatives and performance in the Directors' Report, on Page 256.](#)

Recognitions for sustainability initiatives



Golden Peacock Award for Sustainability by the Institute of Directors



JSW Steel recognised as Steel Sustainability Champions by the worldsteel, for the 3rd consecutive year



Rated Leadership Level (A-) by CDP



2.0 | Economic overview

2.1

Global economy

The year 2020 was an exceptional one for the world economy, as it grappled with the COVID-19 outbreak and the resultant challenges to public health, lockdowns and a near closure of international borders for an extended period. Trade was massively disrupted, affecting global supply chains, and governments across the world focused on health infrastructure and ancillary priorities.

Large-scale stimulus measures were announced by major economies to minimise the economic fallout, support organisations and individuals, save jobs, and provide some succour from the drastic implications of an extended period of economic downturn. Multilateral bodies such as the International Monetary Fund (IMF) and the World Bank called for concerted efforts to support the vulnerable economies.

The impact on businesses – large and small – has not been fully understood or calculated. However, there was

3.3% ↓

in Global GDP for CY 2020

Source: April 2021 World Economic Outlook (WEO) publication

an irreversible change in the way of working, viability of some industries, nature of some jobs and aspects of social life. At the same time, it became clear that the digital transition was not optional anymore, and that e-commerce, connectivity, collaboration solutions were an imperative in the new post-pandemic economy. Strong legacy businesses showed resilience, with consumer demand and confidence rebounding gradually. However, quality of the business, nimble-footedness and ability to adapt became core differentiators.

In the second half of CY 2020, as the virus began to lose potency, and its severity dropped, restrictions began to be lifted across the world. Few green shoots became visible across countries and sectors as the world began to embrace the new reality and prepared for business-as-usual. The unprecedented global race to make a vaccine saw inspiring outcomes, and the approval, commercialisation and mass production of multiple vaccines proved to be, quite literally, a shot in the arm. As a result, the IMF in its April 2021 World Economic Outlook (WEO) publication, calculates a decline of 3.3% in global GDP for CY 2020 vs earlier estimate of a contraction of 3.5% in January 2021 and a more severe contraction of 4.4% in October 2020. A review of some specific geographies and their performance during the year has been provided across the following pages.

A united global effort to support an interconnected global economy

In order to help the world recover from the COVID-19 impact, policymakers across the globe initiated focused measures to support consumption, inject liquidity and reduce cost of borrowing.

These initiatives were aimed at encouraging targeted credit programmes, infusing equity/ equity-like investments into viable companies and enabling restructuring of balance sheets rapidly and inexpensively through suitable bankruptcy and workout procedures.

In its mid-December 2020 report, the Group of Thirty (G30) set out key universal principles on reviving and restructuring the corporate sector post-COVID. The key principles include:

- | | |
|--|--|
| 01
Productive use of scarce resources | 02
Encouraging necessary or desirable business transformations |
| 03
Harnessing private sector expertise | 04
Appropriately timing the interventions |

2.1.1 Advanced Market Economies (AMEs)

Continued policy actions in economies such as Japan, and a stronger-than-expected recovery in the US improved the outlook for advanced economies. This was a result of multiple micro and monetary policy interventions and expansive fiscal measures in varying degrees across countries – ranging from direct tax provisions, liquidity injections, and stimulus packages.

2.1.2 Emerging Market and Developing Economies (EMDEs)

Following a 2.2% de-growth in CY 2020, EMDEs are expected to witness a y-o-y growth of 6.7% in CY 2021, indicating a V-shaped recovery. The trend lines on forecast also align with those of the AMEs.

6.7% ↑
Expected EMDE GDP growth in CY 2021

Overview of the World Economic Outlook Projections

Particulars	Projections %		
	2020	2021	2022
World Output	-3.3	6.0	4.4
Advanced Economies	-4.7	5.1	3.6
Emerging Market and Developing Economies	-2.2	6.7	5.0
ASEAN-5	-3.4	4.9	6.1
United States	-3.5	6.4	3.5
Euro Area	-6.6	4.4	3.8
United Kingdom	-9.9	5.3	5.1
China	2.3	8.4	5.6
India	-8.0	12.5	6.9
Japan	-4.8	3.3	2.5
Russia	-3.1	3.8	3.8

Source: International Monetary Fund, World Economic Outlook, April 2021 World Economic Outlook.

Note: For India, data and forecasts are presented on a fiscal year basis, and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.

2.1.3 Outlook

The vaccination-powered economic recovery remains fragile and divergent across nations, with new strains of the virus leading to localised lockdowns and vaccine protectionism, resulting in slower-than-expected inoculation. Further, the varied access to medical interventions, effectiveness of policy support, exposure to cross-country spill-overs, and their respective structural characteristics could heighten risk to the downside.

The IMF has suggested raising potential output, ensuring participatory growth that benefits all, and accelerating the transition to lower carbon dependence as the three broad imperatives for a sustainable growth recovery. Combined with multilateral cooperation on various socio-economic fronts, there is a need to provide assistance to low-income countries, whose debt levels have spiked during the pandemic period.

The IMF expects global growth to touch 6.0% in CY 2021, following from the low base of the previous year, and then moderate to 4.4% in CY 2022. Global trade volumes are forecast to grow by ~8%. The US economy is projected to grow at 6.4%. China appears to have been the only major economy to avoid de-growth in CY 2020. Its economic growth is expected to accelerate to 8.4% in CY 2021 from 2.3% in CY 2020.

The first half of CY 2021 is expected to witness a slowdown in economic activities owing to continued pressures from renewed lockdowns in some parts of the world. The second half could see a greater momentum owing to a pick-up in vaccinations, improved therapies and testing, and additional fiscal policy support in several major economies, accompanied by a revival in consumer demand, sentiment, travel and other pent-up economy drivers.

2.2 Indian economy

FY 2020-21 began on a very weak note for India, as the onset of the pandemic triggered panic and brought most economic activities to a near halt in the first quarter. While annual estimates of contraction varied (and kept improving), the first quarter saw a 23.4% decline in GDP. With the second quarter also being one of decline, albeit at a slower pace than that in the first, the economy entered a technical recession with two successive quarters of contraction. This happened only the second time since Independence and for the first time since economic liberalisation in 1991. Following synchronised fiscal and monetary measures undertaken by the government and the Reserve Bank of India (RBI), India's economic growth returned to positive territory, with pent-up demand playing out and festive demand coming on stream.

23.4% ↓
Q1 FY 2020-21 decline in GDP

Protecting lives and livelihoods became the core priority of the government, while implementing business continuity plans and adapting to the new normal became the priority for industry. India's resilience and ability to bounce back was evident, and this continues to provide confidence to the industry to stay invested in its future. Almost all core sector industries seemed confident of reaching pre-COVID levels of output and revenue. Consequently, the full-year GDP saw a net decline of just about 7.3%, far lesser than the initial fears. [Source: National Statistical Office (NSO)]

7.3% ↓
FY 2020-21 GDP

Apart from the obvious consumption-led reasons and structural strength of the economy, there are multiple measures that have aided this recovery and support the promising outlook of a double-digit growth in FY 2021-22.



Mega-infra push

The government's mega push for commodity intensive infrastructure development projects helped boost demand for manufacturing and commodities such as steel and cement, even as services remained muted. A pro-growth Union Budget with a ₹5 trillion capex lifted sentiments and the ₹110 trillion National Infrastructure Pipeline (NIP), announced earlier, is expected to support gross fixed capital formation. In early October 2020, the Centre also announced ₹12,000 crore interest-free, 50-year tenor loans to states for spending on capital projects, aimed at boosting the respective local economies.

₹5 trillion
Capex announced in Union Budget 2021-22

Rising competitiveness

India's increasing prominence as a manufacturing and investment destination is validated by rising competitiveness, ease of doing business, and decisive policy action. Therefore, India is well placed to benefit from the realignment of global supply chains and 'China+1' sourcing approach of MNCs looking at cost, safety, and long-term stability, as evidenced in multiple sectors ranging from chemicals, pharmaceuticals and even electronics and mobile phone manufacturing.

By all estimates, India was on the course to becoming the only major economy to register double digit growth in FY 2021-22 when the brutal second wave hit. The severity and scale of the infections are a definite risk to growth. However, compared to the previous year, infrastructure and construction activities are better insulated, and the economy has the potential to bounce back. The rapidly increasing pace of vaccinations and availability of multiple vaccines are likely to aid a broad-based recovery.

2.2.1

Policy impetus

By the end of March 2020, all of India was under a near-total lockdown as the government prioritised a strategy to reduce the spread of the virus. This had a domino effect on most industries, but nowhere was the impact more pronounced than on unorganised labour, earn-and-pay citizens, MSMEs without a strong safety net, and industries such as travel and tourism, along with their ancillaries and affiliates.

The government swung into action to provide relief to the vulnerable sections and take some sting out of the pandemic's impact on the nation's economic engine. The RBI played an important role in complementing the government efforts. It adopted an expansive monetary policy and aimed at injecting liquidity into the

system while announcing a series of rate cuts as part of its 'accommodative stance' on interest rates. The government and the RBI worked together to provide a moratorium on loan repayments and stressed-asset classifications, which protected lenders and borrowers alike. Subsequently, the Finance Ministry launched the Emergency Credit Line Guarantee Scheme (ECLGS), designed to provide higher levels of borrowing capacity, at controlled interest rates, to further support the MSME sector. Such schemes have begun to demonstrate results and have aided many businesses and individuals to come back on their feet. There were many other tactical measures such as relaxation on compliance, reduction of withholding tax rates to boost cash flow, increased focus on tax refunds, and direct benefits transfer to name a few.

Production-Linked Incentive (PLI) Schemes

The Government of India announced Production Linked Incentives (PLI) schemes across ten key sectors in March 2020. The scheme, aims to boost domestic manufacturing under the government's Atmanirbhar Bharat initiative.

In the Union Budget 2021-22, presented on February 1, 2021, the Finance Minister announced an outlay of ₹1.97 lakh crore for PLI Schemes for 13 key sectors, to create national manufacturing champions and generate employment opportunities for the country's youth.

The scheme aims to provide incentives to companies for enhancing their domestic manufacturing. Further, focusing

on reducing import bills and improving the cost competitiveness of local goods. The scheme also offers Incentives on incremental sales for products manufactured in India.

Aimed at increasing manufacturing GVA from the current 16.5% and reducing import dependence, the PLI scheme is expected to unlock over US\$ 520 billion of additional output in the short-to-medium term. It is also expected to trickle down to create significant employment and growth prospects and boost MSMEs that have forward linkages with manufacturers under PLI.

Sectors identified under the PLI scheme

- | | | | |
|---|--|--|--|
| 1
Mobile Manufacturing and Specified Electronic Components | 2
Drug Intermediaries and Active Pharmaceutical Ingredients | 3
Manufacturing of Medical Devices | 4
Electronic or technology products |
| 5
Pharmaceuticals drugs | 6
Telecom & networking products | 7
Food Products | 8
High-efficiency solar PV modules |
| 9
White goods (ACs & LEDs) | 10
Automobiles & Auto Components | 11
Advance Chemistry Cell (ACC) Battery | 12
Textile Products |
| | | | 13
Specialty Steel |



2.2.2

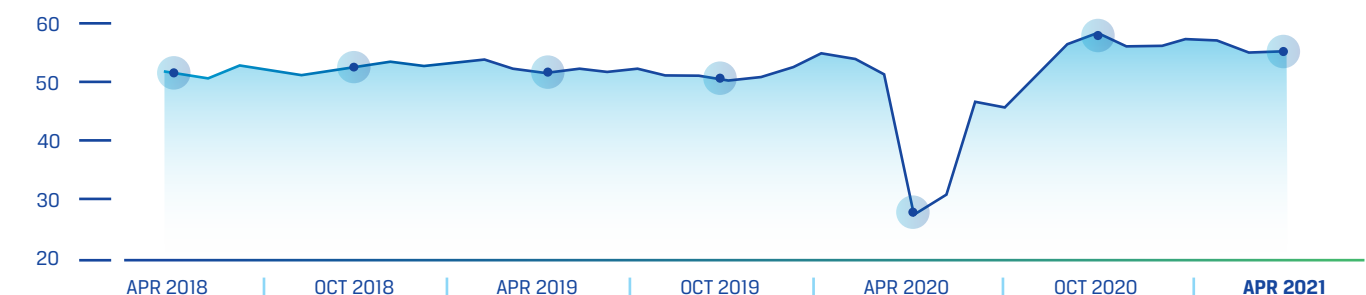
High-frequency indicators point to strong recovery

As per the first advance estimates of the National Statistics Office, 96% of pre-pandemic economic activity has been restored. Manufacturing activity has witnessed a sharp growth, the fastest in over a decade. This was led by the recovery in demand and output growth, post the COVID-19 shocks. High frequency indicators, which showed an uptick from the third quarter of FY 2020-21 and are plateauing currently, indicate a strong recovery in the near term.

96%
Pre-pandemic activity restored by January 2021 in nominal GDP terms

PMI – Manufacturing

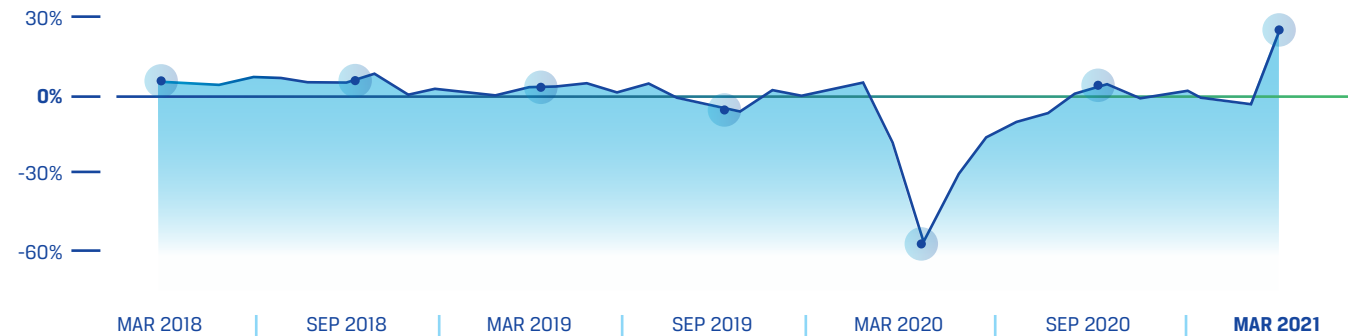
Manufacturing Purchasing Managers Index (PMI), which indicates the direction of industrial activity, was cruising at a high in the fourth quarter.



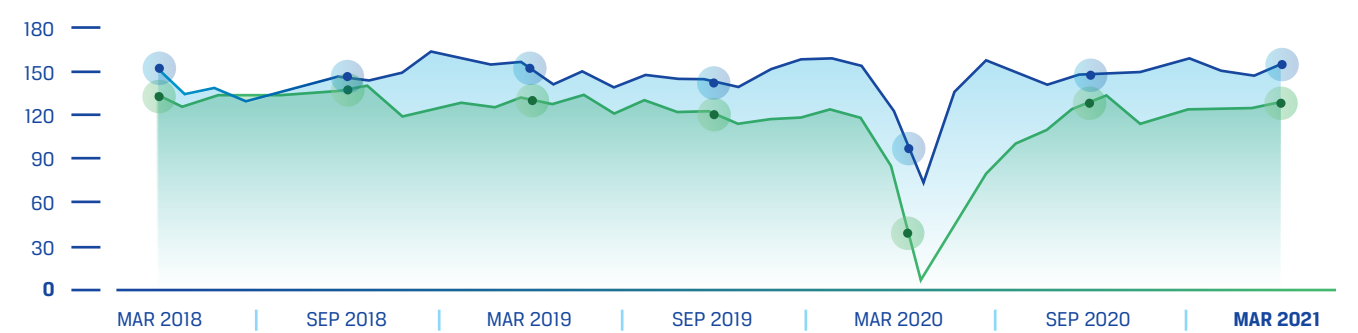
Source: IHS Markit

IIP - Industrial (YoY)

The Index of Industrial Production (IIP), covering eight core industries, rebounded sharply towards the conclusion of the financial year.



IIP - Consumer



Source: MOSPI

Inflation remains a concern as the April Wholesale Price Index (WPI)-linked inflation crossed double-digits at 10.5% (y-o-y), for the first time in over a decade. It is led by spiralling commodity prices and the import of critical consumables. CPI inflation, however, moderated to 4.3%

in April from 5.5% in March, a high base of the previous year notwithstanding. The RBI's monetary policy stance remains accommodative, with upper and lower tolerance levels for inflation pegged at 2% and 6%, respectively, for the next five years (April 2021-March 2026).

2.2.3

Outlook

India has bounced back strongly and much better than several other economies. The IMF pegs India's real GDP growth at 12.5% in FY 2021-22, as the vaccine rollout accelerates, and economic activities continue to normalise. The economic and business sentiment has substantially improved, and investor sentiment is robust. Oil prices are on a rise, and commodity prices are seeing significant highs. The recovery in the automotive sector, notably in two wheelers and passenger vehicles, has been better than anticipated.

Going forward, the economic scenario can be expected to be driven by pent-up positive savings, rapid vaccine deployment, expanding stimulus, low interest rates, dollar weakness, accommodative monetary policy and commodity-intensive public expenditure. That said, the pandemic scenario remains fluid, with the second wave of infections igniting concerns. The possibility of stretched lockdowns and associated disruptions are likely to keep the economy on tenterhooks, at least in the near-term.

12.5% ↑

India's projected real GDP growth in FY 2021-22



**JSW Steel's View
Resilient India moves forward**

JSW Steel views FY 2020-21 as a year of India's resilience. Despite recording significant contraction due to pandemic-induced challenges, the Indian economy registered a sharp rebound. As the unlocking began, demand started picking up. This was even more pronounced in the latter half of the year as the discovery and rollout of vaccines commenced.

The government and the central bank played a proactive role in stabilising the economy and ensuring adequate liquidity in the system, which helped improve sentiment. With a focus on kickstarting the economic growth engines and providing a boost to domestic manufacturing, the Company believes the Atmanirbhar Bharat Abhiyan initiative will play a key role in creating large-scale employment opportunities, supporting domestic manufacturing and garnering investments.

Going forward, India's economy is expected to be powered by key growth levers such as:

- 1** Large-scale public expenditure on infrastructure
- 2** Rising Foreign private investments led by the China+1 strategy
- 3** Emergence of the middle to affluent class (short-term disruptions notwithstanding) leading to rising consumption
- 4** Domestic manufacturing significantly contributing to exports.

These levers will be further enabled by targeted policy deployment, mainstream digitalisation and a focus on long-term sustainability.



3.0 | Industry Overview

3.1 Global steel industry

The global steel industry, like many other industries, witnessed a year of two halves in CY 2020. A sharp decline in both steel demand and production in the first half, and a sharper-than-expected recovery in the second half. The short-term disruptions, however, inflicted significant pain on economies where the manufacturing sector was already under enormous stress. The recovery of steel consuming industries such as automobiles has been faster than expected, and as a result, CY 2021 started with a firm steel demand and market prices. As economies around the world build back, infrastructure will be a key enabler for growth.

Global steel production in CY 2020 marginally dropped by 0.9% to 1,864 MnT from 1,880 MnT in CY 2019 (Source: World Steel Association). Steel demand fell by 0.2% to 1,771.8 MnT from 1,775 MnT in CY 2019.

The steel pricing scenario has remained buoyant since Q4 FY 2021-22, which has seen highs not witnessed in over a decade. In CY 2020, average global steel price was about US\$ 582/tonne. However, as CY 2021 commenced, average price in the first five months jumped to US\$ 883/tonne.

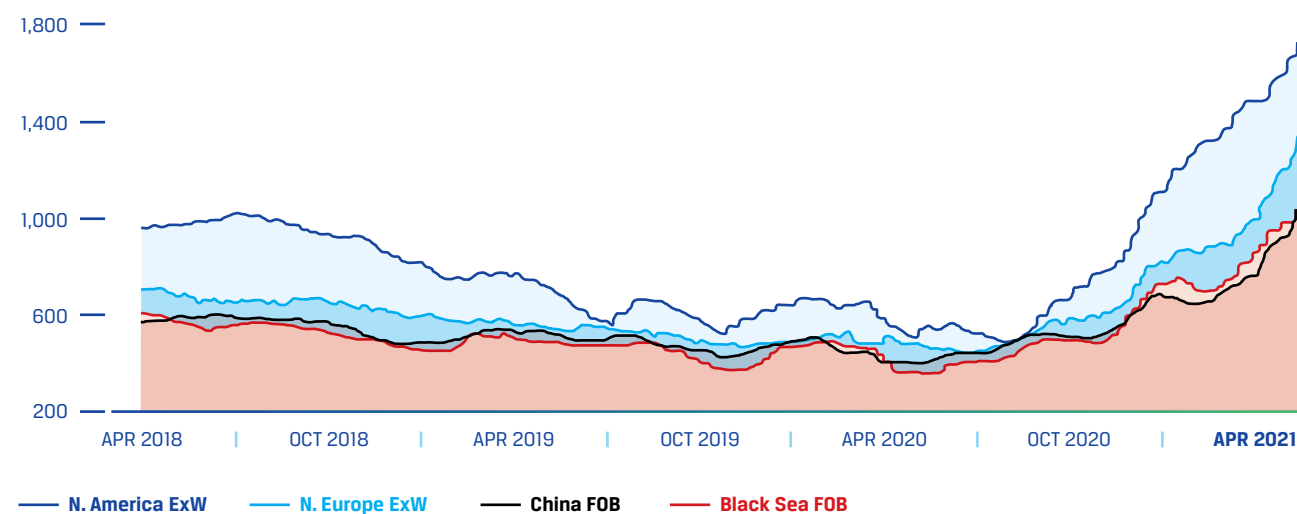
China, the largest steel making country, is limiting production, restricted exports, encouraging import

of semi-finished steel and is focusing on domestic consumption. This means that excessive supply and dumping experienced earlier from China are expected to be under control. Similarly, across the world, the underinvestment for past several years on infrastructure is now an opportunity to stimulate economic activity with huge spending on infrastructure through massive fiscal stimulus. This presents a case for sustained and growing demand. However, on the supply side the increase is not proportionate, with rising scrutiny on Environmental, Social and Governance (ESG) aspects. In light of this, steel demand and pricing are expected to remain firm in the near-to-medium term, with bouts of short term corrections.

1,771.8 MnT

Global steel demand in CY 2020

HRC prices (US\$/t)



Source: Bloomberg, Platts, NBS China



Feature Story

A supercycle in the making

The current surge in the demand overwhelming the supply for commodities suggest as per some experts that the global commodities are on the verge of entering a supercycle. In the past century, the world has witnessed such supercycles, post key events such as rapid industrialisation in USA, rearmament before world war, rebuilding economies post world war and sharpest upcycle powered by china industrialisation etc. Typically lasting anywhere between 5-17 years, supercycles coincide with large-scale urbanisation and industrialisation and massive infrastructure spend.

Currently, the global environment is characterised by supply inelasticity, demand surge, improved market sentiment and large-scale public expenditure on commodity-intensive infrastructure. Steel is a natural beneficiary. Further, a global energy transition towards renewables provides a huge opportunity for the steel sector, with demand expected to rise 7x to around 100 MnT from this sector alone. These trends are expected to set the stage for the next supercycle in steel.

From a JSW Steel standpoint, the Company is actively investing in building capacities to capitalise on the emerging demand, without significant addition to its debt. It believes that irrespective of the nature and depth of the cycle, India's steel demand will be driven by increased consumption and infrastructure creation and therefore, absorption of new capacities will be rapid. Together with raw material security, value-addition capabilities and digital enablement, the Company expects to be best placed in catering to domestic and international markets to leverage the expected positive upcycle in the industry and create sustainable value.



China: Recovering ahead of others

China continued to be the largest contributor to global steel production volumes with 1,053 MnT and was one of the few economies to have reported growth in production on a year-on-year basis. It recovered ahead of most countries and announced a series of measures to resurrect its economy under its 14th

five-year plan. Several countries also have taken measures to revive the economic activity and this has led to a V-shaped recovery in global steel demand. Indicating a much faster industrial bounce-back, China's steel consumption increased by 9.1% compared to previous year's levels. It imported 23 MnT of more steel, while

its exports reduced by 10 MnT. In short, this led to a 33 MnT reduction in steel availability for the rest of the world. Coupled with the existing supply gap of ~12 MnT, this indicates a total inventory shortfall of ~45 MnT. The scenario presented attractive export opportunities for steelmakers in India and other countries.

Advanced economies: Taking time to recover

Economic activity in advanced economies was on a free fall through the first half of 2020, although substantial fiscal measures and

release of pent-up demand helped a sharp rebound in the latter part of the year. Notwithstanding this, the activity levels remained below

pre-pandemic levels as CY 2020 concluded. This contributed to the decline in steel demand in advanced economies by 12.7%.

US: Stimulus-led consumption supports demand

Despite high infection levels, strong consumption spurred by fiscal stimulus and accommodative monetary policy helped the US economy bounce back from the first wave. This led to improved durable goods manufacturing, and a strong comeback for the housing market. The

proposed US\$ 2 trillion infrastructure plan bodes well for overall sentiment and multi-year growth. Going forward, there will be short-term constraints as non-residential construction and energy segments experience slower revival. However, from the beginning of 2021, demand

has significantly picked up. Pricing faces upward pressure as supply and imports are taking time to restore to pre-COVID levels, given that tariff-led anti-dumping measures continue for steel from India and other countries through implementation of Section 232 of the Trade Expansion Act.

Developing economies (ex-China)

Compared to the developed economies, developing economies (except China) witnessed sharper effects of the pandemic. Inadequate medical infrastructure, collapse in income generating sectors such as tourism, and fall in commodity prices created a tough situation. Together with this, insufficient fiscal support further softened sentiment. Steel demand plummeted as lockdowns ensued. However, as lockdowns were lifted, several of these economies are now seeing acceleration in demand at an unprecedented scale. Effects of limited but targeted fiscal and monetary measures are starting to manifest in countries such as India, as construction demand and general consumption gather pace.

In the **ASEAN region**, standstill in construction contracted steel demand by 11.9% in 2020, with Malaysia and the Philippines experiencing heavy declines.

Latin American nations collectively experienced a double-digit fall in steel demand, with countries such as Mexico getting impacted in the wake of reduced auto production and investment. However, rebound of activity in the American steel consumer industries will prove beneficial for Mexico as demand revives. In Brazil, a heavy decline in the second quarter was offset by a sharp recovery in the latter quarters as effects of government support kicked

in. This has helped the Brazilian steel industry to grow and achieve gradual recovery.

In **Russia**, the steel demand suffered less decline, with timely government aid shoring up activity. National projects in the country are expected to assist recovery, going forward.

In **Turkey**, the steel demand scenario was largely positive, as recovery momentum from 2019 continues, led by the construction sector.

MENA witnessed a steel demand decline of 9.5%, as construction projects were cancelled, and oil prices tanked. However, recovery in both is expected to aid demand growth in the near term.

33 MnT

Supply gap created owing to curb of Chinese exports in 2020

EU - Green shoots visible

Steel consuming sectors in the EU region were severely impacted under the lockdown initially. Nevertheless, the rebound in manufacturing was stronger than expected, owing to supportive government measures and pent-up demand. Steel demand contraction was thus contained to 11.4% in EU27 and the UK. Import quotas for the EU are expected to be positively revised, driven by inventory reduction and strong manufacturing activity.

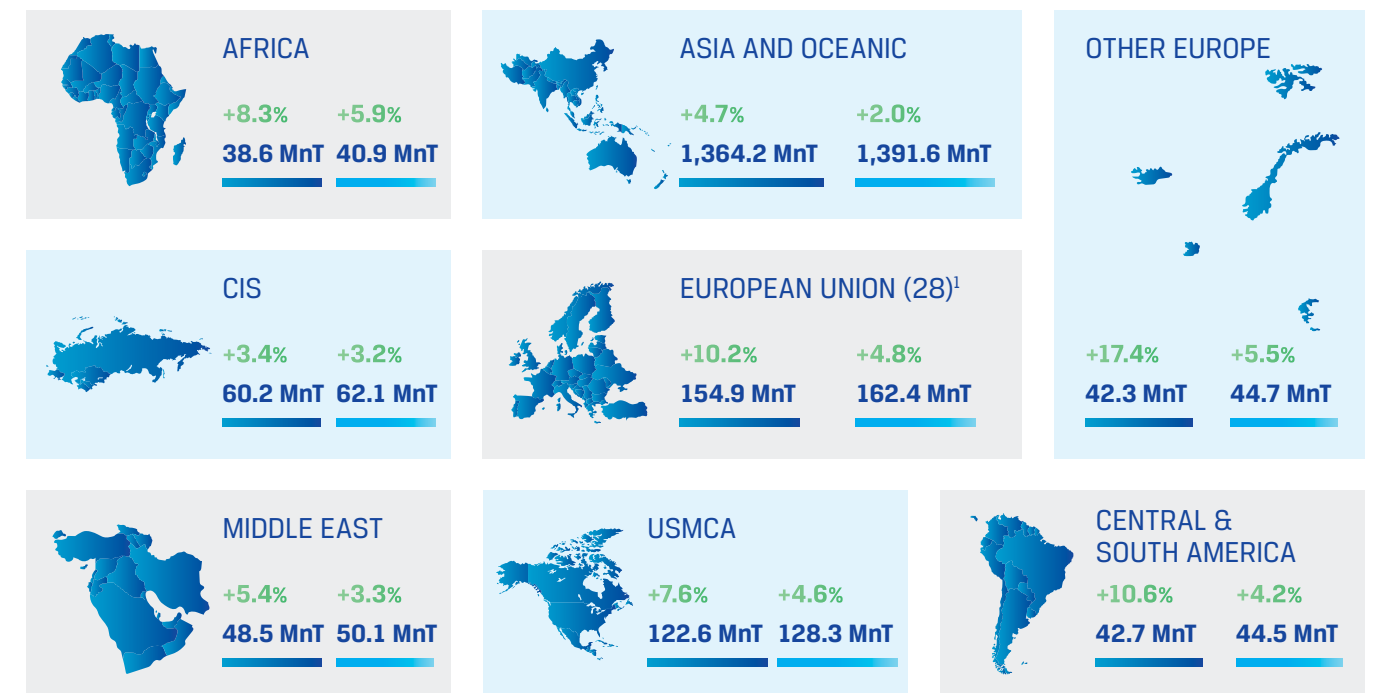
Japan - Crisis of confidence

In Japan, even as COVID-19 cases were relatively lower in number, the effects of the pandemic impacted the economy, slowing down activity. Business confidence further weakened owing to the consumption tax hike in October 2019. Steel demand nosedived by 16.8% in 2020, led by the fall in auto production. A moderate recovery is on the anvil, as capital spending picks up globally and exports pick up as expected.

South Korea - Coming out unscathed

South Korea was one of the few economies that could manage the pandemic without too much trouble, led by positive momentum in facility investment and construction. Steel demand contraction was capped at single digits (8%), led by fall in auto and shipbuilding. However, these two sectors are expected to drive growth during the recovery phase.

Region-wise steel demand growth forecast



Region-wise steel demand growth forecast (Source: Worldsteel April 2021 SRO)

Region-wise steel demand growth forecast

Regions	y-o-y growth rates (%)		
	2020	2021 (f)	2022 (f)
World	-0.2	5.8	2.7
World excl. China	-10.0	9.3	4.7
Developed Economies	-12.7	8.2	4.2
China	9.1	3.0	1.0
Emerging and developing economies excluding China	-7.8	10.2	5.2
ASEAN (5) ²	-11.9	6.2	6.5
MENA	-9.5	6.1	4.1

f=forecast

¹ European Union (27) + United Kingdom

² Indonesia, Malaysia, Philippines, Thailand, Vietnam

(Source: Worldsteel April 2021 SRO)



Feature Story

Steel: The material for the future

Climate change and environmental impacts have become a stark reality that is shaping societies, businesses and economies. Globally, there is a mainstream movement towards decarbonisation. In order to achieve the 1.5°C temperature reduction target set as part of the Paris Agreement, the world must reduce its carbon emissions by half in the next ten years. Metals and mining industries will play a key role in helping achieve this, with prospects of reducing their carbon footprint and building better. Steel will be more popular given that it is infinitely recyclable and is affordable for use in multiple applications.

The role metals and mining companies play in determining the shape of a collective future is significant, as their natural capital derived from raw materials for manufacturing and energy needs, powers growth. Thus, effective resource utilisation, a circular approach to business, adopting the best available technologies and leaving a greener footprint have become imperative for steelmakers. Environmental, Social and Governance (ESG) aspects find more relevance today than ever before, and their application to the steel industry is getting increasingly pronounced.

To meet global energy and climate goals, emissions from the steel industry must fall by at least 60% by 2050[#]

37%[#]
Composition of recycled steel in new products on average

650 MnT[#]
Steel recycled every year

[#] Source: Iron and steel technology roadmap, International Energy Agency

3.1.1

Outlook

The outlook for CY 2021 is robust as governments across the US, Europe, Japan, Korea, Russia and China are providing strong support to bring the domestic economy engine roaring back to action. A significant part of this support comes in the form of increased infrastructure spend, and liquidity injections, which directly help boost steel demand.

As a result, global finished steel demand is expected to recover in CY 2021 to 1,874 MnT, an increase of 5.8% over CY 2020. In CY 2022, this figure is expected to touch 1,924.6 MnT, at a 2.7% yearly increase.

(Source: Worldsteel, April 2021 SRO)

Demand in China started tapering in December 2020, and the effects of the US\$ 550 billion fiscal stimulus may not carry forward to CY 2021. This would lead to a moderate growth in the demand scenario for China. Further, Chinese curbs on carbon emissions and measures such as export tax on energy inefficient products would help moderate the Chinese supply towards the second half of the current year.

In the developed economies, manufacturing is showing some early signs of recovery and if the second wave of infections can be brought under control progressively, business activities can be expected

to stabilise. Evolution of the virus, progress of vaccinations, withdrawal of supportive fiscal and monetary policies and geopolitics pose broad risks to the outlook.

1,874 MnT

5.8%^{y-o-y}

Expected global steel demand in CY 2021

Projected growth in top 10 steel consuming markets

y-o-y growth rates (%)

Countries	2020	2021 (f)	2022 (f)
China	9.1	3.0	1.0
India	-13.7	19.8	5.9
United States	-18.0	8.1	4.3
Japan	-16.8	6.5	5.0
South Korea	-8.0	5.2	2.5
Russia	-2.3	3.0	3.0
Germany	-11.6	9.3	5.3
Turkey	13.0	18.7	5.7
Vietnam	-4.2	5.0	7.6
Mexico	-11.8	7.5	5.5

(Source: Worldsteel April 2021 SRO)

3.1.1.2

Demand outlook for consumption sectors

Construction and infrastructure

By 2024, the global construction industry is expected to record a CAGR of 9.2%, to reach US\$ 11,093.7 billion. In the short-term, the residential and commercial construction centres are expected return to a stable growth path over the next five to six quarters. Public spending will focus on utility-led infrastructure building, which will boost the steel demand.

(Source: Global Construction Industry Report 2020 by Research and Markets)

Automotive

In CY 2021, the auto market is expected to grow by 9% to 83.4 million in volume terms, and a further 5% to 89.7 million in CY 2022. The increased focus on electric vehicles is likely to lead to a shift towards more specialised grades, helping the players who have the capacity and technology for producing value-added products.

(Source: IHS Markit)

Capital machinery

The global metal working machinery industry, a key consumer of the steel industry, is expected to grow at a CAGR of 8% to touch US\$ 357.7 billion in 2025. In the near term, the industry is expected to grow to US\$ 262.77 billion in 2021, as the economies recover.

3.2 Indian steel industry

A dynamic external environment, an enabling pricing scenario, and release of pent-up demand majorly defined FY 2020-21 for the Indian steel industry.

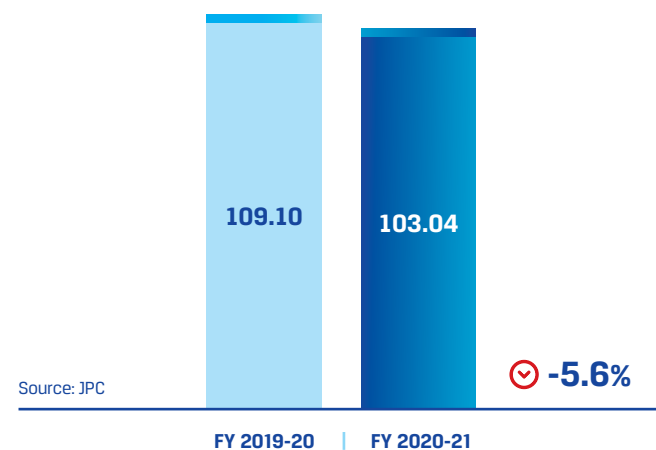
While the initial quarter of the fiscal proved to be unprecedented slowdown with the consecutive lockdowns, the rest of the year witnessed a high-powered demand revival in consumption industries such as automobiles. Demand for appliances improved due to the large-scale shift towards work-from-home, and construction activity picked up with government expenditure. This mirrored the global scenario, as demand picked up after liquidity was pumped into the economy together with a flurry of infrastructure project announcements.

In Q1 FY 2020-21, the steel mills faced shortage of labour, supply chain disruptions and truncated utilisation levels, besides a plummeting of demand. As a result, in the first half, the industry cumulatively produced 43.63 MnT of crude steel, 21% lower compared to H1 FY2020-21. However, the industry did well to increase its exports during this period, in order to offset the soft domestic demand. Nevertheless, as the year progressed, the economy started to gradually open up and the pent-up demand started to materialise, which augured well for the steel segment.

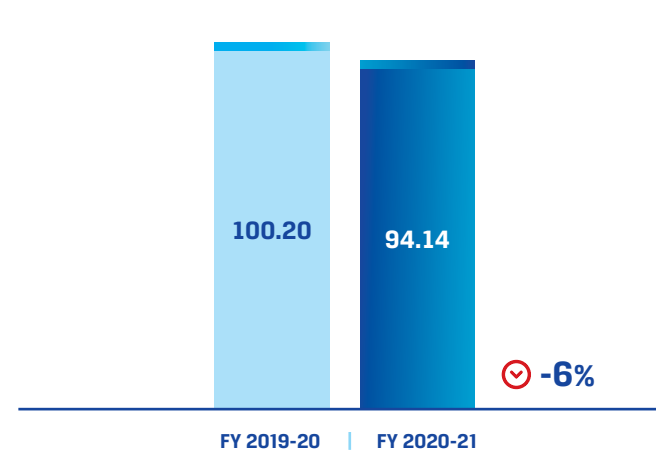


Production and consumption (MnT)

Crude Steel Production



Apparent Steel Consumption



The Indian steel industry is seeing large-scale consolidation, and this presents a conducive operating environment for existing players. Post 2015, investment in the steel sector had hit a roadblock owing to Chinese dumping, which challenged the pricing environment. This led the installed steel capacity to stagnate at about

140 MnT. Currently, the industry operates at ~80% of this capacity. To meet the potential demand, the country has only around 10-15 MnT left for utilisation. Upstream and downstream domestic capacity expansion is thus critical for the industry's growth and to support the country's rapidly increasing steel demand and consumption.

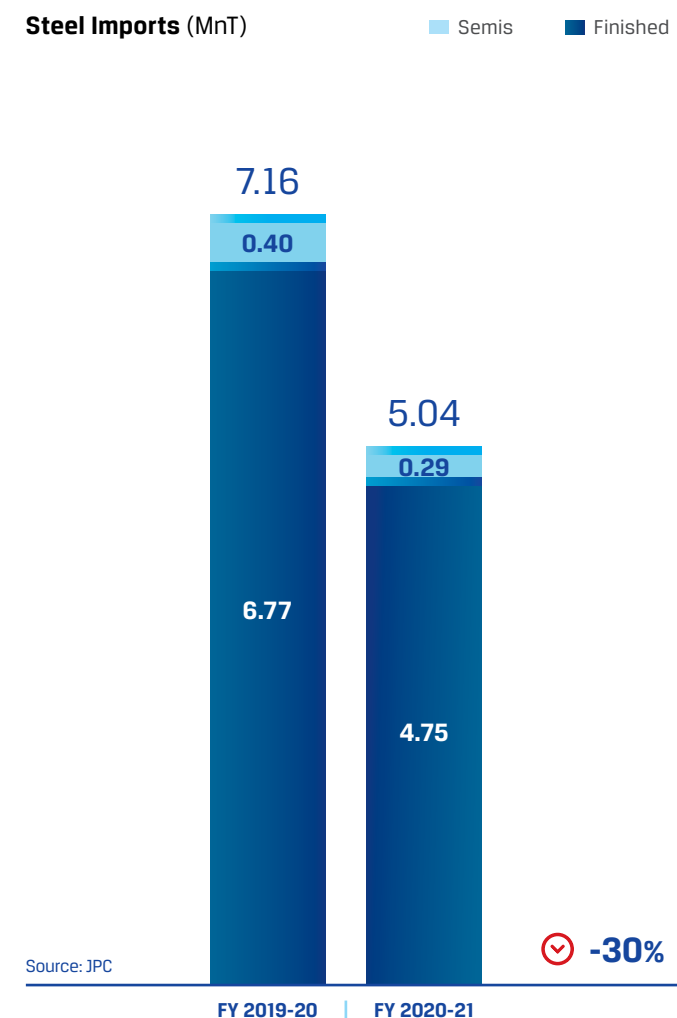
3.2.1 Production and trade movement

The overall production for FY 2020-21 was 103.04 MnT, down 5.6% on a y-o-y basis. Almost 63% of this production share can be attributed to the top six players, who cumulatively produced 65.04 MnT of crude steel during the period. Domestic finished steel production touched 95.12 MnT and domestic consumption was at 94.14 MnT, down by 7.3% and 6% respectively on a y-o-y basis. (Source: JPC).

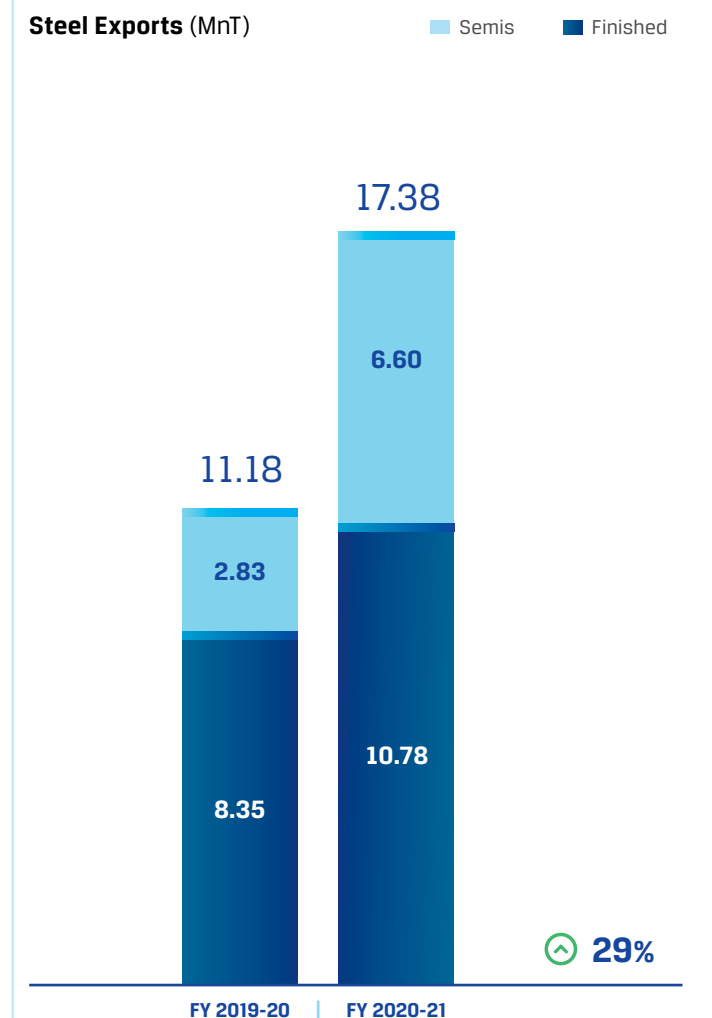
However, finished steel consumption in March 2021 registered a growth of 45.7% over March 2020.

During this period, India became a net exporter of finished steel, with exports rising by 29%, and imports falling by 30%.

Steel Imports (MnT)



Steel Exports (MnT)



3.2.2 Input scenario

Indian steelmakers use both imported and domestically available coal and iron ore for their steelmaking activities.

In terms of coal, globally, Australian seaborne metallurgical coking coal prices witnessed a 22% decline during FY 2020-21, owing to certain structural changes in China's global sourcing strategy.

On the iron ore front, Chinese iron ore witnessed 100% rise in spot prices during the fiscal year. In India, domestic prices were at a record high during the year, with the price of Odisha fines increasing from ₹1,900/tonne in April 2020 to ₹5,420/tonne in March 2021. The steel industry suffered heavily in the latter part of FY 2020-21 due to non-availability of iron ore in India due to accelerated exports and lower production.

3.2.3

Outlook

The future of the Indian steel industry appears encouraging. Indian steel consumption stood at 94.14 MnT at the end of FY 2020-21, down 6% y-o-y. In FY 2021-22, the demand is expected to touch 110 MnT, presenting an incremental requirement of 16 MnT over that of last year.

The revival and expected growth will be a function of public expenditure on infrastructure, which majorly drives incremental demand. In addition, end-user industries such as automobiles, engineering, piping and packaging are also seeing an uptick. Demand for commercial vehicles is also slated to go up. Together, they will enable the industry to pick up where they left off before COVID-19 struck.

The Union Budget 2021-22 has outlined a strong focus on infrastructure development (a 34.5% improvement over

the last Budget's estimates) giving significant impetus to steel as an industry. The Budget also announced several initiatives such as affordable housing, expansion of road and railway networks, development of domestic shipbuilding industry and opening up of the defence sector for private participation, all of which are expected to create massive demand for steel in the country.

The Finance Minister in her budget proposal, also mentioned the reduction of customs duty uniformly to 7.5% on semis, flat, and long products of non-alloy, alloy and stainless steel. To provide relief to metal recyclers – mostly MSMEs – duty on steel scrap is exempted until March 31, 2022. The Centre has also removed anti-dumping and countervailing duties levied on certain steel products until September 30, 2021.

110 MnT

Expected domestic steel demand in FY 2021-22

7.5% ↓

Customs duty reduction on semis, flat and long products of non-alloy, alloy and stainless steel.

Key outlays for ministries relevant to the steel industry in Union budget 2021-22

 Rural Development

₹1,33,690 crore

 Road Transport and Highways

₹1,18,101 crore

 Railways

₹1,10,055 crore

 Housing and Urban Affairs

₹ 54,581 crore



JSW Steel's View

Exciting future for Indian steel

JSW Steel has consistently followed a strategy that seeks to leverage its belief in the India growth story and the resilience of its economy. That belief stands reinforced in light of current events. As a core industry, steel will play a crucial role in shaping the next phase of India's transformation, and emergence as a major economy. At present, the steel industry is operating about 80% of installed capacity, and as consumption grows, even a fully sweated capacity will not be enough to meet the domestic demand.

JSW Steel is well-positioned to cater to this opportunity, through its large-scale investments for the future, increasing its crude steel production capacity by 63% to 37.5 MTPA by FY 2024-25, and more, taking JVs into account.

Further, there has been a significant shift in the way steel is consumed and marketed across the world today, with a wide range of finished formats. Consumerisation is also on the rise – making steel a buyer's product from a seller's commodity.

In this backdrop, JSW Steel is building vibrant brands around its products with a B2C and B2B2C focus.

The Company's recent acquisitions of VTPL, PCMD, ACCIL and others perfectly align it to cater to the changing consumption pattern of steel, while deriving higher margins. The planned and ongoing downstream capacity expansions also dovetail into achieving this objective.

Today, value-added and special products have a dominant 52% share in the Company's overall sales mix. This is expected to rise to 60% in the medium to long-term.

Steel has also emerged as a viable solution to address long-term global challenges such as climate change, with life cycle analysis, environmental certifications and circular value-chain assuming centre-stage. Aligned to this need,

JSW Steel is executing its sustainability ambitions and is consistently launching products with a lower carbon footprint. The Company is also playing a pivotal role in mainstreaming hydrogen economy in the sector through collaborative efforts.

Going forward, JSW Steel is committed to developing low carbon greener steel, which holds a better future for everyone.



4.0 | Business Review

The economic impact due to the outbreak of the COVID-19 virus was largely disruptive across sectors in India as also in the rest of the World. Nationwide lockdowns across States resulted in shutting down of Industry operations in virtually all end use consuming sectors. This had a significant impact on the operations. In spite of the above situation, the Company managed to recover quickly aided by a robust pick up in steel demand in certain sectors and also by focusing on high margin products. A further impetus to this growth was provided by strengthening of prices

both in the international and domestic segments, manageable input costs and improved availability of raw material.

In FY 2020-21, the Company achieved 15.08 MnT crude steel production. The domestic sales volume for the year decreased by 9% Y-o-Y to 10.71 MnT. Nearly 82% of the total steel was sold in the regions of South and West. The sales of Value added and Special Products (VASP) was 7.8 MnT and constituted 52% of the total sales volume, a 9% increase YoY.

15.08 MnT

Crude steel production in FY 2020-21

Business highlights FY 2020-21

52%
share of VASP in total business, 9% Y-o-Y growth

7%
rise YoY in sales to auto sector

Highest ever sales to appliance segment

Highest ever sales to solar segment

Highest ever HRPO, GI/GL, Colour Coated Sales

In Q1 FY 2020-21, although JSW Steel's domestic volumes were affected due to the pandemic an increased opportunity in international sales made up for some of the losses. In the following quarter, the Company was performing in line with pre-pandemic times aided by the recovery in steel demand both in domestic and international markets, providing an opportunity to increase its sales across segments and geographies. In the second half of FY 2020-21, the Company continued to tap into the growth momentum across economies and maintained a good balance of domestic sales and exports.

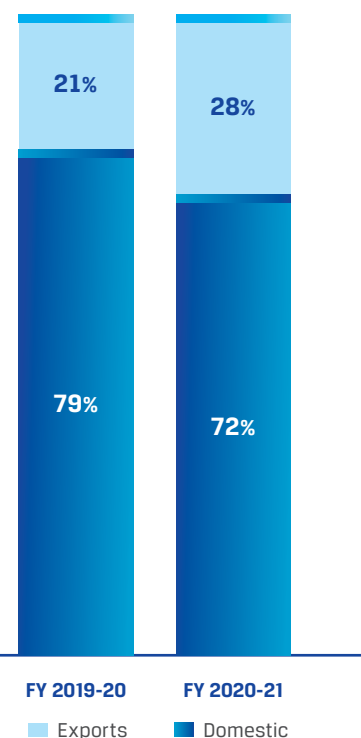
Despite the challenging environment which resulted in lower demand of Steel coupled with pressure from Competition JSW managed to perform well in tough market conditions. The Company continued to focus on newer

customers across geographies in India with enhanced products and services. The Company also took steps to upgrade its manufacturing facilities to enhance capabilities and capacities to service customers with better product quality and delivery, as part of its growth strategy.

Therefore, a lower volume performance in some key categories was offset by a strong show by the new categories, value-added products, exports and retail business.

Industry segments such as infrastructure and construction registered robust growth. The consumption growth was favourable on the back of the Government's thrust on infrastructure, particularly in affordable housing.

Sales mix (%)



4.1

Product performance

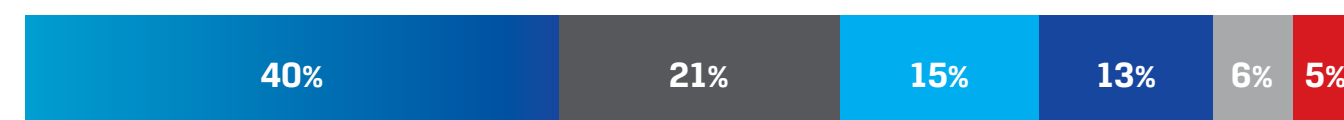
The Company remained strategically focussed on enriching its product mix by increasing the volume and share of value-added steel products (VASP) in its portfolio.

Product mix change (%)

FY 2019-20



FY 2020-21



■ Hot Rolled ■ Longs ■ Cold Rolled ■ Galvanised ■ Color Coated ■ Semis

*including volumes of JSW Steel Coated Products Limited. 100% subsidiary of JSW Steel Limited

4.1.1

Flats

JSW Steel produces flat products, viz. Hot Rolled, Cold Rolled, Galvanised and Colour Coated, constituted 74% of the total product portfolio in FY 2020-21 vs 72% in FY 2019-20.

I Hot Rolled

Hot Rolled products constituted 40% share of the total product mix with increase in export sales by 43% y-o-y.

Key sectors and projects

JSW Steel supplied hot rolled coils (HRC) to various national projects. JSW was a major supplier of steel requirement for Saurashtra Narmada Avtaran Irrigation Yojana (Sauni Yojana) by ensuring timely steel production dispatch, material readiness and on time pipe manufacturing to ensure project completion. JSW Steel has also successfully serviced a large volume of other prestigious water pipeline project in Gujarat region such as Budhel to Borda pipeline and Navda to Chavand Pipeline.

Telangana, Karnataka, Andhra Pradesh and other state governments initiated turnkey projects of water pipelines and irrigation projects during the year, JSW Steel was able to capture a major share of business of ~0.2 MnT in these. The Company also supplied API grade material for petroleum and gas pipeline projects.

74%
contribution of flats in product portfolio

JSW Steel was a major supplier of steel requirement for Saurashtra Narmada Avtaran Irrigation Yojana (Sauni Yojana)

15%

contribution of Cold Rolled Products in product portfolio

The CRM 2 at Vijayanagar is the only mill in India which has the capability to produce some of the AHSS grades that Auto majors are looking for future use.

Cold Rolled

JSW Steel Cold Rolled steel products are manufactured at its state-of-the-art facility at Vijayanagar Works. The Cold Rolled Products has a share of 15% of the Company's product mix. In FY 2020-21, the Company achieved the highest-ever Hot Rolled Pickled and Oiled (HRPO) steel production with 6% y-o-y increase in the domestic market.

Key Sectors

Cold rolled products in India is majorly consumed by automotive, industrial and engineering sectors.

JSW Steel has received formal approvals for supplies of AHSS (Advanced High Strength Steel) from several Auto customers in India. These steels which hitherto are imported will help Auto majors in India in their localisation strategy going forward.

The CRM 2 at Vijayanagar is the only mill in India which has the capability to produce some of the AHSS grades that Auto majors are looking for future use. The successful design and production of these grades were achieved through constant VA/VE activities and stringent process control at steelmaking and continuous annealing and also by ensuring very high steel cleanliness and uniform mechanical properties through establishing heat cycle control parameters.

Galvanised/Galvalume

Galvanised and galvalume products constituted 13% share of the total product mix with increase in domestic sales by 32% y-o-y.

There has been an increased focus on the fast-growing appliance market for JSW Steel's galvanised products, in addition to the usual end-applications. Industry standards are being revised upwards by replacing traditional galvanised steel with zero spangle galvanised steel. Capturing such trends, JSW Steel engaged with service partners to include more value-added products to its basket and secure more approvals to increase its market share.

JSW Steel is working closely with customers on Value Analysis/ Value Engineering (VA/VE) projects to substitute traditional steel products with ones having superior properties, to increase the end-product service life. In FY 2020-21, the Company developed high strength steel for solar structures (column posts), which will also help with light-weighting them.

Key Sectors

In addition to the end-applications of roofing, cladding and solar, JSW Steel is exploring usage in newer segments and further penetrating segments such as HVAC, automobiles, doors and windows and appliances.

32%

y-o-y increase in domestic sales of Galvanised and Galvalume products

JSW Steel is working closely with customers on Value Analysis/Value Engineering (VA/VE) projects to substitute traditional steel products with ones having superior properties, to increase the end-product service life.

Electrical Steel

JSW's Electrical Steel both, CRNO and CRSP is supplied to Customers across the country and finds end - use across sectors such as electric motors, generators, nuclear power station, power generation plants, domestic appliances, transformers and automotive electrical motors. Here again several grades have been developed in-house to meet the exacting demands from end users giving us a unique selling proposition.

Coated Steel

Though the year began with a lockdown which dampened demand, JSW Steel was nimble footed to grab the market opportunity as it presented itself by keeping its manufacturing ongoing and processes agile. With the ongoing internal capacity building and acquisitions of Asian Colour Coated Ispat Limited (ACCIL) and Vardhaman Industries Limited (VIL), the Company intends to further consolidate its market leadership position.

Tinplate

Tinplate constituted 1% share of the total product mix with increase in sales by 129% y-o-y.

The Company's tinplate brand, JSW Platina has been approved for all major food and non-food end-use categories and caters to the metal packaging needs of all processed edibles, edible oil & dairy products, paints, pesticides & adhesives, battery and aerosol, among others. Being a packaging substrate, JSW Platina plays a key role in ensuring steady supply of essential commodities.

A new Batch Annealing line with 0.25 MTPA capacity is underway and expected to be commissioned in FY 2022-23.

Additional new product development work includes work on two-piece DWI (Drawn and Wall Ironed) cans for the beverage industry, scroll cutting for components and downstream value added printing and lacquering line.

Key Sector

Food Packaging Industry

Colour Coated

Colour coated products constituted 6% share of the total product mix with increase in domestic sales by 46% y-o-y.

The Company launched a new OEM Brand JSW Radiance in July 2020 which leverages the JSW Group's unique synergies with JSW Paints and offers advanced coating options such as anti-graffiti, anti-dust, anti-microbe, high SRI (Solar Reflectivity Index) and high gloss. Customised coating requirements are addressed in collaboration with JSW Paints with their state-of-the-art research and development facility.

The Company lays special focus on the appliance business to actively seek new entrants and establish its position as a leader. Further, it engages with service partners to improve customer service levels. The Company also helps customers choose eco-friendlier manufacturing processes by replacing environmentally harmful processes (e.g. powder coating) with colour coated steel. Committed to the nation building and Make In India, JSW Steel also undertook localisation projects to help customers source quality material locally for their various end-applications.

46% y-o-y increase in domestic sales of colour coated products

129%

y-o-y increase in sales of Tinplate

JSW Platina has obtained all mandatory certifications - IS 1993-2018, HACCP, FSMS, Halal, Allergen, RoHs, and REACH.

4.1.2

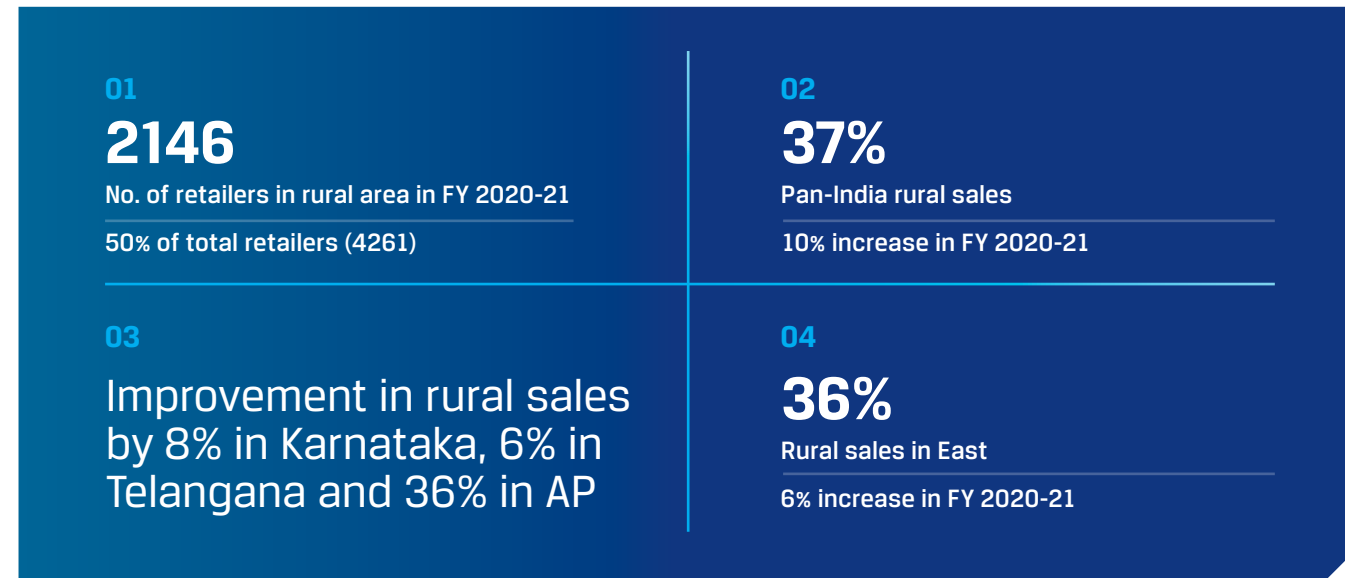
Longs

Long products comprised 21% of JSW Steel's product portfolio in FY 2020-21.

TMT (Retail)

The year began slowly with most retail markets shut. Demand in urban areas was slow to pick up in Q1 FY 2020-21 and it was only in Q2 that it showed some signs of improvement. JSW Steel worked on improving

reach in rural markets across the country as the demand picked up initially in these areas while infrastructure sector waited to get revived. These efforts yielded significant results and some highlights are given below:



TMT (OEM)

In FY 2020-21, 81% (688KT) of aggregated supplies were directed to seven end application segments such as Power Projects, Railways, Industrial, Metro, Housing, Commercial & Roads, of which 80% (549KT) were sold in the South and West Indian markets.

The new projects announced by government will improve future supplies in addition to on-going projects.

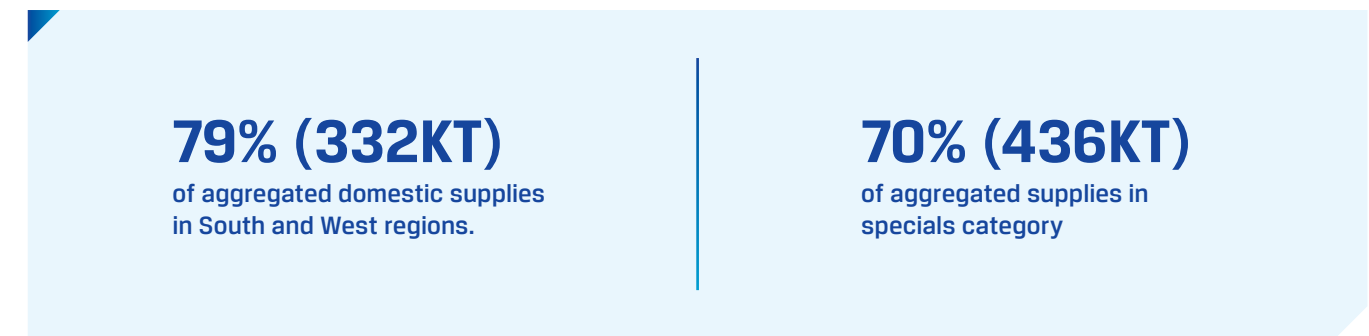
Wire Rods

Wire rod are manufactured at JSW Vijayanagar and Salem comprising 5% of product portfolio with an overall sales growth of 13% y-o-y.

Key Sectors

General Engineering, Construction

Key Highlights of the Year FY 2020-21



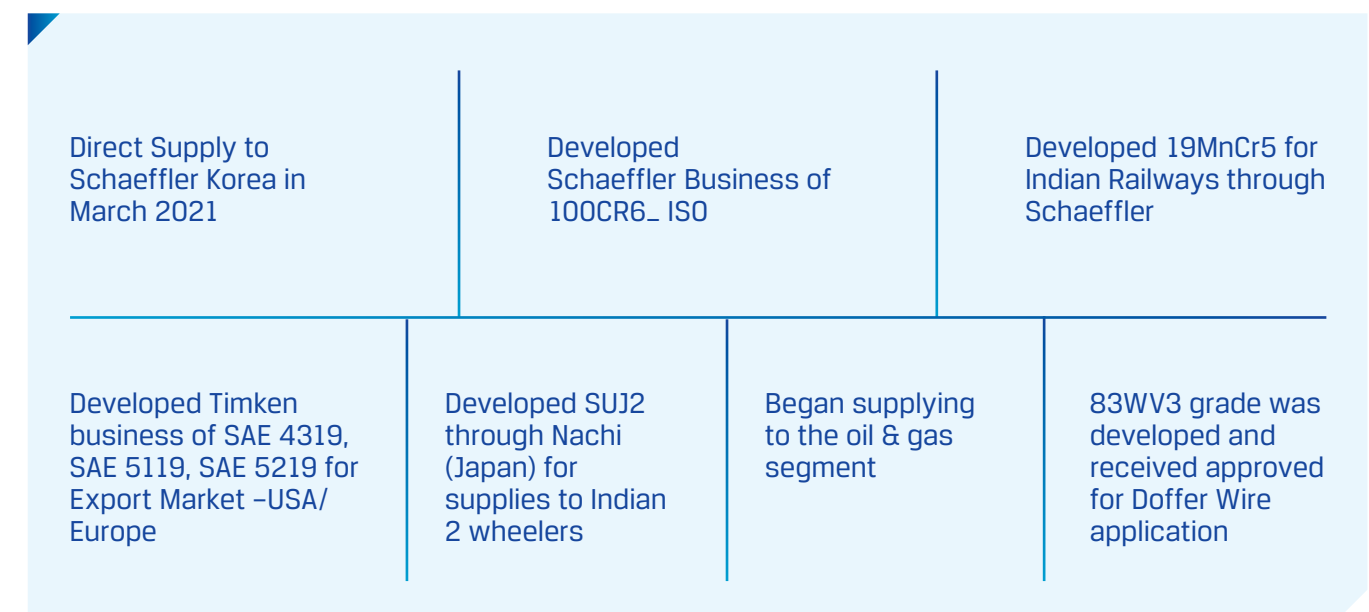
Alloy Steel

Alloy longs grew by 21% during the year and a total of 14 new grades were developed under the product category for various applications like automotive, rail, textiles and general engineering, among others.

Key sectors

Auto, Railways, Agriculture, Oil & Gas and General Engineering

Key Highlights of the Year FY 2020-21



4.2

Retail Initiatives

JSW Steel has one of the most extensive steel retailing footprints in India with over 16,000 exclusive and non-exclusive retail outlets, covering 602 districts across India. Getting closer to the customers and catering to their needs have become a core strategy for the Company's domestic growth and its large footprint is the key enabler for executing this.

In FY 2020-21, the Company announced its first-ever digital brand launch - JSW Radiance colour coated sheets in six variants. The launch was followed by a three-month radio campaign in Uttarakhand and the communication focused on consumer awareness.

16,000+
exclusive and non-exclusive retail outlets in India



Driving product awareness

In order to create greater awareness for JSW Steel's products as well as differentiate the high-quality product portfolio, the Company has launched extensive marketing campaigns with Indian cricketer Rishabh Pant as the face for its key brands. The campaign intends to further strengthen the recall of the branded steel products among business customers as well as end use consumers. Print campaign for TMT with Rishabh Pant covered around 13 states and 21 publications.

Print campaigns across

13 States
21 Publications

Staying customer-focused

JSW Chala Gaon Ki Aur, a unique initiative by JSW Steel, has helped the Company connect more closely with its rural customers, which form a large proportion of retail business. The initiative was recognised for its reach and intent and received an award for best content in below the line marketing campaign.

With an objective to create an additional touch points to connect with the customers, 10 webinars were conducted. JSW Bandhan Distributor Conclave, a two-day meet. was organised at Vijayanagar, with top performing

distributors being awarded. Plant visits were arranged to showcase JSW Steel's capabilities and innovative technologies. Eight JSW Bandhan Retailers meets were conducted covering ~500+ retailers.

Given the COVID-19 induced disruptions, the Company also initiated digitalisation of content pertaining to JSW Eklavya (Fabricator Academy). Further, to exhibit JSW product capabilities the Company continued to participate in various conferences and exhibition.



Key highlights of FY 2020-21

JSW conducted 360 marketing campaign for IPL encompassing above the line (ATL), below the line (BTL) and digital marketing.

TV + Hotstar		Digital	
1,334 Total spots for JSW Steel (Live and non-live)	161 million Total reach	132 million Video impressions	14,000+ contest entries
65 million Total impressions delivered		9 million Video views	200% increase in Share of Voice (SOV)

5.0 | Operational review



5.1 Vijayanagar Works

India's largest auto-grade steel facility with a capacity of

2.3 MTPA

JSW Vijayanagar Works is one of the world's largest steel plants with an installed capacity of 12 MTPA. The plant is one of the world's most efficient in terms of conversion cost. It is the Company's flagship plant and uses the Corex process (the first in India to do so) as well as the conventional blast furnace route to achieve efficiency in conversion cost. Vijayanagar Works houses India's largest auto-grade steel facility with a capacity of 2.3 MTPA. It is also the only steel plant in India with pair cross technology and a twin-stand reversible cold rolling mill.

Vijayanagar Works has captive power generation capacity of 865 MW. It is well connected to the Goa and Chennai ports to facilitate the import of raw materials and export of finished products. It also has a lime calcination plant hosting eight kilns, each with 300 TPD capacity, and three kilns, each with 600 TPD capacity. The Company has recently set up a pipe conveyor system with a 20 MTPA capacity (Phase 1 with 10 MTPA capacity is operational), an environment friendly system to transport iron ore, and will also lead to substantial cost reduction.

20 MTPA

Pipe conveyor system capacity

JSW Steel Vijayanagar Works is India's largest single location integrated steel plant

Competitive strengths

01

Locational advantage

JSW Vijayanagar Works is located 380 kilometres from Bengaluru at the Toranagallu village in North Karnataka, in the Bellary-Hospet iron ore belt. It is well connected to the Goa and Chennai ports. It is a fully integrated steel plant with a well-developed township. Therefore, it enjoys strategic advantages of having access to raw materials, high-growth markets, proximity to ports and infrastructure and facilities to house world-class talent.

02

Raw Material security

In the previous year, the aggregate iron ore from the six iron ore mines in Karnataka was 4.1 MTPA in the financial year 2019-20, and JSW Steel was declared as a 'preferred bidder' for the additional three iron ore mines in the auctions held by the Governments of Karnataka in the same year. All nine mines are now operational and together, they are expected to produce 7.7 MTPA, constituting about a third of the total requirement of the Vijayanagar works.

03

Technologically advanced

Vijayanagar Works uses state-of-the-art technology to optimise its operations, profitability per tonne and reduce its environmental footprint. Some of them include:

- + **Ambient Air Control Temperature:** To create the toughest, most durable steel
- + **Corex technology:** Used for high smelting intensity and hence high productivity for steel and hot metal production
- + **Pair-cross technology:** To minimise thrust force and wear between contacting work roll and backup roll
- + **KR process adoption:** Uses lime-based desulphurisation to lower sulphur level and meet customers' demand that requires less than 20 ppm of sulphur in their operations

04

Robust logistics management

Vijayanagar works has set up of a pipe conveyor system with a total capacity of 20 MTPA. The Phase 1 with 10 MTPA capacity was already operational and the second phase of 10 MTPA downhill was operationalised during the year. This solution is expected to be environmentally friendly and reduce transportation costs of iron ore.

Being India's largest single location integrated steel plant, the Vijayanagar logistics team handles the largest volumes in a single location steel plant in India. Vijayanagar Works also accounts for 80% of goods transported through the South-Western railways and is one of the largest revenue contributors to the Indian Railways.

Expansion Projects

Completed

- + Commissioned a new 160T Zero Power Furnace and 1 x 1.4 MTPA Billet Caster, along with associated facilities at SMS-3, to enhance steelmaking capacity, during Q4
- + Wire Rod Mill No.2 of 1.2 MTPA capacity was commissioned during Q3 to enhance overall rolling capacity to 13 MTPA.
- + The 1.8 MTPA PLTCM line and one line of the two construction grade galvanised products lines of 0.45 MTPA each has been commissioned during the year.

In Progress

- + Capacity upgradation of BF-3 from 3.0 MTPA to 4.5 MTPA, along with the associated auxiliary units, is under implementation.
- + The second CGL line is expected to be commissioned by Q2 FY 2021-22
- + The setting up of the new Color Coating line of 0.3 MTPA is under progress and expected to be commissioned by Q2 FY 2021-22

Additional 5 MTPA brownfield project

- + The Company has announced that it will expand its steel-making capacity by 5 MTPA at Vijayanagar from the existing 12 MTPA at a capex cost of ₹15,000 crore through its wholly-owned subsidiary, JSW Vijayanagar Metalics Limited. The expansion is expected to be completed by FY 2024

Cost Reduction Projects

- + In order to decrease the facility's requirement of expensive lump iron ore, the Company has set up an 8 MTPA pellet plant at Vijayanagar. This has been commissioned and is currently under trial run.
- + The construction of Coke Oven Battery of 1.5 MTPA at Vijayanagar is currently under progress and is expected to be commissioned in phases during FY 2021-22.
- + The Company has also decided to set up a 1.5 MTPA coke oven plant at Vijayanagar, which is expected to be commissioned by end of FY 2021-22.
- + A new pneumatic based plastic injection system was developed for injection of shredded plastic into the Electric Arc Furnace (EAF). The waste plastics were tried as a partial replacement of coke fines in EAF. This resulted in superior slag foaming and improved slag reduction of the polymer/coke blend compared to 100% coke, with subsequent reduction in electrical energy consumption.
- + A novel and efficient governance tool - Digital Project Management System (DPMS), was conceptualised, designed, and launched for tracking numerous digital projects. DPMS will ensure effective and meticulous organisation planning, communication, and coordination among different teams of shop floors and plants to effectively execute different tasks. This new governance tool will help in managing progress and dependencies.

These projects, cumulatively, will contribute to substantial cost savings

Other key initiatives

- + JSW Vijayanagar has successfully launched new TQM monitoring system to strengthen continuous improvement culture. The system consists of integrated Kaizen Management, Quality circle registration and reports. TQM monitoring system will further be strengthened by incorporation of 4i J2/J3 project management system.
- + The Raw Material Handling System (RMHS) department launched an automation project of Unmanned Operation of Barrel Reclaimer. This unique project has been successfully accomplished by incorporating the latest digital technologies - Wi-Fi Communication, Safety Sensors, Integrated Supervisory Control & Data Acquisition (SCADA), Mechanised Cable Transfer, and Online Condition-Monitoring. The project delivers a host of benefits.
- + As part of TQM Digitisation journey, a new and improved version of SOBIS Software was rolled out. It includes modules such as context of the organisation, risk and opportunities and other critical modules for maintaining paperless documentation compatible to the latest changes in the ISO standards.



Health and safety

Vijayanagar Works continues to focus on achieving its health and safety targets. In FY 2020-21, amidst the outbreak of COVID-19, the plant effectively spread awareness on personal hygiene and social distancing and further deployed strict protocols and measures to curb spread of the disease. The plant successfully conducted off-site Emergency Mock drill along with District Administration involving nearby villages and made significant contributions to Audits and Inspection module launched for logging General Inspections, leaders' audits and monthly safety audits.

Strategic priorities

- 01** Commission announced projects for capacity expansion and cost savings
- 02** Continue focussing on energy efficiency and improved waste management initiatives
- 03** Focus on initiatives and measures to reduce emissions
- 04** Ensure sustained operational performance with focus on health and safety

5.2

Dolvi Works

JSW Dolvi Works is a 5 MTPA integrated steel plant, located strategically on the west coast of Maharashtra. It is India's first plant to adopt a combination of Conarc Technology for both steel-making and compact strip production (CSP). The facility is connected to a jetty with a cargo handling capability of up to 15 MTPA and caters to sectors ranging from automotive and industrial to consumer durables.



10 MTPA

Expected capacity by H1 FY 2022

Competitive strengths

01

Strategically located

Dolvi Works is located on the west coast of India and is connected to a jetty which provides it logistical advantages in importing raw materials and exporting finished products. Located around 80 km from Mumbai, the unit is well connected via rail, road and sea.

02

Raw Material security

The Company was also declared the 'preferred bidder' for four iron ore mines in the auctions held by the Government of Odisha in the FY 2019-20. The Company signed the Mine Development and Production Agreement and the Lease Agreements for these and commenced operations from July 2020. The Odisha mines supply majority of the iron ore requirements of the Dolvi unit and are a big source of competitive advantage to the plant, especially in the face of volatile raw material prices and availability.

03

Diverse competencies

The plant has capabilities to manufacture diverse set of products and can cater to several industries including automotive, infrastructure, construction, machinery, LPG cylinder-manufacturers cold rollers, the oil and gas sectors and consumer durables.

175 MW

Waste Heat Recover Boilers being set up

Expansion Projects

- + Successfully commissioned two of its key units i.e. 8 MTPA Pellet Plant-2 and second line of 1.5 MTPA coke oven plant.
- + The Company commenced production of Hot Rolled Plates from the new 5 MTPA Hot Strip Mill facility in the month of March 2021.
- + The Blast Furnace-2 is expected to be fully commissioned by end of Q2 FY 2021-22
- + Similarly, Coke and Pellet feeding to Blast Furnace-2 and limestone/ dolomite feeding to Lime calcination plants (LCP) 5/6/7 is in final commissioning phase and are expected to be commissioned in the second quarter for FY 2021-22.
- + The LCP 5/6/7 - one of three kilns (Kiln-5) pressure testing completed and is ready for heating. Refractory works has been completed in all three kilns. All the kilns are expected to be commissioned functional in first half FY 2021-22
- + The second line of 1.5 MTPA coke oven plant along with Coke Dry Quencher (CDQ) facilities is being set up to cater to the additional coke requirement for crude steel capacity expansion to 10 MTPA. One of the two coke oven plant (0.75 MTPA each) is fully in operation and the commissioning of the second unit is under progress and is expected to be operational by second quarter of FY 2021-22. All the three CDQ units are expected to be commissioned during the second quarter of FY 2021-22.
- + The Company now expects full integrated operations of the expanded 5 MTPA at Dolvi by September 2021

Cost Reduction Projects

- + The unit is setting up 175 MW Waste Heat Recovery Boilers (WHRB) and a 60 MW captive power plant to harness flue gases and steam from CDQ. These power plants would cater to the power requirements of the Phase II expansion to 10 MTPA are expected to be commissioned during the first half FY 2021-22. These power plants operate through the waste gases and heat generated from operations, an environmentally friendly and cost efficient source.
- + Around 110 zones cleared the 3S level and are under 5S implementation. The facility completed 150 improvement projects during the year and has achieved an 83% OTIF (On-Time-In-Full) for a recently adopted delivery process under Cross Functional Management programme.
- + JSW Dolvi Works has been focusing on utilising digitalisation in its TQM journey to accelerate, penetrate and expand its reach to everyone. The Business Excellence team of Dolvi and IT team of Vijayanagar have been working together on Digitisation & Automation of various TQM activities. The TQM Monitoring System (TMS) will cover all activities such as Kaizen, 5S, Jishu Hozen (JH), Quality Control Circle (QCC), improvement projects and Daily Work Management (DWM). Every activity, practiced by employees and associates at all levels, is driven by respective activity experts and follows a well-defined approval hierarchy.

Other key Initiatives

- + The plant is on-track its TQM journey. A total of 9000+ Kaizens were implemented in the fiscal year, with 650+ Quality Circle Projects being completed.

Health and safety

JSW Dolvi Works launched many initiatives during the fiscal year keeping in with the Company's Health and Safety goals. In FY 2020-21, a High-Risk Audit was carried out by British Safety Council, following which a Process Safety Management Implementation Drive was launched to establish robust management system for preventing

catastrophic and high potential damage. The facility also launched Implementation of Emergency Response and Control Plan in Operations to strengthen emergency preparedness and enhance awareness. The employees were trained accordingly and ~60 critical scenarios are identified and mock drills on pre-incident plan were prepared.

Strategic priorities

- 01 Commissioning and stabilisation of 5 to 10 MTPA capacity expansion projects and cost saving initiatives.
- 02 Install Maximum Emission Reduction to Sinter (MEROS) to reduce the dust emission for Sinter Plant II
- 03 Commission energy saving projects like dry Gas Cleaning Plant GCP in BF resulting in increased power generation of Top Pressure Recovery Turbine (TRT) at 36 MW



5.3

Salem Works

JSW Steel's Salem plant is a large facility producing special steel in India. The plant is a major supplier to auto component producers and is a market leader in manufacturing special grade steel used in gears, crank shafts and bearings.

The strategic location of the Salem plant allows it to cater to the needs of the major auto hubs in southern India. Located nearly 340 km from Chennai and 180 km from Bengaluru, it is well connected through rail, road and sea, which facilitates the transportation of raw materials and finished products.

100%
Utilisation of waste generated

~70%
Captive power generated via waste heat recovery

Competitive strengths

01

Pioneer in special steel

Salem Works is a special steels plant with 1 MTPA capacity. The unit has the ability to manufacture a wide range of sizes and grades all under one roof. Currently, Salem Works produces about 850 special grades of steel.

02

Sustainable processes

Salem Works is distinguished as a leading virgin special steel producer with 100% waste utilisation. Moreover, over 70% of captive power generation is done through waste heat. The facility is also one of the few plants to use Energy Optimising Furnace (EOF) for special steel production, which leads to high operational efficiency with improved energy savings while lowering noise levels and dust emission.

Operational highlights

- + A substantial amount of iron ore lumps and fines were procured from JSW's Odisha mines through direct rail movement. The backward integration ensured timely availability of raw material and further reduced multiple handling as the movement of material was through direct rail mode.
- + The plant successfully integrated documents related to various standards (QMS, EMS and OHS) into Integrated Management System (IMS). Now, one document will address all the standards requirements. This initiative simplified the documentation and eliminated duplication and multiple documentation.

Other key initiatives

- + BRM Upgradation of Cooling Bed/C Hook to improve productivity
- + Additional Cooling Bed and Abrasive Saw at Blooming Mill to improve productivity
- + Goliath Crane for safe handling and dispatch of as-cast Materials
- + Liquid Oxygen Backup system for emergency supply of Oxygen to SMS
- + Design and installation of single higher capacity fan at EOF for energy saving
- + Advanced MPI Inspection facilities with Grinding station to improve inspection rates
- + Installation of Slag Raking Machine for clean steel

Health and safety

In FY 2020-21, the plant successfully launched digital safety system using Artificial Intelligence for alerting unsafe situations. So far, the software has been developed to identify and alert 23 anomalies that can lead to incidents such as PPE violations, over speeding,

entering restricted areas, no parking areas, vehicle collision and fire detection among others. The facility has also created training module for all visitors and truck drivers entering the plant. Most importantly, the plant transitioned from the current Occupational Health & Safety Management system of OHSAS 18001:2007 to ISO45001: 2018.

Strategic priorities

01

Create a Tipper Conveyor System for handling bulk raw materials

02

PCI upgradation to increase coal injection in BF

03

Pusher Charging System to improve productivity in Coke Oven Plant

04

Creation of dedicated Environment Lab inside plant.

05

Installation of LNG unit to minimise the energy consumption and reduction in GHG emission.

6.0 | Financial review

6.1

Standalone

Key financial parameters

₹ (in crore)

Particulars	FY 2020-21	FY 2019-20	Change %
Revenue from Operations	70,727	64,262	10
Other Income	669	628	7
Operating EBITDA	19,259	12,517	54
EBITDA Margin	27.2%	19.5%	40
Depreciation and Amortisation Expense	3,781	3,522	7
Finance Costs	3,565	4,022	-11
Profit before Exceptional Items	12,582	5,601	125
Exceptional Items	386	1,309	-71
Tax Expense/(Credit)	3,803	(999)	481
PAT	8,393	5,291	59
Earnings Per Share (diluted) (₹)	34.72	21.89	59

FY 2020-21 was an unprecedented year for India and the world, with the outbreak of the COVID-19 pandemic and subsequent severe restrictions on mobility and physical proximity. The near-halt in economic activities during the first two months of the financial year dragged domestic steel consumption down, with far-reaching consequences

for India's GDP trajectory. As economic activities resumed following phased unlocking, domestic steel demand recorded a sharp rebound, backed by the government's clear direction to revive growth. Business and consumer demand improved in the second half with higher demand and pricing.



15.08 MnT

Crude steel production

⬇️ 6% y-o-y

3.7 MnT

Exports

⬆️ 41% y-o-y

25%

Exports as a % total sales
(18% in FY 2019-20)

6.1.1

Production and sales

The Company was able to gradually normalise its operations from Q2 FY 2020-21, and ramp up production to cater to the surge in demand following the pick-up in economic activity in India and globally. The average capacity utilisation levels reached ~96% in March 2021 and average for the year was 84%. Amid the macroeconomic headwinds and operational challenges, JSW Steel largely achieved its crude steel production guidance with 15.08 MnT, down 6% y-o-y. The Company achieved 99% of its revised crude steel production volume guidance of 15.2 MnT for FY 2020-21.

Sales volume came in at 14.88 MnT, remaining flat y-o-y and largely in line with the guidance of 15 MnT. JSW Steel exported 3.7 MnT of steel, up 41% y-o-y. Exports accounted for 25% of total sales, up from 18% in FY 2019-20, as the Company strategically managed sales mix between domestic and international markets based on demand supply dynamics. Sales of Value-added and Special Products (VASP) accounted for 52% of the total sales volume for the year. The Company has established strong brands over the years, and branded products' sales stood at 48% of the total retail sales.

6.1.2

Revenue and EBITDA

Revenue from operations rose 10% y-o-y to ₹70,727 crore, backed by strong pricing and robust domestic demand. The increase was primarily due to an 11% increase in sales realisation as well as sale of iron ore from Odisha mines.

The Company continues to focus on backward integration by investing in its resource base to secure critical raw materials for the steel-making operations. Mining operations began in all the newly acquired mines in Karnataka and Odisha during FY 2020-21. Overall despatches from captive mines during the year constituted 35% of iron ore requirements of the Company, and this ensured production continuity in an environment of

challenged availability and volatile pricing of iron ore.

Cost reduction strategies like optimising fuel consumption at blast furnaces, reducing coke moisture, utilisation of pipe conveyor system for the transport of iron ore from mines to reduce supply chain costs also helped the Company bring down costs on a y-o-y basis. The Company also undertook multiple initiatives to improve efficiencies by leveraging technological and digitalisation tools, reducing fixed cost base, optimising procurement costs, conserving liquidity, and ramping up sales and marketing efforts to find new markets and customers to remain competitive.

₹19,259 crore

Highest-ever operating EBITDA achieved in FY 2020-21

⬆️ 54%

₹8,393 crore

Net Profit in FY 2020-21

⬆️ 59% y-o-y

The Company achieved its highest ever annual Operating EBITDA of ₹19,259 crore, up by 54% y-o-y with an EBITDA margin of 27.2%, led by enhanced spreads, favourable product mix, lower coking prices and power costs. This was partly offset by higher prices of iron ore, which almost doubled in view of the increase in global iron ore prices and shortage of iron ore in the domestic market.

Overall Results

As a result, net profit for the year increased to ₹8,393 crore from ₹5,291 crore in FY 2019-20.

The Company's total net debt gearing was at 0.90 as on March 31, 2021 and Net Debt to EBITDA stood at 2.20 as on March 31, 2021.

Revenue analysis

₹ (in crore)				
Particulars	FY 2020-21	FY 2019-20	Change	Change %
Domestic Turnover	54,732	52,326	2,406	5
Export Turnover	14,726	9,989	4,737	47
Total Turnover	69,458	62,315	7,143	11
Other Operating Revenues	1,269	1,947	(678)	(35)
	70,727	64,262	6,465	10

6.1.2.1

Product-wise sales

Product-wise quantity break-up

(MnT)			
Particulars	FY 2020-21	FY 2019-20	Change %
Products			
Rolled Products – Flat	11.00	10.92	1
Rolled Products – Long	3.15	3.52	-11
Semis	0.73	0.63	16
Total Saleable Steel	14.88	15.08	-1

Domestic steel demand during the year was impacted by the pandemic-induced disruptions, general lack of liquidity, softer investment cycle and weaker sentiment, which was reflected in slow automotive and consumer durables momentum during the first half. This resulted in lower sales volumes and accumulation of inventory

across the industry. In the first two quarters, JSW Steel strategically focused on exports, which enabled it to stay resilient and grow exports by 41% y-o-y. As domestic demand picked up in H2 FY 2020-21, JSW Steel accelerated domestic sales rapidly.

6.1.2.2

Other Operating Income

Overall other operating revenue was lower by ₹678 crore, largely due to the recognition of the certain one-time income as other operating revenue in FY 2019-20.

However, the reduction in other operating income was partially offset by higher exports benefits and higher Export Promotion Capital Goods (EPCG) grant income due to higher exports during the year under review.

6.1.3

Other Income

₹ (in crore)				
Particulars	FY 2020-21	FY 2019-20	Change	Change %
Other Income	669	628	41	7

Other income rose due to higher interest income from loans extended to subsidiaries.

6.1.4

Materials

₹ (in crore)				
Particulars	FY 2020-21	FY 2019-20	Change	Change %
Cost of Materials Consumed (including purchase of traded goods and change in inventory)	28,070	33,466	(5,396)	-16
Mining Premium and Royalties	6,972	651	6,321	971
Total	35,042	34,117	925	3

The expenditure on material consumption decline by 16% y-o-y to ₹28,070 crore and the mining premium and royalties increased to ₹6,972 crore primarily on account of

21.0% increase in iron ore prices, this was partly offset by lower coking coal prices by 20.1% and 6% lower production volumes.

6.1.5

Employee Benefits Expenses

₹ (in crore)				
Particulars	FY 2020-21	FY 2019-20	Change	Change %
Employee Remuneration and Benefits	1,501	1,496	5	0.3

Employee benefits expenses were marginally higher in FY 2020-21. The overall headcount reduced marginally to 13,128 as on March 31, 2021 vis-à-vis 13,159 as on March 31, 2020.

6.1.6

Manufacturing and Other Expenses

₹ (in crore)				
Particulars	FY 2020-21	FY 2019-20	Change	Change %
Other Expenses	14,925	16,132	(1,207)	-7

Manufacturing and other expenses decreased 7% y-o-y to ₹14,925 crore primarily due to lower production.

Power and fuel costs decreased by 6% primarily due to lower steam coal prices by 6%, reduced power purchases and lower natural gas prices.

Stores and spares consumption decreased 16%, due to lower prices of electrodes and refractories, and reduced consumption of imported mechanical and electrical spares as the plant operations were partially suspended in the first quarter of FY 2020-21.

Freight expenses increased by 8% primarily due to freight costs incurred on increased export sales volumes.

6.1.7

Finance Cost

₹ (in crore)

Particulars	FY 2020-21	FY 2019-20	Change	Change %
Finance Cost	3,565	4,022	(457)	-11

The finance cost decreased 11% y-o-y to ₹3,565 crore primarily due to lower working capital requirements largely driven by liquidation of inventories and repayment of term loans through improved cash accruals.

6.1.8

Depreciation and Amortisation

₹ (in crore)

Particulars	FY 2020-21	FY 2019-20	Change	Change %
Depreciation and Amortisation	3,781	3,522	259	7

Depreciation and amortisation increased 7% y-o-y to ₹3,781 crore due to depreciation charged on asset capitalisation for projects and sustenance capex. Further,

amortisation costs were higher on account of amortisation of mining assets as the Company commenced mining operations in Odisha iron ore mines.

6.1.9

Tax Expense/Credit

The tax expense for the year was ₹3,803 crore in FY 2020-21, compared with tax credit of ₹999 crore in FY 2019-20. The effective tax rate during the year was 31.18%. The Company had a tax credit of

₹999 crore in FY 2019-20 primarily on account of a reversal of deferred tax liability of ₹2,150 crore due to expected transition to the new tax regime.

6.1.10

Exceptional Items

Exceptional items represent impairment provision of ₹386 crore on value of loans given and interest receivable from overseas subsidiaries on the assessment of

recoverable value of the US operations determined by independent external valuers using cash flow projections.

6.1.11

Property, Plant and Equipment

₹ (in crore)

Particulars	FY 2020-21	FY 2019-20	Change	Change %
Tangible Assets	46,167	46,117	50	0
Capital Work-in-Progress	28,914	23,810	5,104	21
Right to Use Asset	4,161	4,102	59	1
Intangible Assets	1,614	323	1,291	400
Intangible Assets under Development	128	331	(203)	-61
Total	80,984	74,683	6,301	8

Net block of Property, Plant and Equipment increased by ₹6,301 crore primarily on account of intangible assets capitalised on account of operationalisation of new mines at Odisha and Karnataka including restoration obligation

and capital expenditure incurred for capacity expansion from 5 MTPA to 10 MTPA at Dolvi and investments in CRM-1 expansion at Vijayanagar, and other capacity augmentation and cost-saving projects.

6.1.12

Investments

₹ (in crore)

Particulars	FY 2020-21	FY 2019-20	Change	Change %
Investments in Subsidiaries, Associates and Joint Ventures	6,676	4,757	1,919	40
Other Investments	5,782	1,242	4,540	366
Total	12,458	5,999	6,459	108

Investment increased primarily due to additional investment of ₹5,087 crore in Piombino Steel Limited on account of acquisition of Bhushan Power and Steel Limited and in JSW Steel Coated Products Limited for acquisition of Asian Colour Coated Ispat Limited. Further, the increase in investments is also attributable to share price appreciation of JSW Energy Limited which is fair valued through OCI.

6.1.13

Loans

₹ (in crore)

Particulars	FY 2020-21	FY 2019-20	Change	Change %
Non-current Loans	5,382	8,705	(3,323)	-38
Current Loans	733	321	412	128

Loans and advances decreased primarily due to repayment of loans by certain overseas subsidiaries.

6.1.14

Other Financial Assets

₹ (in crore)

Particulars	FY 2020-21	FY 2019-20	Change	Change %
Other Non-current Financial Assets	1,971	562	1,409	250
Other Current Financial Assets	1,348	2,794	(1,446)	-52

Increase in other financial assets was primarily due to re-assessment of GST incentive receivable.

6.1.15

Other Non-Financial Assets

₹ (in crore)

Particulars	FY 2020-21	FY 2019-20	Change	Change %
Other Non-Current Assets	2,394	2,378	16	1
Other Current Assets	1,765	1,795	(30)	-2

There was no major change in the other non-financial assets.

6.1.16

Trade Receivables

₹ (in crore)

Particulars	FY 2020-21	FY 2019-20	Change	Change %
Total Debtors	3,525	3,319	206	6
Less: Provision for Doubtful Debts	(192)	(153)	(39)	26
Trade Receivables	3,333	3,166	167	5

The average collection period as on March 31, 2021 was 18 days compared to 19 days as on March 31, 2020, primarily on account of improved market sentiments.

6.1.17

Inventories

Particulars	FY 2020-21	FY 2019-20	Change	Change %
Raw Materials	4,372	4,110	262	6
Work-in-Progress	539	414	125	30
Semi-Finished/Finished Goods	4,112	3,343	769	23
Production Consumables and Stores & Spares	1,668	1,734	(66)	-4
Others	1	22	(21)	95
Total	10,692	9,623	1,069	11

Average Raw Materials inventory (including own mines iron ore) holding as on March 31, 2021 increased to 69 days compared to 44 days in FY 2019-20 primarily due to replenishment of iron ore inventory.

Average Finished goods inventory holding reduced to 13 days for FY 2020-21, compared to 24 days in FY 2019-20 on liquidation of inventory to meet the robust demand from domestic and export markets.

6.1.18

Cash and Bank Balances

₹ (in crore)

Particulars	FY 2020-21	FY 2019-20	Change	Change %
Cash and Cash Equivalents	11,121	3,438	7,683	223
Bank and Bank Balances	625	7,963	(7,338)	-92

To meet short-term cash commitments, the Company parks surplus funds in short-term and highly liquid instruments which represent cash and cash equivalents.

6.1.19

Borrowings

₹ (in crore)

Particulars	FY 2020-21	FY 2019-20	Change	Change %
Long-term Borrowings (including Current Maturities of Long-term Debt)	46,470	44,356	2,114	5
Short-term Borrowings	1,285	6,813	(5,528)	-81

Long-term borrowings (including current maturity of long-term debt) increased as the Company repaid short-term loans and availed longer maturity loans to elongate debt maturity profile.

6.1.20

Trade Payables

₹ (in crore)

	FY 2020-21	FY 2019-20	Change	Change %
Acceptances	7,137	8,056	(919)	-11
Other than Acceptances	5,013	5,298	(285)	-5
Total Trade Payables	12,150	13,354	(1,204)	-9

Trade payables decreased by ₹1204 crore primarily due to repayment of acceptances through improved cash accruals.

6.1.21

Other Financial Liabilities

₹ (in crore)

	FY 2020-21	FY 2019-20	Change	Change %
Other Financial Liabilities	1,173	1,308	(135)	-10
Lease Liabilities	3,338	3,489	(150)	-4
Other Current Financial Liabilities (excluding Current Maturities of Long-term Debt)	11,631	6,871	4,760	69

Other current financial liabilities (excluding current maturities of long-term borrowings and finance lease obligations) increased mainly due to payables for capital projects including capital acceptances, provision for bid premium/royalties for own mines and deferred compensation payable for the PCMD division acquisition from Welspun Corp Limited.

6.1.22

Deferred Tax Liabilities

₹ (in crore)

	FY 2020-21	FY 2019-20	Change	Change %
Deferred Tax Liabilities	5,631	5,511	120	2
MAT Credit	(2,536)	(4,196)	1,660	-40
	3,095	1,315	1,780	35

The MAT credit entitlement reduced during the year as the Company utilised it towards payment of income tax as the normal taxable profits were higher compared to the MAT taxable profits.

6.1.23

Capital Employed

Total capital employed decreased 8% y-o-y to ₹63,465 crore in FY 2020-21 primarily due to working capital

reduction. Return on average capital employed was at 23.4%.

6.1.24

Own Funds

JSW Steel's net worth increased from ₹38,362 crore to ₹46,977 crore as on March 31, 2021.

The book value per share was at ₹194.34 as on March 31, 2021, up from ₹158.70 as on March 31, 2020.

6.1.25

Other Key Financial Indicators

₹ (in crore)

Ratios	Reason for change	FY 2020-21	FY 2019-20	Change	Change %
Debtors Turnover (no. of days)	Improved market sentiments	18	19	(1)	-5
Raw Material Inventory (including own mines) Turnover (no. of days)	Replenishment of iron ore inventory	69	44	25	57
Finished Goods Inventory Turnover (no. of days)	Liquidation of inventory due to robust demand from domestic and export markets	13	24	-11	-46
Inventory Turnover (no. of days)	Increase in iron ore stock inventory partially offset by liquidation of finished goods inventory	76	68	8	12
Interest Coverage Ratio (times)	Increase in EBITDA together with a reduction in the interest outgo	6.52	3.61	2.91	81
Current Ratio (times)	Marginal	0.80	0.83	(0.03)	-3
Debt Equity Ratio (times)	Increase in equity due to improved profitability and cash flow	1.02	1.33	(0.31)	-24
Operating EBITDA Margin (%)	Enriched product mix and improved realisations on higher demand and increased steel prices	27.2	19.5	7.7%	40
Net Profit Margin (%)	Increased profitability driven by a buoyant demand and pricing environment and lower finance costs	11.9	8.2	3.7%	44
Return on Net Worth	Increase in EBITDA margins and profitability	17.9%	13.8%	4.1%	30



6.1

Consolidated

The Company reported consolidated revenue from operations, operating EBITDA and net profit after tax of ₹79,839 crore, ₹20,141 crore, and ₹7,873 crore,

respectively. The Company's consolidated financial statements include the financial performance of the following subsidiaries and joint ventures.

6.2.1

Subsidiaries

- | | |
|-------------------------------------|--|
| 1. JSW Steel (Netherlands) B.V. | 22. JSW Natural Resources Mozambique Limitada |
| 2. JSW Steel (UK) Limited | 23. JSW ADMS Carvo Lda |
| 3. Periana Holdings, LLC | 24. Nippon Ispat Singapore (PTE) Limited |
| 4. JSW Steel (USA) Inc. | 25. Erebus Limited |
| 5. Purest Energy, LLC | 26. Arima Holding Limited |
| 6. Meadow Creek Minerals, LLC | 27. Lakeland Securities Limited |
| 7. Hutchinson Minerals, LLC | 28. Acero Junction Holdings, Inc. |
| 8. R.C. Minerals, LLC | 29. JSW Steel USA Ohio, Inc. |
| 9. Keenan Minerals, LLC | 30. JSW Steel Italy S.r.l. |
| 10. Peace Leasing, LLC | 31. JSW Steel Italy Piombino S.p.A. |
| 11. Prime Coal, LLC | 32. Piombino Logistics S.p.A. – A JSW Enterprise |
| 12. Planck Holdings, LLC | 33. GSI Lucchini S.p.A. |
| 13. Rolling S Augering, LLC | 34. JSW Steel Coated Products Limited |
| 14. Periana Handling, LLC | 35. Amba River Coke Limited |
| 15. Lower Hutchinson Minerals, LLC | 36. JSW Jharkhand Steel Limited |
| 16. Caretta Minerals, LLC | 37. JSW Bengal Steel Limited |
| 17. JSW Panama Holdings Corporation | 38. JSW Natural Resources India Limited |
| 18. Inversiones Eurosh Limitada | 39. JSW Energy (Bengal) Limited |
| 19. Santa Fe Mining | 40. JSW Natural Resource Bengal Limited |
| 20. Santa Fe Puerto S.A. | 41. Peddar Realty Private Limited |
| 21. JSW Natural Resources Limited | 42. JSW Realty & Infrastructure Private Limited |

- 43. JSW Industrial Gases Private Limited
- 44. JSW Utkal Steel Limited
- 45. Hasaud Steel Limited
- 46. JSW One Platforms Limited (formerly known as JSW Retail Limited)
- 47. Makler Private Limited (w.e.f. June 6, 2019 up to March 25, 2021)
- 48. Piombino Steel Limited (w.e.f. June 6, 2019 up to March 26, 2021)

- 49. JSW Vijayanagar Metallics Limited (w.e.f. December 24, 2019)
- 50. Vardhman Industries Limited (w.e.f. December 31, 2019)
- 51. JSW Vallabh Tin Plate Private Limited (w.e.f. December 31, 2019)
- 52. Asian Color Coated Limited (w.e.f. October 27, 2020)
- 53. JSW Retail and Distribution Limited (w.e.f. March 15, 2021)

6.2.2

Jointly Controlled Entities

- | | |
|--|---|
| 1. JSW Severfield Structures Limited | 7. Creixent Special Steels Limited |
| 2. JSW Structural Metal Decking Limited | 8. JSW Ispat Special Products Limited (formerly known as Monnet Ispat & Energy Limited) |
| 3. Rohne Coal Company Private Limited | 9. Piombino Steel Limited (w.e.f. March 27, 2021) |
| 4. JSW MI Steel Service Center Private Limited | 10. Bhushan Power and Steel Limited (w.e.f. March 27, 2021) |
| 5. Vijayanagar Minerals Private Limited | |
| 6. Gourangdih Coal Limited | |

More information on the performance of these subsidiaries and jointly controlled entities is available in the Directors' Report (Page 256) and Form AOC - 1 (Page 548)

JSW Steel is set to continue on its journey of better performance, every year. The Company expects to further increase its manufacturing scale, market presence, profit margins, and overall efficiency as it steps on to the next wave of growth. JSW Steel

expects to achieve its ambitions while maintaining its leverage under stated limits, and continuing to deliver superior investor returns, and meeting sustainability obligations by going beyond norms.

7.0 | Talent management

JSW Steel focuses not just making good steel but also on building great careers. It manages its diverse talent pool of capable and ambitious professionals by offering a nurturing environment, benchmarked compensation, accelerated, merit-based career-progression and best-in-class people policies. JSW Steel's employee value proposition follows a timeless culture that prioritises high-performance, efficiency, safety and integrity. Together, JSW Steel and its people make #BetterEveryday possible for all stakeholders.

Flexibility and adaptability are key tenets of the culture at JSW Steel. As the COVID-19 outbreak disrupted normal working life, the Company emphasised on employee

health and well-being above all else. At the same time, in keeping with its key cultural tenets of flexibility and adaptability, it moved swiftly to enable an efficient work-from-home model, that saw the rapid introduction of systems and tools. Continuous training towards gaining new skills and competencies, as well as regular engagement was also initiated.

The talent management function regularly focuses on four key areas of human capital – Learning & Development, JSW Springboard – the flagship career development initiative for women, Campus Connect and e-learning initiatives.

Learning & Development

Continuous learning and professional development is a core part of JSW Steel's #BetterEveryday ethos. Multiple on-the-job, classroom and other forms of trainings, learning opportunities and structured programmes are

offered to the employees in order to help build world-class competencies, regularly reskill and upskill and provide an environment of continuous improvement.

Future Fit Leaders

In order to create leaders who will helm the future phases of JSW Steel's growth, 'Future Fit Leaders' programme was launched in 2016. The objective is to identify potential Future Fit Leaders (FFLs), nurture their talent and make a positive impact on their career progress. The programme involves a comprehensive leadership capability development journey that includes a structured framework to impart training and development. In FY 2020-21, the FFL identification was anchored on the 3A construct which comprise three distinct elements – Agility, Ability and Aspiration. This unique lens helped the Company view and groom talent holistically. There

was significant progress across multiple facets of this programme during the year, as given below.

- + 978 high performers across businesses underwent cognitive ability assessments as part of Phase I. This was done through 21 Virtual Development Centres across bands between February and March 2020, post which 324 selected employees moved to Phase II in FY 2020-21
- + 68 FFLs across bands were identified to taken through their development journey, going forward

JSW Springboard

The Diversity and Inclusion Policy of JSW Steel was unveiled in FY 2018-19, and the Company relentlessly strives to ensure a culture of having diverse backgrounds and talents assimilated into its workforce. One of the key focus areas remains to encourage more and more women to be a part of the JSW Steel team. As a leading manufacturing company in India, JSW Steel has been consistent in its efforts to create more opportunities and provide a safe and empowered working environment for women. JSW Springboard is the Company's flagship initiative for career development for female employees.



JSW Steel is among the 100 Best Places to Work for Women for the 3rd consecutive year*

91

Women employees assessed in 2020 for Springboard

*By Working Mother and Avtar

Some key highlights for the JSW Springboard programme in FY 2020-21 are as follows:

- + The Springboard continues with IIM Bangalore Women Leadership Journey Batch 2. The Company has a group of 21 high performing women going through a development journey designed and delivered by IIM Bangalore to enhance their capability to become a future leader
- + The pedagogy of the programme revolves around the needs which were highlighted by the Development Centre and focuses on broad themes of JSW Potential Framework
- + Topics range right from Self Awareness, Career Management, Personal Branding, to strategic topics like Macro Economics, Industry Analysis, Digitalisation and the programme also focused on leadership skills with topics like Influence Tactics and Skills to Leading Change
- + The participants are also going through a structured Individual Development Plan as well as Action Learning Projects to implement learnings

7.1

JSW Campus Connect initiatives

JSW Steel has been playing a key role in shaping the careers of young professionals across India. Its various internship programmes with their structured approach, strong mentorship and meticulous evaluation process act as a career launchpad for aspiring talents. The Company has multiple programmes and initiatives under which many students have been inducted and made part of the organisation.

Key highlights of the Campus Connect initiatives:

Phase I Graduate programme (SIP)

8 batches completed and 48 PPOs accepted

Phase II Graduate programme (SIP)

5 batches completed

Phase III Graduate programme (SIP)

4 batches completed and 46 PPOs accepted

7.2

E-learning initiatives

To adapt to the dynamic business environment, JSW Steel has curated a wide spectrum of courses ranging from behavioural, interpersonal and functional skills. The employees have the flexibility to hone their skills and take up e-learning courses anytime and anywhere. This has been enabled by the launch of the 'Percipio' app last year.

- + In FY 2020-21, JSW pivoted quickly toward virtual facilitator-led learning environment and launched JSW – Virtual Academy. This new age learning received

overwhelming response, as it runs advanced and engaging learning programmes through the use of top-notch facilitators, videos, interactive slides, games and simulations. Everything else, remaining the same, JSW classroom learning was converted into a virtual format

- + During the year, JSW covered a total of 1,06,245 learning hours in the development of its people, leveraging continuous learning opportunities that are customised for the individual in an on-demand, digital environment

8.0 | Sustainability



JSW Group's Sustainability Vision

JSW Group's 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 us to meet the needs of their own, future generations.

JSW Steel has ingrained sustainability across every aspect of its value chain in a manner that is now a core consideration for operations. From efficient and environment-friendly operations to sustainable mining and extended product responsibility, the Company has mainstreamed sustainability in its business. Ranked as a Sustainability Champion by the World Steel Association (worldsteel) consecutively, the Company has been recognised globally for its efforts in executing its Environmental, Social and Governance priorities and optimising its footprint.

In FY 2019-20, JSW Steel formalised its 2030 goals under 17 sustainability focus areas, falling under Environmental, Social and Governance aspects. The Company continues to progress across these focus areas and is driving innovative practices such as Carbon Capture and Utilisation to build climate resilience, making paver blocks from slag and contributing to a circular economy. The Company aims to be part of a large-scale solution to the environmental concerns the world is facing right now, pitching steel as a sustainable material, and its value-chain as increasingly greener.

Sustainability survey

A survey was conducted in September 2020 to assess the prevailing patterns in understanding, expectations and opinions of JSW's employees regarding sustainability. This was done with a view to align the Company's sustainability ambitions with the team, and to cascade a unified vision from the Boardroom to the shopfloor. Employees from all verticals and levels participated in the survey, making the outcome representative and participative. Among the key findings thrown up by the survey is the fact that while there was awareness, there was also a desire to learn more about the concepts and practices related to sustainability. Interestingly, over 50% respondents reported that issues related to sustainability have been a topic of discussion in their respective departments. The survey also yielded another key insight – JSW Steel employees are very keen to help make the organisation increasingly responsible and would prefer for sustainability to be a key topic of deliberation on a regular basis, such that it gets completely ingrained into day-to-day working and is a key factor for decisions.

17

Sustainability focus areas

JSW Steel is committed to reducing specific GHG emissions from its three ISPs to less than 2.0 tCO₂/tcs by 2030 and achieve carbon neutrality at JSW Steel Coated Products within the same period.

9.0 | Corporate social responsibility

9.1

Overview

JSW Steel was awarded the S&P Platts Global Metal Award in the CSR category. JSW Steel was recognised for its positive impact on a million lives through its CSR efforts.

A core tenet of JSW Steel's ESG focus is its commitment to social responsibility. The largest contributor to the Group-led JSW Foundation, JSW Steel is committed to nation-building and community welfare. The core philosophy of the Company's social intervention programmes is to work closely with communities living around its operations and beyond and initiate self-sustaining ecosystems for the long term.

Through the Foundation, JSW Steel has deployed a strategic inclusive development approach that encompasses preserving and building drinking water resources, building better sanitation facilities, conserving environment, providing health and nutrition amenities, providing quality education, creating platforms for skill-building and livelihoods, promoting sports and art, culture and heritage. In FY 2020-21, the efforts were also directed to COVID-19 relief interventions, in addition to regular CSR efforts.



9.2

Leading the way in battling the pandemic

As the COVID-19 pandemic spread across the country, JSW Steel focused on ways to help and safeguard the communities.

In Vijayanagar, the planning and implementation phase began by taking a stock of the number of lives and villages around the facility, to gauge the probable impact of the pandemic. With over 30,000 employees and a community of Bellary, Hospet, Sandur and several villages, the plant had a mammoth task on hand. Vijayanagar Works formed multi-level taskforce teams along with various Support Service Groups. The 24X7 help desks addressed over 1.95 lakh queries and the teams helped build awareness across the township and local community. Three dedicated care centres were set-up in

the township and the O.P. Jindal Vocational Training Centre (OPJC) in Vijayanagar was converted into COVID Care Centre. The plant provided ₹5 crore worth of food supplies for the needy people in the Bellary district and reached 38,000 people through awareness sessions across 7100 households in 13 villages. The teams also conducted door-to-door screening in 6,000 households covering around 22,000 individuals in five surrounding villages. With Akshaypatra Kitchen, JSW Foundation provided over 5,80,000 meals (16,000 meals per day) during the lockdown period (April and May) to the locals and migrant workers in five surrounding villages. Almost 320 tons/day of oxygen supply was provided across Karnataka and neighbouring states.

5,80,000

Number of meals provided during 5 weeks of lockdown in association with Akshaypatra Foundation

Taskforce Team

- + Containment Arrangement
- + Quarantine Arrangement
- + Contact Tracing
- + Hospital Co-ordination
- + Reporting

Support Service Groups

- + Coordination for patients at Government Hospitals
- + Food/ catering services
- + Counselling and details collection
- + Attending Distress Calls
- + Discharges and travel arrangement



Similarly, Dolvi Works, in partnership with the state government, set up a 50-bed Isolation Ward in Sub-District Hospital at Pen using minimum resources just in 12 days. The plant also took innovative steps to ensure the safety of the staff by building an in-house disinfection tunnel that was installed at the entry of the premises. The tunnel was designed in-house by the JSW Central Repair and Fabrication Shop and Central Electrical Team. The employees were sprayed with a broad-spectrum disinfectant reducing the number of germs on each person and similar initiatives were then undertaken across all plants.

75-bed COVID Care Centre

Developed by JSW Steel Coated Products Ltd

During the COVID-19 Pandemic the team of JSW Steel Coated Products Ltd. distributed 16,460 kg of food grains, including essentials through the Public Distribution System and NGOs. The unit also developed a 75-bed ward in COVID Care Centre by donating beds, mattresses, pillows and bedding and developed 2 SWAB collection kiosks. The on-ground medical team was assisted by providing 79 thermal guns and 75 Pulse Oximeters, masks, sanitisers and cough and cold medicine to equip the Government Primary Hospital Team to deal with the pandemic.

10.0 | Occupational health and safety

Safety is a core focus area at JSW Steel. The Company is committed to providing a safe, healthy and conducive working environment for all employees. An injury and illness free workplace is a key objective across the Group,



01

10 JSW Critical Safety Rules

Introduced across all sites, these rules cover the most critical safety hazards and were crafted based on learnings from past incidents.



03

Health & Safety (H&S) performance management

The Company has set business-level and site-level annual H&S priorities and targets for FY 2020-21 and has also introduced individual safety KRAs and site-level safety KRAs in the goal-setting process for all employees. The site H&S KPIs are being tracked with leading and lagging indicators.

and a fully integrated Health & Safety (H&S) system is one of the core values. JSW Steel continues to implement various initiatives under the 'VISION 000' umbrella. Some of the steps taken during the year are:



02

Safety E-learning modules

The e-learning modules were launched covering high-risk areas – Working at Height, Lock-out Tag-out (LOTO), Confined Space, Permit to Work and PPEs.



04

Technology and digitalisation for safety compliance

Digital as a platform is being piloted to detect, analyse, generate insights on real-time safety anomalies – real-time alerts on non-adherence of SOPs, automated reporting, etc. A New Safety Mobile App has been launched for safety observations (SOs) and incident tracking. The sites use digital tool for safety inspection to enable tracking of findings and closure rate of gaps.

11.0 | Risk management

JSW Steel follows the globally recognised 'COSO' framework of Enterprise Risk Management. ERM brings together the understanding of the potential upside and downside of all those factors which can affect the organisation with an objective to maximise sustainable value to all the activities of the organisation and to its stakeholders.

The Company recognises that the emerging and identified risks need to be managed and mitigated to:

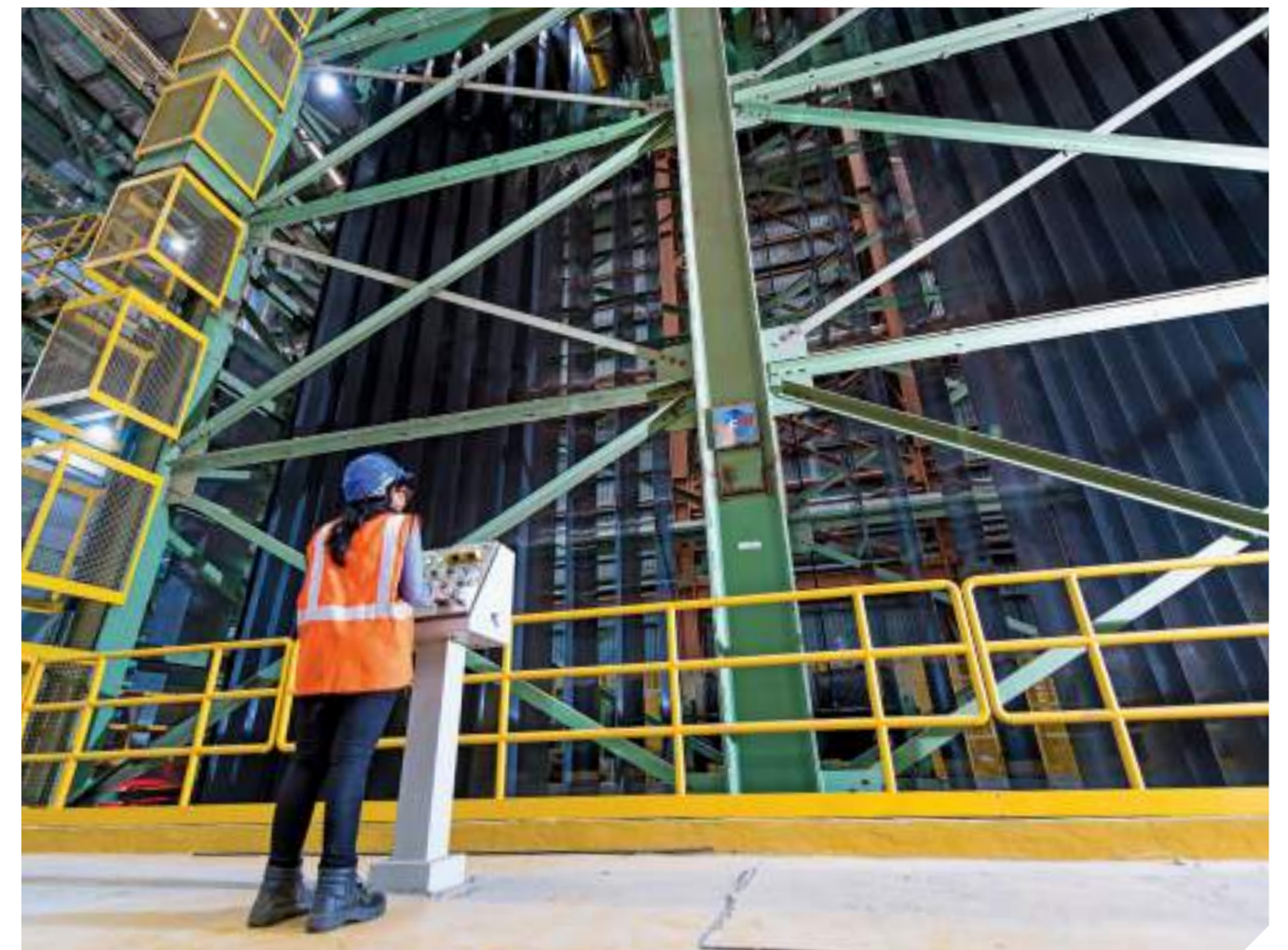
- + protect its shareholders and other stakeholders' interests
- + achieve its business objective
- + enable sustainable growth

Pursuant to the requirement of Regulation 21 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations,

2015 and Clause 49 of the erstwhile Listing Agreement, the Company has constituted a sub-committee of Directors to oversee Enterprise Risk Management framework to ensure resilience such that:

- + Intended risks, say growth, are taken prudently so as to plan for the best and be prepared for the worst
- + Execution of decided strategies and plan with focus on action
- + Unintended risks like performance, incident, process and transaction risks are avoided, mitigated, transferred (like in insurance) or shared (like through sub-contracting)

The probability or impact thereof is reduced through tactical and executive management, policies, processes, inbuilt systems controls, MIS, internal audit reviews, among others.



Business Responsibility Report

JSW Steel has operated in a fair, responsible and transparent manner since its inception. The Company is known for its efforts towards promoting inclusive growth, sustainable livelihoods and in giving back to the society more than what it takes. Now a part of the Nifty50, the Company is among the top corporates in India today and has been reporting its sustainability performance through various disclosures.

Since the requirement of the BRR for Top 500 companies was notified in 2015-16, JSW Steel has complied with the regulations and has followed the National Voluntary

Guidelines (NVGs) to report its performance across key principles. With the recent introduction of the National Guidelines on Responsible Business Conduct (NGRBC) and the notification of SEBI for adoption of BRSR (Business Responsibility Sustainability Report), the Company has aligned its existing sustainability and corporate strategy to the key principles, most of which already exist as a standard practice within the JSW ecosystem. The below disclosures summarise and link the principles to our performance and records of compliance.

SECTION A: GENERAL DISCLOSURES

Company Details

Name of the Company	JSW Steel Limited
Year of registration	1994
Corporate Identity Number (CIN) of the Company	L27102MH1994PLC152925
Registered Address	JSW Centre Bandra-Kurla Complex Bandra East, Mumbai - 400 051. Maharashtra India. Tel: +91 22 4286 1000 Fax: +91 22 4286 3000
Website	www.jsw.in
E-mail ID	jswsl.investor@jsw.in
Financial Year Reported	2020-21

Products/services

Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture of Iron and Steel
	Industrial Group (NIC 2008)
	071 Mining of iron ores
	241 Manufacture of basic iron and steel
	243 Casting of metals
	259 Manufacture of other fabricated metal products; metalworking service activities

List three key products/services that the Company manufactures/provides (as in balance sheet)	Flat Products
	1. Hot rolled coils
	2. Cold rolled coils
	3. Galvanised steel
	Long Products/Alloy Steel
	1. TMT Bars
	2. Wire Rods
	3. Special Alloy Steel.

Brands (top five by respective share of market) owned and percentage of revenue contributed	JSW Colouon+ (Premium Al-Zn Colour Coated Sheets) JSW Vishwas (Premium GC Sheets) JSW Neosteel (Pure TMT Bars) JSW Galveco (Lead Free Galvanised Sheets) JSW Pragati (Colour Coated) JSW Everglow (Colour Coated). JSW Platina (Superior Quality Tinplate) JSW Trusteel (Premium Hot Rolled Sheets) JSW Galvos (Premium Galvalume Coil & Sheets) JSW Radiance (Superior Colour Coated)
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Operations

Location of plants (in case of manufacturing businesses)	In India, JSW Steel Ltd. has three main operational integrated iron and steel manufacturing locations, at Vijayanagar (Karnataka), Dolvi (Maharashtra) and Salem (Tamil Nadu). JSW also operates its rolling mill facilities at Vasind (Maharashtra), Tarapur (Maharashtra) & Kalmeshwar (Maharashtra) in India.
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I. National (Districts and states – top five by employee strength)	In India, JSW Steel Ltd. has three main operational integrated iron and steel manufacturing locations, at Vijayanagar (Karnataka), Dolvi (Maharashtra) and Salem (Tamil Nadu). JSW also operated its rolling mill facilities at Vasind (Maharashtra), Tarapur (Maharashtra) & Kalmeshwar (Maharashtra).
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II. International (Country – top three by employee strength)	Through subsidiaries: a. USA (Texas, near Houston): Plate and pipe mill b. Italy c. Chile
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Employees

Number of permanent employees	13128 (JSW ISP's, Salav, Odhisha & Corporate Office)
Contractual employees (seasonal, non-seasonal)	22457
Temporary employees	
Percentage of women	
a. On the Governance Structure:	16% (2 out of 12 Directors on Board)
b. In top management, i.e. business and function heads;	<1% (Considering total employees)

Associate entities

Names of subsidiary / associate companies;	Consolidated list of subsidiaries presented in the Financial Review section of the Management Discussion and Analysis Page 226
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Details of Trust/Society/Section company to further its CSR agenda	
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a. Names;	JSW Foundation is registered as a Charitable Trust since 1989 and has been focusing on various initiatives across all Steel locations with dedicated full time CSR teams. The impact areas identified and the initiatives undertaken are tailored to our local communities but contribute to global goals and the national development agenda.
b. Organisation form (Trust, Society, Company) and year of establishment;	
c. Main objects/purpose;	Objective Our overall approach is to provide holistic life-cycle based interventions catering to all sections of society, age groups and those requiring extra attention. The strategy is to find the key connect amongst the various CSR thematic thrust areas to attain better complementarity, e.g. water interventions linked to agribusiness and livelihoods initiatives. Please refer to the JSW CSR policy for more details https://www.jsw.in/sites/default/files/assets/downloads/steel/IR/corporate_social_responsibility/Corporate%20social%20responsibility%20policy%20v2.pdf
d. Amounts and sources of funds received in the reporting year;	JSW Steel's CSR interventions have reached out to communities across more than 255 villages in 4 states of India with special focus on: <ul style="list-style-type: none">Health & NutritionEducationWater, Environment & SanitationAgree-LivelihoodsLivelihoodsNeed based community development initiatives. Beneficiaries of community initiatives (Direct & Indirect beneficiaries about 5.5 lakhs)

	Spent In FY 2020-21, the Company spent an amount of ₹78.32 crore towards CSR expenditure, and an additional ₹86.49 crore was transferred to the unspent CSR account. Note: At a consolidated level, the Company earmarked ₹176 crore for CSR expenditure, of which ₹86.49 crore has been transferred to the unspent CSR account.
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Contact details of Nodal Officer for this report (name, designation, email-id, phone number).	Mr. Prabodha Acharya (Group Chief Sustainability Officer) E-mail: prabodha.acharya@jsw.in Phone: 022-42861000
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SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. Names of the policy / policies that covers each Principle	Reference to the Last Page https://www.jsw.in/groups/sustainability-policies								
2. Core Elements related to the Principle that the policy policies cover	All the core elements stated as part of the Principles are covered in the policies								
3. Policy/ policies relating to each principle that has been translated into guidelines and procedures	Guidelines & procedures has been developed inline covering all the 9 principles related to the respective policy								
4. Extent to which manpower, planning and financial resources have been allocated for the implementation of the policy/ policies relating to each Principle	Professional workforce has been engaged and financial resources allocated across corporate and plant levels to plan, execute and oversee the implementation of responsible business conduct, including all Principles under NGRBC guidelines.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. National and International codes and standards adopted mapped to various Principles	The policies are based on NGRBC, in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, ISO45001, ISO 50001, ISO26000, SA8000, IFC Performance Standards, OECD Guidelines, UNGC guidelines and ILO Principles, ILO Convention on Human Rights, Report on Affirmative Action by CII, National Action Plan on Climate Change, National Environmental Policy, UN Sustainable Development Goals, Global Reporting Initiative, Carbon Disclosure Project (CDP), Dow Jones Sustainability Index (DJSI) and Task Force on Climate-related Financial Disclosures (TCFD).								
Governance, leadership and oversight									
6. Names of the above policies that have been approved by the Board/top management	All the policies are approved by the Board/top management.								
7. Name of the specified committee(s) of the Board/ Director/ Officer and processes to oversee the implementation of the policy/ policies	The Business Responsibility Reporting Committee is responsible for implementation of the Policies.								
8. The process for board/ top management to review performance against the above policies and incorporating inputs (100 words)	The Business Responsibility Reporting Committee reviews the sustainability performance, the policies and practices developed in line with the sustainability strategy on a half yearly basis and recommends the specific actions to enhance sustainable performance. The Corporate Sustainability team presents the actions undertaken along with the activities conducted & achievements on each principle of the guidelines during the meetings. The meetings are conducted twice a year.								
9. Process for board/ top management to review compliance with statutory requirements of relevance to the Principles and rectify any non- compliances (100 words)	There are different committees which are headed by the Board of Directors such as Audit Committee, Risk Management Committee, Stakeholders Relationship Committee, Business Responsibility & Sustainability Committee and Project Review Committee., among others. The officials from different departments of different locations present to the Board information related to compliance to statutory requirements of different areas and their relevance to the principles. There are specific action plans outlined for any non- conformity and these are reviewed in the follow up meetings.								
10. Frequency of the reviews of the business's alignment with the Principles and Core Elements conducted by the board/ top management	The Business Responsibility Committee meets biannually wherein it reviews of the business' alignment with the Principles and Core Elements along with the Sustainability performance of the company.								
Stakeholder engagement									
11. Description of the process to identify your business's key stakeholders (100 words)	JSW Steel maintains a dynamic and strategic stakeholder engagement process where it identifies key stakeholder groups from the larger universe of all possible stakeholders. This is done after considering the material influence each group has on the Company's ability to create value (and vice-versa). Through this mechanism, the Company has currently identified seven internal and external stakeholder groups: Employees, Government and Regulatory Authorities, Customers, Communities and Civil Society / NGOs, Suppliers, Institutions, Investors. The details of Stakeholder group, Engagement Forum and the Value created for the Stakeholder group is included in the Integrated Report.								
12. Description of the process to engage with your stakeholders on the Principles (100 words)	JSW Steel's stakeholder engagement strategy seeks feedback on a regular basis, which is then integrated into the organisation's medium- and long-term strategy and planning exercises. This also enables the Company to promote the idea of shared growth and a common prosperous future for the society at large. The Company has formal mechanisms in place to engage key stakeholder groups in a constructive manner and collect valuable feedback, including on areas that are under the purview of the NGRBC Principles. This proves to be a valuable input for the risk assessment and strategy formulation process of the Company. In FY 2020-21, we undertook a fresh materiality assessment, exploring the matters considered most pertinent by internal and external stakeholders.								
13. Description of the processes to identify groups that are vulnerable and marginalised stakeholders (100 words).	JSW has been working for education, health & nutrition, sanitation and wellbeing of marginalised sections of the society. To identify the vulnerable and marginalised stakeholders within the identified focus areas, several methodologies are adopted such as desk research for situational analysis, participatory rural appraisal, community need assessment and focus group discussion with the stakeholders. These methods help in prioritising the community level interventions. JSW Steel focuses on strengthening its relationships with the communities through a meaningful and purposeful engagement. It implements a range of programmes that enables improved quality of life for people who are impacted by its operations. Over the years, JSW Steel's continuous efforts have resulted in better education, better health, better employment, better infrastructure and better sanitation for the local communities. Overall, the Company has aligned its CSR programmes to the key areas of health and nutrition, education and learning, agri- initiatives, livelihood, sanitation, water conservation and augmentation, biodiversity promotion, skill enhancement, and art, culture and sports.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
14. Description of the processes to identify issues related to inclusion and impact of adopting the Principles on vulnerable and marginalised stakeholders (100 words).	The Company contributes towards CSR with the aim of mitigating the major challenges faced by the communities, especially the economically and socially disadvantaged, across all locations where it has operations. The interventions focus on programmes aimed at creating development models that can be replicated at scale and adopted across geographies with similar issues. JSW Steel's CSR approach is based on a framework that is developed to identify key stakeholder groups, including the local community, the local government or bodies, academia and research institutions, investors, etc. The CSR interventions are wholly based on the needs assessed through community engagement, backed with a definitive structure arising from the of needs of the local area and the existing systemic gaps.								
Communications									
15. Description of process to communicate to stakeholders, the impact of your policies, procedures, decisions and performance that impact them (100 words)	JSW believes that stakeholders are essential to business operations, and their feedback is vital to understand their concerns and their material impact on the Company. JSW Steel considers its stakeholders as trusted partners in its value creation journey and solicits their views and to communicate the impacts of the Company's policies, procedures through various media like supplier meets, customer meets, community meetings, annual general meetings, workshops, intranet, advertisements, publications, website and social media and regular updates.								
16. Description of how the business communicates the results of stakeholder engagement in the public domain (100 words)	The results and updates of stakeholder engagement are communicated to the public using the annually published Integrated Report.								
17. Description of the process of communicating performance against these Guidelines to relevant stakeholders (100 words)	The performance against the Guidelines are available in the Integrated Report which are available on the company website.								
18. Note on how disclosures and reporting helped in improving business performance / strategy (50 words)	Enhanced and comprehensive reporting using the Integrated Reporting (IR) Framework, the Business Responsibility Report as per NGRBC guidelines and disclosures under the GRI Standards have helped the Company take quantitative and qualitative stock of its all-round performance, and proactively communicate its progress across economic, environmental, social and governance to the stakeholders. The measurement of various KPIs along with stated strategy, together with feedback from various stakeholders, help the Company review, recalibrate and reaffirm its goals continuously to achieve its business objectives, while creating a positive impact on the society and effectively managing change.								

If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
The company has not understood the Principles It is planned to be done within next 12 months						NA			
The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified Principles						NA			
The company does not have financial or manpower resources available for the task						NA			
It is planned to be done within next 6 months						NA			
It is planned to be done within next 12 months						NA			
Any other reason (please specify)						NA			

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Essential/Leadership indicators	Information
Principle 1: Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable	
Essential indicators	Information
E1 Month/year of last review by Governance Structure/ top management of performance of the business across the Principles and Core Elements of the Guidelines?	E1 The Company has established a Business Responsibility/Sustainability Reporting Committee. The committee is responsible for the continuous implementation of sustainability best practices and the overall governance of social responsibility & organisational sustainability. The Business Responsibility/Sustainability Reporting Committee also oversees the implementation of policies mentioned in the Business responsibility manual covering the principles and core elements of the Guidelines. The Committee reviews the business responsibility report and recommends the same to the Board for the approval. Business responsibility committee meetings were held in May-2020 & Dec-2020 in FY 2020-21.
E2 % Coverage of leadership team by awareness programs on the Guidelines: a. In reporting year b. Total to date	E2 The Company aims to follow and promote sustainable business practices and continuously strives to create awareness among all the stakeholders. The leadership team is made aware regarding the new principles released, under the National Guidelines on Responsible Business Conduct (NGRBC) along with BRSR during the Business Responsibility/Sustainability Reporting Committee meetings. The Board Committee meets twice annually to review the actions. Board committee had reviewed the performance on basis of NGRBC guidelines in last meeting held in April -2021. The Integrated Report is also provided on the Company's Intranet portal for the perusal of all employees. 100% board leadership team has been covered & made aware of the guidelines in reporting year & to date.
E3 % of suppliers and distributors (by value), in the year: a. Covered by awareness programs for the Guidelines? b. Had responsible/sustainable business policies in place?	E3a It is planned to create awareness among the suppliers & distributors on the Principles & Core Element as per NGRBC. There was an awareness session conducted in March 2021 with the suppliers/distributors/vendors of the company covering topics related to Sustainability, GRI Standards for Performance Monitoring and Reporting, Company's Policies and Supplier Code of Conduct. E3b The Integrated Report for FY 2020-21 includes the BRR which is based on the NGRBC Guidelines. The Integrated Report is also staged on the company's website for external stakeholders. There are suppliers meet also organised by the company wherein the matters related to sustainability are also discussed between the company and the suppliers/ distributors. The Purchase Orders provided by the company to the suppliers/vendors also provides the links to the policies available & Supplier Code of Conduct on the website of the company to be followed for any supplies by all the suppliers/distributors. E3c The company has planned to evaluate the proportion of the suppliers & distributors on the basis of their responsible/sustainable policies and further down the value chain in the near future. The process has been planned with initial discussion with the top A class supplier to start with who are contributing to major share of the supplies. It is also planned to reach out to all the other suppliers and distributors in future.
E4 Number of meetings/ dialogues with minority shareholders that were organised in the year?	E4,E5 & E6 Our current communications with the minority shareholders are mainly through the annual integrated reporting, web sites and AGM. We get engaged specifically with our investors through the rating agencies or investors directly through our investor relations department and have regular dialogue with them throughout the year either through phone calls or mail exchanges on our ESG performance and plans. We have not received any specific complaints on any aspect of NG RBC from our investors and lenders till date. Rather we have had very constructive discussions on the plans, performances and strategy.
E5 Number of complaints received on any aspect of the NGRBC in the year from: a. Shareholders/investors b. Lenders	E5 The dialogues with all the shareholders/stakeholders are on a regular basis by the Company. The AGM is held by the Company to solicit the views of all the shareholders of the Company. The shareholders are also empowered to lodge their grievances via a dedicated e-mail address, which are then resolved by the Company. E6 There were some grievances related to the shareholdings received from the shareholders during the year. There are no complaints pending resolution.
E6 Number of the above complaints pending resolution at close of year?	E6 There were some grievances related to the shareholdings received from the shareholders during the year. There are no complaints pending resolution.
E7 Value of non-disputed fines / penalties imposed on your business by regulatory and judicial institutions in the year?	E7 There are no non-disputed fines/penalties imposed on our business by regulatory and judicial institutions in the year.
E8 Number of complaints / cases of corruption and conflicts of interest that were registered in the year?	E8 There have been no cases of corruption/conflicts of interest in the company in the present reporting year. JSW Steel has developed and implemented a robust policy on Ethical Business Conduct. The policies are available on https://www.jsw.in/groups/sustainability-policies .

Essential/Leadership indicators	Information
Principle 1: Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable	
Leadership indicators	Information
E9 Details of unmet obligations (fiscal, social, etc.) arising out of any benefits or concessions provided by the central, state, or local governments (100 words).	E9 The Company also has people policies that address anti-corruption & the Company takes every possible measure to monitor & prevent such behavior. The Company ensures that the business contributes to public finances by timely payments of all applicable taxes in the letter and spirit of the laws and regulations governing such payments. The Company does not have any unmet obligations arising out of any benefits or concessions provided by central, state or local governments. The company contributed to Government and Society 12,956 crore in FY 2020-21.
L1 % coverage of all employees by awareness programs for the Guidelines: a. In reporting year b. Total to date	L1, L2, L3 Approach to Integrated reporting: The integrated report of JSW Steel is prepared in accordance with the International Integrated Reporting (IR) Framework published by the International Integrated Reporting Council (IIRC). This report has been published with a view to transparently communicate to stakeholders the Company's ability to create value in the short, medium and long terms. Towards this end, the report covers the credentials of JSW Steel, its model of value creation, holistic performance, strategy and risk management. Frameworks and standards used in reporting: Apart from abiding by the guiding principles and content elements of the International (IR) Framework, the report is mapped to and covers disclosures from the following:
L2 % of suppliers and distributors (by value) covered by social and environmental audits: a. In reporting year b. Total to date	<ul style="list-style-type: none"> Global Reporting Initiative (GRI) Standards: Core option United Nations Sustainable Development Goals United Nations Global Compact Carbon Disclosure Project (CDP) Companies Act, 2013 (and the rules made thereunder) Indian Accounting Standards Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Secretarial Standards issued by Institute of Company Secretaries of India. National Guidelines on Responsible Business Conduct (NGRBC)
L3 Was report on responsible business conduct made, in the year: a. As per mandatory/global reporting frameworks. b. Available in the public domain. c. Assured by a third party	Scope and boundary The information contained in this Report pertains to JSW Steel and its value chain, its national and international subsidiaries, joint ventures and associate companies.* *The non-financial information is limited to the Company's major manufacturing operations in India. The Integrated Report will be available on the website of the Company. The Non-financial parameters are assured by third party as required for Integrated Reporting. Till FY 2018-19, JSW Steel has been using the National Voluntary Guidelines (NVG) framework to prepare and publish its BRR. Starting FY 2020-21, the NGRBC guidelines are being followed to report on the Principles, which are ingrained in the Company's operations. The BRR in the Integrated Report will be available on the website of the company. There are periodic trainings for employees for imparting knowledge on the Sustainability matters, GRI framework, IIRC Framework for Integrated Report covering a set of employees from different locations. The Integrated Report once published in public domain is also then informed to all the employees via the intranet portal of the company which they can go through and get information from the IR. 100% employees are able to access the new guidelines available on the intranet portal of the company. JSW has developed vendor & supplier registration tool in which we have provided questionnaires so that every new supplier/distributor have to disclose the social & environment parameters such as license to operate industrial H&S department, consent from PCB, ISO certifications, OHSAS certification etc. In near future, JSW is planning to have sample verification audits to ensure the parameters disclosed by supplier/distributors during registration are correct.
L4 Details of non-disputed fines/ penalties imposed on your business by regulatory and judicial institutions in the year available in public domain .	L4 There are no non-disputed fines/penalties imposed on our business by regulatory and judicial institutions in the year.
L5, L6	L5, L6 Not Applicable

Essential/Leadership indicators	Information
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe	
Essential indicators	
E1 List top three goods /services (revenue in the year) which incorporate environmental and social concerns, risks, and/or opportunities in their design.	E1 Product Mix Year FY 2020-21 (%) Semis 5% Flats 74% Longs 21%
E2 Details of investments in specific technologies to improve the environmental and social impacts (top three by value).	E2 In FY 2020-21, 557 crore were invested on the BAT (Best Available Technologies) & environment sustainability interventions VIJAYANAGAR Capital expenditure of ₹3.68 crore was incurred on energy conservation projects, resulting in a reduction of 0.002 Gcal/TCS DOLVI Capital expenditure of ₹2.25 crore was incurred on energy conservation projects, resulting in a reduction of 0.033 Gcal/TCS SALEM Capital expenditure of ₹0.72 crore was incurred on energy conservation projects, resulting in a reduction of 0.02 Gcal/TCS
E3 % of input material and services (by value), in the year, sourced from suppliers adhering to internal or external sustainability standards / codes / policies / labels.	E3 Australia -62%, Canada-13%, Russia -11%, South Africa - 6%, USA - 4%, Rest 4% from Indonesia, Mozambique, Columbia and Poland.
E4 % of total raw material consumed in the year (by value) that consisted of material that was recycled or reused (provide details in 50 words): a. <5% b. between 5% and 25%, c. > 25%	E4 This is between 5% and 25% of the total material.
E5 Describe the process in place to safely collect, reuse, recycle and dispose of your products at end-of life (100 words)	E5 The company is in constant endeavour for recycling, reusing or material leading to conservation of resources. A number of steps have been taken as below - <ul style="list-style-type: none"> Recycle steel scrap Increase recycling of water Supply recycled water for irrigation in water-starved regions around the operations <p>Besides slag, dust from the bag filters and cyclones as well as filter cake from the GCP are completely recycled in the sinter plant. Fly ash generated from the power plant is sold to fly ash brick manufacturing units. Another innovative application of fly ash was its utilisation in the coke oven plant as a top layer in coke making to minimise burning loss.</p> <p>JSW puts in efforts to maximise the reuse and recycle of the material. The scrap production in the company is in the tune of about 3-5%. This is completely reused in the process. The process adopted by JSW has also the capability of taking additional scrap available in the country. There is a draft policy being considered by the Govt. of India for the scrap recycling and the company has the available infrastructure to process additional scrap available, once the policy is finalised. Facilities are proposed to be enhanced to take 10% additional scrap.</p>

Essential/Leadership indicators	Information
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe	
Leadership indicators	
L1 For goods and services that incorporated environmental and social concerns, give details of: a. Resource use (energy, water, raw material) per unit produced in the year. b. Reduction in resource use covering sourcing, production, and distribution in the year. c. Sustainability standards/ codes/ labels adhered to. d. Product life cycle assessment completed.	L1, L2 LCAs (Life Cycle Assessments) have been completed as per ISO 14040/ISO 14044 for total 6 products from 3 manufacturing locations Dolvi - HRC & Bar rod, Vijayanagar-HRC & CRCA and Salem-Bloom & Bar rod. Environment Product Declaration as per compliance with EN 15804 and ISO 14025 standards has been obtained for HRC & CRCA. LCAs are already in progress for 14 Finished Products of the company namely: Viayanagar -Hot Rolled Plates, CR Coils and sheets, Cold Rolled Coated GA & GI Coils and sheets, Non-oriented Electrical Steel, TMT Bars, Wire Rods Dolvi - HRC, TMT Bars Salem -Hot Rolled Wire Coil, Hot Rolled Bar, Hot Rolled Round Cornered Square, Heat Treated Wire Rod Coil, Heat Treated Bar, Hot Rolled Flat. The details of the Environment Product Declaration are available at https://www.environdec.com/Detail/?Epd=14709 and https://www.environdec.com/Detail/?Epd=14713
L2 Information on the impacts of your products across the value chain communicated to: a. To which stakeholder groups? b. By which channels for each group? c. At what frequency ?	L3 There are regular customer meetings & interactions and Based on the feedback received from the various customers, our R&D team works on the development of new grades/ products to satisfy the market requirement. The company continued to develop newer grade of steel & customised product for its clientele across segments which included automotive OEMs, General engineering, Infrastructure, Consumable durables.

Essential/Leadership indicators	Information
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains	
Essential indicators	
E1 Complaints received on cases arising out of discrimination: a. Number received in the year.	E1, E2 JSW respects human rights and nurtures an inclusive culture that does not discriminate on the basis of religion, gender, caste or disabilities and has a policy for equal opportunity for all. There are no complaints as received arising out of discrimination by the company. As one of the leading steel companies in India, JSW Steel has been working towards creating an empowering and rewarding working environment for women. The Company puts gender equality on top of its agenda and makes diversity one of its key business and people strategy components. The Human Rights Policy for JSW Steel addresses the aspects of diversity and inclusivity. This policy aims to ensure that all those participating in its workplace are treated with respect, dignity and fairness, thus creating an environment which promotes positive working relationships.
E2 Number of the above complaints pending resolution at end of the year?	
E3 % of permanent employees who are members of the employee association(s) recognised by the management?	E3 Percentage of permanent workforce represented through recognised employee associations: 11.8%
E4 % of your establishments / value chain that has been audited in the year for: a. Child labour b. Forced/involuntary labour	E4 JSW Steel respects human rights and is committed to ensuring that they are protected. To this end, the Company has a human rights policy that addresses human rights issues across the supply chain. It articulates the Company's stand on human rights, including non-discrimination, prohibition of child and forced labour, freedom of association and the right to engage in collective bargaining. It is complemented by other specific policies such as occupational health and safety, environment, anti-corruption, etc. Officers of security agencies are trained to act in a manner that respects human rights at all times and comply with all the applicable national, state and local laws. JSW Steel contributes to the fulfilment of human rights through compliance with local human rights legislation wherever it has operations, as well as through its policies, programs and grievance redressal mechanism.
E5 Number of cases of child labour in your establishments/ value chains identified to date: a. Resolved b. Pending resolution	E5 There is a strict check on the contractors and laborers entering the company premises. The details related to their health, safety, age along with other mandatory requirement are checked and then only allowed to enter the company premises. The details of the mandatory requirements are also provided in the Purchase Order of the company on contract finalisation.

Essential/Leadership indicators	Information
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains	
E6 Number of cases of forced / involuntary labour identified to date: a. Resolved b. Pending resolution	E6 No complaints related to child labour, forced labour, involuntary labour, or discriminatory employment were received during the reporting year and none are pending at the end of the reporting year.
E7 % of your employees that were paid above the legal minimum wage in the last year?	E7 The Company regards its employees across organisational hierarchy as its most valuable and strategic resource and seeks to ensure a high performance work culture through a fair compensation structure, which is linked to Company and individual performance. At JSW, the compensation is linked to the nature of job, skill and knowledge required to perform the given job in order to achieve Company's overall directive. The company complies with the mandatory rules set by the Government of India and 100% of the employees were paid above the legal minimum wage in the last year.
E8 Ratio of the highest salary paid to the lowest salary paid amongst your permanent employees?	E8 613:1
E9 Number of cases of delay in payment of wages during the year: a. Resolved b. Pending resolution	E9 There are no cases of delay in payment of wages during the year.
E10 Number of complaints related to harassment to date: a. Resolved b. Pending resolution	E10 There have been no cases reported related to harassment in the reporting year.
E11 Number of the following occurred during the year: a. Accidents at the workplace b. Fatalities caused c. Disability caused	E11 a. Accidents at the workplace (LTI) - 0.26 b. Fatalities caused- 8 c. Disability caused- 1 % of accident-affected persons integrated back into employment- 100% As part of this group initiative, all JSW employees, business associates & contractors are required to comply with the newly launched "10 JSW CRITICAL SAFETY RULES". These rules cover the most critical safety practices to achieve a notable reduction in injuries & illness. This is a real opportunity for discussion, identifying points for improvement and communication about safety behaviors with our workforce. JSW expects all levels of management and employees to not only anticipate hazards, but also to address them and stop employees if they deem a work environment or task to be unsafe. Safety Observation (SO) programme is a great way of engaging the workforce. We are in the process of further strengthening the impact of SO Process by focusing efforts where they matter, expanding the conversation, and making SOs more personal and positive for our workforce. Its mandatory for the leadership team to conduct mandatory shop floor walkthrough & identify unsafe acts & conditions.
E12 % of employees (all categories) trained on health and safety issues and measures: a. In the year b. Total to date	E12 At JSW, we work closely with our contractors to build a Safety culture at the frontline, aiming to improve safety performance. Revamped Contractor Safety Management program is being launched across the JSW group businesses to provide quality assurance, evaluate contractor performance at defined intervals to provide feedback, lessons learned and a basis for improving Health & Safety performance and future contractor selection. The program is also designed with the process of capturing contractors' non-conformances and delivering systemic corrective actions based on identifying the root cause and having a closed loop feedback process. 100% employees were trained on health & safety issues in FY 2020-21. A short brief on the description of safety training to suppliers/ visitors/ contractors entering the plant- a. Visitor Induction at the gate by Visitor Induction video and endorsement in Register kept at Gate b. For Contractual workers and Employees, induction is done in three phases- i) L1 Training- General Steel Industry Hazard ii) L2 Training- Specific Plant Hazard iii) L3 Training- Job Specific Hazard c. For Operation, the overall induction period is 3 days and For Projects, Induction is covered in 2 days d. There is a separate module for employees and New Joiners.

Essential/Leadership indicators	Information												
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains													
E13 % of employees provided training and skill upgradation: a. In the year b. Total to date	E13 It is the endeavour of the company to engage 100% employees with training & skill upgradation in the year. During the year, JSW covered a total of 1,06,245 learning hours in the development of our people, leveraging continuous learning opportunities that are customised for the individual in an on-demand, digital environment. A highly skilled workforce is of prime importance to an organisation's competitive advantage. JSW Steel constantly organises trainings for its employees to acquire new skills and sharpen existing ones. These initiatives have resulted in improved performance and increase in productivity across operations. Learning platforms In FY 2019-20, we onboarded the Percipio platform from Skillsoft that delivers an immersive learning experience. It leverages highly engaging content, curated into nearly 700 learning paths (channels) that are continuously updated to ensure users always have access to the latest information. This programme has seen an 100% utilisation level during FY 2020-21. Similarly, our Harvard ManageMentor® Spark™ provides a highly personalised experience, fueled by the latest and best leadership and management content. It empowers learners to develop critical business skills when and how it works best for their busy schedules. This programme has seen an 85% utilisation level during FY 2020-21. During the year, we also launched a few initiatives such as: Learn-a-thon: A blended learning program launched for 500+ Future Fit Leaders based on the cohort development areas mapped with courses on Percipio Digital Quotient: Launched in three phases-Digital Readiness, Digital Literacy & Digital Dexterity aimed at upskilling employees for the impending Digital Transformation journey was the highlight of the year. Launched for 8000+ employees had over 92% uptake and utilisation Thank God It's Friday: A feature programme scheduled for every Friday with the mission of creating awareness of the learning platforms and the benefits the employees can reap from it. Future Skills 2025: This programme was aimed at upskilling current workforce for the skills needed for the future. Launched for 8000+ employees, this has an 60% utilisation. Other ongoing initiatives run daily, weekly & monthly are- Equip-The Daily Journal which attracted over 60% audience and Free@3 which attracted 50% of repeat users to the platforms. No complaints related to harassment have been received in FY 2020-21. The Company revised the Prevention of Sexual Harassment (POSH) policy under an initiative called 'Samman'. This was done with the objective of emphasising safe and harmonious work culture within the Company. The revised policy was an effort to create awareness on the subject, often considered a taboo and develop 'speak up' culture to receive help from the organisation. Going a step further, JSW Steel specially curated e-learning modules to maximise awareness and highlight various nuances of sexual harassment. Using the forum theatre technique, the facilitators enacted scenarios and provided techniques to handle such situations effectively and raise concerns, as and when necessary. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, JSW has formed Statutory Internal Complaints Committees (ICCs) to Address Sexual Harassment of Women at the Workplace. 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has also complied with the provisions related to constitution of Internal Complaints Committee (ICC) under the said Act to redress complaints received regarding sexual harassment. JSW has formed Statutory Internal Complaints Committees (ICCs) to Address Sexual Harassment of Women at the Workplace.												
Leadership indicators	<table border="1"> <thead> <tr> <th></th> <th>2020-21</th> <th>2019-20</th> </tr> </thead> <tbody> <tr> <td>L1 Categories of employees (list up to three) supported by affirmative action, and has there been any change from the previous year ?</td> <td>Total Employees Permanent employees Contractual Permanent Women employees Differently-able</td> <td> 13,128* 13159 19784 659 40</td> </tr> <tr> <td>L3 % of children identified as employed in your establishments / value chain that have been remediated: a. In reporting year b. Total to date</td> <td>L3 There are no children identified as per the mandated Government Rules employed in the company. We do not promote any supplier that does not pay minimum wages to their employees.</td> <td></td> </tr> <tr> <td>L4 % of forced/involuntary labour identified in your establishments / supply remediated: a. In reporting year b. Total to date</td> <td>L4 There has been no forced/involuntary labour.</td> <td></td> </tr> </tbody> </table>		2020-21	2019-20	L1 Categories of employees (list up to three) supported by affirmative action, and has there been any change from the previous year ?	Total Employees Permanent employees Contractual Permanent Women employees Differently-able	 13,128* 13159 19784 659 40	L3 % of children identified as employed in your establishments / value chain that have been remediated: a. In reporting year b. Total to date	L3 There are no children identified as per the mandated Government Rules employed in the company. We do not promote any supplier that does not pay minimum wages to their employees.		L4 % of forced/involuntary labour identified in your establishments / supply remediated: a. In reporting year b. Total to date	L4 There has been no forced/involuntary labour.	
	2020-21	2019-20											
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*JSW ISP's, Salav, Odhisha & Corporate Office

Essential/Leadership indicators	Information
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains	
L8 % of accident-affected persons integrated back into employment.	L8 100% accident affected persons have been integrated back into employment

Essential/Leadership indicators	Information
Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders	

Essential indicators	E1 List stakeholder groups that have been identified as key to your business?	E1 JSW has identified seven internal and external stakeholder groups: Employees, Government and Regulatory Authorities, Customers, Communities and Civil Society / NGOs, Suppliers, Institutions, Investors. Stakeholders are essential to business operations, and their feedback is vital to understand their concerns and their material impact on the Company. JSW Steel considers its stakeholders as trusted partners in its value creation journey and solicits their views. Stakeholder engagement is continuous process. Frequency of Engagement: Regular basis and as and when required. However, companies engage with stakeholders via various forums & as listed below: Customers- Customer meets, Official communication channels: Advertisements, publications, website and social media, Conferences events, Customer feedback, Customer satisfaction survey, Phone calls, emails and meetings, Customer visits, JSW Shoppe. Employees- JSW World – Intranet portal, Newsletters, Employee satisfaction surveys – JSW Voice Pulse Survey, Emails and meetings, Training programs like Springboard, Employee engagement initiatives like WeCare and Samvedna, Performance appraisal, Grievance redressal mechanisms, Notice boards Community and civil society/ NGOs-Need assessment, Meetings and briefings, Partnerships in community development projects, Training and workshops, Impact assessment surveys, Official communication channels: Advertisements, publications, website and social media, Complaints and grievance mechanism Government and regulatory bodies- Official communication channels: Advertisements, publications, website and social media, Phone calls, emails and meetings, Regulatory audits/ inspections Institutions-Conferences, Joint R&D initiatives, Internship opportunities for students. Investors-Analyst meets and conference calls, Annual General Meeting, Official communication channels: Advertisements, publications, website and social media, Investor meetings and roadshows Suppliers-Vendor assessment and review, Training workshops and seminars, Supplier audits, Official communication channels: Advertisements, publications, website and social media.
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E2 Positions / departments / functions responsible for engagement with each stakeholder category identified above?	E2 Positions / departments / functions responsible for engagement with each stakeholder category identified above are - Employees- HR/PR & Admin Government and Regulatory Authorities- Legal/Environment/Corporate Strategy/Corporate Sustainability/Safety Customer-Sales & Marketing, Quality Communities and Civil Society / NGOs- CSR Institution- R & D / Corporate Sustainability Suppliers- Commercial / Safety /HR Investors- Investor Relations / Corporate Finance / Corporate Sustainability JSW Steel's stakeholder engagement strategy seeks feedback on a regular basis, which is then integrated into the organisation's medium- and long-term strategy and planning exercises. This also enables the Company to promote the idea of shared growth and a common prosperous future for the society at large. The Company has formal mechanisms in place to engage key stakeholder groups in a constructive manner and collect valuable feedback. This proves to be a valuable input for the risk assessment and strategy formulation process of the Company.
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Essential/Leadership indicators	Information
Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders	

E3 Number of stakeholder groups that were formally engaged on environment and social issues in the last year?	E3 The company has formally engaged with all the seven stakeholder groups in the last year. The company regularly addresses the internal as well as external stakeholders through various forums. The company hosts World Environment Day, World Safety Day etc. at all locations wherein all the employees, contractors, associates are addressed about the various aspects on Environment & Social. The CSR teams continuously work with the communities to address the aspects related to communities like health, water availability, sanitation, education, skill development, women development, malnutrition etc.
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E4 % of input material and services (by value), in the year, that were procured from local and small vendors / producers?	E4 In FY 2020-21, total active vendors were 15,781 out of which 22% were MSME vendors.
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Leadership indicators	L1 Frequency of engagement with each stakeholder group?	L1 The company regularly addresses the internal as well as external stakeholders through various forums. The company hosts World Environment Day, World Safety Day etc. at all locations wherein all the employees, contractors, associates are addressed about the various aspects on Environment & Social. The CSR teams continuously work with the communities to address the aspects related to communities like health, water availability, sanitation, education, skill development, women development, malnutrition etc.
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L2 Examples (up to three) of how the business has incorporated inputs from stakeholders.	L2 The Company focusses on strengthening its relationships with the communities through a meaningful and purposeful engagement. It implements a range of programmes that enables improved quality of life for people who are impacted by its operations. Over the years, JSW Steel's continuous efforts have resulted in better education, better health, better employment, better infrastructure and better sanitation for the local communities. With the aim to ensure that the Company keeps the stakeholders' interests at the center of all operations and business decisions, JSW Steel follows a stringent corporate governance policy. Transparency and openness are the core principles of corporate governance at JSW Steel and it has established a corporate governance structure that works towards achieving sustainable growth in the medium and long term.
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L3 List of the vulnerable and marginalised groups in each stakeholder group.	L3,L4 JSW Steel's CSR approach is based on a framework that is developed to identify key stakeholder groups, including the local community, the local government or bodies, academia and research institutions, investors, etc. The CSR interventions are wholly based on the needs assessed through community engagement, backed with a definitive structure arising from the identification of needs of the local area and the existing systemic gaps. Natural resource management is one of the key areas identified for addressing the basic issue of poverty. Leveraging the substantial work that had been done around watershed management, steps were taken to develop synergies, thereby improving agricultural productivity and generating livelihoods. Another area that has received renewed focus is the gap in the field of education that is being bridged through the provision of supplementary teachers. JSW Steel's CSR interventions have reached out to communities across more than 255 villages in 4 states of India with special focus on:
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L4 Examples of decisions and actions taken by the business to address the interests of vulnerable/marginalised groups.	<ul style="list-style-type: none"> Health & Nutrition Education Water, Environment & Sanitation Agree-Livelihoods Livelihoods Need based community development initiatives. Beneficiaries of community initiatives (Direct & Indirect beneficiaries about 5.5 lakhs). The details of activities are provided at https://www.jsw.in/foundation/foundation-program-overview
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Essential/Leadership indicators	Information
Principle 5: Businesses should respect and promote human rights	
Essential indicators	<p>E1 % of employees that have been provided training on human rights issues: a. In the year b. Total to date</p> <p>E1 JSW Steel Limited is committed to ensuring and protecting the rights of those who work with it or live in communities surrounding its operations. In furtherance of this commitment, the Board of Directors has adopted this 'Human Rights Policy'. The Company's policy on human rights applies to all its businesses processes and is part of its commitment to ethical and socially responsible behavior across its value chain.</p> <p>In line with JSW's legacy as a responsible corporate citizen, the Company is committed to respecting the economic, social, cultural, political and civil rights of individuals involved in and impacted by the Company's operations. JSW holds itself to the highest standards of human rights and is committed to supporting and respecting internationally proclaimed human rights principles, in particular the Universal Declaration of Human Rights and the Core Conventions of the International Labour Organisation.</p> <p>In FY 2020-21, we have covered a 1,06,245 total learning hours in the development of our people, leveraging continuous learning opportunities that are customised for the individual in an on-demand, digital environment.</p> <p>The Company contributes to the fulfilment of human rights through compliance with local human rights legislation wherever it has operations, as well as through its policies, programs and grievance redressal mechanism. The Company upholds international human rights standards, does not condone human rights abuses and creates & nurtures a working environment where human rights are respected without prejudice.</p> <p>E2 Employee categories that are covered by the human rights policies of the business – Permanent/Contract/Casual.</p> <p>E2 Permanent Employees/Associates/Contractual persons are covered under Human Rights.</p> <p>E3, E4 The trainings are imparted on regular intervals at locations covering all the employees at all levels covering the topics of Human Rights. It is the endeavour of the company to cover all the employees for training for Human Rights.</p> <p>JSW Steel respects human rights and is committed to ensuring that they are protected. To this end, the Company has a human rights policy that addresses human rights issues across the supply chain. It articulates the Company's stand on human rights, including non-discrimination, prohibition of child and forced labour, freedom of association and the right to engage in collective bargaining. It is complemented by other specific policies such as occupational health and safety, environment, anti-corruption, etc. Officers of security agencies are trained to act in a manner that respects human rights at all times and comply with all the applicable national, state and local laws. JSW Steel contributes to the fulfilment of human rights through compliance with local human rights legislation wherever it has operations, as well as through its policies, programs and grievance redressal mechanism.</p> <p>E5 Number of stakeholders that reported human rights related grievances and/ or complaints: a. Received in the year b. Pending resolution</p> <p>E5 No complaints related to child labour, forced labour, involuntary labour, or discriminatory employment were received during the reporting year and none are pending at the end of the reporting year.</p> <p>JSW Steel is committed to promoting responsible behavior and value for social and environmental wellbeing. To this end, it has a policy on business conduct that is applicable to all its employees and value chain partners. It has a structured stakeholder grievance redressal mechanism through which stakeholders freely share their concerns and grievances with the Company, including regarding human rights issues.</p> <p>Company have stakeholder relationship committee to periodically look into the functioning of the Company's shareholder/ investor grievance redressal system and oversee improvements in the same, besides reporting serious concerns, if any.</p> <p>There were no grievances related to Human Rights received by the company.</p>
Leadership indicators	<p>L2, L3 Community stakeholder group was covered under the Human Rights. The Foundation arm of the company carries out many programs for the communities. The details are available on https:// www.jsw.in/foundation/foundation-program-overview</p> <p>The Company contributes to the fulfilment of human rights through compliance with local human rights legislation wherever it has operations, as well as through its policies, programs and grievance addressal mechanism. Any grievance related matters could be addressed to the company or at jswsl.investor@jsw.in mentioned in the Integrated Report.</p> <p>L2 External stakeholder groups and representatives that are covered by the human rights policies of the business?</p> <p>L3 Stakeholder groups that have been made aware of the grievance mechanisms for human rights issues: a. During the year b. Total to date</p>

Essential/Leadership indicators	Information
Principle 6: Businesses should respect and make efforts to protect and restore the environment	
Essential indicators	<p>E1, E2 Our Enterprise Risk Management (ERM) is based on the globally recognised 'COSO' framework, which brings together the understanding of the potential upside and downside of all those factors which can affect the organisation with an objective to add maximum sustainable value to all the activities of the organisation & to various stakeholders.</p> <p>We recognise that the emerging & identified risks need to be managed and mitigated to:</p> <ol style="list-style-type: none"> protect our shareholders and other stakeholder's interest, achieve our business objective and enable sustainable growth <p>Pursuant to the requirement of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, the company has Risk management framework in place. It has constituted a sub-committee of Directors to oversee Enterprise Risk Management framework to ensure resilience</p> <p>The key risks identified by the company along with response strategies are provided in the Integrated Report. Refer Risk Management & governance Pages 44-49 Key risks.</p> <p>JSW carries out Environment Impact Assessments for all its projects as per the Guidelines of the MOEF&CC. The documents as required by MOEF&CC are prepared and made available on the website of MOEF&CC for the clearances. The reports for compliance are submitted to the Statutory Authorities as mandated.</p> <p>The Company's Research & Development (R&D) activities involve new process and product development, process improvement for maximisation of quality, cost & energy optimisation, waste utilisation & conservation of natural resources.</p> <p>The Key focus areas includes:</p> <ul style="list-style-type: none"> Optimisation of resource utilisation. Quality, Productivity and Cost optimisation through process efficiency improvement. Product development, customisation & new applications. Recycling & reuse process waste * conservation of natural resources. New application development & promotion of slag usage in country. New process technology development for process intensification and productivity. <p>E3 Examples of any collective action by your business with other businesses / NGOs / government agencies / international partners / development institutions undertaken to address any of the environmental risks opportunities identified above.</p> <p>E3 The Company's R&D is actively involved in Industry- Institute partnership and has initiated five collaborative projects in FY 2020-21 with leading academic and research institutes in India. Some of these include IISc Bangalore, National Council for Cement and Building Materials, Haryana, Stedrant Technoclinic, Bangalore, BBQI Bangalore, and Dalmia Cement Ltd., Odisha.</p> <p>E4 Details of any adverse orders in respect of any show cause / legal notices from CPCB/NGT/SPCB received during the year.</p> <p>E4 There were no adverse orders with respect to notices received from CPCB/NGT/SPCB during the year for which fines have been levied and paid. Responses have been provided to the concerned Authorities to their satisfaction with actions and hence further there is no action which is pending.</p>
Leadership indicators	<p>L1, L2, L3 JSW carries out Environment Impact Assessments for all its projects as per the Guidelines of the MOEF&CC. The documents as required by MOEF&CC are prepared and made available on the website of MOEF&CC for the clearances. The reports for compliance are submitted to the Statutory Authorities as mandated and are available on the website of the company.</p> <p>The details of the actions taken for social impacts are available on https://www.jsw.in/foundation/foundation-program-overview</p> <p>Please refer Indicator E1 of Principle-6</p> <p>As per the Ministry of Steel, Government of India, in its 2017 policy has included GHG emission in Iron & steel sector to a level 2.2 – 2.4tCO₂ per ton of crude steel produced (tCO₂/tCS) in BF- BOF route & 2.6 – 2.7tCO₂ per ton of crude steel produced (tCO₂/tCS) by 2030 in DRI-EAF route.</p> <p>This has been voluntary agreed by all major steel producers as integrated in the National Steel Policy 2017 and JSW Steel will abide by this target of Government of India The company is in constant endeavour to create better products to address various factors including environment. The details are provided in the Integrated Report .</p> <p>L2 Risk management strategies and measures for each material environmental risk identified for the business: a. Details of measures (100 words). b. Targets and achievement values.</p> <p>L3 Details of your specific contribution to India's Nationally Determined Contributions (submitted at UNFCCC COP21 in 2015)</p>

Essential/Leadership indicators	Information
Principle 6: Businesses should respect and make efforts to protect and restore the environment	
L4 New businesses-products-services created to address the material environmental risks identified: a. Information on businesses created (100 words) b. % of revenue contributed by these	L4 Some key products & newer grade of steel developed are, 1. High strength low alloy steel 2. Ultra low carbon grades 3. Galvanealed Ultra Low carbon 4. Advance high strength steel 5. Electrical steel grades & insulation development 6. Tin plate grade
L5 Details of good practices cited in reduction, recycling, and reuse initiatives benchmarked against industry best practice (100 words).	L5 Recycling plastic in Coke Oven and Electric Arc Furnace A suitable feeding system has been designed and installed at Coke Oven-3 to feed the shredded waste plastic along with the coal blend. About 35 tonnes of waste plastic has been recycled in coke oven, with subsequent reduction in electrical energy consumption. Development of steel slag based paver blocks for civil applications EAF slag is processed and converted into suitable form for its usage in paver and concrete brick manufacturing as per the standard specifications. Different shapes of pavers have been cast for usage at the road sides. New design mix has been developed to utilise 100% EAF slag component in manufacturing of paver and concrete bricks.

Essential/Leadership indicators	Information
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	
Essential indicators	E1
Review public policy advocacy positions by the governance structure for consistency with Principles of these Guidelines: a. Frequency b. Month/year of last review.	JSW, as a part of the Working Groups for the Industry which will help the Government to formulate policies/guidelines for the country. JSW is a part of the Working Group 3 of CII - Harmonising GHG data collection by Industrial Process and Product Use (IPPU) sector with IPCC requirements and contribution to national GHG inventory JSW participates for policy advocacy with the Government.
E2 Names of trade and industry chambers and associations that you are a member/affiliate of.	E2 JSW Steel engages with the following associations and organisations: World Steel Association, CII, FICCI, ASSOCHAM, Indian Steel Association, GRI, DJSI, CDP, UN Global Compact, Bangalore Chamber of Industry & Commerce, Karnataka Iron & Steel Manufacturing Association, Indian Institute of Metals, American Society of Metals, Association of Iron & Steel Technology (US), Iron and Steel Institute of Japan, PMS (Metal Society of USA), Indian Chamber of Commerce and Bengal Chamber of Commerce & Industry
E3 Details of any adverse orders received from regulatory authorities for anti- competitive conduct by your business.	E3 No adverse orders received from regulatory authorities for anti-competitive conduct.
E4 Monetary contributions (if any) that have been made to political parties .	E4 There were no direct monetary contributions that have been made to political parties. However, the monetary political contributions are being made to the Jankalyan Electoral Trust, which is a registered electoral trust (A section 8 company). Jankalyan Electoral Trust receives contributions from various entities and distributes the funds to the registered political parties in compliance with guidelines prescribed under the Electoral Trust Scheme notified by the Income Tax Department. The details of the contributions made to the electoral fund are being disclosed in financial statements of the company.
L1 The public policy positions available in the public domain.	L1, L2 The company has been involved in process of policy advocacy & changes with different government departments. Some of the key details are as below, <ul style="list-style-type: none"> Draft EIA notification 2020
L2 Examples (up to three) of any policy changes in the past year as a result of your advocacy efforts.	<ul style="list-style-type: none"> Transfer of Statutory Clearances of Expired Mines to New Lessee Relaxation in the Exploration Norms required for Auction of Mining Lease Amendment to Domestically Manufactured Iron & Steel Products Policy Use of Iron and steel slag in NHAI Vehicle Scrapping Policy

Essential/Leadership indicators	Information
Principle 8: Businesses should promote inclusive growth and equitable development	
Essential indicators	E1, E2
Social impact assessments of your business operations conducted: a. Number completed in the year? b. Number conducted by an independent external agency.	The company follows all the statutory processes required for construction of facilities. The Consent to Operate is also subsequently taken before starting of operations. The stakeholder consultation is done in the prescribed manner as laid down by the Government Authorities and abided by with all the permissions. The letters of approvals are put in public in English and local languages for the external stakeholders. The clearances are also available on the website of the company as well as the website of MOEF&CC. The social impact assessment is carried out by the company and are a part of the EIA reports. Also the CSR teams carry out SIA as per the community requirement and makes actions plans which cover education, health, sanitation, clean water availability, skill development etc. The details of many such initiatives are available on https://www.jsw.in/foundation/foundation-program-overview . There are a number of need based activities and also many initiatives for the communities done by the Foundation team.
	Amount Spent in Current FY ₹ crore
	Sr. no. CSR Projects or Activities
	1 COVID-19 Support & rehabilitation program 17.90
	2 Educational infrastructure & systems strengthening 7.61
	3 Enhance Skills & rural livelihoods through nurturing of supportive ecosystems & innovations 3.80
	4 General community infrastructure support & welfare initiatives 13.41
	5 Integrated water resources management 3.99
	6 Nurture women entrepreneurship & employability 1.08
	7 Nurturing aquatic & terrestrial ecosystems for better environment & reduced emissions 3.46
	8 Promotion & preservation of art, culture & heritage 0.22
	9 Public health infrastructure, capacity building & support programs 14.70
	10 Sports promotion & institution building 5.48
	11 Waste management & sanitation initiatives 2.71
	12 Program Management Expenses 3.91
	Grand Total 78.32
E3 With respect to projects during the year for which R&R is applicable: a. Number of persons that were affected/displaced by these projects? b. Gross amount paid out to project- affected and displaced persons?	E3 There were no R&R in any of our facilities/projects.
E4 Grievances / complaints received from local community: a. Number received during the year b. Number pending resolution	E4 All grievances received from the local community have been addressed. Please Refer Indicator E1 & E2 in Principle-8
E5 Details of investments (top three by value) in regions which are underdeveloped (100 words).	E5 Please Refer Indicator E1 & E2 in Principle-8
E6 Examples of goods and services up to 3) that incorporate local traditional knowledge	E6 The details of many such initiatives are available on https://www.jsw.in/foundation/foundation-program-overview .
E7 Details of adverse orders or judgements in intellectual property rights disputes related to traditional knowledge during the year (100 words)	E7 There are no adverse orders or judgements in intellectual property rights disputes related to traditional knowledge during the year.

Essential/Leadership indicators	Information
Principle 8: Businesses should promote inclusive growth and equitable development	
E8 Summary of the key themes covered by CSR initiatives (as per Section 135 of Companies Act 2013) or linked to the CSR Policy of the business (up to 100 words).	E8 Please Refer Indicator E1 & E2 in Principle-8
L1 With respect to these social impact assessments: a. Results made available in the public domain b. Details of any actions taken to mitigate any negative social impacts (100 words).	L1 The company follows all the statutory processes required for construction of facilities. The Consent to Operate is also subsequently taken before starting of operations. The stakeholder consultation is done in the prescribed manner as laid down by the Government Authorities and abided by with all the permissions. The letters of approvals are put in public in English and local languages for the external stakeholders. The clearances are also available on the website of the company as well as the website of MOEF&CC. The social impact assessment is carried out by the company and are a part of the EIA reports. Also the CSR teams carry out SIA as per the community requirement and makes actions plans which cover education, health, sanitation, clean water availability, skill development etc. The details of many such initiatives are available on https://www.jsw.in/foundation/foundation-program-overview . There are a number of need based activities and also many initiatives for the communities done by the Foundation team.
L2 Numbers benefiting from such beneficial products, technologies or processes.	L2 The information is available at https://www.jsw.in/foundation/foundation-our-reach
L3 With respect to projects during the year for which R&R is applicable: a. Was the R&R package developed in consultation with project- affected people? b. Information on gross amounts, made available in the public domain	L3 There has been no R&R involved with our facilities .
L4 Channels/platforms used to communicate information regarding resolution of grievances / complaints from communities.	L4 The grievance could be written at jswsl.investor@jsw.in . This is provided in the Integrated Report which is made available on the company's website. The grievance could also be sent to any of the plant locations who will handle the same .
L5 Examples (up to three) of economic and social value addition in these underdeveloped regions (100 words).	L5 JSW Steel's CSR interventions have reached out to communities across more than 255 villages in 4 states of India with special focus on: Health & Nutrition Education Water, Environment & Sanitation Agree-Livelihoods Livelihoods Need based community development initiatives.

Essential/Leadership indicators	Information														
Principle 8: Businesses should promote inclusive growth and equitable development															
L6 Examples where benefits of this local traditional knowledge being used by the business are shared with the community.	L6 Refer to Key initiative and impacts under core impact areas														
	<table border="1"> <tr> <td>Health & Nutrition</td> <td> <ul style="list-style-type: none"> 16,500 pregnant women reached out through antenatal care tracking annually 32,000 patients availed health care services through multi-specialty hospitals/clinics annually 8,200 cataract surgeries facilitated </td> </tr> <tr> <td>COVID-19 Support</td> <td> <ul style="list-style-type: none"> ₹75 crore given to PM Cares Fund 300 beds COVID Hospital 125 beds COVID isolation ward 8 ventilators donated 11,140 PPE kits distributed 1,86,700 sanitation kits distributed 5,80,000 cooked meals distributed 2,35,000 dry ration kits distributed </td> </tr> <tr> <td>Skill & Livelihoods</td> <td> <ul style="list-style-type: none"> More than 400 girls are currently employed in 2 BPOs; 2,760 women from 27 villages have benefitted so far 5 satellite tailoring centres were established in mining villages 9,863 women of Self Help Groups supported ₹10.86 crore worth of credit linkages facilitated 6,059 employees are trained on various skills under Recognition of Prior Learning Initiative In Skill School, 1,530 students have enrolled in various courses such as General Duty Assistants, Beautician, BPO, Loan Approver, Warehouse Assistant etc. <p>ITI at Mettur, Tamil Nadu supported by JSW has won the GOLD trophy of ASSOCHAM for National level best ITI on Skill development under Public Private Partnership Scheme.</p> </td> </tr> <tr> <td>Agri-livelihood</td> <td> <ul style="list-style-type: none"> 15,086 farmers reached annually 152 farmer interest groups promoted 6,017 tonnes of produce linked with market ₹9.48 crore revenue generated </td> </tr> <tr> <td>Education</td> <td> <ul style="list-style-type: none"> 1,36,918 students supported through multiple interventions 2,406 students supported through JSW UDAAN Scholarship for pursuing Higher education </td> </tr> <tr> <td>Water, Envi & Sanitation</td> <td> <ul style="list-style-type: none"> 1.09 million cu.m additional net water storage capacity created 90,390 households benefiting from water supply 3 lakh trees planted, greening 1,172 hectares of land 1.23 million mangroves planted, restoring 240 hectares of land 4,840 community and individual toilet blocks constructed </td> </tr> <tr> <td>Community Empowerment</td> <td> <ul style="list-style-type: none"> 1,17,700 benefitted for uptake of Government schemes by facilitating convergence (Project Margdarshak) ₹7.6 crore accrued through direct benefits </td> </tr> </table>	Health & Nutrition	<ul style="list-style-type: none"> 16,500 pregnant women reached out through antenatal care tracking annually 32,000 patients availed health care services through multi-specialty hospitals/clinics annually 8,200 cataract surgeries facilitated 	COVID-19 Support	<ul style="list-style-type: none"> ₹75 crore given to PM Cares Fund 300 beds COVID Hospital 125 beds COVID isolation ward 8 ventilators donated 11,140 PPE kits distributed 1,86,700 sanitation kits distributed 5,80,000 cooked meals distributed 2,35,000 dry ration kits distributed 	Skill & Livelihoods	<ul style="list-style-type: none"> More than 400 girls are currently employed in 2 BPOs; 2,760 women from 27 villages have benefitted so far 5 satellite tailoring centres were established in mining villages 9,863 women of Self Help Groups supported ₹10.86 crore worth of credit linkages facilitated 6,059 employees are trained on various skills under Recognition of Prior Learning Initiative In Skill School, 1,530 students have enrolled in various courses such as General Duty Assistants, Beautician, BPO, Loan Approver, Warehouse Assistant etc. <p>ITI at Mettur, Tamil Nadu supported by JSW has won the GOLD trophy of ASSOCHAM for National level best ITI on Skill development under Public Private Partnership Scheme.</p>	Agri-livelihood	<ul style="list-style-type: none"> 15,086 farmers reached annually 152 farmer interest groups promoted 6,017 tonnes of produce linked with market ₹9.48 crore revenue generated 	Education	<ul style="list-style-type: none"> 1,36,918 students supported through multiple interventions 2,406 students supported through JSW UDAAN Scholarship for pursuing Higher education 	Water, Envi & Sanitation	<ul style="list-style-type: none"> 1.09 million cu.m additional net water storage capacity created 90,390 households benefiting from water supply 3 lakh trees planted, greening 1,172 hectares of land 1.23 million mangroves planted, restoring 240 hectares of land 4,840 community and individual toilet blocks constructed 	Community Empowerment	<ul style="list-style-type: none"> 1,17,700 benefitted for uptake of Government schemes by facilitating convergence (Project Margdarshak) ₹7.6 crore accrued through direct benefits
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Essential/Leadership indicators	Information
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner	
Essential indicators	<p>E1 Examples (up to three) where adverse impacts of goods and services of your business have been raised in public domain</p> <p>E2 % by value of goods and services of the business that carry information about: a. Environmental and social parameters relevant to the product. b. Safe and responsible usage.</p> <p>E3 Number of consumer complaints in respect of data privacy: a. Received during the year. b. Pending resolution.</p> <p>E4 Number of consumer complaints in respect of advertising: a. Received during the year. b. Pending resolution.</p> <p>E5 Number of consumer complaints in respect of delivery of essential services: a. Received during the year. b. Pending resolution.</p>
Leadership indicators	<p>L2, L3 EPD, ISO 14025, Type III ecolabel, International EPD system are the national-international product labels / certifications being used by the business The platforms used for the information are - 1. Website 2. Integrated Report 3. Social Media platforms 4. MOEF&CC reports 5. Media Publications</p> <p>L3 Channels platforms where information on goods and services of the business can be accessed .</p> <p>L5 On complaints received in respect of data privacy and advertising, indicate what corrective actions were taken to ensure that these do not get repeated</p>

Signature of the designated official responsible for this report.

Sd/-

Name: **Prabodha Acharya**

Designation: Group Chief Sustainability Officer

Address: JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Telephone number: 22 4286 1000

E-mail-id: Prabodha.acharya@jsw.in

P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management process								
Policy on Business conduct	Policy on Business conduct	Policy on Business conduct	Policy on Business conduct	Policy on Business conduct	Policy on Business conduct	Policy on Business conduct	Policy on Business conduct	Policy on Business conduct
Code of Conduct for Board & Senior Management	Climate change policy	Health & Safety Policy	Grievance redressal Mechanism	Indigenous Peoples and Resettlement Policy	Energy Policy	Policy on Social Influencing Public & Regulatory Policy	Policy on Social Development and community involvement	Quality Policy
Code of Practices and Fair Disclosure of Unpublished Price Sensitive Information	Energy Policy	Policy on Labour Practices & Employment Rights	Policy on Stakeholder Engagement	Policy to make Our world a Better Place	Raw Material Conservation Policy	Policy to Make Our world a Better Place	Indigenous Peoples and Resettlement Policy	Research & Development Policy
Determination of Materiality of Information or Events	Raw Material Conservation Policy	Policy on Board Diversity	Making Our World A Better Place	Water Resource Management Policy	Water Resource Management Policy	Cultural Heritage Policy	Policy to Make Our world a Better Place	
Dividend Distribution Policy	Water Resource Management Policy	Remuneration Policy		Wastewater Management Policy	Wastewater Management Policy			
Policy for Determination of Material Subsidiaries	Wastewater Management Policy	Policy to Make Our World A Better Place		Waste Management Policy	Waste Management Policy			
Policy for Preservation of Documents	Waste Management Policy			Air Emissions Management Policy	Air Emissions Management Policy			
Policy on Dealing with Related Party Transactions	Air Emissions Management Policy			Biodiversity Policy	Biodiversity Policy			
Remuneration Policy	Biodiversity Policy			Local Considerations Policy	Local Considerations Policy			
Whistle-blower Policy and Vigil Mechanism	Local Considerations Policy			Policy to Make Our World A Better Place	Policy to Make Our World A Better Place			
Terms and Conditions for the Appointment of Independent Director	Policy to Make Our World A Better Place							
Policy to Make Our World A Better Place								

Directors' Report

To the Members of
JSW STEEL LIMITED,

The Board of Directors are pleased to present the Fourth Integrated Report along with the financial statements of the Company for the financial year ended March 31, 2021. A brief summary of the Company's performance is given below.

1. Company Performance

₹ in crores

	Standalone		Consolidated	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
I Revenue from operations	70,727	64,262	79,839	73,326
II Other income	669	628	592	546
III Total income (I + II)	71,396	64,890	80,431	73,872
IV Expenses:				
Cost of materials consumed	28,743	33,073	32,623	38,865
Purchases of stock-in-trade	199	420	233	135
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(872)	(27)	(348)	(270)
Mining premium and royalties	6,972	651	6,972	651
Employee benefits expense	1,501	1,496	2,506	2,839
Finance costs	3,565	4,022	3,957	4,265
Depreciation and amortisation expense	3,781	3,522	4,679	4,246
Other expenses	14,925	16,132	17,712	19,233
Total expenses	58,814	59,289	68,334	69,964
V Profit before share of profit / (losses) from joint ventures, exceptional items and tax (III-IV)	12,582	5,601	12,097	3,908
VI Share of profit / (loss) from joint ventures (net)			1	(90)
VII Profit / (loss) before exceptional items and tax (V+VI)	12,582	5,601	12,098	3,818
VIII Exceptional items	386	1,309	83	805
IX Profit before tax (VII-VIII)	12,196	4,292	12,015	3,013
X Tax expenses / (credit):				
Current tax	2,162	789	2,467	943
Deferred tax	1,641	(1,788)	1,675	(1,849)
	3,803	(999)	4,142	(906)
XI Profit for the year (IX-X)	8,393	5,291	7,873	3,919
XII Other comprehensive income				
A				
i) Items that will not be reclassified to profit or loss				
a) Re-measurements of the defined benefit plans	26	(19)	33	(23)
b) Equity instruments through Other Comprehensive Income	385	(255)	459	(304)
ii) Income tax relating to items that will not be reclassified to profit or loss	(10)	6	(12)	7
Total (A)	402	(268)	480	(320)
B				
i) Items that will be reclassified to profit or loss				
a) The effective portion of gains and loss on hedging instruments	369	(719)	426	(825)
b) Changes in Foreign Currency Monetary Item Translation Difference account (FCMITDA)	-	87	-	87
c) Foreign currency translation reserve (FCTR)			25	(316)
ii) Income tax relating to items that will be reclassified to profit or loss	(129)	221	(143)	253
Total (B)	240	(411)	308	(801)
Total Other comprehensive income / (loss) (A+B)	642	(679)	788	(1,121)
XIII Total comprehensive income / (loss) (XI+ XII)	9,035	4,612	8,661	2,798
Total Profit / (loss) for the year attributable to:				
- Owners of the company			7,911	4,030
- Non-controlling interests			(38)	(111)
			7,873	3,919
Other comprehensive income/(loss) for the year attributable to:				
- Owners of the company			770	(1,076)
- Non-controlling interests			18	(45)
			788	(1,121)
Total comprehensive income/(loss) for the year attributable to:				
- Owners of the company			8,681	2,954
- Non-controlling interests			(20)	(156)
			8,661	2,798

2. Results of Operations

The financial year 2020-21 would go down in history as an extraordinary one. The coronavirus outbreak in the first quarter of CY 2020 sent shockwaves across the world, disrupting trade and supply chains, besides overwhelming the already fragile healthcare infrastructure in many countries. Most governments around the world imposed lockdowns of varying intensity to contain the spread of COVID-19. This led to a steep fall in demand and weakened consumer sentiment. Large-scale stimulus measures were announced by major economies to minimise the impact of economic fallout while multilateral agencies such as the International Monetary Fund and the World Bank called for concerted efforts to support vulnerable economies.

Beginning July 2020, synchronised fiscal policies and novel support measures played a vital role in supporting business sentiment. Backed by accommodative monetary policies of central banks, global growth showed some signs of revival. However, global economic recovery slackened in the latter part of CY 2020 and the first quarter of CY 2021, as several countries battled with the second wave of COVID-19 infections, especially the more virulent strains. With massive vaccination drives underway, risks to the recovery are expected to abate and economic activity may regain momentum in the second half of CY 2021. According to the International Monetary Fund (IMF), global growth declined by 3.3% in CY 2020.

India's economic growth, too, moderated due to weak domestic consumption, sluggish manufacturing and subdued investments. There was a swift revival of economic activity with the easing of lockdown restrictions in June 2020 and the subsequent opening up of the economy. Several high frequency economic indicators performed better than the initial expectations, pointing to a robust recovery. Passenger vehicles and motorcycle sales, railway freight traffic, and electricity consumption are on the rebound. The Indian economy contracted by 7.3% in FY 2020-21.

The global steel industry, like many commodities, witnessed a year of two halves in CY 2020. The first half witnessed a sharp decline in both steel demand and production, while the second half saw a sharper-than-expected recovery. The large infrastructure spends fueled by the several Governments' economic stimulus package led to a surge in demand for commodities. In the recent past, increased Environment, Social and Governance (ESG) scrutiny has constrained investments in several core and commodity sectors. The Governments-led commodity intensive infrastructure spend led to a demand surge overwhelming an already investment starved commodity supply chain. China's recovery from the pandemic, much ahead of others, contributed to the recovery of demand in commodities.

Global crude steel production declined to 1,864 MnT in CY 2020 from 1,880.1 MnT in CY 2019, largely on account of the lacklustre demand in the beginning of the year. Steel prices remained under pressure until the second quarter of CY 2020, after which they rallied higher, driven by increasing demand from the construction, automobile and retail segments. Similarly, raw material prices maintained an uptrend in the second half, except for seaborne metallurgical coal prices, which trended downwards owing to certain structural changes in China's global sourcing strategy. Crude steel production in Asia grew 1.5% y-o-y to 1,374.9 MnT, with China recording the highest growth at 5.2% y-o-y with 1,053 MnT production in contrast to the developed markets of EU and North America that reported a decline of 5.3% and 15.5% on y-o-y basis, respectively. Even though the year began with dampened market conditions, growth across the global steel industry seems to have stabilised.

In India, the steel industry experienced a weak first quarter of FY 2020-21 due to the COVID-19 induced slowdown that adversely impacted consumption and spending on infrastructure. However, the government implemented a series of measures to revive the economy, and the Reserve Bank of India (RBI) pitched in with calibrated monetary policies to keep interest rates steady through the year. Together, these measures helped arrest the decline and put the economy back on the growth path.

The domestic steel industry witnessed a sharp demand recovery, driven by restocking and higher demand from automotive, machinery, construction and infrastructure sectors on the back of increased government spending, specific policy initiatives such as Production-Linked Incentive (PLI) schemes to encourage manufacturing in India, and targeted stimulus packages for the Micro, Small and Medium-Sized Enterprise (MSME) sector.

In FY 2020-21, crude steel production in India fell 5.6% y-o-y to 103.04 MnT. Total finished steel consumption stood at 94.14 MnT in FY 2020-21, registering a 6% decline over FY 2019-20. However, finished steel consumption in March 2021 saw a growth of 45.7% over March 2020, indicating a strong demand rebound. Steel exports from India increased by 29.1%, making India a net exporter of finished steel in FY 2020-21, given the increased availability, especially in the first half of the year.

FY 2020-21 started on a difficult note due to the pandemic as lockdowns across the globe led to weakened consumption and decline in economic growth in Q1 FY 2020-21. However, with the synchronised monetary and fiscal policy measures, the Indian and global economy witnessed revival with improving business and consumer sentiment, together with higher demand and pricing. Infrastructure spending being one of the focus areas of governments, led to strong demand for steel and other metals globally. Although services remained constrained due to the pandemic, manufacturing picked up strongly across the world.

Amidst the fluctuations and uncertainties across the economic landscape in India and the world, the Company was able to deliver strong operational and financial performance during FY 2020-21.

(A) Standalone Results

The Company was able to gradually normalise its operations from Q2 FY 2021, and ramp up production to cater to the surge in demand following the pick-up in economic activity in India and globally. Crude steel production was 15.08 MnT, and average capacity utilisation levels reached ~96% in March 2021. Production volumes were lower by 6% y-o-y, primarily due to lower capacity utilisation in the first quarter of FY 2020-21 as the Company scaled down operations owing to disruption and slowdown of economic activity and supply chain constraints on account of the COVID-19 outbreak. The Company achieved 99% of its revised crude steel production volume guidance of 15.2 MnT for FY 2020-21.

Saleable steel sales volume stood at 14.88 MnT, down 1% y-o-y. The Company exported 3.72 MnT of steel, up 41% y-o-y, and accounting for 25% of the total sales, as against 18% in FY 2019-20. The Company also achieved 99% of its standalone sales volume guidance of 15.0 MnT for FY 2020-21. Sales of Value-added and Special Products (VASP) accounted for 52% of the total sales volume for the year. The Company has established strong brands over the years, and branded products' sales stood at 48% of the total retail sales.

Revenue from operations grew 10% y-o-y to ₹70,727 crores, primarily due to an 11% increase in sales realisation as well as sale of iron ore from Odisha mines.

The Company continues to focus on backward integration by investing in its resource base to secure critical raw materials for the steel-making operations. Mining operations began in all the newly acquired mines in Karnataka and Odisha during FY 2020-21. The Company was declared a "preferred bidder" for seven additional iron ore mines in the auctions held by the governments of Karnataka and Odisha in FY 2019-20. The mines have estimated resources of approximately 1.20 billion tonnes. The Company started mining operations in July 2020 in the acquired mining blocks of Nuagaon, Narayanposhi, Jajang and Gana in Odisha and ramped up production and dispatches. The Company has also commenced production in the three recently acquired mines in Karnataka during the year. With this, all nine mines situated in Karnataka and the four situated in Odisha are operational. This is expected to further enhance the raw material security of the Company and lead to integrated and efficient operations. Overall, dispatches from captive mines during the year constituted 35% of iron ore requirements of the Company.

Cost reduction strategies such as optimising fuel consumption by increasing pulverised coal injection, reducing coke moisture, utilisation of pipe conveyor system for the transport of iron ore from mines to reduce supply chain costs also helped the Company bring down costs. The Company also undertook multiple initiatives to improve efficiencies by leveraging technological and digitalisation tools, reducing fixed cost base, optimising procurement costs, conserving liquidity, and ramping up sales and marketing efforts to find new markets and customers to remain competitive.

The Company achieved its highest ever annual Operating EBITDA of ₹19,259 crores, up by 54% y-o-y with an EBITDA margin of 27.2%, led by enhanced spreads due to better realisations, favourable product mix, lower coking prices and power costs. However, this was partly offset by higher prices of iron ore, which almost doubled in view of the shortage of iron ore in the domestic market due to lower production and higher volume of exports.

The depreciation and amortisation charge for the year was ₹3,781 crores, registering a 7% increase over the previous year due to depreciation charged on asset capitalisation for projects and sustaining capex. Further, amortisation costs was higher on account of amortisation of mining intangible assets as the Company started mining operations from Odisha iron ore mines. The finance costs for the year was ₹3,565 crores, a reduction of 11% over the previous year.

Exceptional items for the quarter and year ended March 31, 2021 represents impairment provision of ₹386 crores on the value of loans given and interest receivable from overseas subsidiaries on the assessment of recoverable value of the US operations determined by independent external valuers using cash flow projections.

Consequently, profit after tax increased by 59% to ₹8,393 crores as compared to the previous year.

The Company's net worth stood at ₹46,977 crores as on March 31, 2021 vis-à-vis ₹38,362 crores as on March 31, 2020. Gearing (net debt-to-equity) was at 0.90x (as against 1.23x) and net debt to EBITDA stood at 2.20x (as against 3.78x).

(B) Consolidated Results

The Company's revenue from operations on a consolidated basis for FY 2020-21 was ₹79,839 crores. Operating EBITDA at ₹20,141 crores registered a rise of 70% y-o-y. The operating EBITDA increased primarily due to higher operating EBITDA from the standalone results, better operating margins from the downstream business and lower operating losses from the overseas businesses. The domestic subsidiaries contributed an operating EBITDA of ₹2,131 crores

during the year as against the operating EBITDA of ₹1,038 crores during the previous year. The overseas subsidiaries posted an operating EBITDA loss of ₹829 crores as against an operating EBITDA loss of ₹1,231 crores during the previous year.

Exceptional items for the quarter and year ended March 31, 2021 represent impairment provision of ₹83 crores relating to the US coal business towards the value of the property, plant, equipment and goodwill on the basis of values determined by independent external valuers using cash flow projections of respective businesses and assets.

The Company's net profit improved to ₹7,873 crores for FY 2020-21 vis-à-vis ₹3,919 crores in the last financial year. The performance and financial position of the subsidiary companies and joint arrangements are included in the consolidated financial statement of the Company. The Company's net worth on March 31, 2021 was ₹46,145 crores compared to ₹36,024 crores on March 31, 2020.

The debt has come down by ₹858 crores despite the spending on capex expenditure/ acquisitions aggregating to around ₹15,000 crores during FY 2020-21. The Company's consolidated Net gearing (net debt-to-equity) at the end of the year stood at 1.14x (as against 1.48x as on March 31, 2020) and net debt to EBITDA stood at 2.61x (as against 4.50x as on March 31, 2020).

In terms of Section 134(3) (l) of the Companies Act, 2013, except as disclosed elsewhere in this Report, no material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this Report.

(C) Outlook

The COVID-19 pandemic is regarded as a 'black swan' event for the global economy and humanity. But the global and Indian economies have shown a remarkable capacity to bounce back rapidly, supported by strong fiscal and monetary stimuli. Even though countries across the globe are now combating fresh COVID-19 outbreaks, the economic environment is expected to stay resilient. Resurgence of infection is undoubtedly a dampener on economic recovery, but much depends on the severity of the wave and extent of the lockdowns that need to be imposed. As experience shows, subsequent lockdowns have generally been less stringent and more localised, with the vaccination pace picking up across the world. According to the IMF, global growth is projected to grow by 6% in CY 2021, and the expected recovery will be determined by the effective pace of vaccination. The US economy is expected to gain more momentum with an accommodative monetary policy and fiscal

stimulus underpinning growth outlook. In China, economic activities have picked up since the last quarter of CY 2020, and broad-based growth is projected across investment, manufacturing and services. Synchronised policy measures and widespread availability of COVID-19 vaccines across the globe are expected to aid economic recovery.

As for the Indian economy, the high frequency indicators have been positive. Sufficiently supported by government spending and resilient rural consumption, manufacturing – especially consumer non-durables – and some categories of services, such as passenger vehicles and railway freight, the economy appears to be on its way to a gradual recovery. India is in the midst of a severe second wave and although the lockdowns are less stringent in comparison to the national lockdown of 2020, the spread of infection and the resultant impact on society are, unfortunately, more severe. Medical experts believe that the current wave may have peaked in India, and one can expect a reduction in cases and a gradual easing of lockdowns. Vaccinations will be a major counter to the virus, helping reduce mutations and subsequent waves.

Steel demand bounced back strongly in India as well as globally. Supply, however, is constrained due to underinvestments in the sector for the past several years, leading to improved realisations. With the Government of India's planned outlay for public infrastructure, the steel industry is expected to witness steady demand. In Q4 FY 2020-21, India's finished steel consumption grew by 17.1% as compared to that of Q4 FY 2019-20. Though the domestic market may face pressure owing to the second phase of the pandemic, a gradual recovery in domestic demand is expected in the second half of FY 2021-22. While the timing and trajectory of the reopening of the Indian economy will follow the decline in cases, the government's pro-growth policies and the Union Budget 2021-22 should help the economy recover to levels prior to the onset of the second wave.

India's growing urban infrastructure and manufacturing sectors indicate that demand for steel is likely to remain robust in the coming years. This will be further supported by government initiatives, such as providing affordable housing, expanding road and rail way networks and developing the domestic shipbuilding industry. In the Union Budget 2021-22, the government proposed a capital expenditure of ₹5.54 lakhs crores, with a push for infrastructure. Demand for steel is thus projected to remain robust in the coming years. The Company is in step with the country's aspiration to become one of the fastest growing economies in the world.

3. Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit in the profit and loss account. Accordingly, the Company has not transferred any amount to the 'Reserves' for the year ended March 31, 2021.

4. IMPACT of COVID-19

In the first half of CY 2020, the COVID-19 pandemic had an adverse impact across regional and global economies and financial markets. Most governments reacted by instituting lockdowns, business shutdowns, quarantines and restrictions on travel. Businesses also implemented safety measures to reduce the risk of transmission. Such actions led to disruption of economic activity, leading to many economies encountering a deep slump. However, towards the second half, with the end of lockdown in many countries and resumption of economic activity, consumption picked up and green shoots became visible.

The Company did face some operational disruptions in the beginning of FY 2020-21, which impacted the business. However, it was agile enough to work on a mitigation plan to overcome the challenges and combat the impact of the economic slowdown induced by the pandemic. It made all possible efforts to ramp up capacity utilisation and resume near-normal run rates by the end of the first quarter of FY 2020-21. In the first quarter, the Company focused on exports to increase sales volumes, including liquidation of inventory, to offset the loss of sales volumes in the domestic market and improve cash flows. Gradually, as domestic consumption picked up, the Company focused on improving market share in India and domestic sales rose substantially. At the same time, it undertook targeted cost saving measures to recalibrate the cost base across all areas of operations, and leveraged technology and digitalisation to continually drive value.

As a long-term plan, the Company also identified key focus areas to ensure seamless business continuity. One such area is digitalisation, which it will continue to leverage by undertaking digital initiatives, using digital tools to access markets, and digital platforms to ensure operational excellence. It will also reduce its cost base and maintain continuity of its supply chains. Most importantly, it will remain committed to its environmental, social and governance goals.

The Company is playing a major role in supporting communities and the nation during the pandemic. It is one of the largest contributors of medical oxygen, and has set up oxygenated hospital beds in record time – take the 1,000 bed massive hospital at Vijayanagar and a 100-bed (to be scaled up to 500 beds) hospital at Dolvi.

5. Dividend

The Board of Directors of the Company had approved a Dividend Distribution Policy on January 31, 2017, in accordance with the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is available on the Company's website: www.jsw.in/investors/investor-relations-steel.

In terms of the Policy, Equity Shareholders of the Company may expect dividend if the Company has surplus funds and after taking into consideration the relevant internal and external factors enumerated in the policy for declaration of dividend. The policy also enumerates that efforts will be made to maintain a dividend payout (including dividend distribution tax and dividend on preference shares, if any) in the range of 15% to 20% of the consolidated net profits of the Company after tax, in any financial year, subject to compliance of covenants with Lenders / Bond holders.

In line with the said policy, the Board of Directors has recommended dividend at ₹6.50 per equity share on the 241,72,20,440 equity shares of ₹1 each for the year ended March 31, 2021, subject to the approval of the Members at the ensuing Annual General Meeting.

The total outflow on account of equity dividend will be ₹1,571 crores, vis à vis ₹483 crores paid for FY 2019-20.

6. Prospects

Management Discussion and Analysis, covering prospects, is provided as a separate section in the Annual Report.

7. Management Discussion and Analysis

Management Discussion and Analysis is provided as a separate section in the Annual Report.

8. Projects and Expansion Plans

In FY 2017-18, the Company initiated a three-year capex plan. The strategic objective of the plan was to create incremental capacity at a low specific investment cost so that it remains return-accretive. The key projects approved by the Board of Directors included:

- Expansion of overall steelmaking capacity from 18 MTPA to 24 MTPA
- Enriching the product mix with additional downstream capacity
- Acquiring and developing iron ore mines to achieve raw material security
- Achieving cost reduction through backward integration

The Company has been on track in achieving the set targets and some projects are awaiting commissioning.

Update on all key projects are as below:

(A) Upstream Projects – Augmenting crude steel capacity at Vijayanagar and Dolvi

- 1) In Vijayanagar, during the fourth quarter of this fiscal year, the Company commissioned a new 160T Zero Power Furnace and 1 x 1.4 MTPA Billet Caster, along with associated facilities at SMS-3, to enhance steelmaking capacity. Wire Rod Mill No.2 of 1.2 MTPA capacity was commissioned during Q3 FY 2020-21. Capacity upgradation of BF-3 from 3.0 MTPA to 4.5 MTPA, along with the associated auxiliary units, is under implementation.
- 2) In Dolvi, the Company successfully commissioned two of its key units i.e. 8 MTPA Pellet Plant-2, which is one of the world's largest pellet plants, and 5 MTPA Hot Strip Mill-2 plants. The Company commenced production of Hot Rolled Plates from the new 5 MTPA Hot Strip Mill facility in March 2021.

Completion of work pertaining to the blast furnace and Steel Melt Shop (SMS) has been impacted by the ongoing COVID-19 disruption. The BF-2 is expected to be fully commissioned by the end of Q2 FY 2021-22. The 5 MTPA SMS-2 is close to commissioning and all two substations have been successfully charged. Similarly, coke and pellet feeding to BF-2 and limestone/dolomite feeding to LCP 5/6/7 is in the final commissioning phase. In Lime Calcination Plants (LCP 5/6/7), one of the three kilns' (Kiln-5) pressure testing has been completed and is ready for heating. Refractory works is already completed in all three kilns. The Company now expects full integrated operations of the expanded 5 MTPA at Dolvi by September 2021.

(B) Enriching product mix

1. As part of the capacity expansion of CRM-1 complex at Vijayanagar, conversion of existing standalone Pickling line and twin stand compact Cold Mill to Pickling Line and Tandem Cold Mill (PLTCM) of 1.80 MTPA and one of the two new lines of 0.45 MTPA each for construction grade galvanised products, were commissioned during the fourth quarter of FY 2020-21. The second Continuous Galvanising Line (CGL) is expected to be commissioned by the second quarter of FY 2021-22.
2. A new 0.3 MTPA line for colour-coated products is also underway in Vijayanagar and is expected to be commissioned during the second quarter of FY 2021-22.

3. Modernisation and capacity enhancement at Vasind and Tarapur by increasing GI/GL capacity by 0.9 MTPA, and increase in colour coating capacity by 0.3 MTPA has been commissioned in phases during FY 2020-21.
4. Capacity enhancement of colour-coated products (PPGI/PPGL) at Vasind and Kalmeshwar by 0.5 MTPA is expected to be commissioned in Q1 FY 2021-22.
5. The 0.5 MTPA of new Continuous Annealing Line (CAL) at Vasind is expected to be commissioned in the fourth quarter of FY 2021-22.
6. Additional Tin Plate Line (through BAF route) of 0.25 MTPA at Tarapur is expected to be commissioned in the first quarter of FY 2022-23 to enhance the tin plate product-mix.

(C) Cost reduction projects and manufacturing integration

- 1) Setting up of 8 MTPA pellet plant and 1.5 MTPA coke oven plant at Vijayanagar:

In order to decrease the facility's requirement of expensive lump iron ore, the Company has set up an 8 MTPA pellet plant at Vijayanagar. The project was commissioned and is currently under trial run. The construction of Coke Oven Battery of 1.5 MTPA at Vijayanagar is currently under progress and is expected to be commissioned in phases from Q3 FY 2021-22. The Company has also decided to expand the coke oven capacity by another 1.5 MTPA at Vijayanagar, which is expected to be commissioned in the second half of FY 2021-22. The projects, cumulatively, will contribute to substantial cost savings as the current coke requirements are being procured from the Dolvi unit.

- 2) Setting up 175 MW and 60 MW power plants at Dolvi:

The Company is setting up 175 MW Waste Heat Recovery Boilers (WHRB) and a 60 MW captive power plant to harness flue gases and steam from the Coke Dry Quenching (CDQ). These power plants are expected to be commissioned during Q1 FY 2021-22.

D) New projects:

The Board of Directors has approved some key projects that will enable the Company to continue to meet the growth in steel demand in India, in line with the government's National Steel Policy, which projects a requirement of 300 MTPA capacity by 2030. The new projects approved entail a capex of ₹25,115 crores (including sustenance and other capex of ₹6,565 crores) spread over three years from FY 2021-22 to FY 2023-24.

5 MTPA expansion at Vijayanagar

The Company will expand its steel making capacity by 5 MTPA at Vijayanagar from the existing 12 MTPA at a capex cost of ₹15,000 crores through its wholly-owned subsidiary, JSW Vijayanagar Metallica Limited.

Vijayanagar is India's largest single-location steel plant, and this brownfield expansion through its subsidiary will be completed by FY 2023-24, further reinforcing that distinction. The Company will leverage its strong capabilities and track record of implementing brownfield expansions efficiently.

Iron ore mines in Odisha

The Company has four iron ore mine leases in Odisha that were acquired in auctions in FY 2019-20. The Company has successfully operationalised and ramped up operations in all these mines in FY 2020-21. It will enhance its mining capabilities and efficiencies at a capex of ₹3,450 crores, which will enhance its mining infrastructure and reduce reliance on outsourced mining. It will also implement digitalisation, and set up grinding and washing facilities to improve the quality of the ore, which will lead to higher productivity at the steel-making operations.

Colour Coated facility in Jammu & Kashmir

To cater to the growing demand for steel and to support economic development in the state, the Company would set up a 0.12 MTPA colour coated downstream steel facility in Jammu & Kashmir. This will entail a capex of ₹100 crores.

With the completion of the above projects, the Company's overall steelmaking capacity would increase to 30.5 MTPA.

9. Mergers and Acquisitions

FY 2020-21 was a successful year on the inorganic growth front, with the Company completing several strategic acquisitions:

Asian Colour Coated Ispat Limited (ACCIL):

- Acquired in October 2020 for ₹1,550 crores through the IBC process
- Pure-play downstream company with a capacity of 1 MTPA, with production facilities in Maharashtra and Haryana
- Major products: Galvanised and colour-coated coils and sheets, mainly for white goods, industrial sheds, pipes, drums and barrels, etc.

Bhushan Power and Steel Limited (BPSL):

- Acquired in March 2021 with current stake of 49% through IBC process. Payment to financial creditors in IBC process for 100% stake was ₹19,350 crores. The cash outgo from the Company was ₹5,087 crores

- Integrated steel producer with liquid steel capacity of over 2.5 MTPA in Jharsuguda, Odisha, primarily flat steel. Downstream facilities in Kolkata and Chandigarh

- Acquisition gives the Company strategic presence in Eastern India

Plate and Coil Mill Division (PCMD) of Welspun Corp Ltd.:

- Acquired for ₹850 crores
- Manufactures high-grade steel plates and coils. Located in Anjar, a port-based facility in Gujarat with a capacity of 1.2 MTPA
- Acquisition enables the Company's entry into different grades of steel products, especially plates.

10. Technical Collaboration with JFE Steel Corporation, Japan (JFE)

The strategic collaboration agreement that was signed between JFE and the Company in the year 2010, was one of the largest FDIs in India in the Metals and Mining space.

The strategic technical collaboration with JFE has added significant value to the Company, both in terms of products and services, thereby enriching the product mix of the Company. The Company has developed a wide range of steel for critical auto end-use applications such as outer body panels, bumper beams and other crash resistant components with strength levels up to 980 MPa. The continuous support received from JFE in the form of technical assistance has resulted in expeditious resolution of issues observed during the commercial production/approval of stipulated licensed grades.

The collaboration with JFE has immensely helped the Company in imbibing the technological best practices. It has further created a culture of continuous learning and process improvements, which ensure medium to long-term value creation.

The collaboration has helped the Company to drive excellence in process and product development, improve product quality, productivity, yield and energy efficiency across plants. It has also helped in the standardisation of system parameters towards providing a more sustainable environment and imbibing best practices in safety and waste management.

In the last decade, there has been a tremendous synergy in the working relationship between the two companies both at the strategic and operational level and their working relationship has only become bigger and stronger. The people exchange programme between JFE and the Company has also matured over the years, with seamless sharing of information, knowledge and best practices. Throughout these years of collaboration, JFE Steel's experience and understanding has helped the Company to

consolidate its leadership position in the value-added and special products space in some of the most challenging end-use segments in India, such as Automotive Steel, Electrical Steel and so on.

The partnership with JFE has majorly contributed towards strengthening and establishing the Company as a preferred supplier with large domestic customers in India, which has helped them to localise their steel requirements that were hitherto imported.

JFE has also assisted the Company by providing technology to upgrade products, processes and systems for making high-value-added and special steels such as Advance High Strength Steel and Electrical Steel.

In FY 2020-21, the COVID-19 pandemic caused several disruptions in the global market that forced each company to adopt unique ways to improve efficiency and to become resilient. Under such circumstances, joint collaborations help in learning new practices from each other and implementing them quickly. Remote assistance by JFE experts for solving several operational problems in different plant locations of the Company has been very useful during these times.

During FY 2020-21, JFE has provided technical assistance in the following areas:

- Improvement in Blast Furnace operations at Dolvi and Vijayanagar
- Technical support in low tapping ratio operations due to COVID-19 restrictions and operational guidelines for stable operations during low production
- Technical support provided for Blast Furnace life prolongation, addressing equipment issues, operational issues and improvement of tapping conditions
- Improvement of the Blow in Practices in Blast Furnace in Dolvi Works
- Adoption of best-in-class practices at SMS shop for ferro alloy cost reduction and mechanical property prediction system at Hot Strip Mill

In order to further strengthen the relationship, the Company and JFE Steel are in the process of entering into new technical assistance agreements for quality and process improvements in the Company's Salem unit and Tarapur unit of its wholly-owned subsidiary, JSW Steel Coated Products Limited. While the agreement with the Tarapur unit will focus on tin plate products, the technical assistance with Salem Works of the Company is for Wire and Bar Mill Products.

The Company and JFE have also signed a Memorandum of Understanding to conduct a feasibility study for setting up a manufacturing and sales JV in India for Cold Rolled Grain Oriented (CRGO) Electrical Steel Products. The demand for CRGO in India is met presently by imports. With this facility, the Company is likely to have a first mover advantage to service customers in

India with local steel. This would also strengthen the Company's position as India's leading manufacturer of advance steel products that lead to reduced CO₂ emissions and producing sustainable steel products.

With the huge expansion plan that the Company has embarked on, the collaboration agreement is likely to add immense value to both partners. The partnership with JFE since 2010 has provided the Company cutting-edge technologies and world-class technical expertise to enhance the Company's operational excellence.

11. Subsidiary and Joint Venture (JV) Companies

The Company has 51 direct and indirect subsidiaries and eight JVs as on March 31, 2021 and has acquired or incorporated certain domestic subsidiaries during the year. As per the provisions of Section 129(3) of the Act, a statement containing the salient features of the financial statements of the Company's subsidiaries and JVs in Form AOC-1 is attached to the financial statements of the Company. In accordance with provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company, along with relevant documents and separate audited accounts in respect of the subsidiaries, are available on the website of the Company. The Company will provide the annual accounts of the subsidiaries and the related detailed information to the shareholders of the Company on specific request made to it in this regard by the shareholders.

The details of the major subsidiaries and JVs are given below:

(A) Indian Subsidiaries

1) JSW Steel Coated Products Limited (JSW Steel Coated)

JSW Steel Coated Products Limited is the Company's wholly-owned subsidiary and caters to both domestic and international markets. With three manufacturing facilities at Vasind, Tarapur and Kalmeshwar in the state of Maharashtra, this Company is engaged in the manufacture of value-added flat steel products comprising tin plates, galvanised and Galvalume coils/sheets and colour-coated coils/sheets. JSW Steel Coated reported a production (Galvanising/Galvalume products/Tin Product) of 1.84 MnT, an increase by 4% y-o-y this year. Its sales volume increased by 17% y-o-y to 2.175 MnT during FY 2020-21. The revenue from operations for the year under review was ₹14,963 crores. The operating EBITDA during FY 2020-21 was ₹1,231 crores as against ₹550 crores in FY 2019-20. The operating EBITDA margin during FY 2020-21 was at 8% compared to 5% in FY 2019-20 primarily due to improved sales mix, higher realisations and lower conversion costs. The net profit after tax stood at ₹733 crores compared to ₹296 crores in the last financial year.

2) Amba River Coke Limited (ARCL)

Amba River Coke Limited (ARCL) is a wholly-owned subsidiary of the Company and has set up a 1 MTPA coke oven plant and a 4 MTPA pellet plant. ARCL produced 0.94T of coke and 3.21 MnT of pellet during FY 2020-21. The coke and pellets produced are primarily supplied to the Dolvi unit of the Company. The operating EBITDA for the year under review increased to ₹467 crores due to higher margins as against ₹388 crores in FY 2019-20. Its profit after tax decreased to ₹168 crores in FY 2020-21 from ₹194 crores in the previous year as the higher EBITDA earned was offset by higher depreciation charge and one off tax credit in the previous year on account of a reversal of deferred tax liability due to expected transition to the new tax regime.

3) JSW Industrial Gases Private Limited (JIGPL)

JSW Industrial Gases Private Limited (JIGPL) is a wholly-owned subsidiary of the Company. The Company sources oxygen, nitrogen and argon from JIGPL for its Vijayanagar plant. The profit after tax was ₹37 crores in FY 2020-21 as against ₹44 crores in FY 2019-20. The profit after tax reduced as compared to the previous year due to one-time gain in tax credit on account reversal of deferred tax liability due to change in the corporate tax rate.

4) JSW Vallabh Tinplate Private Limited (JSWVTPL)

The Company has completed acquisition of 1,32,37,227 equity shares representing 26.45% of the issued and paid-up share capital of JSW Vallabh Tinplate Private Limited (JSW VTPL). As a result, JSW VTPL has become wholly-owned subsidiary of the Company.

It produces tin plates and has a capacity of 1.0 lakh tonnes. With a production of 0.86 lakh tonnes during FY 2020-21 (0.84 lakh tonnes during FY 2019-20), its EBITDA for the year was ₹47 crores compared to ₹47 crores the previous year. Its net profit after tax for FY 2020-21 was ₹18 crores against ₹12 crores in FY 2019-20.

5) Vardhman Industries Limited (VIL)

VIL manufactures colour-coating products. Its manufacturing unit is at Rajpura, Patiala in Punjab. VIL has a colour-coating line with a capacity to produce 40,000 tonnes per annum and a service centre to cater to white goods customers in North India.

In FY 2020-21, VIL produced 46,542 tonnes, and its EBITDA stood at ₹30 crores compared to ₹3 crores in FY 2019-20* Its net profit after tax for FY 2020-21 was ₹25 crores compared to ₹1 crore in FY 2019-20*.

* Financial performance FY 2019-20 is calculated from the date of acquisition on December 31, 2019.

6) Asian Colour Coated Ispat Limited (ACCIL)

ACCIL manufactures downstream steel products and has two manufacturing units located at Bawal, Haryana and Khopoli, Maharashtra. ACCIL has a capacity of 1 MTPA, with 3 lakh tonnes of cold-rolled steel and colour-coated steel.

The Company has generated an EBIDTA of ₹250 crores from the date of acquisition till March 31, 2021.

7) Other Projects Being Undertaken by Domestic Subsidiaries

The Company as part of the its long term growth strategy had initiated a few greenfield projects in the states of West Bengal, Jharkhand and Odisha.

- JSW Bengal Steel Limited (JSW Bengal Steel) – As a part of its overall growth strategy, the Company had planned to set up a 10 MTPA capacity steel plant in phases through its subsidiary, JSW Bengal Steel. However, due to uncertainties in the availability of key raw materials such as iron ore and coal, after the cancellation of the allotted coal blocks the JSW Bengal Steel Salboni project has been put on hold.
- JSW Jharkhand Steel Limited (JSSL) – This was incorporated in relation to the setting up of a 10 MnT steel plant in Jharkhand. The Company is currently in the process of obtaining approvals and clearances necessary for the project.
- JSW Utkal Steel Limited (JUSL) was formed for setting up an integrated steel plant of 12 MTPA steel capacity and a 900 MW captive power plant in Odisha. The Company is in the process of obtaining the necessary approvals and licences for the project.

(B) Overseas Subsidiaries

1) Periana Holdings LLC and Its Subsidiaries Viz. JSW Steel (USA) Inc - Plate and Pipe Mill Operation and its Subsidiaries - West Virginia, USA-Based Coal Mining Operation

a) Plate and pipe mill operation JSW Steel (USA) is in the process of modernising the existing facilities at Baytown, Texas. The first phase is nearing completion with the cold commissioning completed and the hot commissioning in progress. The second phase of the modernisation of the plate mill has started and expected to be completed

in FY 2022-23. The facility was shut down for part of the year in conjunction with the shutdown at the Ohio steel-making facility, and is now ramping up well.

The unit produced 0.13 million net tonnes per annum (MNTPA) of plates and 0.004 MNTPA of pipes with capacity utilisation of 14% and 1%, respectively. During FY 2020-21, JSW Steel (USA) reported EBITDA loss of US\$ 9.2 million (₹73 crores) compared to the previous year's negative EBITDA of US\$ 31.69 million (₹214 crores). Net loss after tax for FY 2020-21 was US\$ 75.63 million (₹605 crores) compared to net loss after tax of US\$ 117.82 million (₹822 crores) in FY 2019-20.

b) Coal mining operation Periana Holdings LLC has 100% equity interest in coal mining concessions in West Virginia, US along with permits for coal mining and owns a 500 TPH coal-handling and preparation plant. During the year, total production stood at 77,928 NT as against 123,458 NT during FY 2019-20. Its coal mining operations reported EBITDA loss of US\$ 5.52 million (₹43 crores) for the year, compared to EBITDA of US\$ 4.23 million (₹30 crores) in the previous year. Loss after tax stood at US\$ 19.64 million (₹146 crores) vis-a-vis Loss after tax of US\$ 11.31 million (₹80 crores) in FY 2019-20.

2) Acero Junction Holdings, Inc (ACERO) and its Wholly-Owned Subsidiary JSW Steel USA OHIO Inc (JSWSUO)

JSWSUO has steelmaking assets consisting of 1.5 MNTPA electric arc furnace (EAF), 2.8 MNTPA continuous slab caster and a 3.0 MNTPA hot strip mill at Mingo Junction, Ohio in USA. The EAF was shut down for part of the year for upgradation. In March 2021, JSWSUO completed the modernisation of EAF and restarted production in mid-March 2021, and is now ramping up well. Majority of the slabs produced from this facility would be supplied to Baytown facility for further value addition in the form of plates and pipes. JSWSUO had entered into a long-term tolling agreement for rolling slabs to HRC with Allegheny Technologies Inc., which has high quality mills and capabilities. This arrangement will provide the flexibility to meet customer requirements, as well as feed the US Plate and Pipe Mill.

It reported a total HRC production of 0.03 MnT during FY 2020-21. JSW Ohio reported an EBITDA loss of US\$ 68.51 million (₹510 crores) compared to EBITDA loss of US\$ 113.07 million (₹792 crores) last financial year. Loss after tax for FY 2020-21 was US\$ 116.09 million (₹863 crores) compared to Loss after tax of US\$ 144 million (₹1,011 crores) in FY 2019-20.

3) JSW Steel Italy Piombino S.P.A. (JSW Piombino) (Formerly Known As Aferpi S.P.A), Piombino Logistics S.P.A. – A JSW Enterprise (Formerly Known as Piombino Logistics S.P.A.) and Gsi Lucchini S.P.A

JSW Piombino produces and distributes special long steel products, viz. rails, wire rods and bars. It has a plant at Piombino in Italy, comprising a Rail Mill (0.32 MTPA), Bar Mill (0.4 MTPA), Wire Rod Mill (0.6 MTPA) and a captive industrial port concession. PL manages the logistics infrastructure of Piombino's port area. The port managed by PL has the capacity to handle ships up to 60,000 tonnes. During FY 2020-21, operations generated an EBITDA loss of € 22.65 million (₹191 crores) compared to EBITDA loss of €31.91 million (₹236 crores) last year. Loss after tax for the year amounted to €30.1 million (₹247 crores) against loss after tax of € 49.1 million (₹364 crores) in FY 2019-20.

(C) Joint Venture Companies

1) JSW Ispat Special Steel Products Limited (JISPL) (Formerly Known as Monnet ISPAT & Energy Limited (MIEL))

In July 2018, the National Company Law Tribunal (NCLT) approved the resolution plan submitted by a consortium comprising the Group and AION Investments Private II Limited for the acquisition of Monnet Ispat and Energy Limited (MIEL) (now known as JSW Ispat Special Products Limited or JISPL). JISPL owns a 1 MnT integrated steel plant with the ability to scale up to 1.5 MnT, along with a 0.8 MnT sponge iron plant, 2.20 MnT pellet plant, a 0.96 MnT sinter plant and a 230 MW captive power plant in Chhattisgarh. The acquisition was completed on August 31, 2018 and currently, the Company directly and indirectly holds 23.1% of the equity shares of JISPL.

JISPL operations turned around during the year and posted the consolidated operating EBITDA of ₹384 crores in FY 2020-21 as compared to EBIDTA loss ₹46 crores in FY 2019-20. The profit after tax was ₹210 crores in FY 2020-21 as compared to loss after tax of ₹492 crores in FY 2019-20.

2) JSW Severfield Structures Limited and its Subsidiary JSW Structural Metal Decking Limited (JSSL)

JSW Severfield Structures Limited (JSSL) is operating a facility to design, fabricate and erect structural steel work and ancillaries for construction projects. These projects have a total capacity of 55,000 TPA at Bellary, Karnataka. JSSL produced 33,912 tonnes (including job work) during FY 2020-21. Its

order book stood at ₹1,039 crores (85,043 tonnes), as on March 31, 2021 and EBITDA in FY 2020-21 decreased to ₹41 crores from ₹102 crores in FY 2019-20. The loss after tax for FY 2020-21 was ₹16 crores, as compared to profit after tax of ₹50 crores in FY 2019-20. JSW Structural Metal Decking Limited (JSWSMD), a subsidiary company of JSSL, is engaged in the business of designing and roll forming of structural metal decking and accessories such as edge trims and shear studs. The plant's total capacity is 10,000 TPA. EBITDA in FY 2020-21 decreased to ₹6 crores from ₹12 crores in FY 2019-20. The profit after tax for FY 2020-21 was ₹2 crores compared to ₹9 crores in FY 2019-20.

3) JSW MI Steel Service Centre Private Limited (MISI JV)

The Company and Marubeni-Itochu Steel signed a JV agreement on September 23, 2011 to set up steel service centres in India.

The JV Company had started the commercial operation of its steel service centre in western India (near Pune), with 0.18 MTPA initial installed capacity in March 2015. MISI JV has also commissioned its steel service centre in Palwal, Haryana, with 0.18 MTPA initial capacity. The service centre is equipped to process flat steel products, such as hot-rolled, cold-rolled and coated products. Such products offer just-in time solutions to automotive, white goods, construction and other value-added segments. EBITDA in FY 2020-21 was ₹41 crores as compared to ₹21 crores in FY 2019-20. MISI JV earned a profit after tax of ₹18 crores during FY 2020-21 as compared to ₹7 crores during FY 2019-20.

4) Bhushan Power and Steel Limited (BPSL)

Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for Bhushan Power and Steel Limited (BPSL) was approved by NCLAT vide order dated September 5, 2019 and subsequently an appeal preferred by the Company has been allowed by NCLAT vide its order dated February 17, 2020. The erstwhile promoters of BPSL, certain operational creditors and the Enforcement Directorate (ED) preferred an appeal before the Hon'ble Supreme Court against the NCLAT Order which are pending for adjudication.

On March 26, 2021 the Company completed the acquisition of BPSL by implementing the resolution plan approved under IBC Code, basis an agreement entered with the erstwhile committee of creditors. This provides an option/right to the Company to unwind the transaction in case of unfavourable ruling on certain specified matters by Hon'ble Supreme Court.

On the basis of the Resolution Plan, the Company has also entered an arrangement with JSW Shipping & Logistics Private Limited (JSLPL) through which the Company and JSLPL holds equity of Piombino Steel Limited (PSL) in the ratio of 49% and 51% respectively, and thus gaining joint control of PSL.

The Company has invested in aggregate ₹5,087 crores in equity shares, Optionally Fully Convertible Debentures (OFCD) and share warrants. PSL has received additional equity contribution from JSLPL, amounting to ₹1,027 crores (including share warrants) and raised further debt. PSL has invested ₹8,550 crores in Makler Private Limited (Makler) and Makler has raised further debt and paid ₹19,350 crores to the financial creditors of BPSL in accordance with the approved Resolution Plan. Pursuant to the merger of Makler with BPSL in accordance with Resolution Plan, BPSL has become a wholly-owned subsidiary of PSL.

BPSL operates a 2.5 MTPA integrated steel plant located at Jharsuguda, Odisha and also has downstream manufacturing facilities at Kolkata, West Bengal and Chandigarh, Punjab.

The Company continues to explore inorganic growth opportunities that meet the operational, financial and sustainable goals of the business.

12. 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 utilisation and effective waste and emissions management. The Company is mindful of the impact its operations have on the environment and attempts to minimise its environmental footprint throughout the operations.

The Company's long-term sustainability ambition is guided by a Vision – the Company should demonstrably contribute in a socially, ethically and environmentally responsible way to the development of a society where the needs of all are met, and do so in a manner that does not compromise the ability of the future generation to meet the needs of their own.

The Company's commitment of demonstrating fulfillment of its Sustainability Vision emanates from our Sustainability Strategy, based on seven key elements – leadership, stakeholder engagement, communication, planning, improvement, monitoring and reporting. These seven pillars enable the Company to take well-informed decisions pertaining to ESG while remaining aligned with stakeholder expectations and business growth objectives.

To attain the Sustainability Vision, the Company is developing a Sustainability Framework that takes into consideration the key principles of various fundamental national and international guidelines and frameworks.

The Company has deployed the double materiality exercise to arrive at the material issues. The assessment was undertaken in early 2021 and has reinforced that the Company's current focus areas remain relevant in this ever-changing scenario.

Sustainability Governance

The Company's sustainability journey is steered by a robust governance structure. The Company has a Board-level Business Responsibility/Sustainability Reporting Committee, which has six Directors and is chaired by an Independent Director. The Company's senior management looks into sustainability-related issues each month via an Executive Committee (EC) and review the progress of key performance indicators. The Company has also created committees/working-groups to address specific issues like the Climate Action Group (CAG) or the Working Group on Waste Management and Circular Economy. The Climate Action Group conducted nine meetings in FY 2020-21.

The Company has clearly defined goals and set ambitious targets against various sustainability Key Performance Indicators (KPIs) for the year 2030. These are further broken down into yearly targets, the progress against which are reviewed, monitored and reported to all stakeholders on an annual basis. About ₹557 crores was earmarked to be spent on Best Available Technologies (BAT) for environmental sustainability during FY 2020-21.

Tackling Climate Change

With a looming climate crisis in the background, the Company has devised a climate action plan to improve its net carbon emission intensity beyond India's Nationally Determined Contributions (NDC) and achieve more than 41% reduction by 2030 from the base year of 2005.

This would be achieved through

- Improvement of input raw material quality through beneficiation
- Increased use of renewable energy
- Increased use of scrap
- Reducing coke in Blast Furnaces (BFs), increased Pulverised Coal Injection (PCI) and Natural Gas (NG) use in BFs
- Energy efficiency and process efficiency improvements through best available technologies
- Continue efforts and collaborations towards development of deep decarbonisation technologies such as Carbon Capture Utilisation/Storage (CCUS), use of hydrogen in iron reduction etc.

The Company has an operating Carbon Capture Utilisation (CCU) plant at Salav facility, which is capturing carbon from the exhaust gases generated by sponge iron operations, treating and converting it to approximately 100 TPD CO₂ (99.5% purity) and selling it to the food and beverage industry for use.

The Company also plans to use renewable energy across steel operations at Vijayanagar by utilising around 800 MW RE (solar + wind) power.

Multiple operational interventions were implemented during the year to further improve on the sustainability performance and aid the achievement of our targets like installation of Waste Gas Recovery at Sinter Plant 4 resulting in fuel saving, increasing TRT power generation by 22.5% from 8.03 MW in FY 2019-20 to 9.84 MW in FY 2020-21 resulting in reduction in purchased power requirement.

Energy

One crucial intervention to inculcate sustainability in the steelmaking process is decreasing its energy intensity, which also has a direct bearing on the reduction of CO₂ emission. The Company is continually innovating to meet and go beyond the compliances of Perform Achieve and Trade (PAT) mechanism. The Company has voluntarily participated in Step-up Programme by worldsteel Association for efficiency improvement focusing on energy, process reliability, process yield and raw material quality and benchmarking performance together with companies in the top 15 percentile across the world. Increasing usage of non-conventional sources for energy such as waste-gas heat recover technologies is reducing the Company's energy intensity.

Product Sustainability

The Company has made Environmental Product Declarations (EPDs) for its products (Hot Rolled Coils and Cold Rolled Closed Annealed) and completed life-cycle assessment for 14 products. It communicates its environmental impacts transparently to all stakeholders. Currently, the Company is working on TMT bars and other construction materials covered through GreenPro Eco-labelling to demonstrate its superior environmental and sustainability performance. The Company endeavours to deliver sustainability through its high quality value added products like tin plate products, Advanced High-Strength Steels, high end corrosion resistance steel, Electrical steel etc., enabling the Company to meet its commitment towards sustainability throughout the value chain.

Circular Economy and Resource Conservation

The Company has adopted an integrated strategy towards efficient waste and wastewater management focusing on 'Zero waste to Landfill' and 'Zero Liquid Discharge', with technological innovations like using plastic waste in steel melting process, use of steel by-products in making of paver blocks, replacement of river sand, and so on. The Company has established the process for utilisation of dry pit slag of blast furnace as a replacement of natural aggregate. The Vijayanagar facility is also conducting a study for the utilisation of steel slag as fertiliser in coordination with the government and other industry leaders.

Water Management

All facilities follow Zero Liquid Discharge principles. While more than 50% of the revenue comes from sites operating in water-stressed regions, the Company has cautiously taken steps to enhance water conservation and harvesting in these regions. The Company has developed critical infrastructure necessary for water conservation both inside and outside plant boundaries together with environmental infrastructure in the community and mines such as check dams, gabions, coir matting. The plants have extensive water management plans in place which accelerate water conservation. The Company has implemented a project wherein the sewage water of the township at Vijayanagar is being processed and used as process water in operations. The Company will soon be replicating and scaling up this across other townships at Vijayanagar.

Air Emissions

The Company continues to upgrade and implement better pollution control systems while seeking expansion and improvement. From introducing mobile de-dusting systems to installation of yard sprinklers to large scale interventions like installation of MEROS, de-dusting systems, the Company has been able to consistently manage its air emissions efficiently.

In Vijayanagar, in Raw Material Handling System (RMHS), a de-dusting system of capacity 1,50,000 m³/h was commissioned at 5MT JH14-15. It covers around 50-60 dust sources effectively and attains work zone emissions at less than 2mg/m³.

In Dolvi, RMHS open yards are going to be fully covered with conventional/space frame covered shed. Covered storage shed will prevent dust emission in the environment during operation of the yard.

In Salem, installation of mobile de-dusting system in the Blast Furnace resulted in reduction of fugitive emission from 12,500 ug/m³ to 3,200 ug/m³.

Biodiversity

With a target for 2030 of achieving no net loss to biodiversity, the Company continuously looks for opportunities to enhance the biodiversity by deploying techniques of Miyawaki plantations, mangrove plantations and other plantations of high carbon sequestration species. The Company has Biodiversity Management Plans and has facilitated monitoring of wildlife with the help of cameras, forest tankers and patrolling vehicles. The Company reports on the 10-point framework of Indian Business and Biodiversity Initiative (IBBI) biennially and has also aligned with 12 National Biodiversity Targets (NBTs). The Company has collaborated with People for Environment and Bombay Natural History Society to enhance biodiversity.

The Company plans to incubate a biodiversity park at Vijayanagar to provide a safe compound for native species and accelerate the process of carbon sequestration.

Capacity Building

The Company is focused on strengthening its internal capacity as well as that of its business partners relating to sustainability issues. In the same light, the Company conducts regular webinars, discussion fora and external-capacity building programmes especially curated to suit the needs of the organisation by globally-renowned facilitators such as the Global Reporting Initiative (GRI).

Health & Safety

For the Company, employees' and contractors' health, safety, and well-being are a top priority. The Company has witnessed a steady decline in LTIFR from 0.42 in FY 2017-18 to 0.26 in FY 2020-21. The Company's Health and Safety Vision is: 'Vision 000', which aims at three goals – to achieve zero major accidents, zero injuries, and zero harm.

The Company has initiated a certification programme for line managers as 'Safety Champions' in collaboration with British Safety Council to develop line managers as safety ambassadors at the workplace.

As a leading steel manufacturer, it is extremely critical that the Company works with the right partners at sites. To achieve this, the pre-qualification assessment of contractors has been revised to reflect the enhanced safety requirements in line with the contractor safety management strategy. Once the pre-qualified contractors start working at locations, they are assessed through the JSW CARES Program. JSW CARES (Contractor Assessment and Rating for Excellence in Safety) is a key contractor safety management initiative launched as a progressive capability building tool for contractors to improve and excel in their respective safety management systems and performance.

In FY 2020-21, high-risk safety audits by the British Safety Council were conducted across Salem and Dolvi. At Dolvi, the Company has engaged DuPont Sustainable Solutions (DSS) for developing Centre of Excellence (CoE) in Process Safety Management.

Social interventions

The Company carries out its social and out of fence environment initiatives through JSW Foundation, following a holistic life-cycle based approach. The interventions range from strengthening educational institutions to provisioning of secondary & tertiary healthcare and strengthening of public health system, helping communities to access basic sanitation & promoting hygiene, contributing towards water and environment conservation, facilitating women-centric livelihoods and, promoting agribusiness approach.

In the last four financial years, the Company has consistently increased the share of CSR expenditure. The CSR spend has increased every year from ₹43 crores in FY 2016-17 to ₹139.73 crores in FY 2019-20. During the current financial year, the Company has spent an amount of ₹78.32 crores towards CSR expenditure,

and an additional ₹86.49 crores was transferred to the unspent CSR account for executing ongoing projects. The Company's CSR interventions have reached out to communities across more than 255 villages in five states of India with following key outcomes:

- 1 million families supported during COVID-19
- 7.95 lakh cubic metre additional water storage capacity created
- 7100 farmers supported with ~1800 tonnes of commodities linked to markets
- ~57000 people reached out through health screening services
- ~2400 students supported through JSW UDAAN Scholarship for pursuing Higher education
- 139,000 applications facilitated for linking with Government support schemes

A significant part of the Company's CSR philosophy is community- and employee volunteer-driven. The employee engagement is across various initiatives e.g. support to the neonatal care unit at Bellary Government Hospital, waste collection drive, sanitation drives, mangrove plantation, awareness building programmes for local communities and other such activities. In the last fiscal, to combat COVID-19, Vijayanagar set-up three dedicated care centres in the township to provide medical aid to infected patients. Additionally, doorstep awareness sessions were conducted for over 38,000 people from 7,100 households in 13 villages, and 75,000 masks were distributed across 21 villages. With Akshaypatra Kitchen, over 5,80,000 meals were provided (16,000 meals per day) during the lockdown period. The facility also supplied 320 tons/day of oxygen supply across Karnataka and in neighbouring states.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated January 22, 2021 in CSR Rules, 2014, company has adopted a revised CSR policy in line with the above changes. The policy has been approved by the Company's Board of Director and the same is now available at the website of the Company at <https://www.jswsteel.in/investors/jsw-steel-governance-and-regulatory-information-policies-0>

In view of the solid foundation laid for the long-term projects in this fiscal and the envisioned scaling up of the on-going CSR projects, the Company will continue to create value for its and further for a wider range of stakeholders. The disclosure as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) is annexed to this Report as Annexure C.

Sustainability resides at the heart of JSW Steel. Recognising the potential impact that a company of a scale as large as JSW Steel can create, the Company aims to continuously monitor, improve, report and accelerate growth in the ESG domain. A detailed review of the ESG performance and strategy can be accessed in the Integrated Report.

13. Innovation and Technology

The Company continued its innovation journey with vigour in FY 2020-21. Following the disruptions induced by the pandemic, this financial year turned out to be one of 'Digital Awareness' across the world as digitalisation accelerated globally in the new normal. In FY 2020-21, the Company extended its digitalisation drive across new frontiers while consolidating and ensuring consistent impact from earlier deployed initiatives. Across all the integrated plants, sales and marketing and other support functions, JSW employees participated in the journey with vigour and enthusiasm.

Nearly 6000+ employees have directly engaged in the cultural transformation journey, with 200+ digital ideas being generated in-house by plants and functions teams. This was further matched by deploying some of the world's best and most cost-effective cutting-edge technology solutions such as Artificial Intelligence/ Machine Learning, Fog Computing, Deep Learning, Internet of Things (IoT), Computer Vision, Robotics and so on.

14. Human Resources

A Company's continued success depends on the ability to attract, develop and retain the best talent at every level. The Company's Human Resource (HR) management practices are rooted in ensuring a fair and reasonable process for all-round development of its talent. The Company strives to maintain a skilled and dedicated workforce, representing diverse experiences and viewpoints. During the year, the Company continued to introduce initiatives and tools that helped continuous learning and the development of new skills.

In the backdrop of the pandemic and the way it impacted life across the world, the HR initiatives increasingly focused on supporting employee well-being. Initiatives like maintaining a safe work environment, providing healthcare facilities and enabling end-to-end work-from-home facility for a large section of the human capital remained the focus.

The Company finds it imperative to follow policies and regulations that produce an unbiased and safe work environment. In the last fiscal, the Company focused on building systems and tools that help track career paths, provide guidance to develop new skills, educate employees on varied topics and recognise and reward top performers.

A detailed report on Human Resource Management and initiatives implemented through the fiscal is included as part of the Management Discussion and Analysis.

15. Integrated Report

The Securities and Exchange Board of India (SEBI), in its circular dated February 6, 2017, had advised the top 500 listed companies (by market capitalisation) to voluntarily adopt Integrated Reporting (IR) from FY 2017-18. The Company published its first Integrated Report the same year in line with the International Integrated Reporting Framework laid down by the

International Integrated Reporting Council (IIRC). The framework pivots the Company's reporting approach around the paradigm of value creation and its various drivers. It also reflects the Company's belief in sustainable value creation while integrating a balanced utilisation of natural resources and social development in its business decisions. An Integrated Report intends to give a holistic picture of an organisation's performance and prospects to the providers of financial capital and other stakeholders. It is thus widely regarded as the future of corporate reporting. The previous Integrated Reports of the Company have been well-received by various stakeholders and have been recognised internationally for its disclosures. Over the past four years, the reporting approach of the Company has further evolved. Together with the integrated reporting framework, its disclosures have been mapped with other leading frameworks and guidelines.

These include:

- Global Reporting Initiative (GRI) Standards
- United Nations Sustainable Development Goals (UN SDGs)
- Carbon Disclosure Project (CDP)
- Principles under United Nations Global Compact (UNGC)
- National Guidelines on Responsible Business Conduct (NGRBC)

The necessary disclosures under these guidelines, together with the articulation of Company's approach to long-term value creation, has improved the Company's corporate reporting practices.

16. Corporate Governance

The Company constantly endeavours to follow corporate governance guidelines and best practices sincerely and disclose the same transparently. The Board is conscious of its inherent responsibility to disclose timely and accurate information on the Company's operations, performance, material corporate events as well as on leadership and governance matters relating to the Company.

The Company has complied with the requirements of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 regarding corporate governance. A report on the Company's Corporate Governance practices and the Auditors' Certificate on compliance of mandatory requirements thereof are given as an annexure to this Report and the same is also available on the website of the Company at <https://www.jswsteel.in/investors/>.

17. Business Responsibility/ Sustainability Report

The Company is committed to pursuing its business objectives ethically, transparently and with accountability to all its stakeholders. It believes in demonstrating responsible behaviour while adding value to the society and the community, as well as ensuring environmental well-being from a long-term perspective.

The Business Responsibility Report (BRR) of the Company was being presented to the stakeholders as per the requirements of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 describing the environmental, social and governance initiatives taken by the Company. In its circular dated February 6, 2017, SEBI has further advised the top 500 listed companies (by market capitalisation) to voluntarily adopt Integrated Reporting (IR) from FY 2017-18. Subsequently SEBI vide its Notification dated December 26, 2019 and consequent amendments carried out to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has made the Business Responsibility and Sustainability Report applicable to the top 1,000 listed entities (by market capitalisation) for reporting on a voluntary basis for FY 2021-22 and on a mandatory basis from FY 2022-23.

As stated earlier in the Report, the current financial year marks the fourth year of the Company's transition towards Integrated Reporting, focusing on the 'capitals approach' of value creation. The fourth Integrated Report includes the Company's performance as per the IR framework for the period April 1, 2020 to March 31, 2021.

The Company has also provided the requisite mapping of principles of the National Guidelines on Responsible Business Conduct to fulfil the requirements of the BRR as per SEBI's directive as well as guidelines for integrated reporting and the Global Reporting Initiative (GRI). The Report which forms a part of the Annual Report, can along with all the related policies, be also viewed on the Company's website <https://www.jswsteel.in/investors/>.

18. Directors and Key Management Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Seshagiri Rao M.V.S. (DIN 00029136), retires by rotation at the forthcoming Annual General Meeting (AGM) and, being eligible, offers himself for re-appointment.

Mr. Seturaman Mahalingam (DIN 00121727), who was appointed as Director of the Company in the category of Independent Director, holds office up to the conclusion of the ensuing AGM of the Company ('first term' in terms of Section 149(10) of the Companies Act, 2013).

The Company has received a notice under Section 160 of the Companies Act, 2013 from a shareholder of the Company proposing the re-appointment of Mr. Seturaman Mahalingam for the Office of Director of the Company in the category of Independent Director for a second term up to July 20, 2026 or up to the conclusion of the 32nd AGM of the Company in the calendar year 2026, whichever is earlier.

Further, in the opinion of the Board, Mr. Seturaman Mahalingam is a person of high integrity, expertise and experience and qualifies to be appointed as an Independent Director of the Company.

In terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have enrolled themselves on the Independent Directors' Databank and will undergo the online proficiency self-assessment test within the specified timeline unless exempted under the aforesaid Rules.

The proposals regarding the re-appointment of the aforesaid Directors are placed for the approval of the Shareholders.

Karnataka State Industrial Infrastructure and Development Corporation Limited (KSIIDC) had nominated Mr. M.S. Srikar, IAS (DIN 07882939) as its nominee on the Company's Board with effect from October 23, 2020 in place of Mr. Gangaram Baderia, IAS, whose nomination was withdrawn w.e.f. October 7, 2020. KSIIDC subsequently withdrew the nomination of Mr. M.S. Srikar (vide letter dated February 19, 2021) and nominated Dr. V. Ram Prasath Manohar, IAS (DIN 08079851) as its nominee on the Company's Board with effect from May 21, 2021.

Your Directors place on record their deep appreciation of the valuable services rendered by Mr. Gangaram Baderia, IAS and Mr. M.S. Srikar, IAS during their tenure on the Board of the Company.

There were no changes in the Key Managerial Personnel of the Company during the year under review.

Further, disclosures with respect to the remuneration of Directors, KMPs and employees as required under section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure E to this Report.

19. Policy on Directors' Appointment and Remuneration

Matching the needs of the Company and enhancing the competencies of the Board are the basis on which the Nomination and Remuneration Committee selects a candidate for appointment to the Board.

The current policy is to have a balanced mix of Executive and Non-Executive Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As at March 31, 2021 the Board of Directors comprises 12 Directors, of which eight are Non-Executive, including two women Directors and two Nominee Directors. The number of Independent Directors is six, which is one half of the total number of Directors.

The policy of the Company on Directors' appointment, including criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is governed by the Nomination Policy. The remuneration paid to the Directors is in accordance with the Remuneration Policy of the Company.

More details on the Company's policy on Director's appointment and remuneration and other matters provided in Section 178(3) of the Act have been disclosed in the Corporate Governance Report, which forms a part of this Report.

20. Declaration of Independent Directors

The Company has received necessary declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

21. Board Evaluation:

The Board carried out an annual evaluation of its own performance, the performance of the Independent Directors individually as well as an evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. Details of the same are given in the Report on Corporate Governance annexed hereto.

22. Auditors and Auditor's Report

(A) Statutory Auditor's and Audit Report

At the Company's 23rd AGM held on June 29, 2017, M/s. S R B C & CO. LLP (324982E / E300003), Chartered Accountants, has been appointed as the Statutory Auditor of the Company for a term of 5 years to hold office from the conclusion of the 23rd Annual General Meeting until the conclusion of the 28th Annual General Meeting of the Company.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark, or disclaimer.

The Statutory Auditors have not reported any instance of fraud committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

(B) Cost Records & Cost Auditor

Pursuant to Section 148(1) of the Companies Act, 2013 the Company is required to maintain cost records as specified by the Central Government and accordingly such accounts and records are made and maintained.

Pursuant to Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is also required to get its cost accounting records

audited by a Cost Auditor. Accordingly, the Board, at its meeting held on May 21, 2021 has on the recommendation of the Audit Committee, re-appointed M/s. Shome & Banerjee, Cost Accountants, to conduct the audit of the cost accounting records of the Company for FY 2021-22 on a remuneration of ₹18,50,000 plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses. The remuneration is subject to the ratification of the Members in terms of Section 148, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and is accordingly placed before the Shareholders for ratification. The due date for filing the Cost Audit Report of the Company for the financial year ended March 31, 2020 was September 30, 2020 and the Cost Audit Report was filed in XBRL mode on August 17, 2020.

(C) Secretarial Auditor & Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. S. Srinivasan & Co., a firm of Company Secretaries in Practice, to undertake the secretarial Audit of the Company for FY 2020-21. The Report of the Secretarial Audit is annexed herewith as Annexure B. The Report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board, at its meeting held on May 21, 2021, has re-appointed M/s. S. Srinivasan & Co., as Secretarial Auditor, for conducting Secretarial Audit of the Company for FY 2021-22.

Secretarial Audit of Material Unlisted Indian Subsidiary

M/s. Vanita Sawant & Associates, Practicing Company Secretaries, had undertaken Secretarial Audit of the Company's material subsidiary i.e., JSW Steel Coated Products Limited for FY 2020-21. The Audit Report confirms that the material subsidiary has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances. As per the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Report of the Secretarial Audit is annexed herewith as Annexure B 1.

Annual Secretarial Compliance Report

During the period under review, the Company has complied with the applicable Secretarial Standards notified by the Institute of Company Secretaries of India. The Company has also undertaken an audit for FY 2020-21 pursuant to SEBI Circular No. CIR/CFD/CMO/I/27/2019 dated February 8, 2019 for all applicable compliances as per the Securities and Exchange Board of India Regulations and Circular/ Guidelines issued thereunder. The Report (Annual Secretarial Compliance Report) has been submitted to the Stock Exchanges within 60 days of the end of the financial year ended March 31, 2021.

23. Risk Management

The Company follows the globally recognised 'COSO' framework of Enterprise Risk Management (ERM). ERM brings together the understanding of the potential upside and downside of all those factors which can affect the organisation with an objective to add maximum sustainable value to all the activities of the organisation and to various stakeholders.

The Company recognises that the emerging and identified risks need to be managed and mitigated to –

- Protect its shareholders and other stakeholders' interest
- Achieve its business objective
- Enable sustainable growth

Pursuant to the requirement of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, the Company has a Risk Management Framework in place. It has constituted a sub-committee of Directors to oversee the ERM framework to ensure resilience such that –

- Intended risks are taken prudently so as to plan for the best and be prepared for the worst
- Execution of decided strategies and plan with focus on action
- Unintended risks like performance, incident, process and transaction risks are avoided, mitigated, transferred (like in insurance) or shared (like through sub-contracting). The probability or impact thereof is reduced through tactical and executive management, policies, processes, inbuilt systems controls, MIS, internal audit reviews etc.

24. Internal Controls, Audit And Internal Financial Controls

(A) Overview

The Company has a robust system of internal control, commensurate with the size and nature of its business and complexity of its operations.

(B) Internal Control

The Company has a proper and adequate system of internal control. Some significant features of the internal control systems are:

- Preparation of annual budgets and its regular monitoring
- Control over transaction processing and ensuring integrity of accounting system by deployment of an integrated ERP system
- Well documented authorisation matrix, policies, procedures and guidelines covering all important operations of the Company
- Deployment of compliance tool to ensure compliance with laws, regulations and standards
- Ensuring reliability of financial information by testing of internal financial controls over reporting by Internal Auditors and Statutory Auditors
- Adequate insurance of the Company's assets / resources to protect against any loss
- A comprehensive Information Security Policy and continuous updation of IT systems
- Oversight by Board appointed Audit Committee which comprises Independent Directors who are experts in their respective fields. The Audit Committee regularly reviews audit plans, significant audit findings, adequacy of internal controls and monitors implementation of audit recommendations

(C) Internal Audit

The Company has a strong and independent internal audit function that inculcates global best standards and practices of international majors into the Indian operations. The Internal Audit team consists of professionally qualified accountants and engineers. The Chief Internal Auditor reports directly to the Chairman of the Audit Committee. The team has successfully integrated the COSO framework in its audit process to enhance the quality of its financial reporting, compatible with business ethics, effective controls and governance.

The Company extensively practices delegation of authority across its team, which creates effective checks and balances within the system to arrest all possible gaps. The Internal Audit team has access to all information in the organisation – this is largely facilitated by ERP implementation across the organisation.

(D) Audit Plan And Execution

At start of the year, the Internal Audit Department prepares an Annual Audit Plan after considering Business and Process Risks. The frequency of the audit is decided by risk ratings of areas/functions. The audit plan is carried out by the internal team and reviewed periodically to include areas that have assumed significant importance in line with the emerging industry trend and the aggressive growth of the Company. In addition, the Audit Committee also places reliance on a few internal audits carried out by external firms.

(E) Internal Financial Controls

As per Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of internal financial controls.

The Company has already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity-level policies, processes controls, IT general controls and Standard Operating Procedures (SOPs).

The entity-level policies include anti-fraud policies (such as code of conduct, conflict of interest, confidentiality and whistle blower policy) and other policies (such as organisation structure, insider trading policy, HR policy, IT security policy, treasury policy and business continuity and disaster recovery plan). The Company has also prepared a risk control matrix for each of its processes such as procure to pay, order to cash, hire to retire, treasury, fixed assets, inventory, manufacturing operations, etc.

These internal controls are reviewed by Internal Auditors every year. The Company has carried out evaluation of design and effectiveness of these controls and has noted no significant material weaknesses or deficiencies that can impact financial reports.

25. Fixed Deposits

The Company has not accepted any fixed deposits from the public. Therefore, it is not required to furnish information in respect of outstanding deposits under Non-banking, Non-financial Companies (Reserve Bank) Directions, 1966 and Companies (Accounts) Rules, 2014.

26. Share Capital

The Company's authorised share capital during the financial year ended March 31, 2021, remained at ₹9015,00,00,000 (Rupees Nine Thousand Fifteen crores only) consisting of ₹6015,00,00,000 (Rupees Six Thousand Fifteen crores only) equity shares of ₹1/- (Rupee One only) each and ₹300,00,00,000 (Three Hundred crores) preference shares of ₹10/- (Rupees Ten only) each.

The Company's paid-up equity share capital remained at ₹241,72,20,440 comprising of 241,72,20,440 equity shares of ₹1 each, whereas the paid-up preference share capital of the Company as at the financial year ended March 31, 2021 is Nil.

27. Foreign Currency Bonds

During the year under review, the Company's subsidiary, Periana Holdings LLC, issued 5.95% Fixed Rate Senior Unsecured Notes guaranteed by the Company, aggregating to US\$ 750 million, due in April 2026.

As on March 31, 2021, the outstanding Notes issued by the Company are aggregating to US\$ 1,400 million and outstanding Notes issued by the Company's subsidiary are aggregating to US\$ 750 million. All the outstanding Notes issued in the international market are listed on the Singapore Exchange Securities Trading Limited (the "SGX-ST").

28. Issuance of Non-Convertible Debentures

During the year under review, the Company issued and allotted 10,000, 8.50% Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures (NCDs) of ₹10,00,000 each of the Company, aggregating to ₹1,000 crores (Rupees One Thousand crores) and 40,000, 8.50% Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs) of ₹10,00,000 each of the Company, aggregating to ₹4,000 crores (Rupees Four Thousand crores) to investors on private placement basis.

As on March 31, 2021, the outstanding NCDs are aggregating to ₹10,000 crores. All the outstanding NCDs are listed on BSE Limited.

29. Credit Rating

In April 2020, Moody's Investors Service had placed Ba2 Corporate Family Rating and Senior Unsecured Bond Rating due in 2022, 2024 and 2025, respectively, under review for downgrade. In July 2020, Moody's Investors Service reaffirmed Corporate Family Rating and Senior Unsecured Bond Rating at Ba2, with outlook changed to Negative. In March 2021, the agency reaffirmed the ratings at Ba2, with outlook changed to Stable.

Also in May 2020, Fitch Ratings downgraded the Company's long-term Issuer Default Rating (IDR) and Senior Unsecured Bond rating due in 2022, 2024 and 2025, respectively, to BB-, with a Negative outlook. Fitch Ratings vide their release dated May 19, 2021 has reaffirmed the Company's rating at BB- with outlook revised to Positive.

The short-term debt / facilities of the Company continue to be rated at the highest level of "A1+" by CARE Ratings and ICRA Ltd. In September 2020, the domestic credit rating for long-term debt facilities/ NCDs was reaffirmed at "CARE AA-" with Stable outlook by CARE Ratings. In December 2020, the domestic credit rating for long-term debt facilities/ NCDs was reaffirmed by ICRA Ltd at "ICRA AA-" with outlook changed from Negative to Stable. In March 2021, the domestic credit rating for long-term debt facilities/ NCDs by ICRA Ltd was again reaffirmed at "ICRA AA-" with outlook changed from Stable to Positive.

In September 2020, India Ratings and Research has assigned long-term issuer rating and rating for the outstanding NCDs of the Company as "IND AA" with Negative outlook. Further in March 2021, the agency reaffirmed rating at "IND AA", with outlook changed to Stable.

30. Employee Stock Option Plan

The Board of Directors of the Company, at its meeting held on January 29, 2016, formulated the JSWSL Employees Stock Ownership Plan - 2016 (ESOP Plan), to be implemented through the JSW Steel Employees Welfare Trust (Trust), with an objective of enabling the Company to attract and retain talented human resources by offering them the opportunity to acquire a continuing equity interest in the Company, which will reflect their efforts in building the growth and the profitability of the Company. The ESOP Plan involves acquisition of shares from the secondary market.

A total of 2,86,87,000 (Two crores Eighty-Six Lakhs Eighty-Seven Thousand) options were available for grant to the eligible employees of the Company and its Director(s), excluding Independent Directors and promoter Directors, and a total of 31,63,000 (Thirty-One Lakh Sixty Three Thousand) options were available for grant to the eligible employees of the Indian Subsidiaries of the Company and their Director(s), excluding Independent Directors, under the ESOP Plan.

Accordingly, 1,59,44,271 options have been granted over a period of three years under this plan by the JSWSL ESOP Committee to the eligible employees of the Company and its Indian subsidiaries, including the Whole-time Directors of the Company. The details of the ESOPs granted to Mr. Seshagiri Rao M.V.S, Dr. Vinod Nowal and Mr. Jayant Acharya, Whole-time Directors of the Company, are as given in the given table. The grant of ESOPs to the Whole-time Directors of the Company has been approved by the Nomination and Remuneration Committee and the Board.

JSWSL ESOP Committee Meeting	Total options granted	Options granted to Whole-time Directors of the Company		
		Mr. Seshagiri Rao M.V.S	Dr. Vinod Nowal	Mr. Jayant Acharya
May 17, 2016 (1 st Grant)	7,436,850	192680	179830	179830
May 16, 2017 (2 nd Grant)	5,118,977	127968	127968	119436
May 15, 2018 (3 rd Grant)	3,388,444	87841	87841	81985
Total	15,944,271	408489	395639	381251

As per the ESOP Plan, 50% of these options will vest at the end of the third year and the balance 50% at the end of the fourth year. The applicable disclosures relating to ESOP plan of 2016, as stipulated under the ESOP Regulations, pertaining to the year ended March 31, 2021, is posted on the Company's website at <https://www.jswsteel.in/investors/> and forms a part of this Report.

Voting rights on the shares, if any, as may be issued to employees under the aforesaid ESOP Plans are to be exercised by them directly or through their appointed proxy. Hence, the disclosure stipulated under Section 67(3) of the Companies Act, 2013 is not applicable.

There is no material change in the aforesaid ESOP Plans and the same are in compliance with the ESOP Regulations.

The Certificate from the Statutory Auditors of the Company certifying that the Company's Stock Option Plans are being implemented in accordance with the ESOP Regulations and the resolution passed by the Members, would be available for inspection during the meeting in electronic mode and the same may be accessed upon login to <https://evoting.kfintech.com>

31. JSWSL Employees Samruddhi Plan 2019

The JSWSL Employees Samruddhi Plan 2019 ("Plan") was approved by a special resolution passed by the shareholders of the Company by way of a postal ballot on May 17, 2019. The Plan has been effective from April 1, 2019. The scheme is a one-time scheme applicable only for permanent employees of the Company, working in India (excluding an employee who is a promoter or a person belonging to the promoter group, a probationer and a trainee) in the grade L01 to L15 ("Eligible Employee"), who were not covered under the earlier JSWSL Employees Stock Ownership Plan - 2016.

The Indian subsidiary companies have a similar scheme to cover their employees. The Company, in terms of the applicable provisions of the Companies Act, 2013 ("Act"), the rules framed thereunder and all other applicable rules and regulations, including those issued by the SEBI, to the extent applicable, has implemented the Plan, wherein the Eligible Employee will be eligible to acquire equity shares of face value ₹1 each directly from the open market.

The Eligible Employee will be able to purchase the equity shares from the open market by availing a loan provided by a bank / non-banking financial institution ("Lending Agency") and a broker identified by the Company to facilitate acquisition of equity shares by the Eligible Employees under the Plan. The

equity shares bought by the Eligible Employee will be subject to a lien in favour of the Lending Agency for a period of two years. After expiry of the said period of two years, the Eligible Employee can either repay the entire loan amount, after which the equity shares will become free of the lien, or the Lending Agency will recover the principal amount by selling the equity shares and will transfer the difference, if any, between the principal amount and the sale value (i.e. market price as on the date of the sale x no. of equity shares sold) to the Eligible Employee. The interest on the loan will be serviced by the Company and the Eligible Employee in the ratio of 3:1 (the Company will bear 75% of the total interest liability owed to the Lending Agency and the balance 25% will be borne by the Eligible Employee).

The Plan is being administered through the existing JSW Steel Employee Welfare Trust in accordance with applicable laws. The number of equity shares that are the subject matter of the Plan in terms of the approval accorded by the Members by way of a postal ballot on May 17, 2019, shall not be more than 1,24,97,000 representing 0.517% of the issued equity share capital of the Company.

As on March 31, 2021, the outstanding number of shares under the Plan stands at 66,98,000 shares subscribed by 5,638 employees.

32. Awards

Vijayanagar

- CII National Award 2020 for Excellence in Energy Management (Metal Sector) for plants that achieve excellence in energy conservation
- Golden Peacock Award 2020 for Energy Efficiency in Steel Sector for encouraging initiatives in promoting activities relating to energy efficiency improvement
- CII National Award for Excellence in Water Management 2020 for pre-eminence in the field of water resource management
- Awarded the Second Prize at IIM National Sustainability Award for best quality and registering highest product development and environmental performance
- Mr. S P Singh, recognised with IIM - SMS Demag Excellence Award for outstanding contribution to the Iron and Steel Industrial sector
- Mr. A Srinivas Rao, honoured with IIM - TSL New Millennium Iron Award for outstanding and original contribution in the area of blast furnace based iron making

- Misrilal Jain Environment Award (FIMI Awards) for efforts towards environmental protection and management
- Outstanding performance by Quality Circle teams at State, National and International Forums

The improvement projects were presented at State, National and International forums through video conference. The summary is described below.

- **State Level**
30 Gold and 5 Silver Awards with highest participation (single location) and highest number of Gold Awards in the Karnataka region
- **National Level**
16 Par Excellence, 13 Excellence and one Distinguished Award
- **International Level**
11 Platinum Awards

Dolvi

- National Level Award at CII SIXSIGMA competition held in September 2020 for Six Sigma project on longitudinal crack reduction at CSP Caster
- 25 Quality Circle teams won Gold Award at CCQC-2020 competition held in September 2020 and 23 Quality Circle teams won Par Excellence/ Excellence awards at National Convention on Quality Concepts (NCQC-2020) competition held in November 2020

Salem

- 7 teams that participated in the International Convention on Quality Control Circles won Platinum awards
- 16 teams nominated for NCQC; 13 won Par Excellence and 3 won Excellence Awards
- In the state level Quality Circle Convention, 25 teams were nominated and 23 won Par Excellence and 2 won Excellence Awards
- IMC Ramakrishna Bajaj National Quality award for MQH Best practices: Best innovative project under manufacturing category for the project "Manufacture of Paver Block from steel-making Slag – Waste to Wealth"
- 2nd runner up at ISQ TOPS convention I for the project from SMS "Ferro alloy cost optimisation in Rail steel grades"
- 1st & 2nd runner up awards at ISQ TOPS Convention II for the project from BRM ("Pass life improvement in NTM stand #28") and BF ("Enhancing PCI rate in BF#1")
- Kaizen competition (organised by ABK-AOTS DOSOKAI): Five teams (PPC, Materials, Admin, IT, Security and HR) clinched awards

Other Awards

The Company is the only Indian company ranked among the top 10 steel-producers in the world by World Steel Dynamics for the last 10 consecutive years. The Company has been widely recognised for its business and operational excellence. Key honours and awards include:

- World Steel Association's Steel Sustainability Champion for three consecutive years – 2020, 2019, 2018
- Deming Prize for Total Quality Management at Vijayanagar and Salem
- Carbon Disclosure Project (CDP) rated JSW Steel Ltd. at Leadership Level (A-) signifying the implementation of current best practices to mitigate climate change
- Golden Peacock Award for Sustainability 2020
- Recognition of the Integrated Report FY 2019-20 as the world's best Integrated Report in the Materials space (Platinum category) in its class by League of American Communications Professionals LLP
- Marked its entry into The Sustainability Yearbook 2021 released by S&P Global

33. Directors' Responsibility Statement

Pursuant to the requirements under Section 134, sub-section 3(c) and sub-section 5 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state and confirm that:

- In the preparation of the annual accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures.
- Such accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent to give a true and fair view of the Company's state of affairs as on March 31, 2021 and of the Company's profit or loss for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual financial statements have been prepared on a Going Concern Basis.
- Internal financial controls were laid down to be followed and that such internal financial controls were adequate and operating effectively.
- Proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

34. Related Party Transactions

All Related Party Transactions (RPT) that were entered into during the financial year were on an arm's length basis and predominantly in the ordinary course of business. Specific approvals as required under the Companies Act, 2013, has been obtained for transactions that are not in the ordinary course of business.

The policy on dealing with RPT as approved by the Board is uploaded on the Company's website (<https://www.jsw.in/investors/investor-relations-steel>). The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. This policy specifically deals with the review and approval of RPT, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All RPT are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for RPT that are of repetitive nature and / or entered in the ordinary course of business and are at arm's length. All RPT are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of RPT under the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The disclosure of material RPT is required to be made under Section 134(3)(h) read with Section 188(2) of the Companies Act, 2013 in Form AOC 2. The details of the material RPT, entered into during the year by the Company, as per the policy on RPTs approved by the Board, is given in Annexure D to this Report.

Your Directors draw your attention to Note No. 24 of the Standalone financial statements, which sets out related party disclosures.

35. Disclosures

- Number of Meetings of the Board of Directors**
During the year, four Board meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Regulations 17 of the Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulation, 2015.
- Audit Committee**
The Audit Committee comprises one Executive Director and three Non-Executive Independent Directors. Mr. Seturaman Mahalingam is the Chairman of the Audit Committee. The Members possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange

Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. There were no recommendations of the Audit Committee that have not been accepted by the Board.

- Copy of Annual Return**
Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copies of the Annual Return of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and are accessible at the web-link: <http://www.jsw.in/investors/investor-relations-steel>
- Whistle Blower Policy / Vigil Mechanism**
The Company has a mechanism in the form of the Whistle Blower Policy / Vigil Mechanism to deal with instances of fraud and mismanagement, if any. Details of the same are given in the Corporate Governance Report.
- Particulars of Loans, Guarantees or Investments Under Sec. 186**
Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.
- Details of Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status and Company's Operations in Future**
There are no significant or material orders passed by the Regulators/ Courts/ Tribunals that could impact the going concern status of the Company and its future operations.

However, Members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the financial statements.
- Particulars Regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**
Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, is given in the statement annexed (Annexure A) hereto and forms a part of this Report.
- Disclosure under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013**
The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace

(Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has also complied with the provisions related to the constitution of an Internal Complaints Committee (ICC) under the said Act to redress complaints received regarding sexual harassment. The Company received no complaints pertaining to sexual harassment during FY 2020-21.

(I) Other Disclosures / Reporting

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOPs referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

Your Directors further state that no application has been made against the Company during the financial year 2020-21 nor are there any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), as at the end of the said financial year. Also, there were no instances of one time settlement with any bank or financial institution during the FY 2020-21.

36. Acknowledgment

Your Directors take this opportunity to express their appreciation for the cooperation and assistance received from the Government of India, Republic of Chile, Mauritius, Mozambique, Italy, the US and the UK, the State Governments of Karnataka, Maharashtra, Tamil Nadu, West Bengal, Jharkhand and Odisha and the financial institutions, banks as well as the shareholders and debenture holders during the year under review. The Directors also wish to place on record their appreciation of the devoted and dedicated services rendered by all employees of the Company and support extended by suppliers/vendors and Customers.

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 21, 2021

Sajjan Jindal
Chairman

ANNEXURE – A TO DIRECTORS' REPORT

INFORMATION IN ACCORDANCE WITH THE PROVISIONS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013, READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Energy Conservation

The Company continued to focus on initiatives that enable improved efficiency in energy use and has deployed several technological interventions to conserve energy.

The Energy departments across facilities renewed efforts by carrying out energy benchmarking with the best-in-class steel players and adopting some of the relevant best practices. Energy conservation was taken up as a key improvement theme during the year and the approach prioritises actions through a three-pronged strategy:

1. **Prevention / minimisation** – i.e., Preventing wastage / minimisation of energy usage by relentless optimisation of process parameters to achieve lower values of fuel / energy consumption.
2. **Improving Recovery** – deploying innovative methods of recovering higher amount of unused fuel heat in various process exhausts / recovery systems.
3. **Higher Re-use / Re-cycling** – studying available potential of recovered energy from various sources and doing a cost-benefit analysis of practices required.

Steps Taken for Energy Conservation:

Vijayanagar

- i) Achieved above 100 TPH process steam generation through by-product gas fired process boilers.
- ii) Reduced oxygen venting losses through better demand and supply management.
- iii) Supplied nearly 761 KNm³/hr by-product gas to power plants
- iv) Reduced solid fuel consumption via waste gas recirculation system at Sinter plant 4.
- v) Up-graded Environmental Management Centre (EMC) control room and servers for better monitoring of gas network signals.
- vi) Achieved gross power generation of ~65 MW through Coke Oven Coke Dry Quenching (CDQ).
- vii) Attained Blast Furnace Top recovery power generation of 17 MW.

- viii) Generated 25-27 TPH of Steam through sinter cooler waste heat recovery boiler.
- ix) Increased LD gas recovery to 112 Nm³/Tcs, through process improvements like early intermediate de-slagging and calibration of the calorific value meter.
- x) Achieved interconnect of steam line between iron zone and steel zone, resulting in optimum utilisation of steam.
- xi) Achieved energy saving across CRM-1 and BRM-1 through installation of variable-voltage/variable-frequency (VVVF) drives.

Dolvi

- Initiated usage of Coke Oven Gas in place of Natural Gas across several operational areas and achieved substantial energy savings.
- Optimised capacity utilisation and waste heat recovery, thereby enhancing steam generation capacity by 58%.
- Reduced solid fuel heat rate in sinter plant by ~4% through optimisation of process parameters.
- Reduced power rate at Coke Oven 1 by 4.1%.
- Increased power generation from Top-Pressure Recovery Turbine (TRT) by 22.5% in FY 2020-21.

Salem

- Auto adjustment of vacuum set point in air cooled condenser. Specific steam consumption reduced with power saving of ~1.6 lakh kWh per month during the winter season.
- Optimised speed in Variable-Frequency Drive (VFD), led to reducing load on Coke Oven plant quenching pump.
- Improved chimney damper control valves sealing and increase in Induced Draft (ID) fan motor capacity helped enhance Waste heat recovery boiler (WHRB) steam generation by 4% with energy saving of ~42,000 Gcal per annum.
- Installed VFD at intake water pump house (IWPH), and optimised power consumption.
- Introduced high efficient molecular sieves in Air Purification System, which reduced the regeneration temperature and led to power saving.

The steps taken by the company for utilising alternate sources of energy:

Vijayanagar

Company is working progressively for electricity use from hybrid renewable energy sources i.e wind and solar.

Salem

Feasibility study on-going for Roof Top Solar Energy project

Expenditure on Energy Conservation Project

Vijayanagar

Capital expenditure of ₹3.68 crores was incurred on energy conservation projects, resulting in a reduction of 0.002 Gcal/TCS

Dolvi

Capital expenditure of ₹2.25 crores was incurred on energy conservation projects, resulting in a reduction of 0.033 Gcal / tcs

Salem

Capital expenditure of ₹0.72 crores was incurred on energy conservation projects, resulting in a reduction of 0.02 Gcal / tcs

Research and Development (R&D)

1. Specific areas in which R&D activities were carried out by the company

The Company's Research and Development (R&D) activities involve new Process and Product development, process improvements for maximisation of quality, cost and energy optimisation, waste utilisation and conservation of natural resources.

The key focus areas include:

- Optimisation of resource utilisation.
- Quality, productivity and cost optimisation through process efficiency improvements.
- Product development, customisation and new applications.
- Recycling and reuse of process waste and conservation of natural resources.
- New application developments and promotion of slag usage in the country.
- New process technology development for process intensification and productivity.

The Company's R&D is actively involved in Industry-Institute partnership and has initiated five collaborative projects in FY 2020-21 with leading academic and research institutes in India - IISc Bangalore; National Council for Cement and Building Materials, Haryana; Stedrant Technoclinic, Bangalore; BBQI Bangalore, and Dalmia Cement Ltd., Odisha.

The Company is also associated with advanced research programmes with partial funding from Ministry of Steel and Ministry of Human Resource Development and the development work is in progress.

2. Benefits derived as a result of R&D efforts

A) Vijayanagar

Key Projects Completed

- Development of beneficiation circuit for low grade iron ores from JSW mines to utilise in agglomeration and subsequently for iron making.

- Synthesis of hematite from BHQ/low grade iron ores. Introduced a process to extract iron ore concentrate from silica rich banded hematite quartzite iron ore in which hematite occurs in layers along with quartzite (silica).
- Improvement in granulation of sinter mix using chemical additive.
- Conducted a laboratory scale pelletisation study to investigate the effect of high manganese oxide (MnO) iron ore on pellet quality and achieved cost savings.
- Used Machine Learning for prediction of Pellet and Sinter properties. The key benefits of these online property prediction models include reduction of analysis time, saving of consumables along with quality improvement of pellet and sinter.
- Developed online predictive models for hot metal silicon (Si) and carbon monoxide (CO) gas utilisation in blast furnace to improve efficiencies.
- Used DRI sludge briquetting in steelmaking process as a coolant. The addition of DRI sludge in the blend has improved the metallic iron and iron oxide content of the briquettes.
- Increased elongation in Corrosion Resistant Steel (CRS) 600 TMT grade. Optimisation of processes, with cooling bed entry temperature control led to achieving elongation of the product.
- A new Zn-Al-Mg (Zinc-Aluminium-Magnesium) based hot dip coating was developed in-house which offers superior corrosion resistance as compared to conventional galvanised coatings on steel substrates.
- Recycling plastic in Coke Oven and Electric Arc Furnace
A suitable feeding system has been designed and installed at Coke Oven-3 to feed the shredded waste plastic along with the coal blend. About 35 tonnes of waste plastic has been recycled in coke oven, with subsequent reduction in electrical energy consumption.
- Development of steel slag based paver blocks for civil applications
EAF slag is processed and converted into suitable form for its usage in paver and concrete brick manufacturing as per the standard specifications. Different shapes of pavers have been cast for usage at the road sides. New design mix has been developed to utilise 100% EAF slag component in manufacturing of paver and concrete bricks.

New Products Developed

- Development of new generation high strength steels mainly for automotive and electrical applications have been the major focus at JSW Vijayanagar works.
- The developments include incremental improvements in product properties to match the customer requirements and new grades for new applications.
- A total of 37 numbers of new steel grades have been developed. It includes 13 grades for import substitution and 7 grades for advanced high strength steels (AHSS).

B) Dolvi

Key Projects Completed

- Study on granulation of coal fines and its impact on sinter properties was initiated to understand technical feasibility of external granulation of coal and possibility of improvement of sinter properties.
- Study on the effect of using of calcined lime for making basic pellets as a flux and binder in fluxed pellet. Laboratory scale results indicate a potential of improving pellet quality and reduction in gangue content.
- Computational fluid dynamics (CFD) modelling for simulating coal and NG/COG co-injection in BF. This model helps in optimisation of pulverised coal injection and co-injection of auxiliary gaseous fuels which will be useful in reducing coke consumption and reducing environmental pollution.
- Optimisation of calcium treatment for different steel grades to avoid solid inclusion in the final steel product. A detailed study was done to evaluate and optimise the calcium addition based on the amount of targeted inclusions.
- Mathematical modelling of heat transfer in Compact Strip Production (CSP) Caster was developed to calculate the heat transfer across the slab. The model is used to investigate how the CSP caster parameters in combination affects the slab temperature field, and may increase the productivity of CSP casters with acceptable quality of cast product.
- Development of Machine Learning model to forecast casting defects from the running casting process parameters and to trace the parameters that lead to the occurrence of the defect.
- Estimation of energy consumption of CONARC® by optimising the available plant resources using the multivariable regression method.

- Heat transfer and phase transformation modelling has been developed to obtain the coiling temperature of strip cooled at the run out table (ROT) of the hot strip mill (HSM).
- Studying Impact of alloy chemistry and processing parameter on edge burr defects in low carbon steels for cold rolling/forming application.

Other important developments carried out at R&D

- Automated Inclusion Analysis Software for inclusion characterisation & classification studies.
- Installation of high intensity mixer in pellet lab
- Installation of high speed camera & monitoring system for study of pellet nucleation & growth.
- Upgradation of metallography lab with new equipment for sample preparation.

New Products Developed

- Total 5 new products developed and 65 products customised to cater the customers' requirements.
- New products included two HRC grade and three TMT grade

C) Salem

Key Projects Completed

- Development of tungsten alloy steel for doffer wire application.
- Development of fine grained Cold Heading Quality (CHQ) steels with improved upsetability.
- Process development for making free cutting steel
- Development of process for tire cord steel production
- Prediction of austenite grain size during rolling for wire rod coils and bar products.

New Products Developed

- A total of 14 new grades have been developed for various applications like automotive, rail, textile, general engineering etc.

3. Expenditure on R&D (2020-21)

Item	(₹ in Crs)
Capital	10
Revenue	28
Total	38
Total as % PAT	0.45%

A. Technology Absorption, Adoption And Innovation

A) Vijayanagar

- Commissioned Down Hill Conveyor 1 (Devdhari to Bhujangnagar)
- Commissioned Wire Rod Mill-2, Pellet Plant-3, Continuous Galvanising Line -2 and Zero Power Furnace (ZPF)
- Achieved upgradation of PLTCM to 1.8 MTPA
- Commissioned Thin Film X-ray Fluorescence (XRF), Fatigue Testing Equipment and induced dry belt magnetic separator

B) Dolvi:

- Successful commissioning of Hot Metal Granulation Plant (5000 TPD), Coke Oven Battery-D (0.75 MTPA), Chilled Water Plant (4000 TR) and Soft DM water for SMS-2

C) Salem:

- Commissioning of slag detection system and online bloom size measurement system in CCM-2
- Slag raking system commissioned in EOF2
- Commissioned cold abrasive saw facility for blooming mill products and agitated thin film dryer for pickling plant effluent treatment

Intellectual Property

4.1 Patents

Vijayanagar

Patents filed - 16 Nos.

1. A process of sintering iron ore including soft and porous iron ore.
2. Glass ceramic including a CMAS system based glass ceramic composition involving solid waste generated in steel plant and method of preparing thereof.
3. A system for cleaning material deposits in a confined space.
4. A spray head assembly for sample quenching in thermo-mechanical testing system.
5. An iron ore sintering composition and a method of manufacturing iron ore sinter with improved strength using fines.
6. A method of manufacturing iron ore sinter using high loss-on-ignition (LOI) iron ore.
7. Iron oxide waste sludge agglomerates and method of using the same in steel making process.
8. High silicon and low carbon hot rolled steel with excellent formability and mechanical properties and a process of manufacturing thereof.

9. A denitrating flux composition and a method to remove nitrogen from molten steel to form denitrogenated molten steel.
10. Zinc-aluminum-magnesium based hot-dip coating composition and coated steel having excellent corrosion resistance, adherence and weldability obtained thereof.
11. A process to extract iron ore concentrate along with sodium silicate from banded hematite quartzite (BHQ) ore without tailings.
12. A system for mineral separation and a process thereof combining froth flotation and gravity separation.
13. A method of manufacture of cementitious material from steel slag.
14. A method of manufacture of belite based cementitious material from steel slag.
15. A pneumatic conveying equipment to inject low-density shredded waste into furnace.
16. Cold rolled high strength steel sheet with improved bendability and method of manufacturing the same.

Patents Granted - 11 Nos.

1. An injection lance for desulphurisation of hot metal by injecting reagents along with carrier gas and a process thereof.
2. A monolithic castable using process waste for low temperature applications.
3. Hot rolled low carbon steel sheets for direct drawing application.
4. A method of controlled ramping of tundish weight for reduced emulsification and a system thereof.
5. A method for producing iron ore pellet with improved quality and increased production and a system thereof.
6. An oven identification system for coke ovens for alignment and positioning of guide and pusher car.
7. A tundish adapted for reduction in residual metal losses and a method thereof.
8. A metallurgical material handling vessel / slag vessel adapted to be resistant to localised heat zone based thermal stresses and equipment failure.
9. Sinter with improved strength and a process for its production favouring reduced sinter return fines.
10. A process for treating high manganese hot metal in LD converter.
11. A process for producing iron ore pellets involving iron oxide and carbon sourced from Corex sludge.

Dolvi

Patents Filed - 3 Nos.

1. Low cost hot rolled high strength low alloy (HSLA) steel with improved hole expansion ratio and method of producing the same.
2. A process for sinter production including wettability of sinter feed mix for improved granulation fitness and sinter productivity.
3. High strength corrosion resistant Thermo-mechanically-treated (TMT) rebars having yield strength of 600 MPa (min) and a process for its production.

Patents Granted - 3 Nos.

1. A system for controlled introduction of lance from top for controlled oxygen blowing in furnaces such as electric arc furnace including CONARC® furnace.
2. A system and method of steel making involving advancements in art of oxygen blowing in CONARC® furnace
3. A system for heating coke oven battery and a method of such heating.

Salem

Patents Granted - 1 No.

A process adapted for improving coke yield in non-recovery coke manufacture

4.2 Publication of Technical Papers Vijayanagar

Total number of 12 technical papers have been published

Dolvi

Total number of 3 technical papers have been published

Salem

Total number of 2 technical Papers published

The benefits derived like process improvements, cost reduction, product development or import substitution:

The R&D developments in process improvement, product development, energy optimisation and cost reduction have helped in substantial savings in operational costs.

Saving (₹ in crores) - FY: 2020-21

Vijayanagar	Dolvi	Salem
68	11	4

Information regarding imported technology (imported during the last three years reckoned from the beginning of the financial year)

Innovation / Technology	Year of Import	Status
Vijayanagar		
Commissioning of Raw water pond of 1.1 TMC	2018-19	Commissioned
Commissioning of tailing beneficiation plant at OBP2	2018-19	Commissioned
Commissioning of world's largest pipe conveyor system of 24 km	2018-19	Commissioned.
Commissioning of Maximum Emission Reduction of Sintering (MEROS) and Waste Gas Recirculation (WGR) system at Sinter Plant-4.	2019-20	Commissioned
Upgradation of Continuous Pickling Line No.2 at CRM-1	2019-20	Commissioned
Commissioning of Hot forming Press at R&D Dept.	2019-20	Commissioned
Commissioning of Drop weight Tester at R&D Dept.	2019-20	Commissioned
Commissioning of Horizontal Tube Furnace at R&D Dept.	2019-20	Commissioned
Installation of Simulia 3D Experience platform at R&D Dept.	2019-20	Commissioned
Down Hill Conveyor 1 (Devdhari to Bhujangnagar)	2020-21	Commissioned
Wire Rod Mill #2	2020-21	Commissioned
Continuous Galvanising Line #2	2020-21	Commissioned
PLTCM Upgradation to 1.8 MTPA	2020-21	Commissioned
Pellet Plant #3	2020-21	Commissioned
Zero Power Furnace (ZPF)	2020-21	Commissioned
Thin Film XRF	2020-21	Commissioned
Fatigue Testing Equipment	2020-21	Commissioned
Induced dry belt magnetic separator	2020-21	Commissioned
Dolvi		
LCP Fuel Conversion	2018-19	Commissioned
2200 TPD Oxygen Plant	2018-19	Commissioned
Coke Oven Battery A&B	2018-19	Commissioned
Revamping of Stove-4 in Blast Furnace-1	2019-20	Commissioned
Commissioning of new cyclone at Blast Furnace-1	2019-20	Commissioned
Hot Metal Granulation Plant (5000 TPD)	2020-21	Commissioned
Coke Oven Battery-D (0.75 MTPA)	2020-21	Commissioned
Chilled Water Plant (4000 TR)	2020-21	Commissioned
Soft DM water for SMS#2 & CPP#2&3 (140 m ³ /hr)	2020-21	Commissioned
Salem		
Commissioning of Bar Annealing Furnace	2018-19	Commissioned
Commissioning of Paver Block Machine	2018-19	Commissioned
25 kg melting capacity Induction Furnace	2019-20	Commissioned
Online size measurement device for bar products and Garret Coiler wire rod products	2019-20	Commissioned
Commissioning of slag detection system in CCM 2	2020-21	Commissioned
Slag raking system commissioned in EOF2	2020-21	Commissioned
Cold abrasive saw facility for blooming mill products	2020-21	Commissioned
Online bloom size measurement system in CCM 2	2020-21	Commissioned
Agitated thin film dryer for pickling plant effluent treatment	2020-21	Commissioned

B. Foreign Exchange Earnings and Outgo:

Total Foreign exchange used and earned during the year:

	₹ in crores	
	FY 2020 - 21	FY 2019 - 20
Foreign Exchange earned	14,327	9,677
Foreign Exchange used	17,015	22,680

Annexure - B to Directors' Report

**Form No. MR- 3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED March 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JSW STEEL LIMITED
JSW Centre, Bandra-Kurla Complex,
Bandra (East), Mumbai,
Maharashtra- 400 051

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JSW STEEL LIMITED bearing CIN: L27102MH1994PLC152925 (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

The continuing uncertainties and restrictions on opening of offices and in the movement of people across the country arising out of COVID-19 has resulted in limiting our access to physical records of the Company. We have, therefore, examined, in the best possible manner through the virtual platform the books, papers, minutes books, forms and returns filed and other records maintained by the company for the financial year ended March 31, 2021 according to the provisions of:

- The Companies Act, 2013, (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956, ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996, and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as may be appropriately applicable for the period under review:
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

The provisions of the said regulations are not applicable to the Company during the year under review.

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014;

The provisions of the said regulations are not applicable to the Company during the year under review.

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

The provisions of the said regulations are not applicable to the Company during the year under review.

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

The provisions of the said regulations are not applicable to the Company during the year under review.

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and

j. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Redeemable Preference Shares) Regulation, 2013.

The provisions of the said regulations are not applicable to the Company during the year under review.

vi. All other relevant applicable laws including those specifically applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes are in place to monitor and ensure compliance with those laws.

We have also examined compliance with the applicable clauses of the following Secretarial Standards:

The Secretarial Standards issued and notified by the Institute of Company Secretaries of India SS- 1 & SS- 2 have been complied with by the Company during the financial year under review.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the meetings of the Board of Directors were carried through on the basis of majority and there were no dissenting views by any Member of the Board during the year under review.

We further report that:

Based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary/ Chief Financial Officer/ Whole-time Director taken on record by the Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that, during the audit period, except the events listed below no other events occurred which had any major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards and that the Company has complied with such of those relevant clauses thereto which are applicable:

- The Company redeemed 8.65% Secured NCDs of ₹10,00,000 each aggregating to ₹120 crores on 12th May, 2020.
- The Company allotted 40,000 rated, listed, secured, redeemable, non-convertible debentures bearing a face value of INR 10,00,000 (Rupees Ten Lakhs only) each, aggregating to INR 4000,00,00,000 (Rupees Four Thousand crore Only) on private placement basis.

- The Company allotted 10,000 Nos 8.50% rated, listed, unsecured, redeemable, non-convertible debentures bearing a face value of INR 10,00,000 (Rupees Ten Lakhs only) each, aggregating to INR 1000,00,00,000 (Rupees One Thousand crore Only) on private placement basis.
- The Company has completed the acquisition by acquiring the balance 26.45% of the issued and paid up share capital of JSW Vallabh Tinplate Private Limited. Accordingly, JSW Vallabh Tinplate Private Limited has become a wholly owned subsidiary company of JSW Steel limited with the Company's direct and indirect (through its wholly owned subsidiary Vardhman Industries Limited) shareholding in JSW Vallabh Tinplate Private Limited being 100%.
- Based on the order of the Hon'ble Supreme Court of India dated 6th March 2020 in Kalyani Transco v. M/s. Bhushan Power and Steel Ltd. in CA 1808 of 2020, subsequent mutual understanding between the erstwhile Committee of Creditors and the Company pending the adjudication of appeals before the Hon'ble Supreme Court and considering the judgement dated January 19, 2021 passed by the Hon'ble Supreme Court in Manish Kumar v. Union of India (W.P. (C) no. 26 of 2020) which has inter alia held that section 32A of the Insolvency and Bankruptcy Code, 2016 is valid and constitutional, the Company has implemented the Resolution Plan submitted by it for Bhushan Power & Steel Limited ("BPSL") under the Insolvency and Bankruptcy Code, 2016, as approved by the Committee of Creditors of BPSL and the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi ("NCLT") by its order dated 5th September 2019 and the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by its order dated February 17, 2020 ("Resolution Plan").

Pursuant to the subscription and shareholders agreement between the Company, JSW Shipping & Logistics Private Limited ("JSLPL") and Piombino Steel Limited ("PSL"), JSLPL converted the optionally convertible debentures held by JSLPL in PSL into equity shares of PSL on 27.03.2021. Pursuant to the conversion, JSLPL holds 51% equity in PSL and the Company holds 49% equity in PSL. JSLPL and the Company will jointly control and manage Bhushan Power & Steel Limited through PSL. The Company continues to hold the optionally convertible instruments (convertible to equity shares at par) issued to the Company by PSL.

- The Company has completed the acquisition of Asian Colour Coated Ispat Limited (ACCIL) through its wholly owned subsidiary JSW Steel Coated Products Limited (JSWSCPL) on 26th October, 2020.

For S. Srinivasan & Co.,
Company Secretaries

Sd/-
S. Srinivasan
Practicing Company Secretary
FCS: 2286 | CP. No.: 748
UDIN: F002286C000319735

Place: Chennai
Date: May 15, 2021

Annexure A

To,
The Members,
JSW STEEL LIMITED
JSW Centre, Bandra-Kurla Complex,
Bandra (East), Mumbai,
Maharashtra- 400 051

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

- Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit Report is limited to virtual examination based on inputs provided by the management in soft copies. Any material deviation or non-compliance which may have occurred during the year under review and which may come to light later on, on the examination of the physical records can be addressed, if appropriate and found necessary, in the next Secretarial Audit Report, which report may be construed as an addendum to this report to that extent.
- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S. Srinivasan & Co.,
Company Secretaries

Sd/-
S. Srinivasan
Practicing Company Secretary
FCS: 2286 | CP. No.: 748
UDIN: F002286C000319735

Place: Chennai
Date: May 15, 2021

Annexure – B1 to Directors' Report

The Members/Board of Directors
JSW Steel Coated Products Limited
JSW Centre, Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051

Secretarial Audit Report

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

FOR THE FINANCIAL YEAR 2020-21

Foreword

Due to the COVID-19 pandemic and the consequent lockdown in the country, I have conducted the audit by relying upon documents & minutes provided to me through email. I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JSW Steel Coated Products Limited, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the digital documents provided of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by JSW Steel Coated Products Limited for the financial year ended on 31st March 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') & the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the applicable rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (no foreign exchange transactions during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

(SEBI regulations are not applicable since the company is not a listed company.)

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) Other applicable laws:
Factories Act, 1948
The Payment of Gratuity Act, 1972
I have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable (Not applicable);

During the period under review, based on my examination and verification of the books, papers, minute books, forms and returns filed and other records produced to me and according to information and explanations given to me by the Company, I report that the Company has in my opinion, complied with the provisions of the Companies Act, 2013 (Act) and the Rules made thereunder, the Memorandum and Articles of Association of the Company and also applicable provisions of the aforesaid laws, standards, guidelines, agreements, etc., subject to the following observations:

NIL.

I report that, during the year under review:

1. The status of the Company during the financial year has been that of a Unlisted Public Company.
2. The Company is a subsidiary of another listed company.
3. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice generally is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that:

During the audit period the Company has effected the following activities/ events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:-

- (i) Completed the acquisition of Asian Colour Coated Ispat Limited on October 27, 2020
- (ii) Re-appointment of Mr Amarjit Singh Dahiya as a WTD for a period of 2 years w.e.f. 01.06.2020
- (iii) Consequent to the resignation of Mr. Amit Agarwal as the Chief Executive Officer of the company, Mr. Sharad Mahendra was appointed as the CEO w.e.f. July 1, 2020.

- (iv) Mr. Hemant Shete superannuated as the CFO on July 31, 2020. Mr. Manish Mathur was appointed as CFO w.e.f. January 14, 2021.
- (v) Dissolution of the Risk Management Committee.
- (vi) Invested a sum upto ₹300 crores as ICD with JM Financial ARC
- (vii) Has put in place a consolidated Commodities Risk Management Policy of the Company
- (viii) Increase the Borrowing Limits of the Company to ₹5000 crores in excess of the aggregate of the Paid up Capital, free reserves and securities premium
- (ix) Availed Rupee Term Loan of ₹200 crores from Axis Bank
- (x) The members approved the granting of Loan to other body corporate or to invest in securities of other body corporate in excess of the limits specified under section 186 of the Companies Act, 2013
- (xi) Modified the applicability of certain clauses of the JWSCPL Employees Samruddhi Plan 2019 - for employees who are being separated on account of non-performance
- (xii) Authorised the issuance of Compulsorily Convertible Debentures upto ₹891 crores on private placement basis to JSW Steel Ltd. Allotted CCDs of ₹650 crores to JSW Steel Ltd.
- (xiii) Approved the increase in project cost for Pickling Linked Tandem Cold Mill (PLTCM) project at Vasind by ₹141 crore

Sd/-

Vanita Sawant & Associates

Practising Company Secretary

Place: Mumbai
Date: April 23, 2021

FCS 6210. CP No. 10072
UDIN: F006210C000201451

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

Annexure A

To
The Members
JSW Steel Coated Products Limited
JSW Centre,
Bandra-Kurla Complex,
Bandra (E),
Mumbai 400 051

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

- Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
- Due to the COVID-19 pandemic and the consequent lockdown, I have relied upon documents, forms and minutes provided to me through email. I have followed the audit practices and processes as were appropriate under the circumstances to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to check whether correct facts are reflected in secretarial records. I believe that the processes and practices that were followed provide a reasonable basis for my opinion.

- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Where ever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happenings of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Mumbai
Date: April 23, 2021

Sd/-
Vanita Sawant & Associates
Practising Company Secretary
FCS 6210. CP No. 10072
UDIN: F006210C000201451

Annexure - C to Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:-

The Company's CSR Policy is available on the Company's website at www.jsw.in

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
01.	Mrs. Nirupama Rao	Independent Director	2	2
02.	Mr. Seshagiri Rao MVS	Jt. Managing Director & Group CFO	2	2
03.	Dr. Vinod Nowal	Dy. Managing Director	2	2
04.	Mr. Jayant Acharya	Director (Commercial & Marketing)	2	2
05.	Dr. Punita Kumar Sinha	Independent Director	2	2
06.	Mr. M.S.Srikar	Nominee Director of KSIIDC	2	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:-

The Company's CSR Committee; CSR Policy and CSR Projects are disclosed on: www.jsw.in

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Impact assessments for completed CSR projects are undertaken by the Company in the normal course. Programs taken up during FY 20-21 are still under implementation since the Company has already been following a long term program approach. Details of impact assessments carried out during FY 2019-20 through independent third party agency are available on the website of the Company.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
01.	2020 - 21	NA	NA
02.	2019 - 20	NA	NA
03.	2018 - 19	NA	NA

6. Average net profit of the company as per section 135(5): ₹8,240.47 crores

- (a) Two percent of average net profit of the company as per section 135(5): ₹164.81 crores
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (c) Amount required to be set off for the financial year, if any: Nil
- (d) Total CSR obligation for the financial year (7a+7b- 7c): ₹164.81 crores
- (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹ in crores)	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount Unspent (in ₹)		
	Amount (₹ in crores).	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
78.32	86.49	29/04/21	NA-	Nil	Nil

b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5	6	7	8	9	10	11	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VIII to this Act	Local area (Yes/No).	Location of the project.	Project duration.	Amount allocated for the project (₹ in crores).	Amount spent in the current financial year (₹ in crores).	Amount transferred to Unspent CSR Account for the project as per Section 135 (₹ in crores).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
	State.		State.	District.					Name	CSR Registration number.	
1	COVID-19 Support & rehabilitation program	(i)	Yes	Jharkhand, Karnataka, Maharashtra, Tamil Nadu, Odisha	Hazaribagh, Bellary, Raigad, Palghar, Thane, Nagpur, Keonjhar, Salem	2 Yrs	57.81	17.90	39.91	No	JSW Foundation CSR000003978
2	General community infrastructure support & welfare initiatives	(i), (xii)	Yes	Jharkhand, Karnataka, Maharashtra, Tamil Nadu, Odisha	Bellary, Raigad, Palghar, Thane, Mumbai, Nagpur, Keonjhar, Salem	4 Yrs	26.91	13.41	13.50	No	JSW Foundation CSR000003978
3	Public health infrastructure, capacity building & support programs	(i)	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha	Bellary, Raigad, Palghar, Thane, Mumbai, Nagpur, Keonjhar, Salem	4 Yrs	19.86	14.70	5.16	No	JSW Foundation CSR000003978
4	Educational infrastructure & systems strengthening	(ii)	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha	Bellary, Raigad, Palghar, Thane, Mumbai, Nagpur, Keonjhar, Salem	4 Yrs	14.81	7.61	7.20	No	JSW Foundation CSR000003978
5	Nurturing aquatic & terrestrial ecosystems for better environment & reduced emissions	(iv)	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha	Bellary, Raigad, Palghar, Thane, Nagpur, Keonjhar, Salem	4 Yrs	11.07	3.46	7.61	No	JSW Foundation CSR000003978
6	Integrated water resources management	(i), (iv)	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha	Bellary, Raigad, Palghar, Thane, Nagpur, Keonjhar, Salem	4 Yrs	10.68	4.00	6.68	No	JSW Foundation CSR000003978
7	Sports promotion & institution building	(vii)	Yes	Karnataka, Maharashtra, Odisha	Bellary, Raigad, Palghar, Nagpur, Keonjhar	4 Yrs	7.04	5.49	1.55	No	JSW Foundation CSR000003978
8	Enhance Skills & rural livelihoods through nurturing of supportive ecosystems & innovations	(ii)	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha	Bellary, Raigad, Palghar, Thane, Nagpur, Keonjhar, Salem	4 Yrs	5.61	3.81	1.80	No	JSW Foundation CSR000003978
9	Waste management & sanitation initiatives	(i)	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha	Bellary, Raigad, Palghar, Thane, Nagpur, Keonjhar, Salem	4 Yrs	5.26	2.71	2.55	No	JSW Foundation CSR000003978
10	Nurture women entrepreneurship & employability	(iii)	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha	Bellary, Raigad, Palghar, Thane, Nagpur, Keonjhar, Salem	4 Yrs	1.54	1.08	0.46	No	JSW Foundation CSR000003978
11	Promotion & preservation of art, culture & heritage	(v)	Yes	Karnataka	Vijaynagar	4 Yrs	0.23	0.23	0.00	No	JSW Foundation CSR000003978
12	Program Management Expense	-	Yes	-	-	3.99	3.92	0.07	0.07	No	JSW Foundation CSR000003978
	Total					164.81	78.32	86.49			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project. State. District.	Amount spent for the project (in ₹).	Mode of implementation Direct (Yes/No).	Mode of implementation - Through implementing agency. Name. CSR registration number.	
1.								
2.					NIL			
3.								
	TOTAL							

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: ₹0.18 crores

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹78.32 crores

(g) Excess amount for set off, if any: NOT APPLICABLE

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing.
	NIL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NOT APPLICABLE

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Company had defined programs planned for execution but due to COVID pandemic and the uncertainties attached with the pandemic, field operations have been hampered significantly; work could be carried only for a few months during the year. As such, most of our major programs in Education, Water, Skilling could not pick up full steam, the infrastructure projects have also been hampered for the same reasons and thus most activities remain ongoing in nature

We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.

For JSW STEEL LIMITED

Sd/-
SAJJAN JINDAL
CHAIRMAN & MANAGING DIRECTOR

Sd/-
NIRUPAMA RAO
CHAIRMAN
CSR COMMITTEE

Annexure - D to Directors' Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a) Name(s) of the related party and nature of relationship	
(b) Nature of contracts / arrangements/ transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	NIL (All contracts or arrangements or transactions with related parties are at arm's length basis)
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship	JSW Steel Coated Products Limited (JSW Coated)	JSW International Tradecorp Pte. Limited (JITPL)
(b) Nature of contracts / arrangements/ transactions	Sale/purchase of steel products to/from JSW Coated, recovery/ reimbursement of expenses, interest income/expenses, investment, adjustment of receivable/ payable, inter-corporate loans	Procurement of iron ore, coking coal, coke and other raw materials from JITPL
(c) Duration of the contracts/ arrangements/ transactions	Apr'20 to Mar'21	Apr'20 to Mar'21
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Value of transactions with JSW Coated amounted to ₹13,434 crores during FY 2020-21	Value of transactions with JITPL amounted to ₹10,870 crores during FY 2020-21
(e) Date(s) of approval by the Board, if any	The transactions with JSW Coated does not require approval of the Board of Directors, since JSW Coated is wholly owned subsidiary. However, these transactions have been approved by the Audit Committee.	The Board of Directors approved transactions with JITPL on May 24, 2019 and shareholders also approved these transactions in the Annual General Meeting held on July 25, 2019.
(f) Amount paid as advances, if any	As per the terms and conditions of the contract	Nil

Annexure - E to Directors' Report

Information as per Section 197 of the Companies Act, 2013 read with the rule 5 of the Companies (Appointment & Remuneration of managerial personnel) Rules, 2014 and forming part of the Directors' Report for the financial year ended 31st March, 2021.

Sr. No.	Name	Age In Years	Qualification	Date of commencement of Employment	Designation	Remuneration (Amt. in ₹)	Total Experience (No. of Years)	Previous Employment (Designation)
(A)	Employed throughout the year and were in receipt of remuneration of not less than ₹1,02,00,000 per annum							
1	Sejjan Jindal	61	BE (Mechanical)	04-Jul-1992	Chairman and Managing Director	733,741,276	39	Jindal Strips Ltd. (Jt. Managing Director)
2	Sandeep Gokhale	58	BE (Electrical), MBA (Finance)	25-Aug-2008	President - Business Development	61,500,831	35	Mumbai International Airport Pvt Ltd (Director - Commercial)
3	Seshagiri Rao M V S	63	B.Com, CAIB, AICWA, LCS, DBF	01-Sep-1997	Jt. Managing Director and Group CFO	50,780,966	42	Nicholas Piramal (India) Ltd. (Sr. Vice-President)
4	Ashok Kumar Aggarwal	62	B. Sc (Engineering)	02-Jun-1998	President - Business Development	48,174,451	34	Essar Steel Ltd. (Jt. General Manager)
5	Gajraj Singh Rathore	56	BE (Metallurgy)	03-Jan-1996	President Dolvi	44,910,146	34	Steel Processing Center Ltd. (Executive Vice-President)
6	Dr. Vinod K Nowal	65	MBA,Ph.D (Inventory Management)	14-Feb-1984	Deputy Managing Director	42,195,573	42	K. M. Sugar Mills Ltd. (Factory Manager)
7	Murugan P K	54	B.Sc. (PCM),B.Tech (Production Engg)	17-Jan-1998	President designate - Vijayanagar	42,076,003	29	Essar Steel Ltd. (Dy. Manager)
8	Jayant Acharya	58	BE (Chemical), MBA (Marketing), MSC (Physics)	01-Jul-1999	Director - Commercial & Marketing	36,138,995	38	Essar Steel Ltd. (Jt. General Manager)
9	Madhav M R Wairier	62	BE (Mech), ICWA	30-Sep-1998	Senior Vice-President - Finance & Accounts, Excise & Insurance	32,855,350	39	Ispat Industries Ltd (General Manager - Costing)
(B)	Employed for the part of the year and were in receipt of remuneration aggregating to not less than ₹8,50,000 per month							
1	Pawan Kedia	61	B.Com., ICWA	06-Jan-2012	Group President - Commercial Strategy	40,313,355	36	Consultant

Notes:

- Remuneration shown above includes Salary, Performance Reward / Special Allowance, House Rent Allowance / Perquisite for Accommodation, Leave Travel Allowance, Medical Reimbursement, Perquisite for Car, Bonus, Variable Pay, Commission, monetary value of perquisites as per income tax rules and Company's Contribution to Provident Fund. But does not include Actuarial Valuation of Leave Encashment, Company's Contribution to Gratuity Fund.
- None of the employees is covered under Rule 5(3)(viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of Section 197 of the Companies Act, 2013.
- The nature of employment in all cases is contractual except in case of Mr. Sajjan Jindal.
- Mr. Sajjan Jindal is relative of Mrs.Savitri Devi Jindal, Chairperson emeritus of the Company.

Annexure – E to Directors' Report

Information as per Section 197 of the Companies Act, 2013 read with the rule 5 of the Companies (Appointment & Remuneration of managerial personnel) Rules, 2014 and forming part of the Directors' Report for the financial year ended 31st March, 2021.

Sr. No.	Name	Age in Years	Qualification	Date of commencement of Employment	Designation	Remuneration (Amt. in ₹)	Total Experience (No. of Years)	Previous Employment (Designation)
B(i)	Employed throughout the year and were in receipt of remuneration of not less than ₹ 1.02 crore per annum (Other Than Top 10)							
1	Ajanta Chatterjee	53	B.A., Post Graduate in Sociology	20-Oct-2015	Vice-President - Human Resources	11,793,078	21	Vodafone India Ltd. (Associate Vice-President - HR)
2	Ajay Gupta	51	Bachelor of Science-1990	03-Apr-2014	Pilot	12,692,388	29	Indian Navy
3	Ajit Karande	60	B.E.(Met. Engg.)	15-Jul-1997	Associate Vice-President	12,884,502	37	Lloyds Steel Ltd - Deputy Manager
4	Anil Kumar Sharma	61	Bachelor of Science(Electrical engineering)	27-Jun-2008	Vice-President	15,342,223	32	Mather & Platt (I) Ltd. New Delhi
5	Anil Kumar Singh	55	B. Sc (Engineering)	01-Dec-1994	Head - Project Monitoring & Mining Ops	23,373,315	32	B S B K Ltd (General Manager)
6	Ashish Chandra	50	BE (Mechanical)	23-Jun-1997	Senior Vice-President	11,465,042	24	Rajinder Steels Ltd (Sr. Engineer)
7	Ashok Kumar Parasmamka	50	B.Com, C.A.	21-Mar-2007	Sr. Vice-President - Corporate Strategy & Development	11,798,953	25	Singhi & Co (Chartered Accountants) - Partner
8	Atulya Kumar Verma	57	BE - Metallurgy	01-Dec-2014	Senior Vice-President - Project	23,507,673	29	Electronics Steel Ltd. (COO)
9	Avtar Singh	53	Bachelor of Engineer(Met. Engg.)-1990	30-Sep-2004	Associate Vice-President	13,153,175	26	Kudremukh Iron Ore & Steel Co Ltd., Mangalore
10	Bhushan Dewangan	51	B.E.	02-Aug-2010	Vice-President	12,566,083	25	Salay Steel
11	Bikash Chowdhury	44	B.Com, Post Graduate Diploma in Business Administration	01-Jul-2015	Vice-President	14,930,087	29	DBS Bank Ltd., Vice-President, FX, Trading-Treasury & Markets
12	Chandrasekhar Velegapudi	55	Bachelor of Science(-)-1985, Master of Science-1988, Post Graduate Diploma in Business Admini-2013	20-Nov-2017	Associate Vice-President - Projects (IT)	12,498,788	31	Apollo Tyres Ltd
13	Deb Kumar Das	59	ICWA	15-Jul-1998	Vice-President	12,806,336	34	Larsen & Toubro
14	Dheeraj Sinha	50	BE (Electronics & Communication), MBA (Finance)	05-Jul-2016	Chief Information Officer - Information Technology	23,413,179	26	Apollo Tyres Ltd. (Group Head - CMS,IT & SCM)
15	Dilip Pattanayak	49	BSC, MBA (Human Resources)	17-Jan-2020	President and CHRO - Steel & Corporate	21,702,158	24	Reliance Industries Limited (Sr. Executive Vice-President & Head - HR Manufacturing)
16	Gautam Chainani	58	B. Sc. MMS	01-Nov-2016	President HR - Special Projects	20,921,848	35	Ultratech Cement Limited (Chief Human Resource Officer & Corp. Communication)
17	Hareesh Dua	52	CA, B.COM, CIA, CISA, CISSP	22-May-2008	Senior Vice-President - Internal Audit	20,384,501	27	Pantaloon Retail India Ltd (Chief Internal Auditor)
18	Hemang Oza	51	BE (Metallurgy)	01-Mar-2008	Senior Vice-President - Sales & Marketing	19,341,106	24	Essar Steel Ltd. (Jt. General Manager - Marketing)
19	Hemendra Sharma	54	B.Sc., MBA(fin), MPHil (Eco), MA (Eco), CFA., CWA	20-Jan-2020	Vice-President	12,463,665	31	Hindustan Zinc Ltd AVP Finance
20	Jayaraman Rajan	56	B.Com., MBA	01-Oct-1990	Senior Vice-President - Corporate Planning & Imports	15,211,390	29	Indian Market Research Bureau (Field Surveyor)
21	John Kattikaren	55	BE (Civil)	02-Jun-2008	Vice-President - Civil	26,011,088	32	Lupin Group Ltd. (Sr. General Manager)

Sr. No.	Name	Age in Years	Qualification	Date of commencement of Employment	Designation	Remuneration (Amt. in ₹)	Total Experience (No. of Years)	Previous Employment (Designation)
22	Kaustubh Kulkarni	47	B. Com., MMS., CFA.	06-Nov-2017	Group Head- M&A & Strategic Financing	24,508,304	23	Standard Chartered Bank (Managing Director)
23	Kinshuk Roy	55	B. E (Metallurgy)	11-Feb-2008	Senior Vice-President	15,046,090	32	TATA Steel Ltd. - Head Project Application Group
24	Lokendra Raj Singh	57	B.Tech (Metallurgy)	12-Feb-2008	Senior Vice-President-Iron, Energy & Env	12,826,536	32	Kremikovelsi AD global steel holding ltd. Sofia, Bulgaria (General Manager)
25	Manoj Mohta	50	B.Com., AICWA, CA.	14-Nov-2004	Senior Vice-President	14,132,491	25	Aditya Birla Management Corp. Ltd. (Dy. General Manager - Management Service Division)
26	Mukesh Kumar	50	Bachelor of Engineer-1992	28-Aug-2017	Vice-President - Civil & Infrastructure	10,727,103	24	HZL Limited and Vedanta Aluminium
27	Paramjit Guron	58	BA, CPL	03-Oct-2005	Executive Pilot - Aviation	16,403,968	30	Orient Flying School (Chief Pilot & CF)
28	Paresh Kumar Thakkar	51	B.E.(Civil Eng.), M.sc., M tech.	01-Aug-2019	Senior Vice-President & Group Safety Head	18,192,526	27	GE India Industrial Pvt Ltd., Senior EHS Manager
29	Prabhakaran Chandrasekaran	46	B.Sc., CA, ICWA	24-Nov-2014	Finance Controller	15,112,747	22	Sesa Sterlite Ltd. (Associate Vice-President - Finance)
30	Prabhat Kumar Ghouri	56	BE (Metallurgy)	09-May-1998	Senior Vice-President	10,396,169	30	Essar Steel Ltd. (Deputy Manager)
31	Prabhat Kumar Patel	59	Bachelor of Commerce, Masters Of Management Studies	15-Nov-1995	Associate Vice-President - Finance and Accounts	11,264,241	35	Up State Cement Corporation Ltd
32	Pradeep Bhargava	61	Bachelor of Science, Chartered Accountant	29-Jul-2009	Vice-President	12,383,706	30	Up State Cement Corp. Ltd
33	Pradipta Chandra Mahapatra	61	Bachelor of Arts, Bachelor of Engineer, Masters of Arts	04-Jun-2007	Vice-President	17,007,135	35	Steel Authority of India
34	Praveen Dixit	55	B. Sc., M. Sc., PGD (Industrial), MMM	30-Dec-1991	Senior Vice-President - Sales & Marketing	11,892,840	32	Roadmaster Steel Strips Limited (Engineer - PPC)
35	R B Singh	59	Bachelor of Science (Chemical)	01-Jan-2007	Vice-President	16,061,040	35	Essar Steel Ltd.
36	Raj Kumar Sharma	60	BE (Mech), Diploma	25-Apr-1996	Senior Vice-President	19,723,895	37	Century Tubes Ltd
37	Rajashakar P	63	BE (Mechanical)	13-Jul-1998	President - Vijayanagar Steel Works	26,183,734	37	RINL (Manager)
38	Rajeev Pal	59	B. Com, CA, CS (Inter)	01-Dec-2000	Chief Financial Officer	21,420,457	36	Crompton Greaves Ltd. (Manager - Finance)
39	Raju Arockiam	52	M.sc.(Engg), PG Diploma in Business. Admin.	24-Jun-2019	Senior Vice-President	19,435,368	29	JSC Arceor Mittal Temirtau, Deputy Director Procurement
40	Rakesh Sharma	56	B.Sc., M.sc., MBA	31-Jul-1997	Senior Vice-President	10,318,727	32	Jai Corp Limited - Comet Steel Division, Manager
41	Ranganath T	59	B.Com., CA, ICWA	08-Jun-2000	Vice-President - Finance & Accounts	10,493,638	30	Punjab National Bank - Manager (Financial Analyst)
42	Ravi Kumar Sabharwal	56	Bachelor of Law-1992, Company Secretary-1991	14-Dec-2018	Vice-President - Legal	18,392,362	21	Hero Motor corp
43	Ravishankar Jayaraman	51	B com., CA ,CWA	01-Jul-2019	Vice-President - Finance	18,518,726	26	Essar Ports Ltd., Sr. Vice-President
44	Sadashiv Patil	63	BA, Dip in Human Resources	29-Apr-1995	Senior Vice-President - Corporate Relations	15,964,665	41	Special Steels Ltd. (Deputy Manager - Administration)
45	Saji Samuel	55	Bachelor of Science (Chemistry)	15-Apr-1997	Vice-President	14,267,481	32	Best & Crompton

Sr. No.	Name	Age in Years	Qualification	Date of commencement of Employment	Designation	Remuneration (Amt. in ₹)	Total Experience (No. of Years)	Previous Employment (Designation)
46	Sanjay Agrawal	57	B. Tech (Metallurgy)	28-Oct-2010	Senior Vice-President - Sales & Marketing	20,048,569	33	Jindal Steel & Power Ltd. - General Manager (Sales & Marketing)
47	Sanjay Goel	55	B.E.	21-Aug-1989	Vice-President	13,241,687	31	JSW Coated Products Ltd
48	Sanjay Jayram	60	B.A.(Economics),B.E. (Mechanical), Diploma in export Mgt.	03-Apr-2006	Executive Vice-President - Sales & Marketing	18,390,557	34	Essar Steel Ltd. (General Manager)
49	Sanjay Rath	52	BE (Mechanical)	02-Jan-2006	Senior Vice-President	10,679,943	30	Essar Steel Ltd.(Dy. General Manager - Procurement)
50	Sanjay Sharma	55	BE (Metallurgy)	01-Apr-2005	Senior Vice-President (Mills)	11,164,387	28	Tata Steel Limited (Sr. Manager - Production)
51	Sanjeev Doshi	52	CA. B.com	30-Sep-2000	Associate Vice-President	11,441,492	27	S V Ghatalia Associates
52	Satya Prakash	54	B. Tech.- Electr., EMBA- Operation	16-Mar-2005	Vice-President - Operations	11,919,673	31	Bokaro Steel Limited (Sr. Manager)
53	Shankar Pratap Singh	57	B.Sc. Engineering Mechanical	20-May-1995	Senior Vice-President - Projects	13,367,134	29	Comet Steels Ltd., Nanded, Maharashtra
54	Shanker Batra	61	B.com., CS ,CWA	02-May-2019	Executive Vice-President	20,629,612	42	Tata Steel BSL Ltd., Chief Commercial Officer
55	Shashikant Sharma	62	B.com	28-May-2004	Vice-President	17,921,805	41	Essar Steel Ltd.
56	Shiv Hukku	57	B.Sc., PG Diploma	18-Oct-2011	Senior Vice-President - Sales & Marketing	18,652,893	32	Tata Steel Limited (Head Marketing - Flat Products)
57	Sreenivas Krishnan	57	B.A., MBA,	16-Feb-2011	Vice-President	20,352,241	33	Indian Navy - Commander
58	Sriram K S N	51	CA, ICWA, B.Com	06-Oct-2000	Vice-President	17,501,071	26	Bermaco Group (Sr. Manager - Accounts & Finance)
59	Sundeep Jain	44	CA. B.com	15-Sep-2010	Associate Vice-President	15,009,064	22	Ernst and Young
60	Sunil D Kathariya	60	B.E.	24-Apr-1995	Executive Vice-President	13,840,203	35	Lecturer at Engineering Collage
61	Sushil Nowal	54	B.Com.,MBA (Mktg), EDM	01-Jan-1989	Senior Vice-President - Planning & Logistics	22,493,010	33	Jindal Strips Ltd. (Marketing Assistant)
62	Tushar Shah	53	B.Com., ICWA	12-Aug-1991	Associate Vice-President	10,552,293	32	The Bombay Silk Mills Ltd. (Cost Accountant)
63	Umesh Rai	55	BE (Electrical Engg.)	09-Feb-1988	Senior Vice-President (Steel & Mills)	14,185,834	35	-
64	Vijay Sinha	51	B.A., PGD(Business Mgmt)	01-Dec-2018	Senior Vice-President - HR (Manufacturing)	13,557,352	26	JSW Energy Ltd. (Sr. Vice-President (HR & Admin.)
65	Vijaykumar Patidar	61	B.E.-Electricals	07-Jan-1992	Senior Vice-President - Project	25,823,116	37	Electrotech Engg. (Partner)
66	Vinay Shroff	57	BE (Chemical)	22-Apr-2010	Executive Vice-President - Sales & Marketing	20,013,030	33	Reliance Industries Ltd. (Senior Vice-President - SCM & Business Head - Logistics)
67	Vineet Agrawal	48	BE (Electronics & Telecom), M.Tech (Management & Systems)	11-Feb-2011	Senior Vice-President & Group Head - Direct Taxation	19,701,862	23	Reliance Power Ltd. (Vice-President - Taxation)
68	Vishwanath S C	56	B.sc.,M.sc., Master of Technology	09-May-1998	Senior Vice-President - Steel Making	20,889,212	32	Essar Steel India Limited (Manager)

B(ii) Employed for the part of the year and were in receipt of remuneration aggregating to not less than ₹ 8.5 lakhs per month (Other Than Top 10)

1	Amit Agarwal	44	B.Com,C.A.	22-Jul-2020	Vice-President - Finance and Accounts	10,680,672	18	M/s Minda Corporation Limited (Head of Finance & Accounts)
2	Anjaneyalu C R	61	M.Com, C.A.	28-Dec-2000	Associate Vice-President - Finance and Accounts	6,409,380	39	Ispat Industries Ltd ,Dolvi
3	Ashwin Shivkumar Bajaj	45	B.Sc.,MBA Finance	11-Nov-2020	Group Head - Investor Relations	6,682,255	21	Adfactors PR Pvt Ltd

Sr. No.	Name	Age in Years	Qualification	Date of commencement of Employment	Designation	Remuneration (Amt. in ₹)	Total Experience (No. of Years)	Previous Employment (Designation)
4	Balwant Ranka	54	B.Com,C.A.	01-Jul-2007	Vice-President - Procurement & Stores	9,216,902	30	JSW Energy Ltd. (Vice-President - Commercial)
5	B P Pandey	53	B.Tech	17-Feb-2004	Vice-President	6,625,789	39	Kudremukh Iron Ore Company Ltd
6	Narinder Kumar Sharma	55	Bachelor of Arts,	01-Dec-2006	Assistant General Manager Aviation	2,751,956	29	Orient Flight School, Assistant Flight Instructor
7	P K Das	60	B.E. (Metallurgy)	05-Apr-1996	Associate Vice-President	7,417,678	39	Visakhapatnam Steel Plant
8	Prashant Das	57	LLB,MBA.B.Sc.	16-Feb-2015	Associate Vice-President - HR	5,966,534	25	Ultratech Cement Ltd.
9	Pavan Kumar Sodani	48	C.S.,C.A. B.Com	01-Jul-2020	Vice-President - Credit Controller	8,450,496	22	Mahindra & Mahindra Ltd
10	Puneet Jagatramka	49	B.E.	06-Jul-2020	Senior Vice-President - Commercial	14,890,895	19	Vedanta Limited - (Director Procurement & Supply chain)
11	Pritesh Vinay	45	B.S.C., MMS Finance	15-Oct-2012	Vice-President Finance & Investor Relations	6,168,242	18	Goldman Sach India , Executive Director- Global Investment research
12	Ratna Prasad Venkata Atluri	61	BE (Metallurgy)	19-Nov-2014	Senior Vice-President (Steel & Mills)	15,508,854	35	Bhushan Steel Ltd. (President)
13	Rajiv Bakshi	60	B. Com, LLB	04-Mar-2013	Senior Vice-President - Legal & Group Counsel General	13,776,876	35	Godrej Industries Limited (Executive Vice-President - Legal)
14	Rajendra Kapoor	62	CA. B.com	13-Jan-1998	Vice-President	14,631,285	39	The U.P. State Cement corp. Ltd., Churk Dist, Sonbhadra
15	Ravindra Bhalerao	57	B.E. (Metallurgy)	01-Mar-1989	Associate Vice-President	9,723,533	33	Metallurgy Services
16	Ravindra Shrikant Borwankar	61	B.Tech (Metallurgy),MBA Marketing	08-Nov-1993	Associate Vice-President	9,076,196	39	Ispat Industries Ltd ,Dolvi
17	Sanjay Kulkarni	61	Bachelor of Science , Master of Science	14-Aug-2008	Associate Vice-President	10,605,738	39	Inox Air Product Ltd
18	Sathyanarayana K S	60	B.E.	10-Jul-1995	Associate Vice-President	50,52,176	35	HMT International
19	Siddharth Dileep Patel	35	B.Sc.	15-Feb-2021	Head - New Projects, Digitisation & Tech	1,791,550	35	Bulk MRO Industrial Supply Pvt Ltd
20	Sunil Kumar Dixit	49	B.E. Mechanical	05-Sep-2020	Vice-President (Commercial)	7,310,119	25	Vedanta Ltd.

Notes:

- Remuneration shown above includes Salary, Performance Reward / Special Allowance, House Rent Allowance, Leave Travel Allowance, Medical Reimbursement, Perquisite for Car, Bonus, Variable Pay, Commission, monetary value of perquisites as per income tax rules and Company's Contribution to Provident Fund. But does not include Actuarial Valuation of Leave Encashment, Company's Contribution to Gratuity Fund.
- None of the employees is covered under Rule 5(3)(viii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of Section 197 of the Companies Act , 2013.
- The nature of employment in all cases is contractual except in case of Mr. Sajjan Jindal.
- Mr. Sajjan Jindal is relative of Mrs.Savitri Devi Jindal, Chairperson emeritus of the Company.

Annexure – E to Directors' Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2020-21 (₹ in crores)	% Increase/ (Decrease) in Remuneration in the Financial Year 2020-21	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Sajjan Jindal Chairman & Managing Director	73.38	0%	1054:1	
2.	Seshagiri Rao MVS Joint Managing Director & Group CFO	5.08	(12%)	73:1	Profit before tax (before exceptional items)
3.	Dr. Vinod Nowal Dy. Managing Director	4.22	(5%)	61:1	increased by 125% in financial year 2020-21
4.	Jayant Acharya Director (Commercial & Marketing)	3.62	(5%)	52:1	
5.	Rajeev Pai Chief Financial Officer	2.15	0%	N.A.	
6.	Lancy Varghese Company Secretary	0.80	0%	N.A.	

- (ii) The median remuneration of employees of the Company during the financial year was ₹6.96 lakhs.
- (iii) In the Financial year, there was an increase of 1.06% in the median remuneration of employees.
- (iv) There were 13,128 permanent employees on the rolls of Company as on March 31, 2021.
- (v) Relation between average increased in remuneration and company performance: - The Profit before Tax (before exceptional items) for the financial year ended March 31, 2021 increased by 125% whereas the increase in median remuneration was 1.06%. The average increase in median remuneration was in line with the market trends.
- (vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

The total remuneration of Key Managerial Personnel increased by 56.50 % from ₹57.03 crores to ₹89.25 crores which includes the profit linked commission to Chairman & Managing Director of ₹60.42 crores (Previous Year ₹26.93 crores)

Key Managerial Personnel remuneration excluding the profit linked commission to Chairman & Managing Director decreased by 4.22% (From ₹30.10 crores in 2019-20 to ₹28.83 crores in 2020-21). The profit before Tax (before exceptional items) increased by 125% to ₹12,582 crores in 2020-21 (₹5,601 crores in 2019-20). The decrease in managerial remuneration was primarily due to the moderation in compensation owing to the uncertain economic scenario that prevailed post the COVID-19 outbreak.

Remuneration of the Key Managerial Personnel as % of Profit before tax (before exceptional items) is 0.71 %.

- a) Market capitalisation of the Company & Price Earnings ratio:

Date	Market Price ₹	Face value of Share ₹	EPS in ₹	P/E Ratio	Market Capitalisation ₹ crores	% Change
March 31, 2020	146.25	1	22.03	6.64	35,135	
March 31, 2021	468.45	1	34.92	13.41	112,698	320.76%

The Company has made initial public offer in the year 1995 for ₹10/- per share at par. Subsequent to sub-division of equity shares on 06/01/2017, the face value of share of the Company was reduced from ₹10/- to ₹1/- The market price of the Company share as on March 31, 2021 is ₹468.45.

- (vii) Average percentage increase made in the salaries of employees other than the managerial personnel in FY 2020-21 was 2.40%.
- (viii) The key parameter for the variable component of remuneration in case of the Chairman and Managing Director is linked with Company performance. In case of other key managerial personnel(s) the same is linked with Company performance and Individual performance.
- (ix) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable.
- (x) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Report on Corporate Governance for the Year 2020-21

(Pursuant to Regulation 34 (3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended)

1. Company's Governance Philosophy:

Corporate Governance at JSW Steel Limited has been a continuous journey and the business goals of the Company are aimed at the overall well-being and welfare of all the constituents of the system. The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of experts of eminence and integrity, forming a core group of top-level executives, inducting competent professionals across the organisation and putting in place appropriate systems, process and technology. The essence of Corporate Governance lies in the maintenance of integrity, transparency and accountability in the management's higher ranks.

At the heart of Company's Corporate Governance policy is the ideology of transparency and openness in the effective working of the management and Board. It is believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but in practicing it. Strong leadership and effective corporate governance practices have been significant contributors to the Company's growth story.

Your Company confirms the compliance of corporate governance requirements specified in regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI (LODR) Regulations"), the details of which are given below:

2. Board of Directors:

2.1 Appointment and Tenure:

The Directors of the Company (except Nominee Directors) are appointed by the shareholders at General Meetings. All Executive Directors are subject to retirement by rotation and at every Annual General Meeting, 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association of the Company. The Executive Directors on the Board serve in accordance with the terms of their contracts of service with the Company.

2.2 Board Membership Criteria:

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. When recommending a candidate for appointment, the Nomination and Remuneration Committee:

- assesses the appointee against a range of criteria including qualification, age, experience, positive attributes, independence, relationships, diversity of gender, background, professional skills and personal qualities required to operate successfully in the position and has discretion to decide adequacy of such criteria for the concerned position;
- assesses the appointee on the basis of merit, related skills and competencies. No discrimination is made on the basis of religion, caste, creed or gender.

2.3 Board Composition, Category of Directors, Meetings and attendance record of each Director:

The Company has a balanced mix of executive and non-executive Independent Directors. As of March 31, 2021, the Board of Directors comprises of 12 Directors, of which 8 are non-executive, including 2 woman directors. The Chairman is executive and a Promoter of the Company. The number of Independent Directors is 6 which is in compliance with the stipulated one half of the total number of Directors. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company. A brief profile of the Directors is available on the Company's website www.jsw.in.

All Independent Directors meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16 (1) (b) of the SEBI (LODR) Regulations.

No Director is related to any other Director on the Board in terms of the definition of "relative" as defined in Section 2(77) of the Companies Act, 2013. None of the Directors on the Board are Directors/Independent Directors of more than seven listed entities and none of the Whole-time Directors are Independent Directors of any listed company.

None of the Directors on the Board is a member of more than 10 committees or Chairperson of more than 5 committees (as specified in Regulation 26 of SEBI (LODR) Regulations) across all the public Companies in which he/she is a Director. The necessary disclosures regarding committee positions in other public companies have been made by the Directors.

The information stipulated under Part A of Schedule II of SEBI (LODR) Regulations is being made available to the Board.

The details of composition of the Board as at March 31, 2021, the attendance record of the Directors at the Board Meetings held during financial year 2020-21 and at the last Annual General Meeting (AGM), as also the number of Directorships, Committee Chairmanships and Memberships held by them in other Public Companies, the names of other listed entities where they have Directorship and their category of directorship in such listed entities, the number of Board Meetings and dates on which held and the number of shares and convertible instruments held by non-executive directors are given here below:

Category	Name of Director	Position	Date of Joining the Board	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM	No. of Directorships in other Indian Public Cos.	No. of Chairmanship(s) of Committee in other Indian Public Limited Cos. **	No. of Membership(s) of Committees in other Indian Public Limited Cos. **	No. of shares and convertible instruments held by Non-Executive Directors
Executive Directors	Mr. Sajjan Jindal	Chairman & Managing Director	15.03.1994	4	4	Yes	2	0	0	NA
	Mr. Seshagiri Rao MVS	Jt. Managing Director & Group CFO	06.04.1999	4	4	Yes	2	0	0	NA
	Dr. Vinod Nowal	Dy. Managing Director	30.04.2007	4	4	Yes	2	0	0	NA
	Mr. Jayant Acharya	Director (Commercial & Marketing)	07.05.2009	4	4	Yes	1	0	1	NA
Independent Non-Executive	Mr. Malay Mukherjee	Director	29.07.2015	4	4	Yes	4	0	3	-
	Dr. (Mrs) Punita Kumar Sinha	Director	28.10.2012	4	4	Yes	6	2	5	-
	Mr. Haigreve Khaitan	Director	30.09.2015	4	4	Yes	8	3	4	-
	Mr. Seturaman Mahalingam	Director	27.07.2016	4	4	Yes	6	2	2	-
	Mr. Harsh C. Mariwala	Director	25.07.2018	4	4	Yes	5	0	1	-
Mrs. Nirupama Rao	Director	25.07.2018	4	4	Yes	3	0	0	-	
Nominee Director	Mr. Hiroyuki Ogawa	Nominee of JFE Steel Corporation, Japan (Equity Investor & Foreign Collaborator)	17.05.2017	4	4	Yes	0	0	0	-
Part of the year										
Nominee Director	Mr. Ganga Ram Baderiya, IAS (Ceased to be Director w.e.f 23.10.2020)	Nominee of KSIIDC (Equity Investor)	24.05.2019	2*	2	Yes	--	--	--	--
	Mr. M.S.Srikar, IAS	*	23.10.2020	2*	2	NA#	4	2	0	--

Notes:

- During the Financial Year 2020-21, four Board Meetings were held and the gap between two meetings did not exceed four months. Board Meetings were held on 22.05.2020, 24.07.2020, 23.10.2020, & 22.01.2021.
- * No. of Board Meetings indicated is with reference to date of joining/cessation of the Director.
- ** Only two Committees, namely, Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- # Not a Director at the time of last AGM.

The names of other listed entities where the Directors have Directorship and their category of directorship in such listed entities:

Name of the Director	Name of Listed Entity	Category of Directorship
Mr. Sajjan Jindal	JSW Energy Limited	Chairman & Managing Director
	JSW Holdings Limited	Chairman
Mr. Seshagiri Rao MVS	JSW Ispat Special Products Limited (formerly known as Monnet Ispat Energy Limited)	Non-Executive Non-Independent
Mr. Malay Mukherjee	Va Tech Wabag Limited	Independent Director
	Uttam Value Steels Limited	Independent Director
Mrs. Punita Kumar Sinha	Rallis India Limited	Independent Director
	SREI Infrastructure Finance Limited	Independent Director
	Lupin Limited	Independent Director
Mr. Haigreve Khaitan	CEAT Limited	Independent Director
	Mahindra & Mahindra Limited	Independent Director
	Inox Leisure Limited	Independent Director
	Torrent Pharmaceuticals Limited	Independent Director
	Borosil Renewables Limited	Independent Director
	Tech Mahindra Limited	Independent Director
Mr. Seturaman Mahalingam	Sundaram Finance Limited	Independent Director
	Sundaram Fasteners Limited	Independent Director
Mr. Harsh Charandas Mariwala	Thermax Limited	Independent Director
	Kaya Limited	Chairman & Managing Director
	Marico Limited	Chairman & Non-Executive Director
	Zensar Technologies Limited	Independent Director
Mrs. Nirupama Rao	ITC Limited	Independent Director
	KEC International Limited	Independent Director
	Adani Ports & Special Economic Zone Limited	Independent Director

2.4 Board Meetings, Board Committee Meetings and Procedures:

A. Institutionalised decision-making process:

The Board of Directors oversees the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interest of the stakeholders are being served. The Chairman and Managing Director is assisted by the Executive Directors/ Senior Managerial Personnel in overseeing the functional matters of the Company.

The Board has constituted Fourteen Standing Committees, namely, Audit Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Project Review Committee, Finance Committee, Risk Management Committee, Business Responsibility/ Sustainability Reporting Committee, Hedging Policy Review Committee, JSWSL ESOP Committee, Share Allotment Committee, Inquiry Committee for inquiring leak or suspected leak of unpublished price sensitive information, Share/ Debenture Transfer Committee and JSWSL Code of Conduct Implementation Committee. The Board constitutes additional functional committees, from time to time, depending on the business needs.

B. Scheduling and selection of Agenda Items for Board Meetings:

- A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.
- The meetings are usually held at the Company's Registered Office at JSW Centre, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051. However, due to the COVID-19 pandemic and subsequent lockdowns & travel restrictions, the Board Meetings were held through VC.

All divisions/departments of the Company are advised to schedule their work plans well in advance, with regard to matters requiring discussion/approval/decision at the Board/ Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same can be included in the Agenda for the Board/Committee Meetings.

iii. In addition to items which are mandated to be placed before the Board for its noting and/ or approval, information is provided on various significant issues.

iv. The Board is given presentations covering Global Steel Scenario, Global/Indian Economy, Company's Financials, Sales, Production, Business Strategy, Subsidiary's performance, Competitor's Performance and Risk Management practices before taking on record the Quarterly/ Half Yearly/ Nine Monthly/ Annual financial results of the Company.

The Board is also provided with Audit Committee observations on the Internal audit findings and matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.

C. Distribution of Board Agenda material:

Agenda and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format through an e-portal. All material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practical to attach any document to the Agenda, the same is uploaded on the e-portal before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are considered.

D. Recording Minutes of proceedings at Board and Committee Meetings:

The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the members of the Board/Committee for their comments. The final minutes are entered in the Minutes Book within 30 days from conclusion of the meeting and are signed by the Chairman of the meeting/Chairman of the next meeting. A copy of the signed Minutes certified by the Company Secretary are circulated to all members within fifteen days after those are signed.

E. Post-Meeting Follow-up Mechanism:

The Company has an effective post meeting follow-up, review and reporting process mechanism for the decisions taken by the Board/ Committees. The important decisions taken at the Board/ Committee meetings are communicated to the concerned functional heads promptly. Action Taken Report on decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/ Committee for noting by the Board/ Committee members.

F. Compliance:

While preparing the Agenda, Notes on Agenda, Minutes etc. of the meeting(s), adequate care is taken to ensure adherence to all applicable laws and regulations including the Companies Act, 2013, read with the Rules made thereunder and secretarial standards issued by the ICSI.

2.5 Strategy Meet:

A strategy meet of the Board of Directors is generally held at appropriate intervals to formulate, evaluate, and approve the business strategy of the Company. The Functional Heads give a brief presentation to the Board covering their respective areas of responsibility. The meeting focuses on strategic goals, financial management policies, management assurances and control aspects and the growth plan of the Company.

2.6 Terms and conditions of appointment of Independent Directors:

The terms and conditions of appointment of Independent Directors were set out in the appointment letter issued to the Director at the time of his/her appointment/re-appointment as an Independent Non-Executive Director of the Company. The terms and conditions as mentioned in the appointment letter is disclosed on the Company's website <https://www.jswsteel.in/investors/>.

2.7 Meetings of Independent Directors:

The Independent Directors of the Company meet as and when required before the Board Meeting without the presence of Executive Directors or management personnel. These meetings are conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to the affairs of the Company and put forth their views to the Chairman and Managing Director.

During the year under review, the Independent Directors met on March 22, 2021, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content, and timelines of flow of information between the Management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

All the Independent Directors were present at the Meeting.

2.8 Lead Independent Director:

Mr. Malay Mukherjee is the Lead Independent Director appointed by the Board in its meeting held on 25.07.2018.

2.9 Familiarisation program for Independent Directors:

The Company believes that the Board be continuously empowered with the knowledge of the latest developments in the Company's business and the external environment affecting the industry as a whole. To this end, the Directors were given presentations on the global business environment, as well as all business areas of the Company including business strategy, risks opportunities. Monthly updates on performance/ developments giving highlights of performance of the Company during each month including the developments/ events having impact on the business of the Company are also sent to all the Directors. The details of familiarisation programmes imparted to Independent Directors is disclosed on the company's website, <https://www.jswsteel.in/investors/>.

2.10 Fulfilment of the independence criteria by the Independent Directors:

Independent Directors are non-executive directors as defined under Regulation 16(1) (b) of the SEBI (LODR) Regulations read with

Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations and that they are Independent of the management. In terms of Regulation 25(8) of SEBI (LODR) Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Further, the Independent Directors have declared that they have complied with Rule 6(1) & (2) of the Companies (Appointment of Directors) Rules, 2014.

2.11 Skills/Expertise/Competence of the Board of Directors:

The Board in its meeting held on 06.02.2019 identified the following core skills/expertise/competencies as required in the context of the Company's business(es) and sector(s) for it to function effectively and are currently available with the Board. Further, the Board had in its meeting held on 24.01.2020 & 22.01.2021 identified the names of directors who have such core skills/expertise/competencies as required in the context of the Company's business(es) and sector(s):

Sl. No.	Skill/Expertise/Competencies	Names of Directors who have such Skill/Expertise/Competencies											
		Sajjan Jindal	M.V.S.Rao	V.Nowal	J.Acharya	H.Ogawa	Malay Mukerjee	Seturaman Mahalingam	Harsh Mariwala	Punita Kumar Sinha	Nirupama Rao	Haigreve Khaitan	M.S.Srikar
01	Industry Knowledge/Experience												
	Industry Experience	√	√	√	√	√	√						
	Knowledge of Sector	√	√	√	√	√	√						
	Knowledge of Government/Public Policy	√	√	√	√	√	√		√	√			√
02	Technical Skills/Experience												
	Projects	√		√		√	√	√					√
	Accounting		√			√	√	√	√	√			
	Finance	√	√			√	√	√	√	√			
	Law	√	√	√		√	√	√	√			√	
	Marketing Experience	√	√	√	√	√	√	√	√				
	IT and Digital Outreach	√	√	√	√	√	√	√			√		
	Public Relations	√	√	√	√	√	√	√	√	√			√
	Risk Management Systems	√	√	√	√	√	√	√	√				
	Human Resources Management	√	√	√	√	√	√	√	√		√	√	
	Strategy Development and implementation	√	√	√	√	√	√	√	√	√			
	Global Management	√				√	√	√	√	√	√		
03	Governance Competencies												
	Strategic Thinking/Planning from governance perspective	√	√	√	√	√	√	√	√	√	√	√	√
	Executive performance management	√	√	√	√	√	√	√	√	√	√	√	√
	Governance related risk management	√	√	√	√	√	√	√	√	√	√	√	√
	Compliance focus	√	√	√	√	√	√	√	√	√	√	√	√
	Profile/Reputation	√	√	√	√	√	√	√	√	√	√	√	√
04	Behavioural Competencies												
	Ability and willingness to challenge and probe	√	√	√	√	√	√	√	√	√	√	√	√
	Sound Judgement	√	√	√	√	√	√	√	√	√	√	√	√
	Integrity and High ethical standards	√	√	√	√	√	√	√	√	√	√	√	√
	Mentoring abilities	√	√	√	√	√	√	√	√	√	√	√	√
	Interpersonal relations	√	√	√	√	√	√	√	√	√	√	√	√
	Listening skills	√	√	√	√	√	√	√	√	√	√	√	√
	Verbal Communication Skills	√	√	√	√	√	√	√	√	√	√	√	√
	Understanding of effective decision making processess	√	√	√	√	√	√	√	√	√	√	√	√
	Willingness and ability to devote time and energy to the role	√	√	√	√	√	√	√	√	√	√	√	√

2.12 Performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (LODR) Regulations, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board.

The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board acknowledges its intention to establish and follow "best practices" in Board governance in order to fulfil its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among Board members, greater efficiency in the use of the Board's time, and increased effectiveness of the Board as a governing body.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc.

The Directors expressed their satisfaction with the evaluation process.

2.13 Resignation of Independent Director:

None of the Independent Directors of the Company have resigned before the expiry of his/her tenure.

3. Audit Committee:

The Audit Committee comprises of three Non-Executive Directors, all of whom are Independent Directors and one Executive Director. Mr. Seturaman Mahalingam is the Chairman of the Audit Committee. The Members possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Audit Committee meets the requirements as per the Section 177 of the Companies Act, 2013 and Regulation 18(1) of the SEBI (LODR) Regulations.

The Broad terms of reference of Audit Committee are:

- a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Reviewing with the management the financial statements and auditor's report thereon before submission to the Board, focusing primarily on:
 1. Matters to be included in the Directors Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 2. Changes to any accounting policies and practices.
 3. Major accounting entries based on the exercise of judgement by Management.
 4. Significant adjustments if any, arising out of audit findings.
 5. Compliance with respect to accounting standards, listing agreements and legal requirements concerning financial statements.
 6. Disclosure of any related party transactions.
 7. Modified opinion (s) in the draft audit report.
- c) Recommending to the Board, the appointment, re-appointment, remuneration and terms of appointment of Auditors of the Company.
- d) To review reports of the Management Auditors and Internal Auditors and discussion on any significant findings and follow up there on.
- e) Reviewing with the management, external and internal auditors, the adequacy of internal control systems, and the Company's statement on the same prior to endorsement by the Board.
- f) Evaluation of the internal financial controls and risk management systems.
- g) To review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- h) To approve transactions of the Company with related parties and subsequent modifications of the transactions with related parties.
- i) In addition, the powers and role of Audit Committee are as laid down under Regulation 18(3) and Part C of Schedule II of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013.

Eight meetings of the Audit Committee were held during the financial year 2020-21, as against the minimum requirement of four meetings. The Committee meetings were held on 21.05.2020, 23.07.2020, 01.10.2020, 22.10.2020, 18.12.2020, 21.01.2021, 01.03.2021 & 19.03.2021.

The composition of the Committee as at 31.03.2021, name of members and Chairperson and the attendance of each member at the Committee Meetings are as given below:

Sl. No.	Name of the Members	Category	No. of Meetings attended
01.	Mr. Seturaman Mahalingam (Chairman)	Non-Executive Independent Director	8/8
02.	Mr. Seshagiri Rao MVS	Executive Director	7/8
03.	Mr. Malay Mukherjee	Non-Executive Independent Director	8/8
04.	Mr. Haigreve Khaitan	Non-Executive Independent Director	6/8

The Dy. Managing Director, Director (Commercial & Marketing), Chief Financial Officer, Accounts Heads of each Unit, Sr. Vice-President (Internal Audit), Financial Controller, the Company Secretary and the representatives of the Statutory Auditors attend the Audit Committee meetings. The representatives of Management Auditors attend the Audit Committee Meeting whenever matters relating to management audit are considered. The representatives of the Cost Auditor attend the Audit Committee meeting when the Cost Audit Report is tabled for discussion. The Company Secretary is the Secretary of the Audit Committee.

Mr. Seturaman Mahalingam, Chairman of the Audit Committee was present at the last Annual General Meeting held on 23.07.2020.

4. Nomination & Remuneration Committee:

The Nomination & Remuneration Committee's constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 and Part D of the Schedule II of the SEBI (LODR) Regulations.

The terms of reference of the Committee, inter alia, includes the following:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and carry out evaluation of every director's performance.
- Formulating criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulating criteria for evaluation of performance of Independent Directors and the Board.
- Devising a policy on diversity of Board of Directors.
- Recommending whether to extend or continue the term of appointment of independent director on the basis of the report of performance evaluation of Independent Directors.

- Recommending to the Board, all remuneration, in whatever form, payable to Senior Management.

Two meetings of Nomination and Remuneration Committee were held on 21.05.2020 & 01.10.2020

The composition of the Nomination & Remuneration Committee as at 31.03.2021 and the attendance of each member at the Committee Meetings are as given below:

Sl. No.	Name of the Members	Category	No. of Meetings attended
01.	Mr. Seturaman Mahalingam	Non-Executive Independent Director	2/2
02.	Mr. Sajjan Jindal	Executive Director	1/2
03.	Mr. Malay Mukherjee	Non-Executive Independent Director	2/2
04.	Mr. Harsh Charandas Mariwala	Non-Executive Independent Director	2/2
05.	Mrs. Nirupama Rao	Non-Executive Independent Director	2/2

Mr. Seturaman Mahalingam, Chairman of the Nomination & Remuneration Committee was present at the last Annual General Meeting held on 23.07.2020.

4.1 Performance Evaluation Criteria for Independent Directors:

Board Evaluation Policy has been framed by the Nomination and Remuneration Committee (NRC) and approved by the Board in its meeting held on 30.01.2015 and subsequently amended by the Board in its meeting held on 29.01.2016 & 01.04.2019. This policy has been framed in compliance with the provisions of Section 178 (2), 134(3)(p) and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (LODR) Regulations, as amended from time to time.

The Company adopted the following criteria to carry out the evaluation of Independent Directors, in terms of the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations:

- The Nomination and Remuneration Committee (NRC) shall carry out evaluation of every Director's Performance.
- In addition, the evaluation of the Independent Directors shall be done by the entire Board, excluding the director being evaluated, which shall include:
 - a) Performance of the directors; and
 - b) Fulfilment of the independence criteria as specified in 16(1) (b) of SEBI (LODR) Regulations and their independence from the management.

This is to be done on an annual basis for determining whether to extend or continue the term of appointment of the independent director.

The Evaluation process of Independent Directors and the Board will consist of two parts:

- Board Member Self Evaluation ; and
- Overall Board and Committee Evaluation.

In the Board Member Self Evaluation, each Board member is encouraged to be introspective about his/ her personal contribution, performance, conduct as director with reference to a questionnaire provided to them. Copies of the evaluation forms as applicable will be distributed to each Board Member. Board members shall complete the forms and return them to the Company Secretary or Board nominee or the consultant, as may be informed.

The Company Secretary or Board nominee or the consultant will tabulate the Forms. The Tabulated Report would be sent to all Board Members for evaluation and if any director disagrees with the self-evaluated results, he/she will suitably intimate the Chairman of the Board, else the same will be deemed to have been accepted.

The individually completed forms will be preserved by the Company Secretary and the Tabulated Report would be presented to the Board and NRC for evaluation.

Apart from the above, the NRC will carry out an evaluation of every director's performance. For this purpose, the NRC would review the Tabulated Report. The NRC would provide feedback to the Board on its evaluation of every director's performance and based on such feedback, the Board will recommend appointments, re-appointments, and removal of the non-performing Directors of the Company.

4.2 Remuneration Policy and details of Remuneration paid to Directors:

In determining the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees of the Company, a Remuneration Policy has been framed by the Nomination & Remuneration Committee and approved by the Board with the following broad objectives:

- i. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- ii. Motivate KMP and other employees and to stimulate excellence in their performance.
- iii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- iv. Ensuring that the remuneration to Directors, KMP and other employees achieve a balance between components fixed & incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- v. Retain, motivate and promote talent and to ensure long term association and loyalty of talented employees.

The full text of the remuneration policy is available at <https://www.jsw.in/investors/steel/jsw-steel-governance-and-regulatory-information-policies>

The Whole-time Directors compensation is based on the appraisal system wherein their individual goals are linked to the organisational goals. The whole-time Directors are paid compensation as per the agreements entered into between them and the Company, subject to the approval of the Board and of the members in General Meeting and such other approvals, as may be necessary.

The present remuneration structure of Executive Directors comprises of salary, perquisites, allowances, performance linked incentive, ESOPs and contribution to PF and Gratuity. The Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable to the Non-Executive Directors is based on the number of meetings of the Board attended by them and their Chairmanship / Membership of Audit Committee during the year, subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹20,000/-for each meeting of the Board and sub-committees attended by them.

The details of remuneration paid/payable to the Non-Executive Directors for the period 01.04.2020 to 31.03.2021 are as follows:

Name of the Director	Commission Paid/Payable (2020-2021) (₹ in lakhs)	Sitting Fees @ ₹20,000 per meeting (₹ in lakhs)	Total (₹ in lakhs)
Mr. Ganga Ram Baderiya /Mr. M.S.Srikar (KSIIDC Nominee Director)	34.00#	1.20	35.20
Mr. Hiroyuki Ogawa (JFE Steel Corporation Nominee Director)	34.00#	1.60#	35.60
Mr. Malay Mukherjee	34.50	4.20	38.70
Mr. Seturaman Mahalingam	35.00	4.40	39.40
Dr. (Mrs) Punita Kumar Sinha	34.00	2.60	36.60
Mr. Harsh Mariwala	34.00	1.40	35.40
Mr. Haigreve Khaitan	34.50	2.00	36.50
Mrs. Nirupama Rao	34.00	2.20	36.20

Payable to the respective institutions/Companies they represent

Note: None of the Non-Executive Directors hold any shares in the Company.

The details of Remuneration paid / payable to the Whole-time Directors for the financial year 2020-21 are as given below:

Name of Director and Designation	Salary including provident fund (₹ in crores)	Perks (₹ in crores)	Profit linked commission (₹ in crores)	Total	Period of contract	Notice period
Mr. Sajjan Jindal Chairman & Managing Director	11.66	1.30	60.42	73.37	From 07.07.2017 to 06.07.2022	NA
Mr. Seshagiri Rao MVS Jt. Managing Director & Group CFO	4.83	0.25	--	5.08	From 06.04.2020 to 05.04.2023	3 Months from either side or salary in lieu thereof.
Dr. Vinod Nowal Dy. Managing Director	4.04	0.18	--	4.22	From 30.04.2017 to 29.04.2022	3 months from either side or salary in lieu thereof.
Mr. Jayant Acharya Director (Commercial & Marketing)	3.46	0.16	--	3.62	From 07.05.2019 to 05.06.2024	3 months from either side or salary in lieu thereof.

5. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee comprises of 3 Non-Executive Directors, all of whom are Independent Directors.

The Stakeholders Relationship Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 20 and Part D (B) of Schedule II of the SEBI (LODR) Regulations.

The role of the Committee shall inter-alia include the following:

- 1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Stakeholders Relationship Committee met once during the financial year 2020-21 on 03.10.2020. The composition of the Committee and the details of the meetings attended by the Members are as given below:

Sl. No.	Name of the Members	Category	No. of Meetings attended
01.	Mr. Seturaman Mahalingam (Chairman)	Non-Executive Independent Director	1/1
02.	Dr (Mrs) Punita Kumar Sinha	Non-executive Independent Director	1/1
03.	Mrs. Nirupama Rao	Non-executive Independent Director	1/1

Mr. Seturaman Mahalingam, Chairman of the Stakeholders' Relationship Committee was present at the last Annual General Meeting held on 23.07.2020.

Mr. Lancy Varghese, Company Secretary, is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreement with the Stock Exchanges in India. His address and contact details are as given below:

Address: JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051
Phone: 022-42861000
E-mail: jswsl.investor@jsw.in

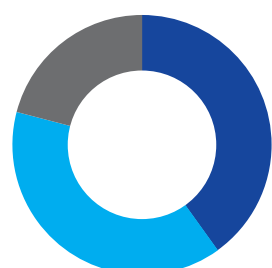
Investor Grievance Redressal

Number of complaints received and resolved to the satisfaction of Shareholders / Investors during the year under review and their break-up is as under:

No. of Shareholders' Complaints received during the year ended 31.03.2021:	402
Number not solved to the satisfaction of Shareholders:	0
No. of pending Complaints as on 31.03.2021:	0

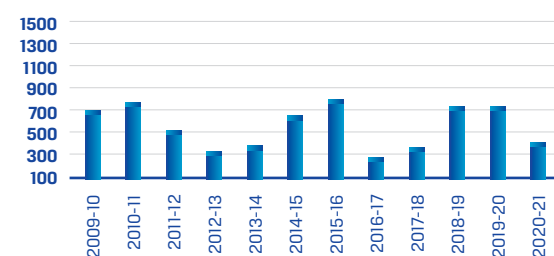
None of the Complaints were pending for a period exceeding 30 days. All requests for transfer of shares have been processed on time and there are no transfers pending for more than 15 days.

Category of Complaints



- Non-receipt Certificates
- Non-receipt of dividend warrants
- SEBI Complaints/Stock Exchange Complaints/DOCA, Court/Advocate Notices

No. of Complaints received:



Note:- Complaints pertaining to the years subsequent to 2013-14 include investor complaints received from shareholders of JSW Ispat Steel Limited upon its merger with the Company in the financial year 2013-14.

6. Risk Management Committee:

The Risk Management Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 21 of the SEBI (LODR) Regulations.

The terms of reference of the Committee are as follows:

- To periodically review risk assessment and minimisation procedures to ensure that Executive Management controls risk through means of a properly defined framework including cyber security.
- To review major risks and proposed action plan.

The Risk Management Committee met once during the financial year 2020-21 on 01.10.2020.

The composition of the Committee as on 31.03.2021 and the details of the meetings attended by the Members are as given below:

Sl. No.	Name of the Members	Category	No. of Meetings attended
01.	Mr. Malay Mukherjee (Chairman)	Non-Executive Independent Director	1/1
02.	Mr. Seshagiri Rao MVS, (Member)	Executive Director	1/1
03.	Dr. Vinod Nowal, (Member)	Executive Director	0/1
04.	Mr. Jayant Acharya (Member)	Executive Director	1/1
05.	Dr. (Mrs.) Punita Kumar Sinha, (Member)	Non-Executive Independent Director	1/1
06.	Mr. Harsh Charandas Mariwala, (Member)	Non-Executive Independent Director	1/1

The Risk Management Committee, a sub-committee of the Board has further constituted:

- "Capex Risk Evaluation Committee" to evaluate the risks associated with capex proposals including mergers and acquisitions.
- Locational Committees namely (a) Corporate Locational Committee (b) Vijayanagar Locational Committee (c) Dolvi Locational Committee and (d) Salem Locational Committee to further review risk assessment at Location Level.

7. Other Major Committees of Directors:

In addition to the above referred Committees, which are constituted pursuant to the Corporate Governance Code, the Board has constituted the following major Committees of the Board and delegated thereto powers and responsibilities with respect to specific purposes. Time schedule for holding the meetings of these Committees are finalised in consultation with the Committee Members:

1. PROJECT REVIEW COMMITTEE:

Terms of reference of the Committee	Composition	Frequency of meetings
1. To closely monitor the progress of Large Projects, in addition to ensuring a proper and effective co-ordination amongst the various project modules essentially with the objective of timely project completion within the budgeted project outlay.	1. Mr. Malay Mukherjee (Chairman) Non-Executive Independent Director. 2. Dr. Vinod Nowal (Member) Executive Director 3. Mr. Seturaman Mahalingam, (Member) Non-Executive Independent Director 4. Mr. Hiroyuki Ogawa (Member) Nominee Director (JFE Steel Corporation)	4 Meetings were held on 21.05.2020, 22.07.2020, 22.10.2020 & 11.01.2021
2. To review new strategic initiatives		

2. BUSINESS RESPONSIBILITY/SUSTAINABILITY REPORTING COMMITTEE:

Terms of reference of the Committee	Composition	Frequency of meetings
1. Responsible for the adoption of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) in business practices of JSW Steel.	1. Mr. Malay Mukherjee (Chairman) DIN No. 02861065 Non-Executive Independent Director Tel. No. 911141032905 malayumauk@googlemail.com	2 Meetings were held on 20.05.2020 & 18.12.2020
2. Responsible for the policies created for or linked to the 9 key principles of the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'.	2. Mr. Seshagiri Rao MVS (Member) DIN No. 00029136 Executive Director Tel. No. 42861000 seshagiri.rao@jsw.in	
3. Review the progress of initiatives under the purview of business responsibility (sustainability) policies mentioned above.	3. Dr. Vinod Nowal (Member) DIN No. 00046144 Executive Director, Tel No. 42861000 vinod.nowal@jsw.in	
4. Review business responsibility reporting disclosures on a pre-decided frequency (monthly, quarterly, bi-annually).	4. Mr. Jayant Acharya (Member), DIN No. 00106543 Executive Director, Tel. 42861000 jayant.acharya@jsw.in	
5. Review the progress of business responsibility initiatives at JSW Steel.	5. Dr. (Mrs.) Punita Kumar Sinha (Member) DIN No.05229262 Non-Executive Independent Director Tel. No. 091-9833363533 punitakumarsinha@gmail.com	
6. Review the annual business responsibility report and present it to the Board for approval.	6. Mrs. Nirupama Rao (Member) Din No.06954879 Non-Executive Independent Director Tel. No. 7022621529 nirupamamenonrao@hotmail.com	

3. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Terms of reference of the Committee	Composition	Frequency of meetings
1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy (CSR Policy), which shall indicate a list of CSR projects or programs which a Company plans to undertake falling within the purview of the Schedule VII of the Companies Act, 2013, as may be amended.	1. Mrs. Nirupama Rao (Chairperson) Non-Executive Independent Director 2. Mr. Seshagiri Rao MVS (Member) Executive Director 3. Dr. Vinod Nowal (Member) Executive Director 4. Mr. Jayant Acharya (Member) Executive Director 5. Dr. (Mrs) Punita Kumar Sinha (Member) Non-Executive Independent Director 6. Mr. M.S.Sriker (Member) Nominee Director (KSIIDC)	Two meetings were held on 20.05.2020 & 18.12.2020.
2. To recommend the amount of expenditure to be incurred on each of the activities to be undertaken by the Company, while ensuring that it does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act, 2013.		
3. To approve the Annual Report on CSR activities to be included in the Director's Report forming part of the Company's Annual Report and attribute reasons for short comings in incurring expenditures.		
4. To monitor the CSR policy of the Company from time to time; and		
5. To institute a transparent monitoring mechanism for implementation of the CSR Projects or programs or activities undertaken by the Company.		

4. HEDGING POLICY REVIEW COMMITTEE:

Terms of reference of the Committee	Composition	Frequency of meetings
1. To take protective measures to hedge forex losses.	1. Dr. (Mrs) Punita Kumar Sinha (Chairperson)	Three Meetings were held on 21.05.2020, 06.07.2020, & 03.10.2020.
2. To decide on all matters related to commodities hedging and to take measures to hedge commodity price fluctuations.	2. Mr. Seshagiri Rao MVS (Member) Executive Director	
	3. Mr. Seturaman Mahalingam, (Member) Non-Executive Independent Director.	

5. FINANCE COMMITTEE:

Terms of reference of the Committee	Composition	Frequency of meetings
1. To approve availing of credit / financial facilities of any description from Banks/ financial Institutions/ Bodies Corporate within the limits approved by the Board.	1. Mr. Seshagiri Rao MVS (Chairman) Executive Director	Need based. Meetings were held on 17.04.2020, 02.06.2020, 04.06.2020, 05.06.2020, 19.06.2020, 03.07.2020, 08.07.2020, 09.09.2020, 07.10.2020, 09.10.2020, 12.10.2020, 27.10.2020, 26.11.2020, 14.12.2020, 05.01.2021, 30.01.2021, 16.02.2021, 17.03.2021 & 23.03.2021
2. To approve investments and dealings with any monies of the Company upon such security or without security in such manner as the committee may deem fit, and from time to time to vary or realise such investments within the framework of the guidelines laid down by the Board.	2. Dr. Vinod Nowal (Member) Executive Director	
3. To open new Branch Offices of the Company, to declare the same as such and to authorise personnel by way of Power of Attorney or otherwise, to register the aforesaid branches and to deal with various authorities such as the Central Excise, Profession Tax, Commercial Tax, State & Central Sales Tax, VAT Authorities and other Local Authorities.	3. Mr. Jayant Acharya (Member) Executive Director	
4. To make loans to Individuals /Bodies Corporate and/or to place deposits with other Companies/ firms upon such security or without security in such manner as the committee may deem fit within the limits approved by the Board.		
5. To open Current Account(s), Collection Account(s), Operation Account(s), or any other Account(s) with Banks and also to close such accounts, which the 'said Committee' may consider necessary and expedient.		

6. JSWSL ESOP COMMITTEE:

Terms of reference of the Committee	Composition	Frequency of meetings
1. Determine the terms and conditions of grant, issue, re-issue, cancellation and withdrawal of Employee Stock Options from time to time.	1. Mr. Malay Mukherjee (Chairman) Non-Executive Independent Director	Need based. No meeting was held in FY 2020-21.
2. Formulate, approve, evolve, decide upon and bring into effect, suspend, withdraw or revive any sub-scheme or plan for the purpose of grant of Options to the employees and to make any modifications, changes, variations, alterations or revisions in such sub-scheme or plan from time to time.	2. Mr. Seshagiri Rao M.V.S (Member) Executive Director	
3. To issue any direction to the trustees of the JSW Steel Employees Welfare Trust to sell, transfer or otherwise dispose-off any Shares held by them.	3. Mr. Seturaman Mahalingam (Member) Non-Executive Independent Director	
4. To make necessary amendments to the JSW Steel Employees Welfare Trust Deed, if need be.	4. Mr. Haigreva Khaitan (Member) Non-Executive Independent Director	
5. Lay down the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of change in the Capital Structure and/or Corporate Action.		
6. Lay down the method for satisfaction of any tax obligation arising in connection with the Options or such Shares.		

Terms of reference of the Committee	Composition	Frequency of meetings
7. Lay down the procedure for cashless exercise of Options, if any; and		
8. Provide for the Grant, Vesting and Exercise of Options in case of Employees who are on long leave or whose services have been seconded to any other Company or who have joined Holding Company or a Subsidiary or an Associate Company at the instance of the Employer Company.		

7. JSWSL CODE OF CONDUCT IMPLEMENTATION COMMITTEE MEETING:

Terms of reference of the Committee	Composition	Frequency of meetings
For implementation of the 'JSWSL Code of Conduct to Regulate, Monitor and Report trading by Insiders' and the SEBI (Prohibition of Insider Trading) Regulations, 2015.	1. Mr. Seshagiri Rao M.V.S (Chairman) Executive Director 2. Dr. Vinod Nowal (Member) Executive Director 3. Mr. Jayant Acharya (Member) Executive Director	Need based. 5 Meetings were held on 14.05.2020, 06.07.2020, 25.08.2020, 29.10.2020 & 10.02.2021

8. General Body Meetings:

a) Annual General Meetings:

The details of date, time and venue of the Annual General Meetings (AGMs) of the Company held during the preceding three years and the Special Resolutions passed there at, are as under:

AGM	Date	Time	Venue	Special Resolutions Passed
26 th AGM	23.07.2020	11.00am	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	1. Re-appointment of Mr. Malay Mukherjee (DIN 02861065) as a Director of the Company, in the category of Independent Director. 2. Re-appointment of Mr. Haigreva Khaitan (DIN 00005290) as a Director of the Company, in the category of Independent Director. 3. Re-appointment of Mr. Seshagiri Rao MVS (DIN 00029136) as a Whole Time Director of the Company. 4. Consent for issue of specified securities to Qualified Institutional Buyers (QIBs) 5. Consent for issue of Foreign Currency Convertible Bonds/Global Depository Receipts/American Depository Receipts/ Warrants and/or other instruments convertible into equity shares optionally or otherwise for an aggregate sum of upto USD 1 Billion.
25 th AGM	25.07.2019	11.00 am	Y.B.Chavan Auditorium, General Jagannathrao Bhonsle Marg, Nariman point, Mumbai - 400 021	1. Re-appointment of Mr. Jayant Acharya (DIN 00106543) as a whole-time director of the Company designated as Director (Commercial & Marketing) for a period of five years. 2. Consent for payment of remuneration to non-executive directors. 3. Consent for Private placement of redeemable non-convertible debentures. 4. Consent for issue of specified securities to Qualified Institutional Buyers (QIBs) 5. Approval for undertaking material related party transactions(s) with JSW International Tradecorp Pte. Limited, Singapore.
24 th AGM	24.07.2018	11.00 am	Y.B.Chavan Auditorium, General Jagannathrao Bhonsle Marg, Nariman point, Mumbai - 400 021	1. Re-appointment of Dr. (Mrs) Punita Kumar Sinha in the category of Independent Director for a term upto July 23, 2023 or upto the conclusion of the 29 th Annual General meeting of the Company in the calendar Year 2023, whichever is earlier. 2. Private placement of redeemable nonconvertible debentures of ₹10,000 crores. 3. Consent for issue of NCD with convertible warrant upto ₹4,000 crores and/or Specified Securities for an aggregate amount not exceeding ₹4,000 crores to QIB. 4. Authority to the Board of Directors to give any loan, guarantee or provide security to any person or other body corporate and to acquire securities of any other Body Corporates upto a maximum aggregate amount of ₹20,000 crores.

b) Special Resolutions passed through Postal Ballot during 2020-21:

No special resolution was passed through Postal Ballot during the financial year 2020-21. None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a special resolution through Postal Ballot.

9. Disclosures:

- i. Related Party Transactions:** All transactions entered into with Related Parties as defined under the Companies Act, 2013, and Regulation 23 of the SEBI (LODR) Regulations during the financial year were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by the Indian Accounting Standard (Ind AS 24) has been made in the notes to the Financial Statements.

The Board approved policy for related party transactions is available on the Company's website <http://www.jsw.in/investors/investor-relations-steel>.

- ii.** The Company has laid down procedures to inform Board members about the risk assessment and minimisation procedures, which are periodically reviewed.
- iii. Whistle Blower Policy/Vigil Mechanism:** The Whistle Blower Policy/Vigil Mechanism has been formulated by the Company with a view to provide a mechanism for directors and employees of the Company to approach the Ethics Counsellor / Chairman of the Audit Committee of the Board to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or ethics policy or any other unethical or improper activity including misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements and incidents of leak or suspected leak of unpublished price sensitive information. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The Whistle Blower Policy/Vigil Mechanism also provides safeguards against victimisation or unfair treatment of the employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the Audit Committee.

The Whistle Blower Policy/Vigil Mechanism adopted by the Company in line with Section 177 of the Companies Act, 2013 and Regulation 22 of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, which is a mandatory requirement, has been posted on the Company's website www.jsw.in/investors/steel/jsw-steel-governance-and-regulatory-information-policies

The following steps have been taken to strengthen the Whistleblower Mechanism in JSW Steel Limited.

01. Awareness on the Policy:

- Quarterly Communication from the Desk of Group HR to make employees aware of the policy
- Display of email address and Toll Free Phone numbers at prominent places in the offices and plant locations
- Awareness on Whistleblower policy for new joiners will be covered during their induction.
- Complaints from suppliers and customers to be entertained without commitment on protection of their identity.

02. Receipts of Complaints:

- All the 'Complaints' under this policy to be reported via the Ethics Helpline.
- The Ethics Helpline is a third-party service managed by KPMG and will be available in English, Hindi, Tamil, Telugu, Marathi, Kannada and Bengali language. 'Reporters' can access the helpline through Phone, E-mail, Web Portal or Post Box. The complaints will be processed by trained professionals to assure collection of accurate information and protection of the 'Reporters' confidentiality.
- The complaints after processing will be forwarded to the Head of Group Ethics Committee, who in turn will forward to the Ethics Counsellor or to the Chairman of the Audit Committee as laid down in the Whistle-blower policy, with recommendations.

- If a complaint is received by any other executive of the company, the same should be forwarded to the Head of Group Ethics Committee through the above address or email id.

03. Treatment of 'Complaints'

Head of Group Ethics Committee shall review the Complaint. Investigations may be carried out either by the Group Ethics Department, Internal Audit Team or any other external agency / legal counsel or any company employee(s) as the Head of Group Ethics Committee may feel appropriate. The investigation team will submit their findings or recommendations to the Head of Group Ethics Committee.

The Group Ethics Committee after considering the investigation report, may conduct its own investigation including interview of the persons complained against, and submit its report and recommendations to the Ethics Counselor for necessary action. Once every six months and whenever else as deemed necessary, Head of Group Ethics Committee shall submit a report to the Audit Committee of each legal entity - that summarises the number of 'Complaints' received, and status of actions taken.

The Whistle Blower shall have the right to approach the Chairman of the Audit Committee for relief in case he / she observes that he/ she is subjected to any unfair treatment / victimisation as a result of his Protected Disclosure.

- iv. Subsidiary Monitoring Framework:** All the Subsidiary Companies of the Company are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. As a majority shareholder, the Company nominates its representatives on the Boards of subsidiary companies and monitors the performance of such companies, inter alia, by the following means:
- a) The financial statements along with the investments made by the unlisted subsidiaries are placed before the Audit Committee and the Company's Board, quarterly.
 - b) A copy of the Minutes of the Meetings of the Board of Directors of the Company's subsidiaries along with Exception Reports and quarterly Compliance Certificates issued by CEO/CFD/CS are circulated alongwith the Agenda Papers to the Board.

- c) A summary of the Minutes of the Meetings of the Board of Directors of the Company's subsidiaries are circulated to the Company's Board, quarterly.
- d) A statement containing all significant transactions and arrangements entered into by the subsidiary companies is placed before the Company's Board.

The Company has one material subsidiary i.e. JSW Steel Coated Products Limited whose income is more than 10% of the consolidated income of the Company during the previous financial year. A policy for determination of Material Subsidiaries has been formulated and has been posted on the Company's website <https://www.jswsteel.in/investors/jsw-steel-governance-and-regulatory-information-policies-0>

- v. Internal Controls:** The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/regulatory compliances. The Company's business processes are on SAP-ERP platforms and has a strong monitoring and reporting process resulting in financial discipline and accountability.
- vi. Compliance with Indian Accounting Standards:** The Company has followed Indian Accounting Standards ("Ind AS") in the preparation of the Financial Statements for accounting periods beginning on or after 01.04.2016, as per the roadmap announced by Ministry of Corporate Affairs Companies. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

10. Means of Communication:

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance towards this end:

- a) Quarterly/Half Yearly/Nine Monthly/ Annual Results:** The Quarterly, Half Yearly, Nine Monthly and Annual Results of the Company are intimated to the Stock Exchanges immediately after they are approved by the Board.
- b) Publication of Quarterly/ Half Yearly/Nine Monthly/Annual Results:** The Quarterly, Half Yearly, Nine Monthly and Annual Results of the Company are published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, at least in one English newspaper circulating in the whole

or substantially the whole of India and in one Vernacular newspaper of the State of Maharashtra where the Registered Office of the Company is situated.

The quarterly financial results during the financial year 2020-21 were published in The Financial Express and Navshakti Newspapers as detailed below:

Quarter (FY 2020-21)	Date of Board Meeting	Date of Publication
1 st Quarter	24.07.2020	25.07.2020
2 nd Quarter	23.10.2020	24.10.2020
3 rd Quarter	22.01.2021	23.01.2021

c) Monthly production figures and other press releases:

To provide information to Investors, monthly production figures and other press releases are sent to the Stock Exchanges as well as displayed on the Company's website before it is released to the media.

d) Website: The Company's website www.jsw.in contains a separate dedicated section "Investors" where information for shareholders is available. The Quarterly/ Annual Financial Results, annual reports, analysts presentations, investor forms, stock exchange information, shareholding pattern, corporate benefits, policies, investors' contact details, etc., are posted on the website in addition to the information stipulated under Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The latest official press releases are also available on the website.

e) Presentations to Analysts:

The Company arranged 4 Conference Calls with Analysts on 22.05.2020, 24.07.2020, 23.10.2020 & 22.01.2021. The presentation for the aforesaid were uploaded on the Company's website www.jsw.in before the Conference Call. The Presentations broadly covered the operational and financial performance of the Company and industry outlook. The same are available on the Company's website.

f) Filing with BSE "Listing Centre": Pursuant to Regulation 10 (1) of the SEBI (LODR) Regulations, BSE has mandated the Listing Centre as the "Electronic Platform" for filing all mandatory filings and any other information to be filed with the Stock Exchanges by Listed Entities. BSE also mandated XBRL submissions for Financial Results, Shareholding Pattern, Corporate Governance Report, Reconciliation of Share Capital Audit Report & Voting Results

etc. All the data relating to financial results, various quarterly/half yearly /annual submissions/disclosure documents etc., have been filed Electronically/XBRL mode with the Exchange on the "Listing Centre" (<http://listing.bseindia.com>).

g) NSE Electronic Application Processing System (NEAPS): NEAPS is a web based application designed by NSE for corporates. All the data relating to financial results, voting results, various quarterly/half yearly /annual submissions/disclosure documents etc., have been filed Electronically/XBRL mode with the Exchange on NEAPS.

h) Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report along with relevant annexures, Business Responsibility/ Sustainability Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

i) Chairman's Communiqué: Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meetings (if held physically). The same is also placed on the website of the Company.

11. General Shareholders Information:

i. Annual General Meeting:

Date and Time:	July 21, 2021 at 11.00 am
Venue:	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)
Dates of Book Closure	July 07, 2021 to July 09, 2021 (both days inclusive)
Dividend payment date	July 23, 2021

ii. Financial Calendar 2021-22:

First quarterly results:	July 2021
Second quarterly results:	October 2021
Third quarterly results:	January 2022
Annual results for the year ending on 31.03.2022:	May 2022
Annual General Meeting for the Year 2022	July 2022

iii. E-VOTING:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 and Regulation 44 of the SEBI (LODR) Regulation, 2015, members have been provided the facility to exercise their right to vote at General Meetings by electronic means, through e-Voting Services provided by KFin Technologies Pvt Ltd.,

iv. CORPORATE IDENTITY NUMBER (CIN):

The CIN of the Company allotted by Ministry of Corporate Affairs, Government of India is L27102MH1994PLC152925.

v. LISTING ON STOCK EXCHANGES:

The Company's Equity Shares are listed on the following Stock Exchanges in India:

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

National Stock Exchange of India Limited (NSE)

Exchange Plaza, Bandra-Kurla Complex, Bandra East, Mumbai - 400051

The following Secured Redeemable Non-Convertible Debentures of the Company are listed on the BSE:

Sl. No.	Description	Face Value (as on issue date)
01.	10.02% Secured Redeemable Non-convertible Debentures	₹10 lakhs each
02.	10.02% Secured Redeemable Non-convertible Debentures	₹10 lakhs each
03.	10.34% Secured Redeemable Non-convertible Debentures	₹10 lakhs each
04.	8.90% Secured Redeemable Non-convertible Debentures	₹10 lakhs each
05.	8.50% Un-Secured Redeemable Non-convertible Debentures	₹10 lakhs each
06.	8.50% Secured Redeemable Non-convertible Debentures	₹10 lakhs each
07.	8.79% Secured Redeemable Non-convertible Debentures.	₹10 lakhs each

The Company had issued and listed Commercial Paper during the year under review, however no Commercial Paper are outstanding as at March 31, 2021.

The Company has paid Annual Listing Fees as applicable to the BSE and the NSE for the financial years 2020-21 and 2021-22.

The 5.25% Fixed Rate Senior Unsecured Foreign Currency Denominated Notes due 2022 (FCNs) aggregating to US \$500 million, the 5.95%

Fixed Rate Senior Unsecured Foreign Currency Denominated Notes due 2024 (FCNs) aggregating to US \$ 500 million and the 5.375% Fixed Rate Senior Unsecured Foreign Currency Denominated Notes due 2025 (FCNs) aggregating to US \$ 400 million issued by the Company in the International Market are listed on the Singapore Exchange Securities Trading Limited (the "SGX-ST"), 2 Shenton Way, #19-00 SGX Centre 1, Singapore 068804. The one time Listing fees as applicable has been paid by the Company to the SGX.

vi. Stock Code:

BSE LIMITED (BSE)		NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)	
EQUITY	DEBENTURES	EQUITY	DEBENTURES
500228	949242	JSWSTEEL	NA
	949396		
	948841		
	959034		
	959205		
	959548		
	960117		

ISIN No. for Dematerialisation of listed Shares and Debentures:

Equity:	INE019A01038
Debentures:	INE019A07241
	INE019A07258
	INE019A07266
	INE019A07415
	INE019A07423
	INE019A08025
	INE019A07431
FCNs:	XS1586341981
	XS1981202861
	XS2049728004

Debenture Trustees:

IDBI Trusteeship Services Limited

Asian Building, Ground Floor, 17th R. Kamani Marg, Ballard Estate, Mumbai – 400001

SBICAP Trustee Company Limited

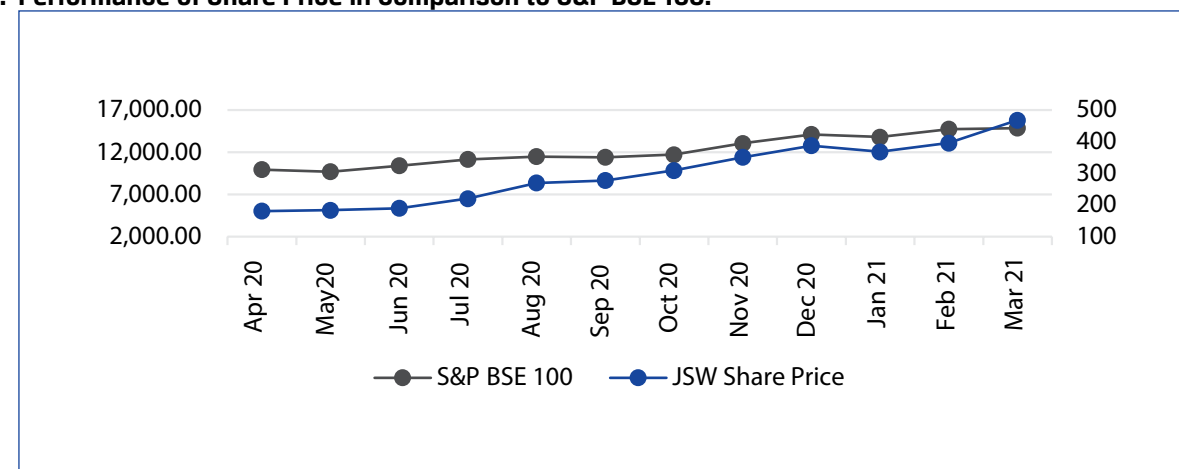
Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai – 400 020

vii. Market Price Data:

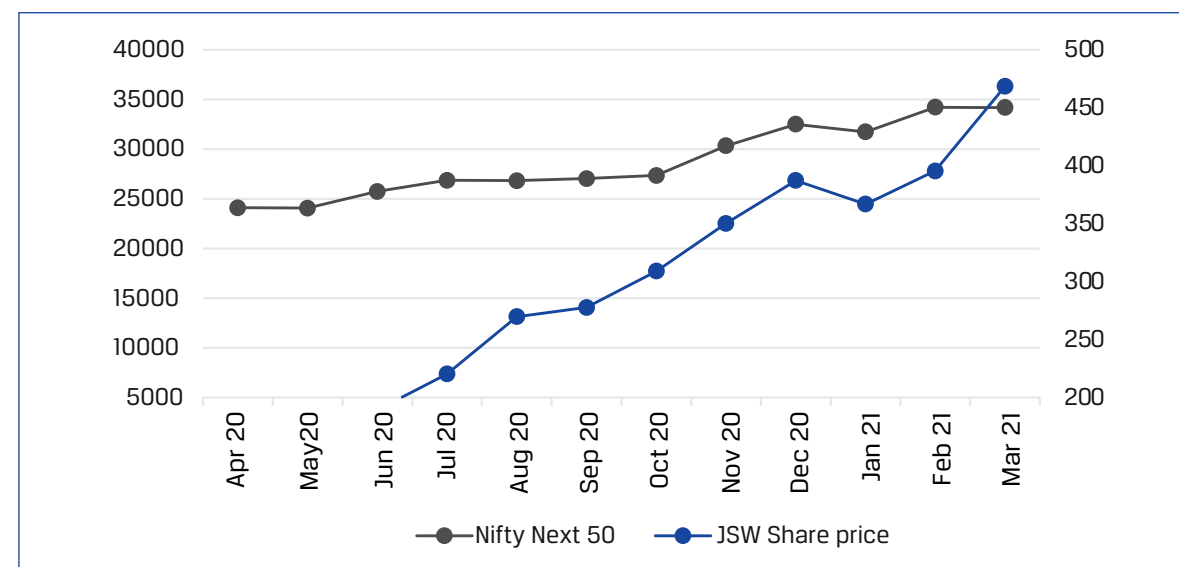
The monthly high/low market price of the shares and the quantities traded during the year 2020-21 on BSE Limited and National Stock Exchange of India Limited are as under:

Month	BSE LIMITED			NATIONAL STOCK EXCHANGE OF INDIA LIMITED		
	Month's High Price (In ₹Per share)	Month's Low Price (in ₹Per share)	No. of shares traded	Month's High Price (In ₹Per share)	Month's Low Price (in ₹Per share)	No. of shares traded
Apr-20	184.70	132.50	10255447	188.70	132.50	213642772
May-20	189.15	162.05	8785181	189.00	162.10	231209585
Jun-20	208.00	175.95	17355999	207.75	175.45	283841683
Jul-20	221.20	188.50	13710535	221.95	188.55	235228252
Aug-20	290.55	218.85	8608529	290.75	218.65	219882457
Sept-20	295.70	257.70	9407814	295.85	257.55	188746236
Oct-20	327.15	278.50	8746314	327.30	278.25	209298223
Nov-20	362.20	306.65	6908222	362.20	306.55	134065850
Dec-20	393.75	344.05	6569790	393.90	344.00	149686597
Jan-21	412.95	364.25	7572745	413.10	363.20	155179764
Feb-21	426.40	356.00	10891373	426.60	363.65	147923157
Mar-21	473.65	393.50	11591590	473.80	393.35	177276175

viii. Performance of Share Price in Comparison to S&P BSE 100:



ix. Performance of Share price in Comparison to Nifty 50:



x. Percentage Change in comparison to broad based indices – Sensex and Nifty as on 31.03.2021:

Financial Year	JSW Share Price in BSE- %	Sensex - %	JSW Share Price in NSE-%	Nifty -%
2020-21	219	68	220	71
2019-20	-49.99	-23.80	-50.09	-26.03
2018-19	01.66	16.92	01.70	14.93
2017-18	53.05	11.30	53.25	10.24
2016-17	46.28	16.88	46.52	33.92
2015-16	41.08	-9.36	41.55	-3.5
2014-15	-12.35	24.88	-12.50	26.65

xi. Registrar & Share Transfer Agents:

KFin Technologies Private Limited
Selenium Building, Tower-B, Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad,
Rangareddi, Telangana,
India - 500 032.
Tel. No.: 040 67161500
Fax No.: 040 23001153
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

xii. Share Transfer/Transmission System:

Requests for Transfer/Transmission of Shares held in physical form can be lodged with KFin Technologies Private Limited at the above-mentioned address. The requests are normally processed within 15 days of receipt of the documents, if documents are found in order. Shares under objection are returned within two weeks.

SEBI has vide its circular dated January 7, 2010 made it mandatory to furnish a copy of PAN Card in the following cases for transmission of shares in physical form:

- Deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders.
- Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder.

The Board has delegated the authority for approving transfers, transmissions etc. of the Company's securities to the Share/Debt Transfer Committee. The decisions of Share/Debt Transfer Committee are placed at the next Board Meeting. The Company obtains from a Company Secretary in Practice, a half yearly certificate of compliance with the share transfer formalities as required under the Regulation 40(9) of the SEBI (LODR Regulations) and files a copy of the certificate with the Stock Exchanges.

xiii. Distribution of Shareholding:

The distribution of shareholding by holdings as on 31.03.2021 is given below:

Sl. No	No. of Equity Shares (Category)	No. of Shareholders	% of Shareholders	No. of Shares held	% of shareholding
1	1 - 500	534471	93.17	37178731	1.54
2	501 - 1000	21486	3.75	17839264	0.74
3	1001 - 2000	9721	1.69	14407374	0.60
4	2001 - 3000	3450	0.60	8373935	0.35
5	3001 - 4000	1032	0.18	3624065	0.15
6	4001 - 5000	738	0.13	3410825	0.14
7	5001 - 10000	1183	0.21	8361553	0.35
8	10001 - 20000	533	0.09	7481963	0.31
9	20001 and above	1049	0.18	2316542730	95.83
TOTAL:		573663	100.00	2417220440	100.00

xiv. Shareholding Pattern: As on 31.3.2021

Category	As on 31.03.2021			As on 31.03.2020		
	No. of Holders	No. of Shares	% of holding	No. of Holders	No. of Shares	% of holding
Promoters	49	1065301940	44.07	48	1032467210	42.71
Promoters Trust	6	600	0.00	6	600	0.00
NRI	8062	30531752	1.26	9652	30874249	1.28
FII	499	306766600	12.69	486	414044016	17.13
OCB	2	9660	0.00	2	9660	0.00
FBC	3	362584730	15.00	3	362584730	15.00
IFI	8	116357747	4.81	11	55881071	2.31
IMF	118	55332814	2.29	104	50049191	2.07
Banks	23	38742	0.00	32	92009	0.00
Employees	473	188139	0.01	622	358149	0.01
Bodies Corporate	1675	221045945	9.14	2141	216286354	8.95
Public	557362	203151474	8.40	593923	199207389	8.24
Trust	12	11591519	0.48	24	16966276	0.70
HUF	5309	19476797	0.81	6017	18557852	0.77
NBFC	7	5285406	0.22	5	15190	0.00
IEPF	1	13890667	0.57	1	13998087	0.58
AIF	6	371413	0.02	7	1460950	0.06
Transit A/C	1	710	0.00	1	710	0.00
Qualified Institutional Buyer	46	5293745	0.22	48	4366707	0.18
Societies	1	40	0.00	1	40	0.00
Total	573663	2417220440	100.00	613134	2417220440	100.00

xv. Top 10 Shareholders as on 31.03.2021

S.No	Name	Shares	%
1	JFE STEEL INTERNATIONAL EUROPE B.V.	362583070	15.00
2	JSW TECHNO PROJECTS MANAGEMENT LTD	264454220	10.94
3	JSW HOLDINGS LIMITED	181402230	7.50
4	VIVIDH FINVEST PRIVATE LIMITED	143370690	5.93
5	LIFE INSURANCE CORPORATION OF INDIA	116057427	4.80
6	SAHYOG HOLDINGS PRIVATE LIMITED	112067860	4.64
7	SIDDESHWARI TRADEX PRIVATE LIMITED	84550760	3.50
8	JSW ENERGY LIMITED	70038350	2.90
9	VIRTUOUS TRADECORP PRIVATE LIMITED	60368250	2.50
10	THELEME MASTER FUND LIMITED	58527711	2.42

xvi. Geographical Distribution of Shareholders as on 31.03.2021:

Sl. No.	Name of the City	Physical Holders			Electronic Holders			Total Shareholders		
		No. of Cases	No. of Shares	%	No. Of Cases	No. of Shares	%	No. of Cases	No. of Shares	%
1	AGRA	838	55890	0.00	2034	214982	0.01	2872	270872	0.01
2	AHMEDABAD	4860	521600	0.02	19613	75742420	3.13	24473	76264020	3.16
3	BANGALORE	3163	452080	0.02	16453	19949602	0.83	19616	20401682	0.84
4	KOLKATA	5134	523550	0.02	14870	9861786	0.41	20004	10385336	0.43
5	CHANDIGARH	866	77770	0.00	2056	333388	0.01	2922	411158	0.02
6	CHENNAI	2643	360680	0.01	11293	15156760	0.63	13936	15517440	0.64
7	COIMBATORE	2217	677000	0.03	3710	1523296	0.06	5927	2200296	0.09
8	GANDHI NAGAR	1627	99770	0.00	7569	650317	0.03	9196	750087	0.03
9	GHAZIABAD	551	53230	0.00	2771	353982	0.01	3322	407212	0.02
10	HISSAR	735	123790	0.01	1128	46113035	1.91	1863	46236825	1.91
11	HOWRAH	681	75670	0.00	2337	336188	0.01	3018	411858	0.02
12	HYDERABAD	1908	215410	0.01	9887	1826311	0.08	11795	2041721	0.08
13	INDORE	969	84550	0.00	3416	449824	0.02	4385	534374	0.02
14	JAIPUR	1879	151730	0.01	7442	1049205	0.04	9321	1200935	0.05
15	JAMNAGAR	792	58770	0.00	2453	234909	0.01	3245	293679	0.01
16	KANPUR	1314	102780	0.00	3607	586029	0.02	4921	688809	0.03

Sl. No.	Name of the City	Physical Holders			Electronic Holders			Total Shareholders		
		No. of Cases	No. of Shares	%	No. Of Cases	No. of Shares	%	No. of Cases	No. of Shares	%
17	LUCKNOW	982	68220	0.00	3144	339809	0.01	4126	408029	0.02
18	MEHSANA	1020	53560	0.00	3291	344655	0.01	4311	398215	0.02
19	MUMBAI	13722	5165140	0.21	60378	2008368349	83.09	74100	2013533489	83.30
20	NEW DELHI	10211	1134224	0.05	27180	125139340	5.18	37391	126273564	5.22
21	PATNA	522	47180	0.00	2058	253406	0.01	2580	300586	0.01
22	PUNE	1953	204670	0.01	11823	4983716	0.21	13776	5188386	0.21
23	RAJKOT	1084	85330	0.00	5730	880370	0.04	6814	965700	0.04
24	SURAT	1670	130870	0.01	9465	1088762	0.05	11135	1219632	0.05
25	THANE	1104	171340	0.01	8943	1328687	0.05	10047	1500027	0.06
26	VADODARA	2513	183720	0.01	9381	1360134	0.06	11894	1543854	0.06
27	OTHERS	55147	6732268	0.28	201526	81140386	3.36	256673	87872654	3.64
TOTAL:		120105	17610792	0.73	453558	2399609648	99.27	573663	2417220440	100.00

xvii. Corporate Benefits to Shareholders:

a) Dividend declared for the last eight years:

Financial Year	Dividend Declaration Date	Dividend Rate (%)
2019-20	23.07.2020	200.00
2018-19	25.07.2019	410.00
2017-18	24.07.2018	320.00
2016-17	29.06.2017	225.00
2015-16	26.07.2016	75.00
2014-15	28.07.2015	110.00
2013-14	31.07.2014	110.00
2012-13	30.07.2013	100.00

b) Unclaimed Dividends:

The Ministry of Corporate Affairs ('MCA') has notified the provisions of section 124 of the Companies Act, 2013 ('Act, 2013) and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF RULES") w.e.f 07.09.2016.

Under Section 124 (5) of the Companies Act, 2013, dividends that are unclaimed / un-paid for a period of seven years, are to be transferred statutorily to the Investor Education and Protection Fund (IEPF) administered by the Central Government. To ensure maximum disbursement of unclaimed dividend, the Company sends reminders to the concerned investors at appropriate intervals. The status of dividend remaining unclaimed is given hereunder:

Period	Status	To be claimed from	How it can be claimed
Upto the financial year ended 31.03.1995	Transferred to the General Revenue Account of the Central Government	Registrar of Companies, Maharashtra	Claim to be forwarded in prescribed Form No. II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.
For the Financial years 1995-96 to 2012-13	Transferred to the IEPF of the Central Government	IEPF Authority	Submit e-form IEPF-5 alongwith annexures to the company's RTA or at the registered office of the Company.
For the Financial Years 2013-14 to 2019-20	Lying in respective unpaid/unclaimed dividend accounts	RTA of the Company	By written request to RTA i.e. KFin Technologies Private Limited

Pursuant to Section 124 (5) of the Companies Act, 2013, the unpaid dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

Equity Shares:

Financial year	Date of Declaration of Dividend	Percentage of Dividend Declared	Unclaimed Dividend Amount as on 31.03.2021	Due to transfer to IEPF
2013-14	31.07.2014	110%	23182258.00	07.09.2021
2014-15	28.07.2015	110%	23759054.00	04.09.2022
2015-16	26.07.2016	75%	17782576.00	05.09.2023
2016-17	29.06.2017	225%	48566669.00	05.08.2024
2017-18	24.07.2018	320%	44289030.40	30.08.2025
2018-19	25.07.2019	410%	49571378.00	31.08.2026
2019-20	23.07.2020	200%	28072187.00	29.08.2027

Preference Shares:

Financial year	Dividend type	Percentage of Dividend Declared	Unclaimed Dividend Amount as on 31.03.2021	Due to transfer to IEPF
2017-18	Dividend on 0.01% of Preference Shares	0.01%	170397.77	30.08.2025
2018-19	Dividend on 0.01% of Preference Shares	0.01%	8903.89	30.08.2026

Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the Company or its Registrar, for obtaining payments thereof at least 20 days before they are due for transfer to the said fund.

c) Transfer of Shares to Investor Education and Protection Fund:

Pursuant to the provisions of the Companies Act, 2013 read with the second proviso to Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, transfer and refund) Rules, 2016 ("the rules"), all shares in respect of which dividend has not been en-cashed or claimed by the shareholders for seven consecutive years or more should be transferred by the Company to the Demat Account opened by the IEPF Authority within a period of 30 days from which the shares become due to transfer to the IEPF.

Accordingly, the equity shares in respect of which dividend has been not been claimed/un-paid for seven consecutive years or more by shareholders, are being transferred to the designated demat account of the IEPF Authority maintained with CDSL through SBI Cap Securities.

Refund process guidelines to facilitate the Claimants refund by IEPF Authority:

1) Any person, whose shares, unclaimed dividend, sale proceeds of fractional shares, redemption

proceeds of preference shares, etc. has been transferred to the IEPF, may claim the shares under proviso to sub-section (6) of section 124 or apply for refund under clause (a) of sub-section (3) of section 125 or under proviso to sub-section (3) of section 125, as the case may be, to the Authority by making an application in Form IEPF- 5 available online on website www.iepf.gov.in.

- Fill the required fields of the Form and submit the duly filled form by following the instructions given in the upload link on the website. On successful uploading of Form on MCA Portal, an acknowledgement will be generated indicating the SRN. Please note the SRN for future tracking of the form.
- Applicant has to send the printout of form IEPF-5, copy of challan and other documents as prescribed in the Form IEPF-5 to the Nodal Officer of the Company at its registered office or RTA i.e. KFin Technologies Pvt Limited in an envelope marked "claim for refund from IEPF Authority" for initiating the verification for claim.
- The Company shall within fifteen days of receipt of claim form, send a verification report to the IEPF Authority in the format specified by the Authority along with all documents submitted by the claimant.

- After verification of the entitlement of the claimant- (a) to the amount claimed, the Authority and then the Drawing and Disbursement Officer of the Authority shall present a bill to the Pay and Accounts Office for e- payment as per the guidelines (b) to the shares claimed, the Authority shall issue a refund sanction order with the approval of the Competent Authority and shall either credit the shares which are lying with depository participant in IEPF suspense account name of the company) to the demat account of the claimant to the extent of the claimant's entitlement.

d) Unclaimed shares:

As per Clause 5A(II) of the erstwhile Listing Agreement, the Company after sending three reminders on June 23, 2011, August 25, 2011 and October 31, 2011 to the registered address of the shareholders of the Company and on 23.01.2014, 21.03.2014 and 02.05.2014 to the registered address of the shareholders of the erstwhile JSW Ispat Steel Limited who became shareholders of the Company consequent to the merger, requesting for correct particulars to dispatch the undelivered share certificates, for shares issued in physical form which remained unclaimed, transferred 7,07,359 shares to a dedicated demat account styled as "Unclaimed Suspense Account" opened with Stock Holding Corporation of India.

The Company subsequently during the Financial Year 2019-2020 & 2020-21 sent three reminder letters to all shareholders, whose shares have been returned undelivered, on 06.01.2020, 18.02.2020 & 05.08.2020, requesting for correct particulars to dispatch the undelivered share certificates. Where no responses have been received, the Company is in the process of transferring the unclaimed shares to the aforesaid "Unclaimed Suspense Account".

Any corporate benefits in terms of securities accruing on aforesaid shares viz. bonus shares, split, etc., shall be credited to the "Unclaimed Suspense Account" duly opened with Stock Holding Corporation of India Limited and dividend to the "Unclaimed Suspense Account" opened with Vijaya Bank.

As and when the rightful owner of such shares approaches the Company at a later date, the Company shall credit the shares lying in the "Unclaimed Suspense Account" to the rightful owner to the extent of his/her entitlement after proper verification of the identity of the rightful owner.

As per Schedule V (F) of the SEBI (LODR Regulations), the Company reports the following details in respect of equity shares and Preference Shares lying in the suspense account:

JSW Steel Ltd - Equity Shares Unclaimed Suspense Account:

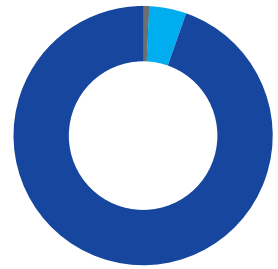
Description	Number of Share Holders	No. of Equity Shares of ₹ 1 each
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on 01.04.2020	12528	1529500
Number of Shareholders who approached issuer for transfer of shares from suspense account during the year ended 31.3.2021	34	5850
Number of shareholders to whom shares were transferred from suspense account during the year ended 31.3.2021	34	5850
Number of unclaimed shares transferred to IEPF on 31.03.2021	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying as at year ended 31.3.2021	12494	1523650

The voting rights on the shares outstanding in the suspense accounts as on March 31, 2021 shall remain frozen till the rightful owner of such shares claims the shares.

e) De-materialisation of Shares and Liquidity:

The Company has arrangements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat facility. 2399609648 Equity Shares aggregating to 99.27% of the total Equity Capital is held in dematerialised form as on 31.03.2021 of which 94.62% (2287068851 Equity Shares) of total equity capital is held in NSDL & 4.66% (112540797 Equity Shares) of total equity capital is held in CDSL as on 31.3.2021.

Dematerialisation of Shares



■ Physical ■ CDSL ■ NSDL

f) Physical Share Purchase Scheme:

In terms of the amended Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in case of transmission or transposition, requests for effecting transfer of securities of listed companies shall not be processed unless the securities are held in dematerialised form with a Depository.

In view of the above, the Physical Share Purchase Scheme has been discontinued w.e.f 01.04.2019.

g) National Electronic Clearing Service (NECS):

As per the directive from Securities and Exchange Board of India dated March 21, 2013, companies whose securities are listed on the Stock Exchanges shall use any Reserve Bank of India (RBI) approved electronic mode of payment such as ECS [LECS(Local ECS) / RECS (Regional ECS)/NECS (National ECS)]/ NEFT etc., for making cash payments to investors.

The Company will remit the dividend payment through National Electronic Clearing Service (NECS) to the shareholders having accounts with Branches of Banks covered under CBS (Core Banking Solution). Equity Shareholders holding shares in physical form, who wish to avail the NECS facility, may send their NECS mandate in the format attached to the Company's R & T Agents, in the event they have not done so earlier. Equity Shareholders holding shares in electronic mode may furnish their new Bank Account Number allotted to them by their bank after implementation of CBS, along with a photocopy of a cheque pertaining to the concerned account, or the NECS mandate to their Depository Participant (DP), at the earliest.

The Company in compliance with SEBI circular dated April 20, 2018, had sent 3 reminder letters on 04.06.2018, 18.08.2018 & 25.10.2018 to Shareholders holding physical shares seeking their Pan, Bank Details and email address besides the last communication sent on June 4, 2020. The shareholders who have not yet responded with their details are requested to furnish the same to KFin Technologies Pvt. Limited immediately.

h) Green Initiative for Paperless Communications:

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing service of documents by a Company to its Members through electronic mode. The move of the ministry allows public at large to contribute to the green movement.

Keeping in view the underlying theme, the Company will continue to send various communications and documents like notice calling general meetings, audited financial statements, directors' report, auditor's report etc., in electronic form, to the email address provided by the Members to the Depositories or to the Company.

This is also an opportunity for every shareholder of JSW Steel Limited to contribute to this Corporate Social Responsibility initiative of the Company. To support this green initiative in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant.

Members who hold shares in physical form are requested to fill in the Registration form which can be obtained from Company's Registrar Kfin Technologies Private Limited or downloaded from the Company's website www.jsw.in under the section "Investors", and register the same with the Company's Registrar.

i) Nomination Facility:

Pursuant to the provisions of the Companies Act, 2013, members are entitled to make nominations in respect of shares held by them. Members holding shares in physical form and intending to make/change the nomination in respect of their shares in the Company may submit their requests in Form No.

2B to the Company's Registrar, Kfin Technologies Private Limited. Members holding shares in electronic form may submit their nomination requests to their respective Depository Participants directly. Form No. 2B can be obtained from Company's Registrar, Kfin Technologies Private Limited or downloaded from the Company's website www.jsw.in under the section 'Investors'.

j) Outstanding GDRs/ADRs or Warrants or any Convertible Instrument, conversion dates and likely impact on equity:

There are no outstanding GDRs/ADRs or Warrants or any Convertible Instrument as on 31.3.2021.

k) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

A comprehensive financial and commodity risk management program supports the achievement of an

organisation's objectives by enabling the identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks and implementing policies and procedures to manage and monitor the risks.

The Company has in place a Board approved policy which establishes the financial and commodity risk management framework and defines the procedures and controls for the effective management of the Company's risks that arise due to imports of raw material, capex, debt servicing and exports of finished steel.

Currency Hedging and Commodity Hedging is as guided by Risk management policy approved by Board and the same is reviewed by Board committee of independent directors each quarter.

Exposure of the Company to various commodities in which the Company's exposure is material:

Commodity Name	Qty Measurement	for FY 20-21		Hedges for FY 20-21				
		Actual exposure		% of such exposure hedged through commodity derivatives				
		₹ in Crs	Qty in Mio	Domestic market		International market		Total
				OTC	Exchange	OTC	Exchange	
Iron Ore	Tonnes in Mio	13,401	30.53	-	-	-	-	-
Natural Gas	SCM in Mio	1,065	502.40	-	-	59.00%	-	59.00%
Coking Coal / Thermal Coal (API4 Index) / Corex Coal (New Castle Index)	Tonnes in Mio	12,597	12.91	-	-	0.46%	-	0.46%
Zinc	Tonnes in Mio	189	0.01	-	-	-	-	-
Total Exposure		27,252						

l) List of all credit ratings obtained by the entity:

List of all credit ratings obtained by the entity along with revisions thereto during the financial year 2020-21, for all debt instruments of the Company or any scheme or proposal of the Company involving mobilisation of funds, whether in India or abroad, are furnished herein below:

CARE Ratings Limited			
Particulars	Rating Month	Rating during FY 2021	Previous Rating
Issuer Rating	Sep-20	CARE AA- (Is); Stable	CARE AA- (Is); Stable
Long Term Bank Facilities - Term Loan		CARE AA-; Stable	CARE AA-; Stable
Long Term Bank Facilities - Fund Based		CARE AA-; Stable	CARE AA-; Stable
Short Term Bank Facilities - Non Fund Based		CARE A1+	CARE A1+
Long/Short Term Bank Facilities - Non Fund Based		CARE AA-; Stable / CARE A1+	CARE AA-; Stable / CARE A1+
Non-Convertible Debentures		CARE AA-; Stable	CARE AA-; Stable
Commercial Paper issue		CARE A1+	CARE A1+
ICRA Limited			
Particulars	Rating Month	Rating during FY 2021	Previous Rating
Term Loans / Standby Letter of Credit Facilities	Mar-21	ICRA AA-; Positive	ICRA AA-; Stable
Short Term Fund Based Limits		ICRA A1+	ICRA A1+
Short Term Non-Fund Based Limits		ICRA A1+	ICRA A1+
Long/Short Term Fund Based/Non-Fund Based Limits		ICRA AA-; Positive / ICRA A1+	ICRA AA-; Stable / ICRA A1+
Non-Convertible Debenture Programme		ICRA AA-; Positive	ICRA AA-; Stable
Commercial Paper issue		ICRA A1+	ICRA A1+

ICRA Limited			
Particulars	Rating Month	Rating during FY 2021	Previous Rating
Term Loans / Standby Letter of Credit Facilities	Dec-20	ICRA AA-; Stable	ICRA AA-; Negative
Short Term Fund Based Limits		ICRA A1+	ICRA A1+
Short Term Non-Fund Based Limits		ICRA A1+	ICRA A1+
Long/Short Term Fund Based/Non-Fund Based Limits		ICRA AA-; Stable / ICRA A1+	ICRA AA-; Negative / ICRA A1+
Non-Convertible Debenture Programme		ICRA AA-; Stable	ICRA AA-; Negative
Commercial Paper issue		ICRA A1+	ICRA A1+

India Ratings and Research Pvt Ltd			
Particulars	Rating Month	Rating during FY 2021	Previous Rating
Long Term Issuer Rating	Mar-21	IND AA; Stable	IND AA; Negative
Non-Convertible Debentures		IND AA; Stable	IND AA; Negative

India Ratings and Research Pvt Ltd			
Particulars	Rating Month	Rating during FY 2021	Previous Rating
Long Term Issuer Rating	Sep-20	IND AA; Negative	IND AA; Negative
Non-Convertible Debentures		IND AA; Negative	IND AA; Negative

Fitch			
Particulars	Rating Month	Rating during FY 2021	Previous Rating
Long term Issuer Default Rating	May-20	BB-; Negative	BB; Negative
Senior Unsecured Notes		BB-; Negative	BB; Negative

Note: Fitch reaffirmed Company's rating at BB- with Outlook revised to Positive in May 2021

Moody's Investors Service:			
Particulars	Rating Month	Rating during FY 2021	Previous Rating
Corporate Family Rating	Mar-21	Ba2; Stable	Ba2; Negative
Senior Unsecured Notes		Ba2; Stable	Ba2; Negative

Moody's Investors Service:			
Particulars	Rating Month	Rating during FY 2021	Previous Rating
Corporate Family Rating	Jul-20	Ba2; Negative	Ba2 - Placed under review for downgrade; Rating under review
Senior Unsecured Notes		Ba2; Negative	Ba2 - Placed under review for downgrade; Rating under review

m) Utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

No funds were raised by the Company through Preferential allotment or by way of a Qualified Institutions Placement during the F.Y 2020-21

n) There are no cases where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required during the Financial Year 2020-21.

o) Total fees for all services paid by the Company and its subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

	₹ in crores
Statutory Audit Fees (Including Limited Review)	11.31
Audited Related Fees (certification, tax audit & capital market transaction)	4.66
Other services	6.59
Total	22.56

p) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a) No. of complaints filed during the financial year 2020-21: 0

b) No. of complaints disposed of during the financial year 2020-21: 0

c) No. of complaints pending as on 31.03.2021: 0

q) Registered Office:

JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.

r) Plant Locations:

Vijayanagar: P.O. Vidyanagar, Toranagallu Village, Sandur Taluk, Dist. Bellary, Karnataka - 583 275

Dolvi: Geetapuram, Dolvi Village, Pen Taluk, Dist. Raigad, Maharashtra - 402 107

Salem: Pottaneri, M Kalipatti Village, Mecheri Post, Mettur Taluk, Salem Dist., Tamil Nadu - 636 453.

s) Address for Investor Correspondence:

1. Retail Investors

a) For Securities held in Physical form
KFin Technologies Private Limited
KFin Technologies Private Limited
Selenium Building, Tower-B,
Plot No 31 & 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana,
India - 500 032. Tel. No. 040 -
67161500, Fax. No. 040 - 23001153
E-mail: einward.ris@kfinotech.com
Website: www.kfinotech.com

b) For Securities held in Demat form
The investor's Depository
Participant and/ or KFin
Technologies Private Limited

**c) JSW Steel Limited - Investor
Relation Centre**
JSW Centre, Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051,
Phone No. 022 - 42861000
Fax No. 022 - 42863000

2. Institutional Investors:

Mr. Ashwin Bajaj, Group Head
(Investor Relations)
JSW Centre, Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051
Tel. No. 022 - 42861000
Fax No. 022 - 42863000

**3. Designated exclusive email-id for
Investor servicing:**
jswsl.investor@jsw.in

**4. Toll Free Number of R & T
Agent's exclusive call
Centre:1-800-3094001**

5. Web-based Query Redressal System
Web-based Query Redressal System
has been extended by the Registrars
and Share Transfer Agent for redressal
of Shareholders' queries. The
Shareholder can visit <https://karisma.kfintech.com/> and click on "investors"
option for query registration after free
identity registration.

After logging in, Shareholders can
submit their query in the "QUERIES"
option provided on the website,
which would give the grievance
registration number. For accessing
the status/response to their query,
the same number can be used at the
option "VIEW REPLY" after 24 hours.
The Shareholders can continue to
put additional queries relating to the
case till they are satisfied.

xviii. Non-Compliance of any Requirement of Corporate Governance:

There are no instances of non-compliance of any requirement of Corporate Governance Report as mentioned in sub-paragraphs (2) to (10) of Para (C) of Schedule V. The Company has been regularly submitting the quarterly compliance report to the Stock Exchanges as required under Regulation 27 of the SEBI (LODR) Regulations 2015.

xix. Adoption of Discretionary Requirements:

The status of adoption of discretionary requirements of Regulation 27(1) as specified under Part E of Schedule II of the SEBI (LODR) Regulations 2015 is provided below:

i. Non-Executive Chairperson's entitlement to maintain Chairman's Office and reimbursement of expenses incurred: Not applicable as the Company does not have a Non-Executive Chairperson.

ii. Shareholders' Rights: Quarterly financial results are sent to the Shareholders' through e-mail. The Quarterly, Half Yearly, Nine Monthly and Annual financial performance including summary of significant events are published in the newspapers, communicated to the stock exchanges and also posted on the Company's website.

iii. Modified Opinion in Auditors Report: The Company's financial statement for the financial year 2020-21 does not contain modified audit opinion.

iv. Separate posts of Chairman and Managing Director or CEO: The Chairman's Office is not separate from that of the Managing Director.

v. Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

12. Corporate Ethics:

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings. A Code of Conduct for Board Members and Senior Management and JSWSL Code of Conduct to Regulate, Monitor and Report Trading by Insiders (formerly known as Code of Conduct for Prevention of Insider Trading) as detailed below has been adopted pursuant to the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

a) Code of Conduct for Board Members and Senior Management:

The Board of Directors of the Company has adopted a Code of Conduct for Board Members and Senior Management which includes a Code of Conduct for Independent Directors and also suitably incorporates the duties of Independent Directors as laid down under the Companies Act, 2013. The Code highlights Corporate Governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association.

The Code impresses upon Directors and Senior Management Executives to uphold the interest of the Company and its stakeholders and to endeavour to fulfil all the fiduciary obligations towards them. Another important principle on which the code is based is that the Directors and Senior Management Executives shall act in accordance with the highest standards of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties. The Code has been posted on the website of the Company www.jsw.in.

b) JSWSL Code of Conduct to Regulate, Monitor and Report Trading by Insiders:

The Company adopted a Code of Conduct for Prevention of Insider Trading for its Management, Staff and Directors on October 29, 2002. The Code (known as the "JSWSL Code of Conduct to Regulate, Monitor and Report Trading by Insiders") lays down guidelines and procedures to be followed and disclosures to be made by Directors, Top Level Executives and Staff whilst dealing in shares of the Company.

Minor modifications were made to the Code in line with the amendments made to the "Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2008, by SEBI. The amended code was adopted by the Board in its meeting held on May 7, 2009.

SEBI thereafter, to put in place a framework for prohibition of Insider Trading and to strengthen the legal framework, notified the "Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. In order to comply with the mandatory requirement of the Regulations, the Code of Conduct for prevention of Insider Trading was revised to bring it in line with the new 2015 Regulations. The new code "JSWSL Code of Conduct to Regulate, Monitor and Report Trading by Insiders" was adopted by the Board in its meeting held on 21.10.2015 and thereafter amended many times, the last being on October 23, 2020. This Code supersedes the earlier "JSWSL Code of Conduct for Prevention of Insider Trading".

The policy and the procedures are periodically communicated to the employees who are considered as insiders of the Company. Trading window closure is intimated to all employees and to the Stock Exchange in advance, whenever required. The Company affirms that no personnel have been denied access to the Audit Committee.

The Company Secretary has been appointed as the Compliance Officer and is responsible for adherence to the Code.

c) Reconciliation of Share Capital Audit Report:

Reconciliation of Share Capital Audit Report in terms of SEBI Circular No. CIR/MRD/ DP/30/2010 dated 06.09.2010 and SEBI Directive no. D&CC/FITTC/CIR-16/2002 dated 31.12.2002, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is placed before the Board on a quarterly basis and is also submitted to the Stock Exchanges where the shares of the Company are listed.

d) Internal Checks and Balances:

Wide use of technology in the Company's financial reporting processes ensures robustness and integrity. The Company deploys a robust system of internal controls to allow optimal use and protection of assets, facilitate accurate and timely compilation of financial statements and management reports and ensure compliance with statutory laws, regulations and Company policies. The Company has both external and internal audit systems in place. Auditors have access to all records and information of the Company. The Board and the management periodically review the findings and recommendations of the auditors and take necessary corrective actions whenever necessary. The Board recognises the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company.

e) Legal Compliance of the Company's Subsidiaries:

Periodical Management audit ensures that the Company's Subsidiaries conducts its business with high standards of legal, statutory and regulatory compliances. As per the report of the Management Auditors, there has been no material non-compliance with the applicable statutory requirements by the Company and its subsidiaries.

f) Human Rights Policy

In line with JSW's heritage as a responsible corporate citizen and its commitment to respecting the economic, social, cultural, political and civil rights of individuals involved in and impacted by its operations, the Board

of Directors in its meeting held on 20.1.2010 has approved a Formal Human Rights Policy for adoption by the Company and all its Subsidiaries as part of its global personnel policies, in line with the practice followed internationally by Companies of Repute. A few minor changes were made to the policy by the Board in its meeting held on 28.1.2013 to bring it in line with the requirements of Business responsibility reporting. JSW's policy on human rights applies to all its businesses processes and is a part of its commitment to ethical and socially responsible behaviour across its value chain.

JSW contributes to the fulfilment of human rights through compliance with local human rights legislation wherever it has operations, as well as through its policies, programs and grievance redressal mechanism. JSW upholds international human rights standards, does not condone human rights abuses and creates & nurtures a working environment where human rights are respected without prejudice.

Declaration Affirming Compliance of Code of Conduct

The Company has received confirmations from all the Board of Directors as well as Senior Management Executives regarding compliance of the Code of Conduct during the year under review.

A declaration by the Jt. Managing Director and Group CFO affirming compliance of Board Members and Senior Management Personnel to the Code is annexed herewith.

Compliance Certificate by Practicing Company Secretary

The Company has obtained a certificate from the Secretarial Auditor pursuant to the provisions of Regulation 34(3) read with Schedule V Para C Clause (10)(i) of the SEBI (LODR) Regulations which is annexed herewith.

Compliance Certificate by Auditors:

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated under Schedule V (E) of the SEBI (LODR) Regulations which is annexed herewith.

DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

As provided under Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31.03.2021.

For JSW Steel Limited

Place: Mumbai
Date: May 21, 2021

Sd/-
Seshagiri Rao MVS
Jt. Managing Director & Group CFO

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
JSW Steel Limited
JSW Centre, Bandra-Kurla Complex,
Bandra (East), Mumbai,
Maharashtra- 400 051.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of JSW Steel Limited, bearing CIN: L27102MH1994PLC152925 and having registered office at JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai, Maharashtra- 400 051 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the directors	DIN	Date of appointment in the Company
1.	Mr. Sajjan Jindal	00017762	15-03-1994
2.	Mr. Seshagiri Rao Metlapalli Venkata Satya	00029136	06-04-1999
3.	Dr. Vinod Nowal	00046144	30-04-2007
4.	Mr. Jayant Acharya	00106543	07-05-2009
5.	Mr. Mahalingam Seturaman	00121727	27-07-2016
6.	Mr. Harsh Charandas Mariwala	00210342	25-07-2018
7.	Mr. Malay Mukherjee	02861065	29-07-2015
8.	Dr. Punita Kumar Sinha	05229262	28-10-2012
9.	Mr. Haigreve Khaitan	00005290	30-09-2015
10.	Ms. Nirupama Rao	06954879	25-07-2018
11.	Mr. Srikar Sridhar Mysore	07882939	23-10-2020
12.	Mr. Hiroyuki Ogawa	07803839	17-05-2017

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S. Srinivasan & Co.,
Company Secretaries

Place: Chennai
Date: May 15, 2021

Sd/-
S. Srinivasan
Practicing Company Secretary
FCS: 2286 | CP. No.: 748
UDIN: F002286C000319911

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED

To,
The Members of JSW Steel Limited

1. The Corporate Governance Report prepared by JSW Steel Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub - regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2021 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:

- Read and understood the information prepared by the Company and included in its Corporate Governance Report;
- Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
- Obtained and read the Register of Directors as on March 31, 2021 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
- Obtained and read the minutes of the following committee meetings / other meetings held April 1, 2020 to March 31, 2021:
 - Board of Directors;
 - Audit Committee;
 - Annual General Meeting (AGM);
 - Nomination and Remuneration Committee;
 - Stakeholders Relationship Committee;
 - Risk Management Committee
- Obtained necessary declarations from the directors of the Company.
- Obtained and read the policy adopted by the Company for related party transactions.
- Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
- Performed necessary inquiries with the management and also obtained necessary specific representations from management.
- The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Vikram Mehta

Partner

Membership Number: 105938

UDIN: 21105938AAAACW3729

Place of Signature: Mumbai

Date: May 21, 2021

Stadalone Financial Statements 334 - 434

Independent Auditor's Report

To the Members of JSW Steel Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of JSW Steel Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report.

We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>Recoverability of investments in and loans / advances given to certain subsidiaries and joint ventures and financial guarantees given on behalf of certain subsidiaries (as described in note 48 of the standalone Ind AS financial statements)</p> <p>The Company has investments in certain subsidiaries and joint ventures with a carrying value of ₹ 2,056 crores. Further, the Company has also provided loans and/or guarantees to or on behalf of these subsidiaries and the joint venture amounting to ₹ 14,133 crores. These subsidiaries and joint venture have either been incurring losses or the investments made by them in the step down subsidiaries have been making losses.</p> <p>The Company has also recognised impairment allowance of ₹ 386 crores during the year ended March 31, 2021 in respect of investments, loans / advances given to certain overseas subsidiaries, as described in note 50 of the standalone Ind AS financial statements.</p> <p>Further, the Company has not recognised interest income of ₹ 368 crores during the year from some of its subsidiaries due to uncertainty of recoverability of such income.</p> <p>Assessment of the recoverable amount of the investments in and loans/advances including interest thereon given to these subsidiaries and joint ventures and financial guarantees given on behalf of these subsidiaries has been identified as a key audit matter due to:</p> <ul style="list-style-type: none"> Significance of the carrying amount of these balances. The assessment requires management to make significant estimates concerning the estimated future cash flows, qualitative assessments of the status of the project and its future depending on balance work to be performed or approvals to be received, associated discount rates and growth rates based on management's view of future business prospects including any possible impact arising out of the pandemic on these estimates. Changes to any of these assumptions could lead to material changes in the estimated recoverable amount, impacting both potential impairment charges and potential reversals of impairment taken in prior years. 	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We obtained and read management's assessment for impairment. We performed test of controls over impairment process through inspection of evidence of performance of these controls. We assessed the impairment model prepared by the management and the assumptions used, with particular attention to the following: <ul style="list-style-type: none"> Benchmarking or assessing key assumptions used in the impairment models, including discount rates, risk free rate of return, long term growth rate and other key assumptions against external and internal data; assessing the cash flow forecasts including possible impact on account of global pandemic through analysis of actual past performance, and comparison to previous forecasts; testing the mathematical accuracy and performing sensitivity analyses of the models; and understanding the commercial prospects of the assets/ projects and comparison of assumptions with external data sources; We assessed the competence, capabilities and objectivity of the experts used by management in the process of evaluating impairment models. We assessed the conclusions reached by management and those charged with governance on account of various estimates and judgements including possible impact of pandemic. We assessed the compliance of the disclosures made in note 48 of the standalone Ind AS financial statements with the accounting standards.

Key audit matters	How our audit addressed the key audit matter
<p>Recoverability of VAT deferral / refunds under the GST regime (as described in note 30 of the standalone Ind AS financial statements)</p> <p>The Company's units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible and have been availing interest free VAT deferral loan / Net VAT refunds as an incentive under the incentive schemes notified by the State of Maharashtra and Karnataka.</p> <p>The Company has recognised income in relation these grants being the difference between the net present value of these interest free loans granted to the Company and the nominal value of such loans to the extent of SGST collected by the Company in respect of sales eligible for such grants, eligible incentive of Net SGST paid, as applicable in accordance with the industrial promotion subsidy schemes and notifications issued by the State of Maharashtra and Karnataka.</p> <p>The amount of incentive recognised during the year amounts to ₹ 462 crores and cumulative balance of these receivables amount to ₹ 2,510 crores.</p> <p>We considered VAT deferral / refund incentive as a Key audit matter due to:</p> <ul style="list-style-type: none"> Significance of amount accrued during the year and carrying amount of these receivables as at March 31, 2021. Significant judgement involved in assessment of the eligibility of incentive under the new GST regime. 	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the recognition and measurement of government grants and income accruing therefrom. We read eligibility certificates in respect of VAT deferral / refund incentives available to the Company. We read the notification issued by the Government of Maharashtra (GoM) and Government of Karnataka (GoK) in respect of eligibility of VAT deferral / refund under the GST regime, guidelines for certification of the eligible incentive amount, modalities for sanction and disbursement of incentives. We read letter dated October 18, 2019 issued by Director of Industries of Maharashtra for in-principle approval for issuance of eligibility certificate and letter dated March 19, 2021 by the Company for submission of appraisal report to Director of Industries of Maharashtra for availing incentive under PSI 2007 scheme. We read the legal opinion obtained by the management for assessing the impact of new eligibility conditions and formula for determination of incentives based on latest Government Resolution issued by GoM including assessing the amounts withheld by the GoM on eligibility of certain duties which were refundable in the erstwhile VAT regime but have been denied in the new GST regime. We involved specialists to assist us in reviewing and evaluating the management's assessment of latest Government Resolution issued by GoM. We tested the calculation of incentives accrued for the year ended March 31, 2021.
<p>Capital Expenditure in respect of property, plant and equipment and capital work in progress (as described in notes 4 and 5 of the standalone Ind AS financial statements)</p> <p>The Company has incurred significant expenditure on capital projects, as reflected by the total value of additions in property plant and equipment and capital work in progress in notes 4 and 5 of the standalone Ind AS financial statements.</p> <p>The Company is in the process of executing various projects for expansions of existing capacity across the locations. These projects take a substantial period of time to get ready for intended use.</p> <p>We considered Capital expenditure as a Key audit matter due to:</p> <ul style="list-style-type: none"> Significance of amount incurred on such items during the year ended March 31, 2021. Judgement and estimate required by management in assessing assets meeting the capitalisation criteria set out in Ind AS 16 Property, Plant and Equipment. Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalisation as per the criteria set out in Ind AS 16 Property, Plant and Equipment 	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We obtained an understanding of the Company's capitalisation policy and assessed for compliance with the relevant accounting standards. We obtained understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalisation of assets. We performed substantive testing on a sample basis for each element of capitalised costs including inventory issued to contractors for the purpose of these projects and physical verification performed by management alongwith reconciliation and directly attributable cost, including verification of underlying supporting evidence and understanding nature of the costs capitalised. In relation to borrowing costs we obtained the supporting calculations, verified the inputs to the calculation and tested the arithmetical accuracy of the model. We assessed accounting for costs incurred when projects are suspended or delayed for any reasons including the global pandemic. We obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.

Key audit matters	How our audit addressed the key audit matter
<p>Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI (LODR) 2015') (as described in note 44 of the standalone Ind AS financial statements)</p> <p>We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the standalone Ind AS financial statements as a key audit matter due to:</p> <ul style="list-style-type: none"> the significance of transactions with related parties during the year ended March 31, 2021. Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015. 	<p>Our audit procedures in relation to the disclosure of related party transactions included the following:</p> <ul style="list-style-type: none"> We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to capturing of related party transactions and management's process of ensuring all transactions and balances with related parties have been disclosed in the standalone Ind AS financial statements. We obtained an understanding of the Company's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. We agreed the amounts disclosed with underlying documentation and read relevant agreements, evaluation of arms-length by management, on a sample basis, as part of our evaluation of the disclosure. We assessed management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015. We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.
<p>Claims and exposures relating to taxation and litigation (as described in note 45 of the standalone Ind AS financial statements)</p> <p>The Company has disclosed in note 45 of the standalone Ind AS financial statements contingent liabilities of ₹ 3,675 crores in respect of disputed claims/ levies under various tax and legal matters and ₹ 3,035 crores towards Claims related to Forest development tax/ fee. In addition, the Company has assessed several claims as 'Remote' and hence are not required to be disclosed as contingent liabilities.</p> <p>Taxation and litigation exposures have been identified as a key audit matter due to:</p> <ul style="list-style-type: none"> Significance of these amounts and large number of disputed matters with various authorities. Significant judgement and assumptions required by management in assessing the exposure of each case to evaluate whether there is a need to set up a provision and measurement of exposures as well as the disclosure of contingent liabilities. <p>We focused on this matter because of the potential financial impact on the standalone Ind AS financial statements. Additionally, the treatment of taxation and litigation cases require significant judgement due to the complexity of the cases, timescales for resolution and involvement of various authorities.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We obtained understanding, evaluated the design, and tested the operating effectiveness of the controls related to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities. We obtained details of legal and tax disputed matters and evaluation made by the management and assessed management's position through discussions on both the probability of success in significant cases, and the magnitude of any potential loss. We read external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. We involved tax specialists to assist us in evaluating tax positions taken by management. We assessed the relevant disclosures made in the standalone Ind AS financial statements for compliance in accordance with the requirements of Ind AS 37.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions

may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 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.
- As required by Section 143(3) of the Act, we report that:
 - 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;
 - 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;
 - 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;

- In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- 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 financial statements – Refer Note 45 to the standalone financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

per **Vikram Mehta**
Partner
Membership Number: 105938
UDIN No: 21105938AAAAC7376

Place of Signature: Mumbai
Date: May 21, 2021

Annexure 1

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

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties, included in property, plant and equipment and right of use assets are held in the name of the Company except for
- (i) leasehold land aggregating to ₹ 67 crores wherein the lease deed has expired. As explained to us, the Company is in the process of converting the title into freehold as per the lease cum sale agreement.
- (ii) freehold land aggregating to ₹ 9 crores as noted below for which title deeds were not available with the Company and hence, we are unable to comment on the same
- | Nature of immovable Property | Total Number of Cases | As at March 31, 2021 (₹ in crores) | |
|------------------------------|-----------------------|------------------------------------|-----------|
| | | Gross Block | Net Block |
| Land located at Maharashtra | 12 | 9 | 9 |
- (iii) freehold land aggregating to ₹ 40 crores acquired pursuant to acquisition of Welspun PCMD business on March 31, 2021 the registration of title deeds is in progress.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them and no material discrepancies were noticed in respect of such confirmations.
- (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 Statute	Nature of Dues	Amount (₹ in crores) *	Period	Forum
The Central Excise Act, 1944	Excise Duty	97	2012-2015	High Court
		377	2001-2018	Central Excise Service Tax Appellate Tribunal (CESTAT)
		30	1998-2017	Commissioner/Joint Commissioner/Asst. Commissioner
		225	2002-2012	High Court
The Custom Act, 1962	Custom Duty	281	1995-2018	Central Excise Service Tax Appellate Tribunal (CESTAT)
		86	2000-2017	Commissioner (Appeals) / Joint Commissioner

- iii. According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of its products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Name of Statute	Nature of Dues	Amount (₹ in crores) *	Period	Forum
Karnataka VAT, 2003	VAT	2	2006-2008	Joint Commissioner
The Central Sales Tax Act, 1956	CST	29	2011-2012	High Court
		40	2012-2013	Commissioner/Joint Commissioner
Karnataka Tax on Entry of Goods Act, 1979	Entry Tax	1	2016-2017	Commissioner
Maharashtra Value Added Tax, 2002	VAT	153	2011-2017	Commissioner (Appeals)/Joint Commissioner/Asst. Commissioner / Assessing Officer
Chapter V of the Finance Act, 1994	Service Tax	0.09	2006-2012	High Court
		98	1998-2016	Central Excise Service Tax Appellate Tribunal (CESTAT)
		57	2013-2017	Commissioner/Joint Commissioner
Income Tax Act, 1961	Income Tax	14	2014-2015	Commissioner (Appeals)

* Net of amounts paid under protest.

The above table doesn't include cases decided in favour of the Company for which the department has preferred an appeal at higher levels amounting to ₹ 745 crores (net of amount paid under protest) and matters remanded back amounting to ₹ 227 crores (net of amount paid under protest).

- viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- ix. In our opinion and according to the information and explanations given by the management and audit procedures performed by us, monies raised by the company by way of debt instruments in the nature of non-convertible debentures, commercial papers and term loans were applied for the purposes for which they were raised, though idle/surplus funds which were not required for immediate utilisation have been gainfully invested in fixed deposits. According to the information and explanations given by the management and audit procedures performed by us, the Company has not raised any money way of initial public offer / further public offer and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- xv. According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per **Vikram Mehta**
Partner
Membership Number: 105938
UDIN No: 21105938AAAAC7376

Place of Signature: Mumbai
Date: May 21, 2021

Annexure 2

To the Independent Auditor's Report of even date on the standalone financial statements of JSW Steel Limited

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

We have audited the internal financial controls with reference to standalone financial statements of JSW Steel Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these

standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Vikram Mehta**

Partner

Membership Number: 105938

UDIN No: 21105938AAAACT7376

Place of Signature: Mumbai

Date: May 21, 2021

Standalone Balance Sheet

As at 31 March 2021

	Notes	₹ in crores	
		As at 31 March 2021	As at 31 March 2020
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	46,167	46,117
(b) Capital work-in-progress	5	28,914	23,810
(c) Right-of-use assets	6	4,161	4,102
(d) Intangible assets	7	1,614	323
(e) Intangible assets under development	7	128	331
(f) Investments in subsidiaries, associates and joint ventures	8	6,676	4,757
(g) Financial assets			
(i) Investments	9	5,782	1,242
(ii) Loans	10	5,382	8,705
(iii) Derivative assets	17	110	-
(iv) Other financial assets	11	1,971	562
(h) Current tax assets (net)		230	340
(i) Other non-current assets	12	2,394	2,378
Total non-current assets		103,529	92,667
Current assets			
(a) Inventories	13	10,692	9,623
(b) Financial assets			
(i) Trade receivables	14	3,333	3,166
(ii) Cash and cash equivalents	15	11,121	3,438
(iii) Bank balances other than (ii) above	16	625	7,963
(iv) Loans	10	733	321
(v) Derivative assets	17	86	275
(vi) Other financial assets	11	1,348	2,794
(c) Other current assets	12	1,765	1,795
Total current assets		29,703	29,375
Total assets		133,232	122,042
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	302	301
(b) Other equity	19	46,675	38,061
Total equity		46,977	38,362
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	39,551	39,247
(ii) Lease liabilities	6	2,413	2,716
(iii) Derivative liabilities	27	57	130
(iv) Other financial liabilities	21	1,173	1,308
(b) Provisions	22	753	322
(c) Deferred tax liabilities (net)	23	3,095	1,315
(d) Other non-current liabilities	24	2,173	3,048
Total non-current liabilities		49,215	48,086
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	1,285	6,813
(ii) Trade payables	26		
(a) Total outstanding, dues of micro and small enterprises		205	56
(b) Total outstanding, dues of creditors other than micro and small enterprises		11,945	13,298
(iii) Derivative liabilities	27	96	189
(iv) Lease liabilities	6	925	773
(v) Other financial liabilities	28	18,550	11,980
(b) Provisions	22	243	64
(c) Other current liabilities	29	3,254	2,302
(d) Current tax liabilities (net)		537	119
Total current liabilities		37,040	35,594
Total liabilities		86,255	83,680
Total equity and liabilities		133,232	122,042

See accompanying notes to the Standalone Financial Statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No.: 105938

RAJEEV PAI
Chief Financial Officer

For and on behalf of the Board of Directors

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 21 May 2021

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

Place: Mumbai
Date: 21 May 2021

Standalone Statement of Profit and Loss

For the year ended 31 March 2021

	Notes	₹ in crores	
		For the year ended 31 March 2021	31 March 2020
I Revenue from operations		70,727	63,546
Fees for assignment of procurement contract		-	250
Government grant income - VAT/GST incentive relating to earlier years		-	466
Total revenue from operations	30	70,727	64,262
II Other income	31	669	628
III Total income (I + II)		71,396	64,890
IV Expenses:			
Cost of materials consumed		28,743	33,073
Purchases of stock-in-trade		199	420
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	(872)	(27)
Mining premium and royalties		6,972	651
Employee benefits expense	33	1,501	1,496
Finance costs	34	3,565	4,022
Depreciation and amortisation expense	35	3,781	3,522
Other expenses	36	14,925	16,132
Total expenses		58,814	59,289
V Profit before exceptional items and tax (III-IV)		12,582	5,601
VI Exceptional items	53	386	1,309
VII Profit before tax (V-VI)		12,196	4,292
VIII Tax expense/(credit):	23		
Current tax		2,162	789
Deferred tax		1,641	(1,788)
		3,803	(999)
IX Profit for the year (VII-VIII)		8,393	5,291
X Other comprehensive income			
A i) Items that will not be reclassified to profit or loss			
(a) Re-measurements of the defined benefit plans		27	(19)
(b) Equity instruments through other comprehensive income		385	(255)
ii) Income tax relating to items that will not be reclassified to profit or loss		(10)	6
Total (A)		402	(268)
B i) Items that will be reclassified to profit or loss			
(a) The effective portion of gains and loss on hedging instruments		369	(719)
(b) Changes in Foreign Currency Monetary Item translation difference account (FCMITDA)		-	87
ii) Income tax relating to items that will be reclassified to profit or loss		(129)	221
Total (B)		240	(411)
Total Other comprehensive income / (loss) (A+B)		642	(679)
XI Total comprehensive income (IX + X)		9,035	4,612
XII Earnings per equity share of ₹ 1 each	38		
Basic (in ₹)		34.92	22.03
Diluted (in ₹)		34.72	21.89

See accompanying notes to the Standalone Financial Statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No.: 105938

RAJEEV PAI
Chief Financial Officer

For and on behalf of the Board of Directors

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

Place: Mumbai
Date: 21 May 2021

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 21 May 2021

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

Standalone Statement of Changes In Equity

For the year ended 31 March 2021

A. Equity share capital

Particulars	As at 31.03.2019	As at 31 March 2020	As at 31 March 2021
Movement during the year			
Movement during the year			
As at 31 March 2021			
	301	301	302

As at 31.03.2019
Movement during the year
As at 31 March 2020
Movement during the year
As at 31 March 2021

As at 31.03.2019
Movement during the year
As at 31 March 2020
Movement during the year
As at 31 March 2021

As at 31.03.2019
Movement during the year
As at 31 March 2020
Movement during the year
As at 31 March 2021

As at 31.03.2019
Movement during the year
As at 31 March 2020
Movement during the year
As at 31 March 2021

B. Other equity

Particulars	Reserves and surplus				Items of Other Comprehensive Income/(Loss) (OCI)			Total
	Capital reserve	Securities premium reserve	Capital redemption reserve	Debt redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	
Opening balance as at 1 April 2019	4,359	5,439	532	285	13,611	91	9,895	33
Profit for the year	-	-	-	-	5,291	-	-	-
Other comprehensive income for the year, net of income tax	-	-	-	-	(13)	-	-	(467)
Dividend including dividend distribution tax	-	-	-	-	(1,190)	-	-	-
Impact of ESOP trust consolidation	-	-	-	-	10	-	-	-
Recognition of share-based payments	-	-	-	-	-	37	-	-
Transfer to Capital redemption reserve	-	-	242	-	(242)	-	-	-
Transfer from Debt redemption reserve	-	-	-	(285)	-	-	-	-
Transfer to general reserve after exercise of options	-	-	-	-	-	(6)	6	-
Closing balance as at 31 March 2020	4,359	5,439	774	-	17,709	122	9,944	(434)
Profit for the year	-	-	-	-	8,393	-	-	-
Other comprehensive income for the year, net of income tax	-	-	-	-	17	-	-	240
Dividend including dividend distribution tax	-	-	-	-	(483)	-	-	-
Impact of ESOP trust consolidation	-	-	-	-	42	-	-	-
Recognition of share-based payments	-	-	-	-	-	20	-	-
Transfer to general reserve after exercise of options	-	-	-	-	-	(25)	25	-
Closing balance As at 31 March 2021	4,359	5,439	774	-	25,678	117	9,969	(194)

As per our report of even date

For S R C & CO LLP

Chartered Accountants

ICAI Firm Reg. No.: 324982E/E3000003

per: VIKRAM MEHTA

Partner

Membership No.: 105938

Place: Mumbai

Date: 21 May 2021

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 21 May 2021

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

Standalone Statement of Cash Flows

For the year ended 31 March 2021

	For the year ended	
	31 March 2021	31 March 2020
Cash flow from operating activities		
Net profit before tax	12,196	4,292
Adjustments for:		
Depreciation and amortisation expenses	3,781	3,522
Loss on sale of property, plant & equipment (net)	30	29
Gain on sale of financial investments designated as FVTPL	(6)	(4)
Interest income	(593)	(528)
Gain arising of financial instruments designated as FVTPL	(6)	(16)
Unwinding of interest on financial assets carried at amortised cost	(51)	(45)
Dividend income	(9)	(31)
Interest expense	3,410	3,831
Share based payment expense	20	37
Export obligation deferred income amortisation	(239)	(140)
Unrealised exchange gain/(loss)	(415)	566
Allowance for doubtful debts, loans, advances and others	58	96
Loss arising from Financial instruments designated as FVTPL	19	17
Non-cash expenditure	-	14
Exceptional Items	386	1,309
	6,385	8,657
Operating profit before working capital changes	18,581	12,949
Adjustments for:		
(Increase) / Decrease in inventories	(1,069)	1,192
(Increase) / Decrease in trade receivables	(183)	3,514
(Increase) in other assets	(178)	(1,393)
(Decrease) in trade payable	(1,203)	(373)
(Decrease)/ Increase in other liabilities	3,252	(873)
Increase in provisions	193	80
	812	2,147
Cash flow from operations	19,393	15,096
Income taxes paid (net of refund received)	(1,660)	(986)
Net cash generated from operating activities (A)	17,733	14,110
Cash flow from investing activities		
Purchase of property, plant & equipment, intangible assets (including under development and capital advances)	(6,715)	(10,740)
Proceeds from sale of property, plant & equipment	13	41
Investment in subsidiaries and joint ventures including advances, preference shares and optionally fully convertible debentures	(5,785)	(939)
Loans to related parties	(4,277)	(1,623)
Loans repaid by related parties	6,181	1,236
Purchase of current investments	(600)	(762)
Sale of current investments	606	765
Bank deposits not considered as cash and cash equivalents (net)	7,427	(7,524)
Interest received	532	423
Dividend received	9	31
Net cash used in investing activities (B)	(2,609)	(19,092)

₹ in crores

Standalone Statement of Cash Flows

For the year ended 31 March 2021 (Continued)

	For the year ended	
	31 March 2021	31 March 2020
Cash flow from financing activities		
Proceeds from sale of treasury shares	39	107
Payment for purchase of treasury shares	-	(101)
Proceeds from non-current borrowings	9,365	18,561
Repayment of non-current borrowings	(6,053)	(10,320)
Proceeds from/Repayment of current borrowings (net)	(5,528)	1,443
Repayment of lease liabilities	(776)	(503)
Interest paid	(4,005)	(4,371)
Dividend paid (including corporate dividend tax)	(483)	(1,190)
Premium paid on redemption of debentures	-	(572)
Net cash used in financing activities (C)	(7,441)	3,054
Net increase in cash and cash equivalents(A+B+C)	7,683	(1,928)
Cash and cash equivalents - opening balances	3,438	5,366
Cash and cash equivalents - closing balances (note 15)	11,121	3,438

Reconciliations part of cash flows

Particulars	1 April 20	Cash flows(net)	Foreign exchange (Gain)/Loss	Changes in fair values	New leases	Other	₹ in crores
							31 March 21
Borrowings (including Current maturities of long term borrowing included in other financial liabilities note 28)	44,356	3,312	(555)	(692)	-	49#	46,470
Lease liabilities (including Current maturities)	3,489	(776)	-	-	626	-	3,339
Borrowings (Current)	6,813	(5,528)	-	-	-	-	1,285

Particulars	1 April 19	Cash flows(net)	Foreign exchange (Gain)/Loss	Changes in fair values	New leases	Other	₹ in crores
							31 March 20
Borrowings (including Current maturities of long term borrowing included in other financial liabilities note 28)	34,343	8,241	1,976	(113)	-	(91)#	44,356
Lease liabilities (including Current maturities)	3,990	(503)	-	-	481	(479)	3,489
Borrowings (Current)	5,371	1,443	-	-	-	(1)	6,813

#Other comprises of Upfront Fees Amortisation, Interest Cost accrual on deferred sales tax loan and preference shares

Notes:

1. The cash flow statement is prepared using the "indirect method" set out in IND AS 7 - Statement of Cash Flows.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per **VIKRAM MEHTA**
Partner
Membership No.: 105938

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 21 May 2021

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

Place: Mumbai
Date: 21 May 2021

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

1. General Information

JSW Steel Limited ("the Company") is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Company is an integrated manufacturer of diverse range of steel products with its manufacturing facilities located at Vijaynagar Works in Karnataka, Dolvi Works in Maharashtra and Salem works in Tamil Nadu. The Company has entered into long term lease arrangements of iron ore mines located at Odisha and Karnataka.

JSW Steel Limited is a public limited company incorporated in India on March 15, 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.

2. Significant Accounting policies

I. Statement of compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statement.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2021, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

These financial statements are approved for issue by the Board of Directors on 21 May, 2021.

II. Basis of preparation and presentation

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another

valuation technique. In estimating the fair value of an asset or a liability, the Company takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Financial Statement is presented in INR and all values are rounded to the nearest crores except when otherwise stated.

Current and non-current classification

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

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

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

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

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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

III. Revenue recognition

A. Sale of Goods

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement

based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

Contract balances

i) Contract assets

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

ii) Trade receivables

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

iii) Contract liabilities

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

iv) Refund liabilities

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

B. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

IV. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term and the lease term is as follows.

Class of assets	Years
Leasehold land	99 Years
Buildings	3 to 30 years
Plant & Machinery	3 to 15 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

The Company accounts for sale and lease back transaction, recognising right-of-use assets and lease liability, measured in the same way as other right-of-use assets and lease liability. Gain or loss on the sale transaction is recognised in statement of profit and loss.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

of low value (i.e., below ₹ 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

V. Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (XVIII) (B) (f));
- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognised in the financial statements for the year ended 31 March, 2016 prepared under previous GAAP, are capitalised as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity year / upto the date of settlement of such monetary item, whichever is earlier, but not beyond 31 March 2020 and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency

monetary item translation difference account" net of tax effect thereon, where applicable.

VI. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

VII. Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

The benefit of a government loan at a below-market rate of interest and effect of this favorable interest is treated as a government grant. The Loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the Statement of profit and loss immediately on fulfillment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

VIII. Employee benefits**Retirement benefit costs and termination benefits**

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

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

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

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

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

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

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is

rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

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

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

IX. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 38.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

X. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Current tax

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

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an deferred tax asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

XI. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of assets	Years
Plant and equipment	8 to 40 years
Work-rolls (shown under Plant and equipment)	1 - 5 years

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

The Company has applied Ind AS 116 w.e.f. 1 April 2019 and all lease are covered under Right of use assets.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

XII. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Computer Software & Licenses	3-5 years

Mining assets are amortised using unit of production method over the entire lease term.

The Company has elected to continue with carrying value of all its intangible assets recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XIII. Mining Assets

Acquisition Costs

The cost of Mining Assets capitalised includes costs associated with acquisition of licenses and rights to explore, stamp duty, registration fees and other such costs.

Bid premium and royalties payable with respect to mining operations is contractual obligation. The said obligations are variable and linked to market prices. The Company has accounted for the same as expenditure on accrual basis as and when related liability arises as per respective agreements/ statute.

Exploration and evaluation

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation assets are assessed for

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The Company measures its exploration and evaluation assets at cost and classifies as Property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.

Costs of exploration drilling and equipping exploration - Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

Stripping cost

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

Other production stripping cost incurred are expensed in the statement of profit and loss.

Developmental stripping costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

Site restoration, rehabilitation and environmental costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to profit and loss over the life of the asset through amortisation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements are reviewed periodically

The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology. Details of such provisions are set out in note 22.

XIV. Impairment of Non-financial assets

At the end of each reporting year, the Company reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate

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that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

XV. Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of iron ore inventory includes cost of mining, bid premium, royalties and other manufacturing overheads. Cost of traded goods include purchase cost and inward freight.

Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XVI. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a

third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. However, before a separate provision for an onerous contract is established, the Company recognises any write down that has occurred on assets dedicated to that contract. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

XVII. Investment in subsidiaries, associates and joint ventures

Investment in subsidiaries, associates and joint ventures are shown at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

The Company has elected to continue with carrying value of all its investment in affiliates recognised as on transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XVIII. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial

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recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign

exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when:

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- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

d) Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to

12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the

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loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

e) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in statement of profit and loss and is included in the 'Other income' line item.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/losses attributable to

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changes in own credit risk are recognised in OCI.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Other financial liabilities:

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne by the company on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

C. Derivative Instruments and Hedge Accounting

a) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts, commodity forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge item.

b) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit and loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not

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held for trading or designated at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss, unless designated as effective hedging instruments.

c) Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

The Company designates only the spot component for derivative instruments in fair value Hedging relationship. The Company defers changes in the forward element of such instruments in hedging reserve and the same is amortised over the period of the contract.

When the Company designates only the intrinsic value of the option as the hedging instrument, it account for the changes in the time value in OCI. This

amount is be removed from OCI and recognised in P&L, either over the period of the hedge if the hedge is time related, or when the hedged transaction affects P&L if the hedge is transaction related.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. For fair value hedges relating to items carried at amortised cost, the fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit and loss from that date.

(ii) Cash flow hedges

The effective portion of changes in fair value of derivatives and non-derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in Statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit and loss in the years when the hedged item affects profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss

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accumulated in equity is recognised immediately in profit and loss.

XIX. Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

XX. Cash and cash equivalents:

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XXI. Earnings per share:

Basic earnings per share is computed by dividing the profit and loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

XXII. Business Combination

Acquisition of business has been accounted for using the acquisition method. The consideration transferred in business combination is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Company to the former owners of the acquiree and consideration paid by the Company in exchange for control of the acquiree.

Acquisition related costs are recognised in the statement of profit and loss.

3. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

A) Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

ii) Impairment of investments in subsidiaries, joint- ventures and associates

Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capacity utilisation of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies as more fully described in note 51. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

iii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are

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very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the Company are not disclosed.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

iv) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

v) Provision for site restoration

Provision for site restoration are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Management reviews all assumptions annually and any changes is accounted accordingly.

vi) Taxes

Pursuant to the announcement of the changes in the corporate tax regime, the Companies have an option to either opt for the new tax regime or continue to pay taxes as per the old applicable tax structure together with the other benefits available to the Companies including utilisation of the MAT credit available. This requires significant estimation in determining in which year the company would migrate to the new tax regime basis future year's taxable profits including the impact of ongoing expansion plans of the Company and consequential utilisation of available MAT credit. Accordingly, in accordance with IND AS 12 - Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

During the previous year, the Company has assessed the outstanding deferred tax liability,

and written back an amount to the extent of ₹ 2,150 crores to the Statement of Profit and loss. This is arising from the re-measurement of deferred tax liability that is expected to reverse in future when the Company would migrate to the new tax regime. During the year, the Company has re-assessed the impact of the Ordinance and there is no significant change in the measurement arising of the said assessment.

vii) Relating to the global health pandemic from COVID-19

The Company has assessed the possible impact of COVID-19 in assessing the recoverability of carrying amounts of Company's assets such as property, plant & equipment, investments and other assets etc., considering the various internal and external information up to the date of approval of these financial results and concluded that they are recoverable based on the estimate of values of the businesses and assets by independent external valuers which was based on cash flow projections, fair values and implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to operational performance including significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, and capacity expansion/availability of infrastructure facilities for mines. The Company continues to monitor any material changes to the future economic conditions.

B) Critical accounting judgements

i) Control over JSW Realty & Infrastructure Private Limited (RIPL)

RIPL has developed a residential township in Vijayanagar, Karnataka on the land taken on lease from the Company for a period of 30 years and provides individual housing units on rent to the employees of the Company or other group companies. RIPL is not allowed to sub-let or assign its rights under the arrangement without prior written consent of the Company. Though the Company does not hold any ownership interest in RIPL, the Company has concluded that the Company has practical ability to direct the relevant activities of RIPL unilaterally, considering RIPL's dependency on the Company for funding significant portion of its operation through subscription to 73.94% of preference share capital amounting to ₹ 313 crore issued by RIPL and significant portion of RIPL's activities.

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ii) Determining the lease term of contracts with renewal and termination options - Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

iii) Joint control over JSW Ispat Special Products Limited (Formerly known as Monnet Ispat and Energy Limited)

The consortium of JSW Steel Limited and AION Investments Private II Limited completed the acquisition of JSW Ispat Special Products Limited ('JSWISPL') through their jointly controlled entity Creixent Special Steels Limited ("CSSL") on 31 August 2018. The Company has made an investment in the year 2018-19 of ₹ 375 crores through equity and redeemable preference shares in CSSL to acquire joint control in JSWISPL and have an effective shareholding of 23.1% in JSWISPL.

As per the Shareholding agreement, all the relevant activities of CSSL that affect the Company's variable returns from its involvement with CSSL/JSWISPL have to be decided unanimously by a Steering Committee on which the Company has representation and thus the Company has concluded that it has joint control over CSSL.

iv) Joint control over Bhushan Power and Steel Limited

The Company along with JSW Shipping and Logistics Private Limited ("JSLPL") completed the acquisition of BPSL through their jointly controlled entity Piombino Steel Limited ("PSL") on 26 March

2021. The Company has made an investment of ₹ 5,087 crores through equity and optionally convertible instruments in PSL to acquire joint control in BPSL and holds 49% equity in BPSL.

As per the Shareholding agreement, all the relevant activities of PSL that affect the Company's variable returns from its involvement with PSL/BPSL have to be decided unanimously by a Steering Committee on which the Company has representation and thus the Company has concluded that it has joint control over PSL.

v) Incentives under the State Industrial Policy

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds.

The State Government of Maharashtra ('GOM') vide its Government Resolution (GR) issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company including denying incentives in certain cases.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

Accordingly, the Company has recognised grant income without giving effect to the above restrictions and the cumulative amount receivable towards the same is considered to be good and recoverable.

vi) Commitment under MDPA arrangement

The Mine development and production agreement ('MDPA') signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two

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years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

Based on legal evaluation, the Company believes that MDPA would get rectified and after considering the expected production quantities in the remaining period, there would not be any shortfall in minimum production as required under MDPA. Accordingly, no provision has been recognised in financial statements as at 31 March 2021.

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4. Property, Plant and Equipment

Particulars	₹ in crores									
	Freehold land	Leasehold land	Buildings (Owned)	Buildings (On finance lease)	Plant and equipment (Owned)	Plant and equipment (On finance lease)	Furniture and fixtures	Vehicles and aircrafts	Office equipment	Tangibles Total
Cost/deemed cost										
At 31 March 2019	1,033	456	7,167	190	49,087	5,255	119	144	70	63,521
Transfer Out to Right of use Assets	-	456	-	190	14	5,255	-	-	-	5,915
Additions	24	-	233	-	1,614	-	7	17	21	1,916
Deductions	14	-	2	-	178	-	1	9	-	204
Other adjustments (refer note c)	-	-	-	-	298	-	-	-	-	298
At 31 March 2020	1,043	-	7,398	-	50,807	-	125	152	91	59,616
Additions	39	-	278	-	1,897	-	10	11	17	2,252
Additions pursuant to business combination (refer note 50)	40	-	95	-	715	-	-	-	-	850
Deductions	-	-	5	-	449	-	-	7	1	462
Other adjustments (refer note c)	-	-	-	-	58	-	-	-	-	58
At 31 March 2021	1,122	-	7,766	-	53,028	-	135	156	107	62,314
Accumulated depreciation										
At 31 March 2019	-	19	1,147	94	9,297	1,228	52	46	38	11,921
Transfer Out to Right of use Assets	-	19	-	94	8	1,228	-	-	-	1,349
Depreciation	-	-	318	-	2,636	-	12	16	17	2,999
Impairment	-	-	3	-	77	-	-	-	-	80
Deductions	-	-	-	-	146	-	1	5	-	152
At 31 March 2020	-	-	1,468	-	11,856	-	63	57	55	13,499
Depreciation	-	-	316	-	2,705	-	12	15	15	3,063
Deductions	-	-	5	-	405	-	-	4	1	415
At 31 March 2021	-	-	1,779	-	14,156	-	75	68	69	16,147
Net book value										
At 31 March 2021	1,122	-	5,987	-	38,872	-	60	88	38	46,167
At 31 March 2020	1,043	-	5,930	-	38,951	-	62	95	36	46,117

Notes:

Description	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
a) Freehold land which is yet to be registered in the Company's name*	Acre	
	147	19
b) Freehold land and buildings which has been/agreed to be hypothecated/mortgaged to lenders of related parties	Deemed cost	9
	49	
c) Other adjustments comprises:	Deemed cost	275
Borrowing cost	₹ in crores	2
Foreign exchange loss / (gain) (including regarded as an adjustment to borrowing costs)	₹ in crores	296

*includes land acquired pursuant to business combination from Welspun Corp Limited on 31 March 2021 (refer note 50)

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d) Assets given on operating lease:

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

Category of Asset	Area	Period
Land at Vijayanagar*	754 acres	5 years to 30 years
Land at Dolvi along with certain buildings	178 acres	15 years to 20 years
Land at Palwal	6 acres	15 years
Office Premises at Mittal Tower	1,885 sq. feet	24 months
Office Premises at CBD Belapur	33,930 sq. feet	5 years
Houses at Vijayanagar Township	14,11,027 sq. feet (2,279 Houses)	120 months
Building for Vijayanagar Sports Institute	1,96,647 sq. feet	10 years
Hospital premises at Vijayanagar	81,500 sq. feet	20 years

*includes 440 acres of land classified as right-of-use assets in note 6.

The agreements are renewable & cancellable by mutual consent of both parties. The rent paid on above is based on mutually agreed rates.

(ii) Disclosure in respect of assets given on operating lease included in following heads:

Particulars	As at 31 March 2021	As at 31 March 2020
Land		
Cost/Deemed cost*	130	138
Building		
Cost/Deemed cost	233	233
Accumulated depreciation	31	24
Depreciation for the year	7	6

*includes ₹ 16 crores of land classified as right-of-use assets in note 6.

e) Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 20 and Note 25.

f) Property, plant and equipment includes proportionate share (50%) of assets under joint operation as below:

Particulars	₹ in crores	
	Buildings (Owned)	Plant and Equipment (Owned)
Cost/deemed cost		
At 1 April 2019	476	7
Additions	-	-
At 31 March 2020	476	7
Additions	-	-
At 31 March 2021	476	7
Accumulated depreciation		
At 1 April 2019	64	2
Depreciation	16	1
At 31 March 2020	80	3
Depreciation	16	1
At 31 March 2021	96	4
Net book value		
At 31 March 2021	380	3
At 31 March 2020	396	4

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5. Capital work in progress includes exchange fluctuation loss (including regarded as an adjustment to borrowing costs) of ₹ 46 crores (previous year ₹ 881 crores) and borrowing cost (net off interest income) of ₹ 720 crores (previous year ₹ 574 crores) capitalised during the year.

6. Right-of-Use assets and Lease liability

Particulars	₹ in crores			
	Land	Buildings	Plant and equipment	Total
Transfer In Right of use Assets				
Gross block	456	190	5,255	5,901
Accumulated depreciation	(19)	(94)	(1,228)	(1,341)
Additions (recognised in pursuant to Ind AS 116 adoption)	-	26	444	470
Right-of-use assets on initial recognition as on 1 April 2019	437	122	4,471	5,030
Additions	-	-	10	10
Deductions	-	-	451	451
Depreciation expense	4	17	466	487
At 31 March 2020	433	105	3,564	4,102
Additions	-	-	629	629
Deductions	-	-	-	-
Depreciation expense	4	17	549	570
At 31 March 2021	429	88	3,644	4,161

Leasehold land aggregating to ₹ 67 crores wherein the lease deed has expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.

Lease Liabilities

Particulars	₹ in crores
At 1 April 2019 (Transferred from finance lease obligation)	3,990
Additional leases (recognised pursuant to Ind AS 116 adoption)	463
Lease liabilities on initial recognition as on 1 April 2019	4,453
Additions	18
Interest accrued	472
Lease principal payments	(503)
Lease interest payments	(472)
Reversal	(479)
At 31 March 2020	3,489
Additions	625
Interest accrued	351
Lease principal payments	(776)
Lease interest payments	(351)
At 31 March 2021	3,338

Breakup of lease liabilities:

Particulars	₹ in crores	
	At 31 March 2021	At 31 March 2020
Current	925	773
Non-current	2,413	2,716
Total lease liabilities	3,338	3,489

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis:

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Less than 1 year	1,240	1,105
1-5 years	2,138	2,761
More than 5 years	1,177	883
	4,555	4,749

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company has lease contracts for machinery that contains variable payments amounting to ₹ 452 crores (₹ 436 crores in 31 March 2020) shown under cost of material consumed/ other expenses.

The Company has recognised ₹ 7 crores as rent expenses during the year which pertains to short term lease/ low value asset which was not recognised as part of right of use asset and also recognised a gain of ₹ 1 crore on sale & leaseback transaction entered during the year. Both of amounts are being recognised as part of other expenses.

The leases that the Company has entered with lessors are generally long-term in nature and no changes in terms of those leases are expected due to the COVID-19.

7. Intangible assets

Particulars	₹ in crores			
	Computer software	License fees	Mining Assets	Total
Cost/deemed Cost				
At 31 March 2019	121	26	123	270
Additions	33	-	154	187
At 31 March 2020	154	26	277	457
Additions (refer note i)	26	-	1,413	1,439
At 31 March 2021	180	26	1,690	1,896
Accumulated amortisation				
At 31 March 2019	71	19	8	98
Amortisation	17	5	14	36
At 31 March 2020	88	24	22	134
Amortisation	26	1	121	148
At 31 March 2021	114	25	143	282
Net book value				
At 31 March 2021	66	1	1,547	1,614
At 31 March 2020	66	2	255	323

(i) The Company acquired mining blocks viz: -Nuagaon, Narayanposhi, Jajang and Ganua in the Auctions held by the Government of Odisha in February 2020. The Company has signed the Mine Development and Production agreement(s) for all the four blocks and executed the lease deed(s) with Government of Odisha after complying with all regulatory aspects. Acquisition cost incurred for these mines such as stamp duty, registration fees and other such costs amounting to ₹ 817 crores have been capitalised as Intangible Assets. Further, the Company had also paid upfront premium payment amounting to ₹ 1,290 crores which was subsequently adjusted against the premium payment due to the Government. The Company had started mining operations at all the above said blocks since 1 July 2020. The Company has also recognised restoration liability and capitalised ₹ 443 crores during the year.

(ii) Intangible assets under development include expenditure incurred on development of mining rights and other related costs for mines which are yet to be made operational.

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8. Investments in subsidiaries, associates and joint ventures

Particulars	Paid up value	As at 31 March 2021		As at 31 March 2020	
		No. of shares	₹ in crores	No. of shares	₹ in crores
A Investment in equity instruments					
Unquoted					
Subsidiaries (at cost or deemed cost)					
Amba River Coke Limited (refer note a)	₹ 10 each	93,18,98,670	932	93,18,98,670	932
JSW Bengal Steel Limited	₹ 10 each	47,74,05,000	512	45,22,05,000	449
JSW Jharkhand Steel Limited	₹ 10 each	9,63,96,423	96	9,30,33,853	93
JSW Natural Resources Limited	USD 10 each	13,65,500	4	13,65,500	4
JSW Steel(Netherlands) B.V.	Euro 1 each	7,07,625	4	7,07,625	4
Periama Holdings, LLC	0.1% interest in members' capital	NA	₹	NA	₹
JSW Steel Coated Products Limited	₹ 10 each	80,00,50,000	2,064	80,00,50,000	2,064
Arima Holdings Limited	USD 100 each	50,390	***	50,390	***
Erebus Limited	USD 100 each	2,15,420	\$\$\$	2,15,420	\$\$\$
Nippon Ispat Singapore (Pte) Limited	SGD 1 each	7,84,502	-	7,84,502	-
Peddar Realty Private Limited	₹ 10 each	10,000	57	10,000	57
Lakeland Securities Limited	USD 100 each	351	@@	351	@@
JSW Steel UK Limited	GBP 1 each	5,55,200	3	5,55,200	3
JSW Industrial Gases Private Limited	₹ 10 each	9,20,83,826	267	9,20,83,826	267
JSW Utkal Steel Limited	₹ 10 each	9,34,64,400	97	4,97,49,000	50
Acero Junction Holdings, Inc.	USD 0.001 each	100	536	100	536
JSW Steel Italy Piombino S.p.A. (Formerly known as Acciaierie e Ferriere di Piombino S.p.A.)	Euro 1 each	93,600	^^	93,600	^^
GSI Lucchini S.p.A	Euro 1 each	2,736	&&	2,736	&&
JSW One Platforms Limited (formerly known as JSW Retail Limited)	₹ 10 each	10,000	^	10,000	^
Vardhman Industries Limited	₹ 10 each	45,00,000	5	45,00,000	5
JSW Vallabh Tinplate Private Limited	₹ 10 each	3,82,56,827	65	2,50,19,600	30
Piombino Steel Limited (refer note 49)	₹ 10 each	-	-	77,95,786	8
JSW Vijayanagar Metallica Limited	₹ 10 each	49,71,000	5	10,000	^
Joint ventures (at cost or deemed cost)					
Gourangdih Coal Limited	₹ 10 each	24,50,000	2	24,50,000	2
JSW MI Steel Service Centre Private Limited	₹ 10 each	6,65,00,000	67	6,65,00,000	67
JSW Severfield Structures Limited	₹ 10 each	19,79,37,940	198	19,79,37,940	198
Rohne Coal Company Private Limited	₹ 10 each	4,90,000	""	4,90,000	""
Creixent Special Steels Limited	₹ 10 each	48,00,000	25	48,00,000	25
JSW Ispat Special Products Limited (Formerly known as 'Monnet Ispat and Energy Limited')	₹ 10 each	399	&&&	399	&&&
Vijayanagar Minerals Private Limited	₹ 10 each	4,000	@	4,000	@
Piombino Steel Limited (refer note b & 49)	₹ 10 each	98,00,00,000	1,117	-	-
B Investment in limited liability partnership firm					
Unquoted subsidiary (at cost or deemed cost)					
Inversiones Eurosh Limitada (unquoted)	5% Equity Interest in the capital	NA	^^^	NA	^^^

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

Particulars	Paid up value	As at 31 March 2021		As at 31 March 2020	
		No. of shares	₹ in crores	No. of shares	₹ in crores
C Investments in debentures of subsidiary companies at cost					
JSW Steel Coated Products Limited	0.1% compulsorily convertible debentures of ₹ 52 each	12,50,00,000	650	-	-
D Investment in share warrants of Joint Venture					
Piombino Steel Limited (refer note 49)	Share warrants of ₹ 0.02 each exercisable within 5 years for 1 equity share against 1 warrant	3,50,00,00,000	7	-	-
Total			6,714		4,794
Less: Aggregate amount of provision for impairment in the value of investments			(38)		(37)
			6,676		4,757
Unquoted					
Aggregate carrying value			6,676		4,757

*** ₹ 0.25 crores \$\$\$ ₹ 0.27 crores @@ ₹ 0.22 crores ** ₹ 0.49 crores ^^^ ₹ 0.01 crores @ ₹ 40,000 & \$1 @@@ ₹ 0.50 crores ^ ₹ 0.01 crores ^^ ₹ 0.19 crores && ₹ 0.19 crores
 \$\$ ₹ 0.01 crores &&& ₹ 3,990

Note:

- a) 30,43,73,882 shares (as at 31 March 2020 30,43,73,882 shares) are pledged to the Amba River & Coke Limited (ARCL)'s banker.
- b) 98,00,00,000 shares (as at 31 March 2020 NIL shares) are pledged to the Piombino Steel Limited's banker.

9. Investments (non-current)

Particulars	Paid up value	As at 31 March 2021		As at 31 March 2020	
		No. of shares	₹ in crores	No. of shares	₹ in crores
A Investment in equity instruments					
Quoted-Others (at fair value through OCI)					
Fully paid up					
JSW Energy Limited	₹ 10 each	8,53,63,090	750	8,53,63,090	364
Others (at fair value through OCI)					
Toshiba JSW Power Systems Private Limited	₹ 10 each	1,10,00,000	-	1,10,00,000	-
MJSJ Coal Limited	₹ 10 each	1,04,61,000	9	1,04,61,000	9
SICOM Limited	₹ 10 each	6,00,000	5	6,00,000	5
Kalyani Mukand Limited	₹ 1 each	4,80,000	\$	4,80,000	\$
Ispat Profiles India Limited	₹ 1 each	15,00,000	\$	15,00,000	\$
			764		378
B Investments in preference shares and Debentures	Terms				
Unquoted- (at fair value through profit and loss)					
Subsidiaries					
JSW Steel(Netherlands) B.V.	5% redeemable, non-cumulative of Euro 1 each	3,99,00,250	217	3,99,00,250	217
JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each	1,99,15,000	103	1,99,15,000	99
JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each(Series 1)	50,00,000	39	50,00,000	37

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Particulars	Paid up value	As at 31 March 2021		As at 31 March 2020	
		No. of shares	₹ in crores	No. of shares	₹ in crores
JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each(Series 2)	53,00,000	30	53,00,000	29
JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each	2,14,000	**	2,14,000	1
JSW Realty & Infrastructure Private Limited	10% redeemable, non-cumulative of ₹ 100 each (Series 3)	8,68,000	2	-	-
Vardhman Industries Limited	10% p.a. Compulsorily convertible Debentures	5,90,00,000	59	5,90,00,000	59
Joint ventures					
Rohne Coal Company Private Limited	1% non-cumulative of ₹ 10 each	2,36,42,580	-	2,36,42,580	-
Rohne Coal Company Private Limited	1% Series-A non-cumulative of ₹ 10 each	71,52,530	\$\$	71,52,530	3
Rohne Coal Company Private Limited	1% Series-B non-cumulative of ₹ 10 each	19,94,686	2	16,61,686	2
Piombino Steel Limited (refer note 49)	6% optionally fully convertible, non-cumulative of ₹ 10 each for a term of 10 years	4,10,00,00,000	4,100	-	-
			4,553		447
C Investments in preference shares	Terms				
Unquoted- (at amortised cost)					
Joint ventures					
Creixent Special Steels Limited	0.01% redeemable, cumulative of ₹ 10 each	17,19,69,200	232	17,19,69,200	206
Creixent Special Steels Limited	0.01% redeemable, cumulative of ₹ 10 each	19,83,00,410	233	19,83,00,410	211
JSW Ispat Special Products Limited (Formerly known as 'Monnet Ispat and Energy Limited')	0.01% compulsorily convertible, non-cumulative of ₹ 10 each	601	@	601	@
			465		417
D Investments in Government securities (unquoted- Others) (at amortised cost)					
National Savings Certificates (Pledged with commercial tax department)			^^		^^
Total (A+B+C+D)			5,782		1,242
Quoted					
Aggregate book value			750		364
Aggregate market value			750		364
Unquoted					
Aggregate carrying value			5,032		878
Investment at amortised cost			465		417
Investment at fair value through other comprehensive income			764		378
Investment at fair value through profit and loss			4,553		447

^^ ₹ 0.07 crore \$ ₹ 1 @ ₹ 6,010 ** ₹ 0.49 crore \$\$\$ ₹ 0.05 crore

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10. Loans (Unsecured)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Loans				
to related parties*	6,478	602	9,108	100
to other body corporate	9	-	9	-
Security deposits	510	131	609	221
Less: Allowance for doubtful loans (Considered doubtful)	(1,615)	-	(1,021)	-
Total	5,382	733	8,705	321
Note:				
Considered good	5,382	733	8,705	321
Loans which have significant increase in Credit Risk	-	-	-	-
Loans which are credit impaired	-	-	-	-
Loans and advances to other body corporate	9	-	9	-
Loans and advances to related parties	1,606	-	1,012	-

*Loans are given for business purpose. Refer note 44 for terms of Loan

Movement in Allowance for doubtful loans

	₹ in crores
As at 1 April 2019	685
Provision written back due to repayment of loan	(326)
Additional provision made during the year (refer note 53)	605
Additional provision transferred from guarantee towards incremental loan (refer note a)	57
As at 31 March 2020	1,021
Additional provision made during the year (refer note 53)	330
Additional provision transferred from guarantee towards incremental loan (refer note a)	264
As at 31 March 2021	1,615

(a) The Company had recognised financial guarantee obligation in the earlier years towards lenders of a subsidiary, against which incremental loans have been advanced to the subsidiary during the current year. Consequently, the financial guarantee obligation has been released and basis of the recoverability of the said loans provision for doubtful allowances has been recognised, resulting in NIL impact in Statement of Statement of profit & loss.

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Details of loans and advances in the nature of loans to related parties:

Name of Company	As at 31 March 2021		As at 31 March 2020	
	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year	Amount outstanding
JSW Steel (Netherlands) B.V.	1,128	1,073	1,326	267
JSW Natural Resources Limited	146	142	138	138
Inversiones Eurosh Limitada	807	807	803	803
Periama Holdings, LLC	6,939	1,796	6,134	6,134
JSW Steel UK Limited	16	16	13	13
Arima Holding Limited	#	#	#	#
Lakeland Securities Limited	#	#	#	#
Erebus Limited	#	#	#	#
Acero Junction Holdings, Inc.	2,291	2,256	1,511	1,511
JSW Ispat Special Products Limited (Formerly known as 'Monnet Ispat and Energy Limited')	215	215	215	215
JSW Global Business Solutions Limited	13	10	16	13
JSW Steel Italy Piombino S.p.A. (Formerly known as Acciaierie e Ferriere di Piombino S.p.A.)	92	88	85	85
JSW Steel Coated Products Limited	900	500	-	-
Nippon Ispat Singapore (Pte) Limited	3	3	3	3
Creixent Special Steels Limited	3	3	1	1
Bhushan Power & Steel Limited (Erstwhile Makler Private Limited merged with Bhushan Power & Steel Limited)	134	134	-	-
JSW Realty & Infrastructure Private Limited	60	31	16	16
Sante Fe Mining	2	2	2	2
JSW Steel (USA), Inc	3	3	3	3
JSW Bengal Steel Limited	1	#	1	1
JSW Severfield Structures Limited	#	#	#	#
JSW Jharkhand Steel Limited	#	#	#	#
Gourangdih Coal Limited	#	#	#	#

represents amounts below ₹ 0.50 crore

11. Others financial assets (Unsecured)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Export benefits and entitlements	1	140	1	78
Advance towards equity share capital / preference shares	4	-	101	-
Government grant income receivable (refer note 30a)	1,489	1,021	326	2,414
Interest receivable on				
- Loans to related parties	238	761	118	685
- Others	-	8	-	115
Indirect tax balances refund due	-	22	-	22
Others	239	45	16	70
Less: Allowance for doubtful receivables	-	(649)	-	(590)
Total	1,971	1,348	562	2,794

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Movement in Allowance for doubtful receivables

	₹ in crores
At 1 April 2019	-
Additional provision for Interest receivable from related party (refer note 53)	586
Additional provision for export incentives	4
At 31 March 2020	590
Provision written back	(1)
Additional provision for Interest receivable from related party (refer note 53)	60
At 31 March 2021	649

12. Other assets

Particulars	₹ in crores			
	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Capital advances	598	-	843	-
Less: Allowance for doubtful advances	(7)	-	(7)	-
Other Advances				
Advance to suppliers	271	937	271	1,042
Export benefits and entitlements	56	127	56	75
Security deposits	35	25	37	37
Indirect tax balances/recoverable/credits (refer note a)	1,649	509	1,381	449
Prepayments and others	62	182	59	198
Less: Allowance for doubtful advances	(270)	(15)	(262)	(6)
Total	2,394	1,765	2,378	1,795
Other Assets constitute:				
Capital advances				
Considered good	591	-	836	-
Considered doubtful, provided	7	-	7	-
Others				
Considered good	1,803	1,765	1,543	1,795
Considered doubtful, provided	270	15	262	6
Advances to suppliers	260	-	252	-
Prepayment and others	7	15	7	6
Indirect tax balances/recoverable/credits	3	-	3	-

- a. Maharashtra Electricity Regulation Commission (MERC) has approved levy of additional surcharge of ₹ 1.25/kWh w.e.f. 1 September 2018 to all the consumers sourcing power from Captive power plants. The Company had appealed against the levy in Appellate Tribunal for electricity (APTEL) and the APTEL passed an order in favour of the Company. However, the State Government has filed Special Leave Petition before the Honorable Supreme Court of India (SC). The SC has vide their order dated 1 July 2019, granted stay against the order of the Appellate authority and the matter is pending before the SC.

The amounts paid in dispute amounting to ₹ 482 crores towards the additional surcharge has been disclosed as part of other non-current assets.

13. Inventories

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Raw materials (at cost)	4,372	4,110
Work-in-progress (at cost)	539	414
Semi-finished/ finished goods (at cost or net realisable value)	4,112	3,343
Production consumables and stores and spares (at cost)	1,668	1,734
Others	1	22
Total	10,692	9,623

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Value of inventories above is stated after write down to net realisable value of ₹113 crores (31 March 2020 – NIL). These were recognised as an expense during the year and included in changes in inventories of finished goods, work-in-progress and stock-in-trade.

Inventories have been pledged as security against certain bank borrowings, details relating to which has been described in note 20 and note 25

Details of Stock-in-transit

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Raw materials	968	1,222
Production consumables and stores and spares	131	190
Total	1,099	1,412

14. Trade receivables

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	3,316	3,149
Trade Receivables which have significant increase in Credit Risk	160	160
Less: Allowance for doubtful debts	(143)	(143)
Trade Receivables – credit impaired	49	10
Less: Allowance for doubtful debts	(49)	(10)
Total	3,333	3,166

The credit period on sales of goods ranges from 7 to 90 days with or without security.

Before accepting any new customer, the Company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

The Company does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Trade receivables have been given as collateral towards borrowings details relating to which has been described in note 20 and note 25.

Credit risk management regarding trade receivables has been described in note 43.6.

Trade receivables from related parties' details has been described in note 44.

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

15. Cash and cash equivalents

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Balances with Banks		
In current accounts	695	1,613
In term deposit Accounts with maturity less than 3 months at inception	10,425	1,824
Cheques in hand	1	-
Cash on hand	-	1
Total	11,121	3,438

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16. Bank balance other than cash and cash equivalents

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Earmarked balances in current accounts		
- in current accounts	35	35
- in term deposits	-	14
Balances with Banks		
In term deposit accounts		
with maturity more than 3 months but less than 12 months at inception	467	7,790
with maturity more than 12 months at inception	32	122
In margin money	91	2
Total	625	7,963

Earmarked bank balances are restricted in use and it relates to unclaimed dividend and balances with banks held as margin money for security against the guarantees.

17. Derivative Assets

Particulars	₹ in crores			
	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Forward contract	-	84	-	259
Interest rate swap	-	1	-	1
Currency option	110	1	-	15
Total	110	86	-	275

18. Equity share capital

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Shares	Amount (₹ in crores)	Number of Shares	Amount (₹ in crores)
Share Capital				
(a) Authorised:				
Equity shares of the par value of ₹ 1 each	60,150,000,000	60,150,000,000	6,015	6,015
(b) Issued and subscribed				
(i) Outstanding at the beginning of the year, fully paid-up	2,417,220,440	2,417,220,440	242	242
(ii) Less: Treasury shares held under ESOP Trust (refer note below)	(11,454,094)	(14,816,254)	(1)	(2)
(iii) Outstanding at the end of the year, fully paid-up	2,405,766,346	2,402,404,186	241	240
(c) Equity shares forfeited (amount originally paid-up)			61	61
Total			302	301

a) NOTE FOR SHARES HELD UNDER ESOP TRUST:

The Company has created an Employee Stock Ownership Plan (ESOP) for providing share-based payment to its employees.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its subsidiaries in India. For the purpose of the scheme, the Company purchases shares from the open market under ESOP trust. The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares.

For the details of shares reserved for issue under the Employee Stock Ownership Plan (ESOP) of the Company refer note 39.

Notes

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Movement in treasury shares

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Number of shares		Amount (₹ in crores)	
Shares of ₹ 1 each fully paid-up held under ESOP Trust				
Equity shares as at 1 April	14,816,254	15,508,976	2	2
Changes during the year	(3,362,160)	(692,722)	*	@
Equity shares as at 31 March	11,454,094	14,816,254	1	2

@ ₹ (0.07) crores * ₹ (0.34) crores

b) RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO EQUITY SHARES

The Company has a single class of equity shares having par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) SHAREHOLDERS HOLDING MORE THAN 5% SHARE IN THE COMPANY ARE SET OUT BELOW

Particulars	As at 31 March 2021		As at 31 March 2020	
	No of shares	% of shares	No of shares	% of shares
Equity shares				
JFE Steel International Europe BV	362,583,070	15.00%	36,25,83,070	15.00%
JSW Techno Projects Management Ltd	26,44,54,220	10.94%	25,70,51,220	10.63%
JSW Holdings Limited	18,14,02,230	7.50%	18,14,02,230	7.50%
Vividh Finvest Private Limited	143,370,690	5.93%	14,33,70,690	5.93%

d) SHARES ALLOTTED AS FULLY PAID-UP PURSUANT TO CONTRACTS WITHOUT PAYMENT BEING RECEIVED IN CASH DURING THE YEAR OF FIVE YEARS IMMEDIATELY PRECEDING THE DATE OF THE BALANCE SHEET ARE AS UNDER:

NIL

e) The Company has 3,00,00,00,000 authorised preference shares of ₹ 10 each amounting to ₹ 3,000 crores as on 31 March 2021 (₹ 3,000 crores in 31 March 2020).

19. Other equity

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
General reserve	9,969	9,944
Retained Earnings	25,678	17,709
Other Comprehensive Income:		
Equity instruments through other comprehensive income	533	148
Effective portion of cash flow hedges	(194)	(434)
Other Reserves		
Equity settled share based payment reserve	117	122
Capital reserve	4,359	4,359
Capital redemption reserve	774	774
Securities premium reserve	5,439	5,439
Total	46,675	38,061

(i) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year.

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Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit and loss to the General reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(ii) Retained Earnings

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

(iii) Equity Instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(iv) Effective portion of cash flow hedges

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit and loss only when the hedged transaction affects the profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

(v) Equity settled share based payment reserve

The Company offers ESOP, under which options to subscribe for the Company's share have been granted to certain employees and senior management of JSW Steel and its subsidiaries. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

(vi) Capital reserve

Reserve is primarily created on amalgamation as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(vii) Capital redemption reserve

Reserve is created for redemption of preference shares as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(viii) Securities Premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

20. Borrowings (at amortised cost)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Bonds (unsecured)	10,291	-	10,554	-
Debentures (secured)	8,670	330	5,000	-
Debentures (unsecured)	-	1,000	-	-
Term loans				
Secured	9,837	2,716	10,743	2,468
Unsecured	9,421	2,550	11,464	2,525
Acceptance for Capital Projects more than 1 year				
Secured	576	66	650	61
Unsecured	596	345	929	115
Deferred government loans	373	3	135	25
	39,764	7,010	39,475	5,194
Unamortised upfront fees on borrowing	(213)	(91)	(228)	(85)
	39,551	6,919	39,247	5,109
Less: Amount clubbed under Other financial liabilities (note 28)	-	(6,919)	-	(5,109)
Total	39,551	-	39,247	-

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
A. Bonds/Debentures					
Bonds (Unsecured)					
2,941	-	3,016	-	5.375% Repayable on 04.04.2025	
3,675	-	3,769	-	5.95% Repayable on 18.04.2024	
3,675	-	3,769	-	5.25% Repayable on 13.04.2022	-
10,291	-	10,554	-		
Debentures(secured)					
1,000	-	1,000	-	8.90% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a. ₹ 250 crores on 23.01.2027 b. ₹ 250 crores on 23.01.2028 c. ₹ 250 crores on 23.01.2029 and d. ₹ 250 crores on 23.01.2030.	First pari passu charge on property, plant and equipments related to Cold Rolling Mill 1 and 2 complex located at Vijayanagar Works, Karnataka (other than specifically carved out).
2,000	-	2,000	-	8.79% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a. ₹ 500 crores on 18.10.2026 b. ₹ 500 crores on 18.10.2027 c. ₹ 500 crores on 18.10.2028 and d. ₹ 500 crores on 18.10.2029.	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out).
4,000	-	-	-	8.5% secured NCD of ₹ 10,00,000 each redeemable in bullet payment on 12.10.2027, with provision of put/call option on 10.10.2025	First Pari Passu Charge on moveable and immoveable fixed assets of the following: - Salem Works - Cold Rolling Mill #1 & #2 at Vijayanagar Works, Karnataka - Upto 3.8 MTPA Steel Plant" at Vijayanagar Works, Karnataka
670	330	1,000	-	10.34% secured NCDs of ₹ 10,00,000 each are redeemable in three tranches a. ₹ 330 crores on 18.1.2022 b. ₹ 330 crores on 18.1.2023 c. ₹ 340 crores on 18.1.2024	First pari passu charge on property, plant and equipments related to 2.8 MTPA expansion project located at Vijayanagar Works, Karnataka and a flat at Vasind, Maharashtra.
1,000	-	1,000	-	10.02% secured NCDs of ₹ 10,00,000 each are redeemable in two tranches a. ₹ 500 crores on 20.05.2023 b. ₹ 500 crores on 19.07.2023	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
8,670	330	5,000	-		

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
Debentures (Unsecured)					
-	1,000	-	-	Bullet payment on 03.09.2021 with put/call option on 15.06.2021	
-	1,000	-	-		
B. Term Loans					
Rupee Term Loans From Banks (Secured)					
Weighted average interest cost as on 31 March 2021 is 8.03%					
2,961	156	709	-	12 quarterly installments of ₹ 38.96 crores each from 30.06.2021-31.03.2024 04 quarterly installments of ₹ 194.8 crores each from 30.06.2024-31.03.2025 08 quarterly installments of ₹ 233.77 crores each from 30.06.2025 - 31.03.2027	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out) .
187	42	219	31	21 Quarterly installments of ₹ 10.41 crores each from 30.06.2021 - 30.06.2026 and last installment of ₹ 10.57 crore on 30.09.2026.	First pari passu charge on property, plant and equipments related to new 5 MTPA Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
354	86	418	86	20 equal quarterly installments of ₹ 21.43 crores each from 30.06.2021 to 31.3.2026 and last installment of ₹ 11.06 crores on 30.06.2026	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. First pari-passu charge on property, plant and equipments of 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) at Dolvi Works, Maharashtra
225	25	-	-	4 quarterly installments of ₹ 6.25 crores each from 30.06.2021-31.03.2022 4 quarterly installments of ₹ 9.37 crores each from 30.06.2022-31.03.2023 4 quarterly installments of ₹ 12.50 crores each from 30.06.2023-31.03.2024 4 quarterly installments of ₹ 15.62 crores each from 30.06.2024-31.03.2025 4 quarterly installments of ₹ 18.75 crores each from 30.06.2025-31.03.2026	First charge on 5 MTPA Hot Strip Mill at Vijayanagar Works in Karnataka
319	75	393	66	5 quarterly installments of ₹ 18.75 crores each from 30.06.2021-30.06.2022 12 quarterly installments of ₹ 25 crores each from 30.09.2022-30.06.2025	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
300	100	400	100	16 quarterly installments of ₹ 25 crores each from 30.06.2021-31.03.2025	First pari passu charge on property, plant and equipments related to new 5 MTPA Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
380	120	470	105	12 quarterly installments of ₹ 30 crores each from 30.06.2021 to 31.03.2024 4 quarterly installments of ₹ 35 crores each from 30.06.2024 to 31.03.2025	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. First charge on entire immovable and movable fixed assets located at Salav works (erstwhile JSW Steel Salav Limited), Maharashtra.
300	100	375	100	16 quarterly installments of ₹ 25 crores each from 30.06.2021-31.03.2025	First pari passu charge on property, plant and equipments situated at Salem Works, Tamil Nadu.
-	-	563	75	02 Quarterly instalments of ₹ 18.75 crores each from 27.07.2020 - 27.10.2020 16 Quarterly instalments of ₹ 37.50 crores each from 27.01.2021 - 27.10.2024 - repaid in Oct 2020	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
614	192	758	192	4 quarterly instalments of ₹ 48 crores each from 30.06.2021 - 31.03.2022 9 quarterly instalments of ₹ 64 crores each from 30.06.2022 - 30.06.2024 1 quarterly instalment of ₹ 38.35 crores on 30.09.2024.	First charge on entire movable and immovable property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (excluding those specifically charged and equipment/machinery procured out of proceeds of ECA/ECB/FCL) both present and future.

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As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
225	94	319	75	1 quarterly installments of ₹ 18.75 crores on 30.06.2021 12 quarterly installments of ₹ 25 crores each from 30.09.2021-30.06.2024	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
-	-	600	200	16 Quarterly instalment of ₹ 50 crores each from 30.06.2020 - 31.03.2024 - repaid in Oct 2020	First charge on 3.2 MTPA expansion property, plant and equipments situated at Vijayanagar Works Karnataka
750	250	938	93	04 Quarterly instalments of ₹ 62.50 crores each from 30.04.2021 - 31.01.2022 08 Quarterly instalments of ₹ 93.75 crores each from 31.04.2022 - 31.1.2024	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
588	149	700	150	5 quarterly instalments of ₹ 37.5 crores each from 30.06.2021 - 30.06.2022 4 quarterly instalments of ₹ 43.75 crores each from 30.09.2022 - 30.06.2023 2 quarterly instalments of ₹ 187.5 crores each from 30.09.2023 - 31.12.2023	First pari passu charge on 3.8 MTPA upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
88	49	125	50	11 Quarterly instalments of ₹ 12.5 crores each from 30.06.2021 - 31.12.2023.	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
150	100	225	100	LTMR+0.30%: 10 quarterly installments of ₹ 25 crores each from 01.06.2021-01.09.2023	First charge on 3.2 MTPA expansion property, plant and equipments situated at Vijayanagar Works Karnataka
699	463	1,164	-	1 quarterly instalment on 30.6.2021 of 113.65 crore 3 quarterly installments of ₹ 116.40 crores each from 30.09.2021-31.03.2022 4 quarterly installments of ₹ 174.60 crores each from 30.06.2022-31.03.2023	First pari passu charge on the mining rights/ assets proposed to be acquired for the 4 iron ore blocks acquired in the State of Odisha.
950	350	1,250	200	2 Quarterly instalments of ₹ 50 crores each from 30.06.2021 - 30.09.2021 4 Quarterly installments of ₹ 125 crores each from 31.12.2021 - 30.09.2022 2 Quarterly installments of ₹ 350 crores each from 31.12.2022- 31.03.2023.	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
262	163	388	150	2 quarterly instalments of ₹ 37.5 crores each from 30.06.2021 - 30.09.2021 4 quarterly instalments of ₹ 43.75 crores each from 31.12.2021 - 30.09.2022 2 quarterly instalments of ₹ 87.5 crores each from 31.12.2022 - 31.03.2023.	First pari passu charge on 3.8MTPA upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
62	63	109	63	08 quarterly installments of ₹ 15.625 crores each from 30.06.2021-31.03.2023	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
-	45	90	160	1 quarterly instalments of ₹ 45 crores on 30.06.2021	First charge on 3.2 MTPA expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka
-	-	-	375	2 quarterly installments of ₹ 37.50 crores each from 30.06.2020-30.09.2020 2 quarterly installments of ₹ 150 crores each from 31.12.2020-31.03.2021	First charge on 3.2 MTPA expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka
9,414	2,622	10,213	2,371		

Notes

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As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
Foreign Currency Term Loans From Banks (Secured)				Weighted average interest cost as on 31 March 2021 is 3.66%	
423	94	530	97	20 equal quarterly instalments of ₹ 23.62 crores each from 30.06.2021 to 31.03.2026. 1 installment of ₹ 44.95 crores on 30.06.2026.	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019. First pari-passu charge on property, plant and equipments of 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) at Dolvi Works, Maharashtra
423	94	530	97		
Total Term Loan-Secured					
9,837	2,716	10,743	2,468		
Rupee Term Loans From Banks (Unsecured)				Weighted average interest cost as on 31 March 2021 is 7.41%	
300	-	-	-	3 quarterly instalments of ₹ 100 crores each from 28.06.2023 to 28.12.2023	
-	75	30	120	2 quarterly instalments of ₹ 25 crores each from 20.06.2021 to 20.09.2021 01 quarterly instalment of ₹ 25 crores on 20.11.2021	
-	750	750	-	1 instalment of ₹ 250 crores on 05.04.2021 and 1 instalment of ₹ 500 crore on 05.09.2021	
-	-	-	250	1 instalment of ₹ 250 crores each on 20.05.2020	
300	825	780	370		
Foreign Currency Term Loans From Banks (Unsecured)				Weighted average interest cost as on 31 March 2021 is 2.63%	
290	34	286	15	19 equal semi-annual installment of ₹ 17.06 crores from 31.08.2021 to 31.08.2030	
199	25	176	20	18 equal semi-annual installment of ₹ 12.44 crores from 31.08.2021 to 28.02.2030	
170	21	142	16	18 equal semi-annual installment of ₹ 10.63 crores from 30.06.2021 to 31.12.2029	
342	46	294	34	17 equal semi-annual installment of ₹ 22.83 crores from 30.06.2021 to 30.06.2029	
151	22	181	23	15 equal semi-annual installments of ₹ 6.21 crores from 25.06.2021 to 25.06.2028 and 1 installment of ₹ 2.56 crores on 25.12.2028 15 equal semi-annual installment of ₹ 5.07 crores from 25.06.2021 to 25.06.2028 and 1 installment of ₹ 1.76 crores on 25.12.2028	
301	50	364	52	14 equal semi-annual installments of ₹ 12.92 crores from 27.09.2021 to 25.03.2028 and 1 installment of ₹ 0.23 crore on 25.09.2028. 14 equal semi-annual installment of ₹ 11.95 crores from 27.09.2021 to 25.03.2028 and 1 installment of ₹ 2.57 crores on 25.09.2028.	
209	37	116	37	13 equal semi-annual installments of ₹ 18.17 crores from 08.08.2021 to 08.08.2027 and 1 installment of ₹ 9.38 crores on 06.02.2028	
47	9	54	9	12 semi annual installments of ₹4.70 crores each from 31.07.2021 to 31.01.2027	
149	32	186	33	11 equal semi-annual installments of ₹ 16.01 crores from 25.06.2021 to 25.06.2026 and 1 installment of ₹ 5.14 crores on 25.12.2026	

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
69	21	91	21	6 half yearly instalments of ₹ 3.32 crores each from 31.07.2021 to 31.01.2024. 7 half yearly instalments of ₹ 1.34 crores each from 30.04.2021 to 30.04.2024 10 semi annual installments of ₹2.12 crores each from 25.06.2021 to 25.03.2026 10 semi annual installments of ₹2.21 crores each from 25.06.2021 to 25.3.2026. 11 semi annual installments of ₹1.56 crores each from 25.06.2021 to 25.06.2026.	
1,838	-	1,885	-	2 annual installments of ₹ 612.48 crores from 19.03.2024 to 19.03.2025 and 1 installment of ₹ 612.66 crores on 19.03.2026	
54	13	69	14	10 semi annual installments of ₹ 4.60 crores each from 23.07.2021 to 23.01.2026 10 semi annual installments of ₹2.15 crores each from 06.08.2021 to 07.02.2026	
875	-	786	-	1 installment of ₹ 269.57 crores on 28.12.2023 2 annual installments of ₹ 269.49 crores from 28.12.2024 to 28.12.2025 for USD Loans 1 installment of ₹ 22.12 crores on 22.01.2024 and 2 annual installments of ₹ 22.11 crores from 22.01.2025 to 22.01.2026 for JPY loans	
551	-	565	-	4 equal installment of ₹ 137.82 crores from 19.10.2022 to 19.10.2025	
919	-	942	-	4 annual installments of ₹ 229.70 crores from 16.07.2022 to 16.07.2025	
294	-	302	-	4 annual installments of ₹ 73.50 crores from 12.07.2022 to 12.07.2025	
30	108	141	111	Repayable ₹98 crores on 13.8.2021 7 equal semi annual instalments of ₹5.02 crores each from 27.09.2021 to 25.09.2024 and 1 semi annual instalment of ₹ 4.49 crores on 25.03.2025	
108	37	150	39	7 equal semi annual instalments of ₹ 6.03 crores each from 09.07.2021 to 09.07.2024 and 1 semi annual instalment of ₹ 5.31 crores on 09.01.2025 7 equal semi annual instalments of ₹ 12.68 crores each from 09.07.2021 to 09.07.2024 and 1 semi annual instalment of ₹ 9.19 crores on 09.01.2025	
1,158	386	1,583	-	4 annual installments of ₹ 385.90 crores from 12.10.2021 to 12.10.2024	
735	-	754	-	Repayable on 05.04.2024	
141	90	300	218	5 half yearly instalments of ₹ 39.07 crores each from 30.04.2021 to 30.04.2023 6 half yearly instalments of ₹ 5.95 crores each from 18.09.2021 to 18.03.2024.	
28	14	43	14	6 half yearly instalments of ₹ 7.04 crores each from 30.09.2021 to 31.03.2024	
28	14	43	14	6 half yearly instalments of ₹ 7 crores each from 26.08.2021 to 28.02.2024	

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
157	81	246	84	6 half yearly instalments of ₹ 17.15 crores each from 19.07.2021 to 19.01.2024. 5 half yearly instalments of ₹ 23.42 crores each from 19.07.2021 to 19.07.2023 and 1 half yearly instalment of ₹ 17.79 crores on 19.01.2024.	
21	10	30	10	6 equal semi annual installments of ₹5.15 crores each from 15.06.2021 to 15.12.2023.	
257	405	678	-	Repayable in three tranches a. ₹367.52. crores on 21.2.2022 b. ₹36.75 crores on 06.03.2022 c. ₹257.27 crores on 03.07.2022	
-	270	277	260	Repayable of ₹270 crores on 27.4.2021	
-	-	-	1,131	3 Repayable of ₹ 365.27 crores on 21.3.2021	
9,121	1,725	10,684	2,155		
Total Term Loan-Unsecured					
9,421	2,550	11,464	2,525		
C. Acceptance for Capital Projects more than 1 year					
Acceptance - Secured					
567	56	633	-	Repayment of 10 cases 2021-22 - ₹ 55.53 crores on various dates. Repayment of 78 cases 2022-23 - ₹ 566.97 crores on various dates	First pari-passu charge on movable fixed assets of 1.5 MTPA Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
-	10	8	61	Repayment of 04 cases in 2021-22 - ₹ 10.45 crores on various dates.	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out)
9	-	9	-	Repayment of ₹ 9.45 crores on 01.08.2022	First pari-passu charge on movable fixed assets of 1.5 MTPA Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
576	66	650	61		
Acceptance - Unsecured					
132	147	268	101	Repayment of 39 cases in 2021-22 - ₹ 147.44 crores on various dates Repayment of 24 cases in 2022-23 - ₹ 132.43 crores on various dates	
464	198	661	14	Repayment of 59 cases in 2021-22 - ₹ 197.97 crores on various dates Repayment of 121 cases in 2022-23 - ₹ 461.74 crores on various dates Repayment of 02 cases in 2023-24 - ₹ 2.28 crores on various dates	
596	345	929	115		

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
D. Deferred Payment Liabilities					
Deferred Sales Tax Loan (Unsecured)					
373	-	134	-	Interest free loan Payable after 14 years by 31.3.2032 - 31.3.2035	
-	3	1	25	Interest free loan and payable in 42 varying monthly instalments starting from 12.4.2018 to 12.9.2021.	
373	3	135	25		
E. Unamortised Upfront Fees on Borrowing					
(213)	(91)	(228)	(85)		
Total Amount in ₹ crores					
39,551	6,919	39,247	5,109		

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

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Rent and other deposits	33	53	32	52
Retention money for capital projects	535	1,192	403	1,072
Allowance for financial guarantees	605	-	873	-
	1,173	1,245	1,308	1,124
Less: Amount clubbed under Other financial liabilities(note 28)	-	(1,245)	-	(1,124)
Total	1,173	-	1,308	-

Movements in allowances for financial guarantees

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
As at 1 April 2019				516
Additional provision created during the year				376
Release of financial guarantees				(57)
Exchange fluctuations				38
As at 31 March 2020				873
Release of financial guarantees (refer note 10)				(264)
Exchange fluctuations				(4)
As at 31 March 2021				605

22. Provisions

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
Provision for compensated absences (refer note 41)	139	36	120	18
Provision for gratuity (refer note 41)	167	38	172	39
Provision for long service award	13	2	12	2
Provision for PF (refer note 41)	-	-	-	5
Other provisions				
Restoration liabilities (refer note a)	434	41	18	-
Provision for onerous contracts (refer note b)	-	126	-	-
Total	753	243	322	64

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

a) Movement of restoration liabilities provision during the year

	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Opening Balance	18	8
Additions during the year	455	9
Unwinding of discount and changes in the discount rate	2	1
Closing Balance	475	18

Site restoration expenditure is incurred on an ongoing basis until the closure of the site. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

b) Movement of onerous contract provision during the year

	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Opening Balance	-	-
Additions during the year	126	-
Utilisation/ reversal of provision during the year	-	-
Closing Balance	126	-

23. Income tax

Indian companies are subject to Indian income tax on a standalone basis. For each fiscal year, the entity profit and loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Statutory income tax is charged at 30% plus a surcharge and education cess.

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2020-21 is charged at 15% plus a surcharge and education cess. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

A. Income tax expense

	₹ in crores	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax:		
Current tax (MAT) (including earlier years reversal/ adjustments)	2,162	789
	2,162	789
Deferred tax:		
Deferred tax	244	81
MAT credit entitlement	1,488	198
(Restoration)/reversal of MAT credit entitlement relating to earlier years on finalisation of income tax returns	172	22
Reversal of DTL on measurement due to change in tax rate (Refer note below)	-	(2,150)
Deferred tax provision/(reversal) for earlier years on finalisation of income tax returns	(263)	61
Total deferred tax	1,641	(1,788)
Total tax expense	3,803	(999)

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

	₹ in crores	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before tax	12,196	4,292
Enacted tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	4,261	1,500
Reversal of DTL on measurement due to change in tax rate (Refer note below)	-	(2,150)
Expenses not deductible in determining taxable profit	194	226
Income exempt from taxation/taxable separately	(5)	(103)
Tax holiday and allowances	(516)	(382)
Tax provision/(reversal) for earlier years on finalisation of income tax returns	(137)	(67)
Others	6	(23)
Tax expense for the year	3,803	(999)
Effective income tax rate	31.18%	(23.28)%

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions.

During the previous year ended 31 March 2020, Company had made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit. Based on the detailed assessment carried out the management, deferred tax liabilities on temporary differences expected to reverse during the period in which the Company would be under the new tax regime and accordingly applied the new rate for measuring the said deferred tax liabilities in accordance with the requirements of IND AS 12 - 'Income Taxes'. This had resulted in reversal of deferred tax liabilities amounting to ₹2150 crores in FY 2019-20. During the year, the Company has re-assessed the impact of the Ordinance and there is no significant change.

There are certain income-tax related legal proceedings which are pending against the company. Potential liabilities, if any have been adequately provided for, and the company does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 45).

B. Deferred tax liabilities (net)

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

	₹ in crores			
Deferred tax balance in relation to	As at 31-Mar-20	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31-Mar-21
Property, plant and equipment	(8,210)	(343)	-	(8,553)
Cash flow hedges	235	-	(129)	106
Provisions for employee benefit / loans and advances and guarantees	1,146	329	(10)	1,465
Lease liabilities	1,219	(52)	-	1,167
Others	99	85	-	184
MAT credit entitlement	4,196	(1,660)	-	2,536
Total	(1,315)	(1,641)	(139)	(3,095)

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

₹ in crores				
Deferred tax balance in relation to	As at 31-Mar-19	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31-Mar-20
Property, plant and equipment	(10,253)	2,043	-	(8,210)
Carried forward business loss/ unabsorbed depreciation	391	(391)	-	-
Cash flow hedges / FCMITDA	14	-	221	235
Provisions for employee benefit/ loans and advances and guarantees	629	511	6	1,146
Lease liabilities	1,393	(174)	-	1,219
Others	79	20	-	99
MAT credit entitlement	4,416	(220)	-	4,196
Total	(3,331)	1,788	227	(1,315)

Deferred tax asset on long term capital losses of ₹ 203 crores and ₹ 2,025 crores expiring in fiscal year 2021-22 and 2024-25 respectively has not been recognised in the absence of probable future taxable capital gains.

Deferred tax asset on short term capital losses of ₹ 665 crores expiring in fiscal year 2024-25 has not been recognised in the absence of probable future taxable capital gains.

24. Other liabilities (Non-current)

₹ in crores		
Particulars	As at 31 March 2021	As at 31 March 2020
Advances from customer	2,033	3,044
Others	140	4
Total	2,173	3,048

Advance from customer includes amount outstanding relating to a five year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. for supply of Steel Products. In March 2018, Duferco S.A had provided an interest bearing advance amount of US \$ 700 million under this agreement. The advance and interest will be adjusted by export of steel products to Duferco S.A. Current portion of ₹ 1,010 crores (31 March 2020 ₹ 1,010 crores) has been included in note 29.

25. Borrowings (current, at amortised cost)

₹ in crores		
Particulars	As at 31 March 2021	As at 31 March 2020
Working capital loans from banks (secured)		
Rupee loan	785	2,930
Rupee loans from banks (unsecured)	500	-
Commercial papers (unsecured)	-	3,883
Total	1,285	6,813

Borrowing have been drawn at following rate of interest

Particulars	Rates of interest
Rupee term loan from banks	7.30% p.a. to 9.40% p.a.
Commercial Papers (CP)	5.25% p.a. to 8.05% p.a.

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

Working capital loans from banks of ₹ 785 crores (31 March 2020 ₹ 2,930 crores) are secured by:

- 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.
- pari passu second charge on movable properties and immovable properties forming part of the property, plant and equipment of the Company, both present and future except such properties as may be specifically excluded.

26. Trade payables

₹ in crores		
Particulars	As at 31 March 2021	As at 31 March 2020
(a) Total outstanding, dues of micro and small enterprises	205	56

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

₹ in crores		
Description	As at 31 March 2021	As at 31 March 2020
Principal amount outstanding as at end of year (refer note i)	243	56
Principal amount overdue more than 45 days	18	-
Interest due and unpaid as at end of year	#	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	443	*
Interest due and payable for the period of delay	7	*
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

*under legal evaluation #less than ₹ 0.50 crore

- It includes vendors classified as part of other financial liabilities in note 28 relating to payable for capital projects amounting to ₹ 38 crores in 31 March 2021 (Nil 31 March 2020).

₹ in crores		
Particulars	As at 31 March 2021	As at 31 March 2020
(b) Total outstanding, dues of creditors other than micro and small enterprises		
Acceptances	7,137	8,056
Other than acceptances	4,808	5,242
Total	11,945	13,298

Acceptances include credit availed by the Company from banks for payment to suppliers for raw materials purchased by the Company. The arrangements are interest-bearing and are payable within one year.

Payables Other than acceptances are normally settled within 180 days.

Trade payables from related parties' details has been described in note 44.

27. Derivative Liabilities

₹ in crores				
Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Forward Contract	-	60	-	125
Commodity Contract	-	1	-	61
Interest Rate Swap	57	28	130	-
Currency Option	-	7	-	3
Total	57	96	130	189

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To the Standalone Financial Statements as at and for the year ended 31 March 2021

28. Other financial liabilities (Current, at amortised cost)

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Current maturities of long-term borrowings (refer note 20)	6,919	5,109
Current dues of other long-term liabilities (refer note 21)	1,245	1,124
Payables for capital projects		
Acceptances	3,905	2,511
Other than Acceptances	894	2,002
Interest accrued but not due on borrowings	685	633
Payables to employees	271	218
Unclaimed matured debentures and accrued interest thereon	*	*
Unclaimed dividends	32	32
Unclaimed amount of sale proceeds of fractional shares	3	3
Payable for bid premium and royalty	2,944	-
Payable to Welspun pursuant to business combination (refer note 50)	811	-
Others	841	348
Total	18,550	11,980

*less than 0.50 crore

Acceptances above includes credit availed by the Company from Banks for payment to suppliers for capital items.

The arrangements are interest-bearing and are payable within one year.

29. Other current liabilities

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Advances from customers	2,072	1,487
Statutory liabilities	763	342
Export obligation deferred income	419	473
Total	3,254	2,302

Advance from customers includes ₹ 1,010 crores (31 March 2020 ₹ 1,010 crores) relating to current portion of APSA. Refer note 24.

Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and accounted in revenue on fulfillment of export obligation.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

30. Revenue from operations

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products		
Domestic turnover	54,732	52,326
Export turnover	14,726	9,989
A	69,458	62,315
Other operating revenues		
Government grant income		
Grant income recognised under PSI 2007 scheme (refer note a)	220	87
Deferred Income GST government/ Sales Tax Loan	242	496
Export obligation deferred income amortisation	239	140
Export benefits and entitlements income	370	297
Unclaimed liabilities written back	62	144
Miscellaneous income*	136	67
B	1,269	1,231
A+B	70,727	63,546
Government grant Income -VAT/ GST Incentive relating to earlier years (refer note a)	-	466
Fees for assignment of procurement contract (refer note b)	-	250
Total Revenue from operations	70,727	64,262

*includes income from scrap sales, CST incentive etc.

Product-wise turnover

Particulars	For the year ended 31-Mar-21		For the year ended 31-Mar-20	
	Tonnes	₹ in crores	Tonnes	₹ in crores
MS slabs	75,020	238	2,28,336	756
Hot rolled coils/steel plates/sheets	9,044,252	38,601	86,52,886	32,995
Galvanised coils/sheets	493,366	2,741	4,28,848	2,129
Cold rolled coils/sheets	1,461,853	7,495	18,42,608	8,328
Steel billets & blooms	654,608	2,236	4,02,306	1,553
Long rolled products	3,148,095	13,935	35,20,862	14,011
Iron ores	4,672,224	2,188	-	-
Others	-	2,024	-	2,543
Total		69,458		62,315

Notes:

a) Incentives under the State Industrial Policy

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds historically. The Company currently recognises income for such government grants based on the State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST).

During October 2019, the Company has received an in-principle approval for eligibility from the Government of Maharashtra in response to the application filed by the Company for incentive under PSI Scheme 2007 on its investment for expansion from 3.3 MTPA to 5 MTPA at Dolvi unit for the period beginning May 2016 onwards. The Company has submitted the required documentation with the State Government for issuance of the Eligibility Certificate and expects to receive the same basis the modalities declared by the Government. Accordingly, the Company has recognised grant income amounting to ₹ 220 crores for the year ended 31 March 2021. The cumulative amount receivable towards the same is ₹ 772 crores as at 31 March 2021.

Accordingly, during the previous year Company had recognised grant income amounting to ₹ 466 crores in relation to earlier years.

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The State Government of Maharashtra (GOM) vide its Government Resolution (GR) dated 20 December 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

b) During the previous year, the Company received an amount of ₹ 250 crores as consideration from a vendor for assignment of its long term supply contract in favor of a third party with same terms and conditions over the remaining term of the contract and have accordingly recognised one-time income in relation to the same.

c) Ind AS 115 Revenue from Contracts with Customers

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 40):

Particulars	₹ in crores	
	For the year ended	
	31 March 2021	31 March 2020
Revenue from contracts with customer - Sale of products (including shipping services)	69,458	62,315
Other operating revenue	1,269	1,947
Total revenue from operations	70,727	64,262
India	56,001	54,273
Outside India	14,726	9,989
Total revenue from operations	70,727	64,262
Timing of revenue recognition		
At a point in time	70,727	64,262
Total revenue from operations	70,727	64,262

Contract Balances

Particulars	As at	As at
	31 March 2021	31 March 2020
Trade Receivables (refer note 14)	3,333	3,166
Contract liabilities		
Advance from customers (refer note 24 and 29)	4,105	4,531

The credit period on sales of goods ranges from 7 to 90 days with or without security.

As at 31 March 2021 ₹ 192 crores (previous ₹ 153 crores) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include long term and short term advances received for sale of goods. The outstanding balances of these accounts decreased in due to adjustment against receivable balances. Long term advances are detailed in note 24.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹ 1,487 crores (previous year ₹990 crores) and performance obligations satisfied in previous years ₹ NIL (previous year ₹ NIL).

Out of the total contract liabilities outstanding as on 31 March 2021, ₹ 2,072 crores (previous ₹ 1,487 crores) will be recognised by 31 March 2022 and remaining thereafter.

Notes

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Refund liabilities

Particulars	As at	As at
	31 March 2021	31 March 2020
Arising from volume rebates and discount (included in Other Financial Liabilities- note 28)	783	305

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

31. Other income

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest Income earned on financial assets that are not designated as FVTPL		
Loans to related parties	237	180
Bank deposits	290	305
Other Interest income	67	44
Gain on sale of current investments designated as FVTPL	6	4
Fair value gain arising from financial instruments designated as FVTPL	6	16
Unwinding of interest on financial assets carried at amortised cost	51	45
Guarantees/Standby letter of credit commission	3	3
Dividend income from subsidiaries, associates and joint ventures	9	31
Others	-	*
Total	669	628

*₹ 0.40 crore

32. Changes in inventories of finished goods work-in-progress and stock in trade

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening stock:		
Semi finished /finished goods	3,365	3,274
Work-in-progress	414	478
A	3,779	3,752
Closing stock:		
Semi finished /finished goods	4,112	3,365
Work-in-progress	539	414
B	4,651	3,779
(A-B)	(872)	(27)

33. Employee benefits expense

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries and wages (net)	1,326	1,282
Contribution to provident and other funds (refer note 41)	92	110
Expenses on employees stock ownership plan	20	30
Staff welfare expenses	63	74
Total	1,501	1,496

The Company in the previous year launched a one-time scheme ('Samruddhi') applicable only for certain permanent employees (Eligible Employee) of the Company. The Eligible Employee can purchase the Equity Shares from the open market by availing a loan provided by a bank / non-banking financial institution ("Lending Agency") identified by the Company to facilitate acquisition of Equity Shares by the Eligible Employees under the Plan. The plan provides that the Company shall service 75% of the total interest liability owed to the Lending Agency and the balance 25% will be borne by the Eligible Employee. The interest expense recognised in the financial statements during the year was ₹ 11 crores. (₹ 6 crores in 31 March 2020).

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34. Finance costs

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest:		
Bonds and Debentures	1,036	727
Others	1,978	2,593
Dividend on redeemable preference shares	-	12
Interest on lease liabilities	351	472
Unwinding of interest on financial liabilities carried at amortised cost	45	27
Exchange differences regarded as an adjustment to borrowing costs	7	89
Other borrowing costs	95	98
Interest on Income Tax	53	4
Total	3,565	4,022

35. Depreciation and amortisation expense

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment	3,063	2,999
Amortisation of intangible assets	148	36
Depreciation of Right to use assets	570	487
Total	3,781	3,522

36. Other expenses

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Stores and spares consumed	2,606	3,098
Power and fuel	5,210	5,533
Rent	7	3
Repairs and maintenance		
Plant and machinery	979	1,010
Buildings	50	35
Others	12	18
Insurance	142	97
Rates and taxes	60	142
Carriage and freight	3,621	3,354
Jobwork and processing charges	545	604
Commission on sales	28	28
Net loss/ (gain) on foreign currency transactions and translation #	(41)	679
Donations and contributions	-	56
CSR Expenditure (refer note b)	165	140
Fair value Loss arising from Financial instruments designated as FVTPL	19	17
Mining and development cost	251	-
Allowance for financial guarantee	-	376
Allowances for doubtful debts, loans and advances (net):		
Allowances for doubtful debts, loans and advances	55	93
Reversal for allowance for doubtful loans	-	(326)
Loss on sale of property, plant and equipment (net)	30	29
Miscellaneous expenses	1,186	1,146
Total	14,925	16,132

including hedging cost of ₹ 279 crores (previous year ₹ 307 crores)

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Note:

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

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Statutory audit fees (including limited reviews)*	7	6
Tax audit fees	#	1
Fees for capital market transactions and other certifications	3	3
Other services	#	#
Out of pocket expenses	#	#
Total	10	10

*includes ₹ 0.33 crore (31 March 2020 ₹ 0.53 crore) pertaining to previous year

#represents amounts below ₹ 0.5 crore

b) Corporate Social Responsibility (CSR)

The Company has incurred an amount of ₹ 165 crores (31 March 2020 ₹ 140 crore) towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	₹ in crores		₹ in crores	
	In-Cash	Yet to be Paid in Cash	In-Cash	Yet to be Paid in Cash
(a) Gross amount required to be spent by the Company during the year	165		139	
(b) Amount spent on:				
(i) Construction / acquisition of assets	-	-	*	-
(ii) On purposes other than (i) above (for CSR projects)	67	98	121	19

*represents ₹ 0.14 crore

37. Research and development activities

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

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	In-Cash	Yet to be Paid in Cash	In-Cash	Yet to be Paid in Cash
Manufacturing and other expenditure	27		30	
Depreciation expense	17		14	
Capital expenditure (including capital work in progress)	10		24	

38. Earnings per share (EPS)

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	(A)	(B)	(A)	(B)
Profit attributable to equity shareholders (₹ in crores)	8,393	5,291	8,393	5,291
Weighted average number of equity shares for basic EPS (B)	2,40,38,12,821	2,40,21,45,868	2,40,38,12,821	2,40,21,45,868
Effect of dilution:				
Weighted average number of treasury shares held through ESOP trust	1,34,07,619	1,50,74,572	1,34,07,619	1,50,74,572
Weighted average number of equity shares adjusted for the effect of dilution (C)	2,41,72,20,440	2,41,72,20,440	2,41,72,20,440	2,41,72,20,440
Basic EPS (Amount in ₹) (A/B)	34.92	22.03	34.92	22.03
Diluted EPS (Amount in ₹) (A/C)	34.72	21.89	34.72	21.89

For details regarding treasury shares held through ESOP trust (refer note 18(a))

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39. Employee share based payment plans

ESOP SCHEME 2016

The Board of Directors of the Company at its meeting held on 29 January 2016, formulated the JSWSL EMPLOYEES STOCK OWNERSHIP PLAN 2016 ("ESOP Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its' subsidiaries in India.

Three grants would be made under ESOP plan 2016 to eligible employees on the rolls of the Company as at 1 April 2016, 1 April 2017 and 1 April 2018.

During the previous year the Company has made supplementary grants under the JSWSL Employee stock ownership Plan 2016 to its permanent employees who are on the rolls of the Company and its Indian subsidiaries as on 5 December 2019 and the same was approved by the ESOP committee in its meeting held on 5 December 2019.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 50% of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the fourth year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price is determined by the ESOP committee at a certain discount to the primary market price on the date of grant.

A total of 2,86,87,000 options are available for grant to the eligible employees of the Company and a total of 31,63,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

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The outstanding position as at 31 March 2021 is summarised below:

Particulars	ESOP 2016		
	1st Grant	2nd Grant	3rd Grant
Date of grant			
-original grant	17 May 2016	16 May 2017	14 May 2018
-supplementary grant	5 December 2019	5 December 2019	5 December 2019
Share Price on date of grant			
-original grant	129.56	201.70	329.05
-supplementary grant	259.80	259.80	259.80
Average fair value on date of grant			
-original grant	67.48	104.04	167.15
-supplementary grant	91.07	92.55	98.63
Outstanding as on 1 April 2019	63,20,000	45,97,558	31,76,056
Granted during the period*	1,85,595	1,19,920	55,002
Transfer in	28,370	31,678	8,329
Transfer Out	4,18,990	2,78,188	1,93,376
Forfeited during the period	1,27,315	1,87,655	1,32,092
Lapsed during the period	-	-	-
Exercised during the period	8,11,215	-	-
Outstanding as on 31 March 2020	51,76,445	42,83,313	29,13,919
Transfer in	12,360	8,394	6,108
Transfer Out	29,100	23,247	16,284
Forfeited during the period	64,225	46,219	67,460
Lapsed during the period	-	-	-
Exercised during the period	21,95,900	6,61,064	9,303
Outstanding as on 31 March 2021	28,99,580	35,61,177	28,26,980
of above - vested outstanding options	28,99,580	35,61,177	14,13,490
of above - unvested outstanding options	-	-	14,13,490
Vesting Period			
- Original	17 May 2016 till 31 March 2019 (for 50% of the grant) and 17 May 2016 to 31 March 2020 (for remaining 50% of the grant)	16 May 2017 till 31 March 2020 (for 50% of the grant) and 16 May 2017 to 31 March 2021 (for remaining 50% of the grant)	14 May 2018/ 5 December 2019 till 31 March 2021 (for 50% of the grant) and 14 May 2018/ 5 December 2019 to 31 March 2022 (for remaining 50% of the grant)
- Supplementary	5 December 2019 to 6 December 2020 for the subsequent grants	5 December 2019 to 6th December 2020 for 50% of the options granted and upto 31 March, 2021 for remaining 50% of the options granted	
Exercise Period	4 years from vesting date	4 years from vesting date	4 years from vesting date
Weighted average remaining contract life			
- original grant	30 months	42 months	54 months
- Supplementary grant	45 months	47 months	54 months
Exercise price			
- Original grants	103.65	161.36	263.24
- Supplementary grants	207.84	207.84	207.84
Weighted average share price for shares exercised during the year	291.79	291.79	291.79
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:
Expected volatility	Volatility was calculated using standard deviation of daily change in stock price.	Volatility was calculated using standard deviation of daily change in stock price.	Volatility was calculated using standard deviation of daily change in stock price.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Particulars	ESOP 2016		
	1st Grant	2nd Grant	3rd Grant
Original grants	The volatility used for valuation is 39.23 % for options with 3 year vesting and 39.62 % with 4 years vesting	The volatility used for valuation is 33.76 % for options with 3 year vesting and 37.43 % with 4 years vesting	The volatility used for valuation is 33.23 % for options with 3 year vesting and 33.28 % with 4 years vesting
Supplementary grants	The volatility used for valuation is 32.30 % for options with 1 year vesting	The volatility used for valuation is 32.30 % for options with 1 year vesting and 32.10% with 1.32 years vesting	The volatility used for valuation is 32.10 % for options with 1.32 year vesting and 32.21% with 2.32 years vesting
Expected option life	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be mid-way between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2
Expected dividends			
- Original grants	₹ 1.10 per share	₹ 0.75 per share	₹ 2.25 per share
- Supplementary grants	₹ 4.10 per share	₹ 4.10 per share	₹ 4.10 per share
Risk-free interest rate	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option
Original grants	The rate used for calculation is 7.36% (for 3 years vesting) & 7.44%(for 4 years vesting)	The rate used for calculation is 6.87% (for 3 years vesting) & 6.96%(for 4 years vesting)	The rate used for calculation is 7.85% (for 3 years vesting) & 7.92%(for 4 years vesting)
Supplementary grants	The rate used for calculation is 5.67% (for 1 years vesting)	The rate used for calculation is 5.67% (for 1 years vesting) & 5.76% (for 1.32 years vesting)	The rate used for calculation is 5.76% (for 1.32 years vesting) & 6.02% (for 2.32 years vesting)
The method used and the assumptions made to incorporate the effects of expected early exercise	Black-Scholes Options pricing model	Black-Scholes Options pricing model	Black-Scholes Options pricing model
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The following factors have been considered: (a) Share price (b) Exercise prices (c) Historical volatility		
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	(d) Expected option life (e) Dividend Yield		

*as part of supplementary grants

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40. Segment reporting

The Company is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below

a) Revenue from operations

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Domestic	56,001	54,273
Export	14,726	9,989
Total	70,727	64,262

Revenue from operations have been allocated on the basis of location of customers.

b) Non-current assets

All non-current assets other than financial instruments of the Company are located in India.

c) Customer contributing more than 10% of Revenue

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
JSW Steel Coated Products Limited (net of GST and cess)	8,464	7,314

41. Employee benefits

a) Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees. Under these plans, the Company is required to contribute a specified percentage of payroll costs.

Company's contribution to provident fund & family pension scheme recognised in statement of profit and loss of ₹ 46 crores (31 March 2020: ₹ 57 crores) (included in note 33).

Contribution towards Company owned trust is detailed in Defined benefit plans

b) Defined benefit plans

The Company sponsors funded defined benefit plans for all qualifying employees. The level of benefits provided depends on the member's length of service and salary at retirement age.

The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days' salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

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

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in Government securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2021 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(i) Gratuity:

	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
	Funded	Funded
a) Liability recognised in the balance sheet		
i) Present value of obligation		
Opening balance	286	243
Service cost	19	16
Interest cost	20	18
Actuarial loss on obligation	(27)	19
Benefits paid	(21)	(10)
Liability in	2	#
Liability transfer	#	-
Closing balance	279	286
Less:		
ii) Fair value of plan assets		
Opening balance	75	77
Interest Income	6	5
Actuarial (loss)/gain on plan assets	#	#
Employers' contribution	7	-
Benefits paid	(14)	(7)
Closing balance	74	75
Amount recognised in balance sheet (refer note 22)	205	211
b) Expenses recognised in statement of profit and loss		
Service cost	19	16
Interest cost	20	18
Expected return on plan assets	(6)	(5)
Component of defined benefit cost recognised in statement of profit and loss	33	29
Remeasurement of net defined benefit liability		
-Actuarial (gain)/loss on defined benefit obligation	(27)	19
-Return on plan assets (excluding interest income)	#	#
Component of defined benefit cost recognised in other comprehensive income	(27)	19
Transferred to preoperative expenses	(1)	#
Total	5	48
c) Actual return on plan assets	5	5

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	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
	Funded	Funded
d) Break up of plan assets:		
(i) ICICI Prudential Life Insurance Co. Limited (ICICI)		
Balanced fund	3	3
Debt fund	3	3
Short term debt fund	#	#
Group Short Term Debt Fund III	-	-
(ii) HDFC Standard Life Insurance Co. Limited (HDFC)		
Defensive managed fund	7	#
Secure managed fund	8	7
Stable managed fund	-	-
(iii) SBI Life Insurance Co. Limited – Cap assured fund (SBI)	37	44
(iv) LIC of India – Insurer managed fund (LIC)	16	17
Total	74	75

represents amounts below ₹ 0.5 crores

During the year, entire unfunded liabilities have been funded.

e) Principal actuarial assumptions:

Particulars	Valuation as at 31 March 2021	Valuation as at 31 March 2020
	Funded	Funded
Discount rate	6.80%	6.84%
Expected rate(s) of salary increase	5.10%	6%
Expected return on plan assets	6.80%	6.84%
Attrition rate	3.70%	2%
Mortality rate during employment	Indian assured lives mortality (2006-2008)	

f) Experience adjustments:

Particulars	₹ in crores				
	2020-21	2019-20	2018-19	2017-18	2016-17
Defined benefit obligation	279	286	243	196	175
Plan assets	74	75	77	65	53
Surplus / (deficit)	(205)	(211)	(166)	(131)	(122)
Experience adjustments on plan liabilities – Loss/(gain)	(27)	19	15	3	17
Experience adjustments on plan assets – Gain/(loss)	#	#	#	#	#

represents amounts below ₹ 0.50 crore

- g)** The Company expects to contribute ₹ 38 crores (previous year ₹ 39 crores) to its gratuity plan for the next year.
- h)** The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years (31 March 2020: 10 years)
- i)** In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.
- j)** Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.
- k)** The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- i)** The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

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The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Defined benefit obligation	279	286
Plan assets	74	75
-net liability/(asset) arising from defined benefit obligation	205	211

Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and attrition. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant.

Particulars	As at 31 March 2021		As at 31 March 2020	
	Increase	Decrease	Increase	Decrease
	₹ in crores			
Discount rate (1% movement)	(18)	20	(23)	26
Future salary growth (1% movement)	20	(18)	26	(23)
Attrition rate (1% movement)	2	(3)	2	(2)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Fund Allocation

Particulars	SBI	HDFC	ICICI	LIC
As on 31 March 2021	50.22%	20.14%	8.69%	20.95%
As on 31 March 2020	58.69%	9.83%	8.39%	23.09%

Category of assets average percentage allocation fund wise as on 31 March 2021

Particulars	SBI	HDFC	ICICI	LIC
Government securities	-	47.74%	35.97%	20%
Debt	87.70%	37.31%	38.73%	Balance invested
Equity	6.87%	10.38%	7.36%	in approved
Others	5.43%	4.57%	17.94%	investments
				as specified in
				schedule 1 of
				IRDA guidelines

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Maturity analysis of projected benefit obligation

Particulars	₹ in crores			
	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31 March 2021				
Projected benefit payable	40	91	363	494
As at 31 March 2020				
Projected benefit payable	23	81	487	591

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

(ii) Provident fund:

Provident Fund for certain eligible employees was managed by the Company through JSW Steel Employees Provident Fund Trust, in line with the Provident Fund and Miscellaneous Provisions Act, 1952 till 31 December 2020. The Company made monthly contributions to provident fund managed by trust for qualifying employees. The Trustees of JSW Steel Employees Provident Fund Trust are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and the relevant provisions prescribed under the law.

The funds of the Trust had been invested under various securities in accordance with the rules prescribed by the Government of India.

Out of the total contribution made for Provident Fund in Defined Contribution Plan, ₹ 16 crores (previous year ₹ 27 crores) is made to the JSW Steel Employees Provident Fund Trust till 31 December 2020.

Actuarial assumptions made in 31 March 2020 to determine interest rate guarantee on exempt provident fund liabilities are as follows:

Particulars	As at 31 March 2020
Total plan assets @	588
Total plan liabilities @	593
Discount rate	6.84%
Rate of return on assets	8.49%
Guaranteed rate of return	8.50%

The Company has discontinued operations of the JSW Steel Employees Provident Fund Trust from 1 January 2021 and accordingly, the Trust have transferred to EPFO, Bellary the fund of ₹ 619 crores in compliance with its obligations as at 31.12.2020. Over and above the said obligations, the Trust has transferred additional fund of ₹ 20 crores to EPFO, Bellary, which is distributed to respective members

The Company does not have any further obligations with respect to JSW Steel Employees Provident Fund Trust.

(iii) Other long term benefits:

- 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.
- Long Service Award
The Company has a policy to recognise the long service rendered by employees and celebrate their long association with the Company. This scheme is called - Long Association of Motivation, Harmony & Excitement(LAMHE). The award is paid at milestone service completion years of 10, 15, 20 and 25 years.

42. Financial Instruments

42.1 Capital risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

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The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Long term borrowings	39,551	39,247
Current maturities of long term debt	6,919	5,109
Short term borrowings	1,285	6,813
Less: Cash and cash equivalent	(11,121)	(3,438)
Less: Bank balances other than cash and cash equivalents	(625)	(7,963)
Net debt	36,009	39,768
Total equity	46,977	38,362
Gearing ratio	0.77	1.04

- Equity includes all capital and reserves of the Company that are managed as capital.
- Debt is defined as long and short term borrowings (excluding derivatives and financial guarantee contracts), as described in notes 20 and 25.

42.2 Categories of financial instruments

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31 March 2021

Particulars	₹ in crores					
	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relationship	Total carrying value	Total fair value
Financial assets						
Investments	465	764	4,553	-	5,782	5,793
Trade receivables	3,333	-	-	-	3,333	3,333
Cash and cash equivalents	11,121	-	-	-	11,121	11,121
Bank balances other than cash and cash equivalents	625	-	-	-	625	625
Loans	6,115	-	-	-	6,115	6,115
Derivative Assets	-	-	11	185	196	196
Other financial assets	3,319	-	-	-	3,319	3,319
Total	24,978	764	4,564	185	30,491	30,502
Financial liabilities						
Long term Borrowings #	46,470	-	-	-	46,470	46,610
Lease Liabilities	3,338	-	-	-	3,338	3,523
Short term Borrowings	1,285	-	-	-	1,285	1,285
Trade payables	12,150	-	-	-	12,150	12,150
Derivative liabilities	-	-	14	139	153	153
Other financial liabilities	12,804	-	-	-	12,804	12,804
Total	76,047	-	14	139	76,200	76,525

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As at 31 March 2020

Particulars	₹ in crores					
	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relationship	Total carrying value	Total fair value
Financial assets						
Investments	417	378	447	-	1,242	1,250
Trade receivables	3,166	-	-	-	3,166	3,166
Cash and cash equivalents	3,438	-	-	-	3,438	3,438
Bank balances other than cash and cash equivalents	7,963	-	-	-	7,963	7,963
Loans	9,026	-	-	-	9,026	9,026
Derivative Assets	-	-	275	-	275	275
Other financial assets	3,356	-	-	-	3,356	3,356
Total	27,366	378	722	-	28,466	28,474
Financial liabilities						
Long term Borrowings#	44,356	-	-	-	44,356	45,039
Lease Liabilities	3,489	-	-	-	3,489	3,720
Short term Borrowings	6,813	-	-	-	6,813	6,813
Trade payables	13,354	-	-	-	13,354	13,354
Derivative liabilities	-	-	78	241	319	319
Other financial liabilities	8,179	-	-	-	8,179	8,179
Total	76,191	-	78	241	76,510	77,424

including current maturities of long term debt

43. Fair value hierarchy of financial instruments

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short term nature.

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

Particulars	₹ in crores			
	As at 31 March 2021	As at 31 March 2020	Level	Valuation techniques and key inputs
Quoted investments in equity shares measured at FVTOCI	750	364	1	Quoted bid prices in an active market
Unquoted investments in equity shares measured at FVTOCI	9	9	3	Net Asset value of share arrived has been considered as fair value
Unquoted investments in equity shares measured at FVTOCI	5	5	3	Cost is approximate estimate of fair value
Non-current investments in unquoted compulsory convertible debentures measured at FVTPL	59	59	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Non-current investments in unquoted optionally fully convertible debentures measured at FVTPL	4,100	-	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Non-current investments in unquoted preference shares measured at FVTPL	394	388	3	Discounted cash flow - Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks
Derivative Assets	196	275	2	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Derivative Liabilities	153	319		

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Sensitivity Analysis of Level 3:

Particulars	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate of 8.85 %	0.50%	0.50% Increase (decrease) in the discount would decrease (increase) the fair value by ₹ 5 crores (₹ 5 crores)
Investments in unquoted equity shares	NAV method	Cost is approximate estimate of fair value	-	No sensitivity in the fair value of the investments.

Reconciliation of Level 3 fair value measurement

Particulars	Amount
Balance as at 1 April 2019	424
Additions made during the period	2
Allowance for loss	(40)
Gain recognised in the statement of profit and loss	16
Balance as at 31 March 2020	402
Additions made during the period	2
Allowance for loss	(2)
Gain recognised in the statement of profit and loss	6
Balance as at 31 March 2021	408

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

Particulars	As at 31 March 2021	As at 31 March 2020	Level	Valuation techniques and key inputs
Loans				
Carrying value	6,115	9,026	2	Discounted cash flow on observable Future cash flows are based on terms of loans discounted at a rate that reflects market risks
Fair value	6,115	9,026		
Investments				
Carrying value	465	417	2	Discounted cash flow on observable Future cash flows are based on terms of investments discounted at a rate that reflects market risks
Fair value	476	425		
Long Term Borrowings				
Carrying value	46,470	44,356	2	Discounted cash flow on observable Future cash flows are based on terms of borrowings discounted at a rate that reflects market risks
Fair value	46,610	45,039		

There have been no transfers between Level 1 and Level 2 during the period.

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The Asset and Liability position of various outstanding derivative financial instruments is given below:

Particulars	Underlying	Nature of Risk being Hedged	31-Mar-21			31-Mar-20		
			Asset	Liability	Net Fair Value	Asset	Liability	Net Fair Value
Cash Flow Hedges								
Designated & Effective Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	30	(5)	25	-	(49)	(49)
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate Risk	1	(85)	(84)	-	(130)	(130)
Commodity Contract		Price Risk	-	-	-	-	(61)	(61)
Options contract	Long-term Foreign currency borrowings	Exchange rate movement risk	110	-	110	-	-	-
Designated & Ineffective hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	22	(2)	20	-	(33)	(33)
Fair Value Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	-	-	-	213	(3)	210
Forwards Currency Contracts	Trade payables & Acceptance	Exchange rate movement risk	14	(39)	(25)	-	-	-
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	8	(8)	-	-	-	-
Non-Designated Hedges								
Forwards Currency Contracts	Trade payables & Acceptance	Exchange rate movement risk	-	(1)	(1)	16	(0)	16
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	-	(1)	(1)	-	(1)	(1)
Forwards Currency Contracts	Loans and advance	Exchange rate movement risk	-	-	-	-	(37)	(37)
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate Risk	-	-	-	1	-	1
Options Contract	Trade payables & Acceptance	Exchange rate movement risk	-	(6)	(6)	15	(3)	12
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	-	(1)	(1)	-	-	-
			185	(148)	37	245	(317)	(72)
Receivable/ payable from cancelled/ settled derivative contracts			11	(5)	6	30	(2)	28
Total			196	(153)	43	275	(319)	(44)

Details of non-derivative financial instruments designated as hedging instruments outstanding as at:

Cash Flow hedges	31 March 2021		31 March 2020	
	USD Mio	Fair Value ₹ in Crs	USD Mio	Fair Value ₹ in Crs
Long term borrowings	625	(221)	638	(333)
Acceptances	191	(25)	328	(118)
	816	(246)	966	(451)

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Movement in cash flow hedge:

Particulars	As at 31 March 2021	As at 31 March 2020
Opening Balance	668	(50)
FX recognised in other comprehensive Income	(271)	544
Hedge ineffectiveness recognised in P&L	54	116
Amount Reclassified to P&L during the year	(151)	58
Closing balance	300	668

43.1 Financial risk management

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

43.2 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Company seeks to minimise the effects of these risks by using derivative and non-derivative financial instruments to hedge risk exposures. The use of financial derivatives and non-derivative financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

43.3 Foreign currency risk management

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency.

In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts, options and other non-derivative financial instruments like long-term foreign currency borrowings and acceptances. At any point in time, the Company hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months using derivative instruments. Forecasted sales beyond the period of 6 months are hedged using non-derivative financial instruments basis the tenure of the specific long term foreign currency borrowings. In respect of imports and other payables, the Company hedges its payables as when the exposure arises. Short term exposures are hedged progressively based on their maturity.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

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The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company continues to believe that there is no impact on effectiveness of its hedges.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting year are as follows:

Currency exposure as at 31 March 2021

Particulars	₹ in crores					Total
	USD	EURO	INR	JPY	Other	
Financial assets						
Non-current investments	-	217	5,565	-	-	5,782
Loans	4,475	88	1,536	-	16	6,115
Trade receivables	632	199	2,502	-	-	3,333
Cash and cash equivalents	-	-	11,121	-	-	11,121
Bank balances other than cash and cash equivalents	-	-	625	-	-	625
Derivative assets	196	-	-	-	-	196
Other financial assets	263	-	3,056	-	-	3,319
Total financial assets	5,566	504	24,405	-	16	30,491
Financial liabilities						
Long term borrowings	19,613	835	18,693	410	-	39,551
Lease liabilities	-	-	3,338	-	-	3,338
Short term borrowings	-	-	1,285	-	-	1,285
Trade payables	7,665	66	4,402	13	4	12,150
Derivative liabilities	148	3	-	2	-	153
Other financial liabilities	4,955	2,341	12,185	214	28	19,723
Total financial liabilities	32,381	3,245	39,903	639	32	76,200

Currency exposure as at 31 March 2020

Particulars	₹ in crores					Total
	USD	EURO	INR	JPY	Other	
Financial assets						
Non-current investments	-	217	1,025	-	-	1,242
Loans	7,848	85	1,080	-	13	9,026
Trade receivables	263	21	2,882	-	-	3,166
Cash and cash equivalents	-	-	3,438	-	-	3,438
Bank balances other than cash and cash equivalents	-	-	7,963	-	-	7,963
Derivative assets	275	-	-	-	-	275
Other financial assets	202	2	3,152	-	-	3,356
Total financial assets	8,588	325	19,540	-	13	28,466
Financial liabilities						
Long term borrowings	21,686	929	16,099	533	-	39,247
Lease liabilities	-	-	3,489	-	-	3,489
Short term borrowings	-	-	6,813	-	-	6,813
Trade payables	8,607	40	4,674	31	2	13,354
Derivative liabilities	319	-	-	-	-	319
Other financial liabilities	4,588	2,061	6,342	234	63	13,288
Total financial liabilities	35,200	3,030	37,417	798	65	76,510

The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other

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variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

Particulars	Increase (strengthening of INR)		Decrease (weakening of INR)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	₹ in crores			
Receivable				
USD/INR	(57)	(70)	57	70
Payable				
USD/INR	227	274	(227)	(274)

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

As at	Nature	No. of Contracts	Type	US\$ Equivalent (Millions)	INR Equivalent (crores)	MTM (₹ in crores)
31 March 2021	Assets	84	Buy	352	2,585	18
		54	Sell	461	3,390	52
	Liabilities	111	Buy	513	3,772	(46)
		16	Sell	201	1,480	(7)
31 March 2020	Assets	125	Buy	886	6,683	229
		-	Sell	-	-	-
	Liabilities	10	Buy	118	886	(4)
		27	Sell	398	3,003	(119)

Currency options to hedge against fluctuations in changes in exchange rate:

As at	Nature	No. of Contracts	US\$ equivalent (Million)	INR equivalent (crores)	MTM of Option (₹ in crores)
31 March 2021	Assets	14	545	4,006	110
	Liabilities	16	307	2,257	(7)
31 March 2020	Assets	20	317	2,390	15
	Liabilities	1	15	113	(3)

Unhedged currency risk position:

I) Amounts receivable in foreign currency

	As at 31 March 2021		As at 31 March 2020	
	US\$ equivalent	INR Equivalent	US\$ equivalent	INR Equivalent
	(Millions)	(crores)	(Millions)	(crores)
Trade receivables	113	831	38	284
Balances with banks	-	-	-	-
- in Fixed deposit account	-	-	-	-
- in Current account	-	-	-	-
Advances/Loans to subsidiaries	659	4,842	894	6,736

II) Amounts payable in foreign currency

	As at 31 March 2021		As at 31 March 2020	
	US\$ equivalent	INR Equivalent	US\$ equivalent	INR Equivalent
	(Millions)	(crores)	(Millions)	(crores)
Loans payable	2,462	18,096	3,352	25,266
Trade payables and acceptances	95	702	-	-
Payable for capital projects	557	4,098	332	2,502
Interest accrued but not due on borrowings	33	239	59	446
Other provisions	82	603	116	871

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43.4 Commodity price risk:

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company is subject to fluctuations in prices for the purchase of iron ore, coking coal, ferro alloys, zinc, scrap and other raw material inputs. The Company purchased primarily all of its iron ore and coal requirements at prevailing market rates during the year ended 31 March 2021.

The Company aims to sell the products at prevailing market prices. Similarly, the Company procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

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

Hedging commodity is based on its procurement schedule and price risk. Commodity hedging is undertaken as a risk offsetting exercise and, depending upon market conditions hedges, may extend beyond the financial year. The Company is presently hedging maximum up to 100% of its consumption.

The following table details the Company's sensitivity to a 5% movement in the input price of iron ore and coking coal. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5% and vice-versa.

Commodity	Increase for the year ended		Decrease for the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	₹ in crores			
Iron ore lumps/fines	601	514	(601)	(514)
Coal/Coke	701	920	(701)	(920)

The commodity forward contracts entered into by the Company and outstanding at the year-end are as under:

As at	Nature	No. of Contracts	Commodity Name	Quantity Natural Gases - BTMU	US\$ Equivalent of notional value (Millions)	INR equivalent (crores)	MTM of Commodity contract (₹ in crores)
31-Mar-21	Assets	-	-	-	-	-	-
	Liabilities	-	-	-	-	-	-
31-Mar-20	Assets	-	-	-	-	-	-
	Liabilities	20	Liquified Natural Gas	9,702,000	37	281	(56)

43.5 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The company hedges up to 20% of interest risk in US dollars. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

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The following table provides a break-up of the Company's fixed and floating rate borrowings:

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Fixed rate borrowings	25,621	20,459
Floating rate borrowings	21,153	24,209
Total gross borrowings	46,774	44,668
Less: Upfront fees	(304)	(312)
Total borrowings (refer note 20)	46,470	44,356

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2021 would decrease / increase by ₹ 212 crores (for the year ended 31 March 2020: decrease / increase by ₹ 242 crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings

The following table details the nominal amounts and remaining terms of interest rate swap contracts outstanding at the year-end.

As at	Nature	No. of Contracts	US\$ Equivalent of notional value (Millions)	MTM of IRS (₹ in crores)
31 March 2021	Assets	2	50	1
	Liabilities	22	335	(85)
31 March 2020	Assets	3	60	1
	Liabilities	22	335	(130)

43.6 Credit risk management:

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets, financial guarantees and derivative financial instruments.

Moreover, given the diverse nature of the Company's business trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer (other than the Group Companies) accounted for 10% or more of the trade receivables in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties. The assessment is carried out considering the segment of the customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable. Basis this assessment, the allowance for doubtful trade receivables as at 31 March 2021 is considered adequate.

Movements in allowances for bad and doubtful debts

Particulars	₹ in crores
	Amount
As at 1 April 2019	82
Additional Allowance	71
As at 31 March 2020	153
Additional Allowance	40
Reversal during the year	(1)
As at 31 March 2021	192

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For current investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for Company's mutual fund and bond investments. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 30,491 crores as at 31 March 2021 and ₹ 28,466 crores as at 31 March 2020, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Company based on past experiences does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss ('ECL').

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/ contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

43.7 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has acceptances in line with supplier's financing arrangements which might invoke liquidity risk as a result of liabilities being concentrated with few financial institutions instead of a diverse group of suppliers. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment Years and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting year. The contractual maturity is based on the earliest date on which the Company may be required to pay.

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Liquidity exposure as at 31 March 2021

Particulars	₹ in crores			
	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Non-current investments	-	94	5,688	5,782
Loans	733	5,098	284	6,115
Trade receivables	3,333	-	-	3,333
Cash and cash equivalents	11,121	-	-	11,121
Bank balances other than cash and cash equivalents	625	-	-	625
Derivative assets	86	110	-	196
Other financial assets	1,348	1,971	-	3,319
Total financial assets	17,246	7,273	5,972	30,491
Financial liabilities				
Long term borrowings	-	31,345	8,206	39,551
Lease liabilities	925	1,561	852	3,338
Short term borrowings	1,285	-	-	1,285
Trade payables	12,150	-	-	12,150
Derivative liabilities	96	57	-	153
Other financial liabilities	18,550	1,165	8	19,723
Total financial liabilities	33,006	34,128	9,066	76,200
Interest payout liability	1,935	4,170	697	6,802

Liquidity exposure as at 31 March 2020

Particulars	₹ in crores			
	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Non-current investments	-	67	1,175	1,242
Current investments	-	-	-	-
Loans	321	8,680	25	9,026
Trade receivables	3,166	-	-	3,166
Cash and cash equivalents	3,438	-	-	3,438
Bank balances other than cash and cash equivalents	7,963	-	-	7,963
Derivative assets	275	-	-	275
Other financial assets	2,794	562	-	3,356
Total financial assets	17,957	9,309	1,200	28,466
Financial liabilities				
Long term borrowings	-	30,179	9,068	39,247
Lease liabilities	773	2,142	574	3,489
Short term borrowings	6,813	-	-	6,813
Trade payables	13,354	-	-	13,354
Derivative liabilities	189	130	-	319
Other financial liabilities	11,979	1,302	7	13,288
Total financial liabilities	33,108	33,753	9,649	76,510
Interest payout liability	2,240	6,326	1,236	9,802

The amount of guarantees/standby letter of credit given on behalf of subsidiaries included in Note 46 represents the maximum amount the Company could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting year, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

Collateral

The Company has pledged part of its trade receivables, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered. (Refer note 20 and 25).

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

44. Related party disclosures as per Ind AS 24:

A. Name of related parties
1 Subsidiaries
JSW Steel (Netherlands) B.V.
JSW Steel (UK) Limited
JSW Steel (USA), Inc.
Periama Holdings, LLC
Purest Energy, LLC
Meadow Creek Minerals, LLC
Hutchinson Minerals, LLC
R.C. Minerals, LLC
Keenan Minerals, LLC
Peace Leasing, LLC
Prime Coal, LLC
Planck Holdings, LLC
Rolling S Augering, LLC
Periama Handling, LLC
Lower Hutchinson Minerals, LLC
Caretta Minerals, LLC
JSW Panama Holdings Corporation
Inversiones Eurosh Limitada
Santa Fe Mining
Santa Fe Puerto S.A.
JSW Natural Resources Limited
JSW Natural Resources Mozambique Limitada
JSW ADMS Carvao Limitada
Nippon Ispat Singapore (PTE) Limited
Erebus Limited
Arima Holdings Limited
Lakeland Securities Limited
JSW Bengal Steel Limited
JSW Natural Resources India Limited
JSW Energy (Bengal) Limited
JSW Natural Resource Bengal Limited
JSW Jharkhand Steel Limited
Amba River Coke Limited
JSW Steel Coated Products Limited
Peddar Realty Private Limited
JSW Industrial Gases Private Limited
JSW Realty & Infrastructure Private Limited
JSW Steel Italy S.r.l.
JSW Utkal Steel Limited
Hasaud Steel Limited
Acerco Junction Holdings, Inc.
JSW Steel USA Ohio, Inc.
JSW Steel Italy Piombino S.p.A.
Piombino Logistics S.p.A.- A JSW Enterprise
GSI Lucchini S.p.A.
JSW One Platforms Limited (formerly known as JSW Retail Limited)
Makler Private Limited (w.e.f. 06.06.2019, upto 25.03.2021)
Piombino Steel Limited (w.e.f. 06.06.2019, upto 26.03.2021)
JSW Vijayanagar Metallica Limited (w.e.f. 24.12.2019)
Vardhman Industries Limited (w.e.f. 31.12.2019)
JSW Vallabh Tinplate Private Limited (w.e.f. 31.12.2019)
Asian Color Coated Ispat Limited (w.e.f. 27.10.2020)
JSW Retail and Distribution Limited (w.e.f. 15.03.2021)
2 Joint Ventures
Vijayanagar Minerals Private Limited
Rohne Coal Company Private Limited

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

A. Name of related parties
JSW Severfield Structures Limited
Gourangdih Coal Limited
GEO Steel LLC (ceased w.e.f. 28.01.2020)
JSW Structural Metal Decking Limited
JSW MI Steel Service Center Private Limited
JSW Vallabh Tinplate Private Limited (ceased w.e.f. 31.12.2019)
Creixent Special Steels Limited
JSW Ispat Special Products Limited (formerly known as Monnet Ispat & Energy Limited)
Piombino Steel Limited (w.e.f. 27.03.2021)
Bhushan Power & Steel Limited (w.e.f. 27.03.2021)
3 Key Management Personnel
Mr. Sajjan Jindal (Non-Independent Executive Director)
Mr. Seshagiri Rao M V S (Non-Independent Executive Director)
Dr. Vinod Nowal (Non-Independent Executive Director)
Mr. Jayant Acharya (Non-Independent Executive Director)
Mr. Rajeev Pai (Chief Financial Officer)
Mr. Lancy Varghese (Company Secretary)
4 Independent Non-Executive Director
Mr. Gangaram Baderiya - Nominee Director, KSIIDC (upto 23.10.2020)
Mr. M.S.Srikanth - Nominee Director, KSIIDC (w.e.f. 23.10.2020)
Mr. Hiroyuki Ogawa - Nominee Director, JFE Steel Corporation
Dr. (Mrs.) Punita Kumar Sinha
Mr. Malay Mukherjee
Mr. Haigreva Khaitan
Mr. Seturaman Mahalingam
Mrs. Nirupama Rao
Mr. Harsh Charandas Mariwala
5 Relatives of Key Management Personnel
Mrs. Savitri Devi Jindal
Mr. Prithvi Raj Jindal
Mr. Naveen Jindal
Mrs. Nirmala Goyal
Mrs. Urmila Bhuwalka
Mrs. Seema Jajodia
Mrs. Sarika Jhunjhnuwala
Mrs. Saroj Bhartiya
Mrs. Sangita Jindal
Mrs. Tarini Jindal Handa
Mrs. Tanvi Shete
Mr. Parth Jindal
Mrs. Shanti Acharya
Mrs. Esther Varghese
6 Other Related Parties
JSW Energy Limited
JSW Energy (Barmer) Limited
JSW Power Trading Company Limited
JSW Hydro Energy Limited
JSW Energy (Kutehr) Limited
JSW Solar Limited
Jindal Stainless Limited
Jindal Stainless (Hisar) Limited
Jindal Stainless Steelway Limited
JSL Lifestyle Limited
Jindal Saw Limited
JITF Urban Infrastructure Limited
Jindal Tubular (India) Limited
Jindal Urban Waste Management Limited
Jindal Rail Infrastructure Limited

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

A. Name of related parties
Jindal Steel & Power Limited
India Flysafe Aviation Limited
JSW Infrastructure Limited
JSW Jaigarh Port Limited
South West Port Limited
JSW Dharamatar Port Private Limited
JSW Paradip Terminal Private Limited
Jaigarh Digni Rail Limited
JSW Cement Limited
JSW Cement, FZE
South West Mining Limited
JSW Projects Limited
BMM Ispat Limited (w.e.f. 27.10.2020)
JSW IP Holdings Private Limited
JSW Soft Solutions Limited (merged with Everbest Consultancy Services Private Limited)
Reynold Traders Private Limited
JSW Techno Projects Management Limited
JSW Global Business Solutions Limited
Everbest Consultancy Services Private Limited
Jindal Industries Private Limited
JSW Foundation
Inspire Institute of Sports
Jindal Technologies & Management Services Private Limited
Epsilon Carbon Private Limited
JSW Living Private Limited
JSW International Tradecorp Pte. Limited
Jindal Education Trust
JSW Paints Private Limited
Toshiba JSW Power System Private Limited
MJSJ Coal Limited
JSW Bengaluru Football Club Private Limited
JSW Shipping & Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)
Neotrex Steel Wires Private Limited
Neotrex Steel Private Limited
JSW Minerals Trading Private Limited
Khaitan & Company
Eurokids International Private Limited
J Sagar Associates
Shiva Cement Limited
Tekhhand Waste to Electricity Projects Limited
Encorp Powertrans Private Limited
Nourish Organic Foods Private Limited
Brahmani River Pellets Limited
Danta Enterprises Private Limited
Glebe Trading Private Limited
JSW Holdings Limited
JSW Investments Private Limited
JSW Logistics Infrastructure Private Limited
JTPM Metal Traders Private Limited
Sahyog Holdings Private Limited
Virtuous Tradecorp Private Limited
S K Jindal and Sons HUF
P R Jindal HUF
7 Post-Employment Benefit Entity
JSW Steel EPF Trust (ceased w.e.f. 31.12.2020)
JSW Steel Group Gratuity Trust
JSW Steel Limited Employee Gratuity Fund

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Particulars	Subsidiaries		Joint ventures		Other related parties		Total
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	
	₹ In crores						
B. Transactions with related parties for year ended							
Purchase of goods/power & fuel/services/branding expenses							
Amba River Coke Limited	3,587	3,655	-	-	-	-	3,587
JSW Energy Limited	-	-	-	-	1,607	2,174	1,607
JSW International Tradecorp Pte. Limited	-	-	-	-	10,803	13,348	10,803
Others	413	296	206	84	2,129	1,746	2,126
Total	4,000	3,951	206	84	14,539	17,268	21,303
Reimbursement of expenses incurred on our behalf by							
JSW One Platforms Limited	11	13	-	-	-	-	11
JSW Steel Coated Products Limited	1	5	-	-	-	-	1
Amba River Coke Limited	10	5	-	-	-	-	10
JSW Energy Limited	-	-	-	-	1	3	1
JSW Cement Limited	-	-	-	-	4	-	4
Others	*	1	-	-	1	1	1
Total	22	24	-	-	6	4	28
Sales of goods/power & fuel/services/assets							
JSW Steel Coated Products Limited	10,017	8,635	-	-	-	-	10,017
Asian Color Coated Ispat Limited	1,775	-	-	-	-	-	1,775
Others	1,649	1,778	1,176	792	3,123	2,532	5,948
Total	13,441	10,413	1,176	792	3,123	2,532	17,740
Other income/interest income/dividend income							
Amba River Coke Limited	34	48	-	-	-	-	34
Acero Junction Holdings, Inc.	117	95	-	-	-	-	117
Others@	37	36	33	20	59	52	129
Total	188	179	33	20	59	52	280
Purchase of assets							
JSW Severfield Structures Limited	-	-	228	762	-	-	228
Jindal Steel & Power Limited	-	-	-	-	87	238	87
Jindal Saw Limited	-	-	-	-	55	71	55
JSW Cement Limited	-	-	-	-	157	228	157
Others	14	84	*	16	4	50	18
Total	14	84	228	778	303	587	1,449

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Particulars	Subsidiaries		Joint ventures		Other related parties		Total
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	
	₹ In crores						
Capital/revenue advances given							
Amba River Coke Limited	238	400	-	-	-	-	238
JSW Energy Limited	-	-	-	-	81	-	81
Jindal Steel & Power Limited	-	-	-	-	-	200	-
JSW Dharamatar Port Private Limited	-	-	-	-	-	200	-
Others	-	13	-	-	-	-	13
Total	238	413	-	-	81	400	813
Capital/revenue advances received back							
Amba River Coke Limited	-	400	-	-	-	-	400
Jindal Steel & Power Limited	-	-	-	-	-	200	200
Others	-	13	-	-	-	-	13
Total	-	413	-	-	-	200	613
Security deposits given/(received back)							
JSW Shipping & Logistics Private Limited	-	-	-	-	71	116	71
India Flysafe Aviation Limited	-	-	-	-	(10)	(10)	(10)
Total	-	-	-	-	61	106	106
Donation/ CSR expenses							
JSW Foundation	-	-	-	-	73	72	73
Total	-	-	-	-	73	72	72
Recovery of expenses incurred by us on their behalf							
JSW Steel Coated Products Limited	88	91	-	-	-	-	88
JSW Cement Limited	-	-	-	-	70	45	70
JSW International Tradecorp Pte. Limited	10	21	6	5	68	119	68
Others@	98	112	6	5	53	46	69
Total	98	112	6	5	191	210	295
Investments/share application money given							
JSW Steel Coated Products Limited	650	750	-	-	-	-	650
Piombino Steel Limited	5,079	8	137	-	-	-	5,216
Others	20	181	*	1	-	-	20
Total	5,749	939	137	1	-	-	5,886
Investments /share application money refunded							
Rohne Coal Company Private Limited	-	-	-	*	-	-	-
Total	-	-	-	*	-	-	*
Sale of investment							
JSW Steel Coated Products Limited	-	*	-	-	-	-	-
Total	-	*	-	-	-	-	*

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Particulars	Subsidiaries		Joint ventures		Other related parties		Total
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	
Interest expenses							
JSW Steel Coated Products Limited	37	18	-	-	-	37	18
Amba River Coke Limited	1	-	-	-	-	1	-
Total	38	18	-	-	-	38	18
Guarantees and collaterals provided by the company on behalf							
Periama Holdings, LLC	6,890	-	-	-	-	6,890	-
JSW Steel (Netherlands) B.V.	-	1,037	-	-	-	-	1,037
Acerio Junction Holdings, Inc.	150	569	-	-	-	150	569
JSW Steel Italy Piombino S.p.A.	22	472	-	-	-	22	472
Makler Private Limited	10,800	-	-	-	-	10,800	-
Others	-	97	-	-	-	-	97
Total	17,862	2,175	-	-	-	17,862	2,175
Guarantees and collaterals released							
Periama Holdings, LLC	2,978	-	-	-	-	2,978	-
Others	327	-	-	-	-	327	-
Total	3,305	-	-	-	-	3,305	-
Provision for loans & advances written back to profit & loss							
JSW Steel (Netherlands) B.V.	-	326	-	-	-	-	326
Total	-	326	-	-	-	-	326
Provision for corporate guarantee							
JSW Steel (Netherlands) B.V.	-	376	-	-	-	-	376
Total	-	376	-	-	-	-	376
Provision for loans & advances/interest receivable							
Periama Holdings, LLC	309	377	-	-	-	309	377
Inversiones Eurosh Limitada	4	814	-	-	-	4	814
JSW Steel (Netherlands) B.V.	77	-	-	-	-	77	-
Others	*	-	-	-	-	*	-
Total	390	1,191	-	-	-	390	1,191
Adjustment of receivable/(payable)							
JSW Steel Coated Products Limited	1,079	605	-	-	-	1,079	605
Total	1,079	605	-	-	-	1,079	605
Lease interest cost							
Amba River Coke Limited	101	206	-	-	-	101	206
JSW Projects Limited	-	-	-	-	105	132	105
JSW Techno Projects Management Limited	-	-	-	-	95	84	95
Others	15	18	-	-	19	17	34
Total	116	224	-	-	219	233	457

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Particulars	Subsidiaries		Joint ventures		Other related parties		Total
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	
Lease liabilities repayments							
Amba River Coke Limited	424	190	-	-	-	424	190
JSW Projects Limited	-	-	-	-	255	228	255
Others	29	27	-	-	28	26	57
Total	453	217	-	-	283	254	471
Loans given							
JSW Steel (Netherlands) B.V.	866	83	-	-	-	866	83
Periama Holdings, LLC	1,547	723	-	-	-	1,547	723
Acerio Junction Holdings, Inc.	780	596	-	-	-	780	596
JSW Steel Coated Products Limited	900	-	-	-	-	900	-
Others [@]	182	130	2	90	-	184	220
Total	4,275	1,532	2	90	-	4,277	1,622
Dividend paid							
JSW Holdings Limited	-	-	-	-	36	73	36
JSW Techno Projects Management Limited	-	-	-	-	51	101	51
Sahyog Holdings Private Limited	-	-	-	-	22	46	22
Others [^]	-	-	-	-	51	98	51
Total	-	-	-	-	160	318	160
Loans given received back							
JSW Steel (Netherlands) B.V.	52	1,193	-	-	-	52	1,193
Periama Holdings, LLC	5,725	6	-	-	-	5,725	6
Others	401	35	-	-	3	404	37
Total	6,178	1,234	-	-	3	6,181	1,236

* Less than 0.50 crores; @ Includes transactions with Makler Private Limited which was merged with Bhushan Power & Steel Limited on March 26, 2021; ^ Includes relatives of key management personnel

Notes:

- The transactions are inclusive of taxes wherever applicable.
- The transactions are disclosed under various relationships (i.e. subsidiary, joint ventures and other related parties) based on the status of related parties on the date of transactions.
- The Company makes monthly contributions to provident fund managed by JSW Steel EPF Trust for qualifying Vijayanagar employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. During the year, the Company contributed ₹ 16 crores (FY 2019-20: ₹ 22 crores).
- The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). During the year, the Company contributed ₹ 7 crores (FY 2019-20: ₹ NIL).
- In view of the uncertainty involved in collectability, revenue as interest income of ₹ 368 crores (FY 2019-20: ₹ 531 crores) have not been recognised on loan provided to certain overseas subsidiaries.
- During FY 2019-20, JSW Steel Limited has transferred environment clearance certificate issued for its slag grinding & mixing unit to JSW Cement Limited for no consideration.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Compensation to key management personnel:

Nature of Transaction	₹ in crores	
	FY 2020-21	FY 2019-20
Short-term employee benefits	88	56
Post-employment benefits	1	1
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total Compensation to key management personnel	89	57

Notes:

- 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.
- The Company has recognised an expenses of ₹ 2 crores (previous year ₹ 3 crores) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
- Dividend paid to key management personnel is ₹ 0.09 crores (FY 2019-20: ₹ 0.18 crores), not included above.
- The Independent Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable to the Non-Executive Directors (in case of Nominee Director, the commission is paid to the respective institution to which the Nominee Director represents) is based on the number of meetings of the Board attended by them and their Chairmanship/Membership of Audit Committee during the year, subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹ 20,000 for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during FY 2020-21 is ₹ 3 crores (FY 2019-20 is ₹ 3 crores), which is not included above.

Terms and conditions

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Loans to overseas subsidiaries:

The Company had given loans to subsidiaries for general corporate purposes. The loan balance as on March 31, 2021 was ₹ 6,719 crores (As on March 31, 2020: ₹ 8,979 crores). These loans are unsecured and carry an interest rate ranging from LIBOR + 350-615 basis points and repayable within a period of three years.

Guarantees to subsidiaries/joint venture:

Guarantees provided to the lenders of the subsidiaries/joint venture are for availing term loans and working capital facilities from the lender banks.

The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Particulars	Subsidiaries		Joint ventures		Other related parties		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Party's Name								
Trade payables								
JSW Energy Limited	-	-	-	306	-	-	-	306
JSW International Tradecorp Pte. Limited	-	-	-	1,321	1,060	-	1,060	1,321
Others	74	50	33	378	379	-	486	543
Total	74	50	33	2,005	1,439	-	1,546	2,170
Advance received from customers								
JSW Steel Coated Products Limited	354	147	-	-	-	-	354	147
Others	*	*	1	3	24	2	25	5
Total	354	147	1	3	24	2	379	152
Lease & other deposits received								
JSW Severfield Structures Limited	-	-	13	13	-	-	13	13
JSW Energy Limited	-	-	-	-	11	11	11	11
JSW Cement Limited	-	-	-	-	11	11	11	11
Others	13	13	-	-	17	17	30	30
Total	13	13	13	13	39	39	65	65
Trade receivables								
Peddar Realty Private Limited	97	110	-	-	-	-	97	110
JSW Vallabh Tinplate Private Limited	46	53	-	-	-	-	46	53
Asian Color Coated Ispat Limited	56	-	-	-	-	-	56	-
JSW MI Steel Service Center Private Limited	-	-	48	44	-	-	48	44
Epsilon Carbon Private Limited	-	-	-	-	92	101	92	101
JSW Energy Limited	-	-	-	-	147	-	147	-
Others	7	-	31	-	8	43	46	43
Total	206	163	79	44	247	144	532	351
Share application money given								
JSW Bengal Steel Limited	-	63	-	-	-	-	-	63
JSW Uttkal Steel Limited	2	38	-	-	-	-	2	38
JSW One Platforms Limited	1	-	-	-	-	-	1	-
Gourangdih Coal Limited	-	-	1	1	-	-	1	1
Others	-	*	-	-	-	-	-	*
Total	3	101	1	1	-	-	4	102

C. Amount due to/ from related parties

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Particulars	Subsidiaries		Joint ventures		Other related parties		Total
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
Capital/revenue advances (including other receivables)							
Amba River Coke Limited	248	21	-	-	-	248	21
JSW Projects Limited	-	-	-	-	49	49	49
JSW Dharamatar Port Private Limited	-	-	-	-	200	200	200
Others@	18	16	30	42	9	57	74
Total	266	37	30	42	258	554	344
Loan and advances given							
Inversiones Eurosh Limitada	807	803	-	-	-	807	803
Periama Holdings, LLC	1,796	6,134	-	-	-	1,796	6,134
JSW Steel (Netherlands) B.V.	1,073	267	-	-	-	1,073	267
Acero Junction Holdings, Inc.	2,254	1,509	-	-	-	2,254	1,509
Others	789	266	352	216	10	1,151	495
Total	6,719	8,979	352	216	10	7,081	9,208
Interest receivable							
Inversiones Eurosh Limitada	209	209	-	-	-	209	209
Periama Holdings, LLC	431	431	-	-	-	431	431
Acero Junction Holdings, Inc.	230	116	-	-	-	230	116
Others	49	36	51	21	30	130	68
Total	919	792	51	21	30	1,000	824
Allowances for loans & advances given/interest receivable							
JSW Steel (Netherlands) B.V.	546	207	-	-	-	546	207
Periama Holdings, LLC	686	377	-	-	-	686	377
Inversiones Eurosh Limitada	1,017	1,011	-	-	-	1,017	1,011
Others	4	4	-	-	-	4	4
Total	2,253	1,599	-	-	-	2,253	1,599
Security & other deposits given							
JSW Shipping & Logistics Private Limited	-	-	-	-	247	247	175
India Flysafe Aviation Limited	-	-	-	-	183	183	193
Total	-	-	-	-	430	430	368

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Particulars	Subsidiaries		Joint ventures		Other related parties		Total
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
Lease liabilities/ finance lease obligations							
Amba River Coke Limited	940	1,364	-	-	-	940	1,364
JSW Projects Limited	-	-	-	-	797	797	1,052
JSW Techno Projects Management Limited	-	-	-	-	997	997	550
Others	155	185	-	-	313	468	369
Total	1,095	1,549	-	-	2,107	3,202	3,335
Guarantees and collaterals provided by the company on behalf							
JSW Steel (Netherlands) B.V.	1,757	1,757	-	-	-	1,757	1,757
Periama Holdings, LLC	6,891	2,940	-	-	-	6,891	2,940
JSW Steel (USA), Inc.	976	1,122	-	-	-	976	1,122
Acero Junction Holdings, Inc.	1,845	1,312	-	-	-	1,845	1,312
JSW Steel Italy Piombino S.p.A.	1,020	1,137	-	-	-	1,020	1,137
Bhushan Power & Steel Limited	-	-	10,800	-	-	10,800	-
Others	152	152	-	-	-	152	152
Less: Loss allowance against aforesaid	(605)	(873)	-	-	-	(605)	(873)
Total	12,036	7,547	10,800	-	-	22,836	7,547

*Less than ₹ 0.50 crores. @ includes balances receivable from Makler Private Limited in FY 2019-20 which was merged with Bhushan Power & Steel Limited on March 26, 2021

Notes:

- The closing balance of guarantees and collaterals provided by the Company on behalf of subsidiaries/joint venture represent the gross amount. Please refer note 46 for net exposure of the Company related to financial guarantees. The differential amount represents loans not drawn or repayments made to the lenders.
- The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). As on March 31, 2021, the fair value of plan assets was as ₹ 74 crores. (As at March 31, 2020: ₹ 75 crores)

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

45. Contingent liabilities:

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

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Excise Duty	463	481
Custom Duty	469	467
Income Tax	32	32
Sales Tax / VAT / Special Entry tax	1,526	1,433
Service Tax	631	685
Levies by local authorities - Statutory	73	53
Levies relating to Energy / Power Obligations	408	277
Claims by suppliers and other parties	73	46
Total	3,675	3,474

- Excise duty cases includes disputes pertaining to availment of CENVAT credit, valuation methodologies, classification of gases under different chapter heading.
- Custom duty cases includes disputes pertaining to import of Iron ore fines and lumps under different chapter headings, utilisation of SHIS licences for clearance of imported equipment, payment of customs duty Steam Coal through Krishnapatnam Port and anti-dumping duty on Met Coke used in Corex.
- 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.
- Service Tax cases includes disputes pertaining to availment of service tax credit on ineligible services, denial of credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents.
- Income Tax cases includes disputes pertaining to transfer pricing and other matters.
- Levies by local authorities - Statutory cases includes disputes pertaining to payment of water charges and enhanced compensation.
- Levies relating to Energy / Power Obligations cases includes disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., belated payment surcharge, claims for the set off of renewable power obligations against the power generated in its captive power plants and dues relating to additional surcharge imposed on captive consumption by Maharashtra State Electricity Distribution Company Ltd.

The Company had filed a Petition before the Maharashtra Electricity Regulatory Commission (MERC) under the Electricity Act, 2003 (Act) seeking exemption from the requirement to meet Renewable Purchase Obligations (RPO) targets on the strength of its cogeneration plants at Dolvi. The MERC rejected the petition on various grounds and the Company has filed an appeal before the APTEL challenging the MERC order along with application seeking interim stay of the directions contained in the order on the grounds that it is not covered by the definition of "obligated entities" under RPO regulations. APTEL has passed an interim order directing that no-coercive action be taken against the Company in relation to this dispute. The next hearing is scheduled on 7 July 2021. Based on merits of the case, the Company has not recognised provision for RPO obligation and treated it as a contingent liability.
- Claims by Suppliers and other parties includes quality claims issues raised by suppliers and others.
- There are several other cases which has been determined as remote by the Company and hence not been disclosed above.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

(ii) Forest Development Tax/Fee:

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Claims related to Forest Development Tax/Fee	3,035	2,588
Amount paid under protest	920	920

In response to a petition filed by the iron ore mine owners and purchasers (including the Company) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated 3 December 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognised provision for FDT of ₹ 1,043 crores (including paid under protest - ₹ 665 crores) and treated it as a contingent liability.

The State of Karnataka on 27 July 2016, has amended Section 98-A of the Forest Act retrospectively substituting the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the Company and others, the Honourable High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the SCI, and based on merits of the case duly supported by a legal opinion and a favorable order from the High Court, the Company has not recognised provision for FDF amount of ₹ 1,992 crores (including paid under protest - ₹ 255 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.

46. Financial guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by its group companies. Guarantees given have a markup over and above the loan amount whereas it is recognised only to the extent of outstanding loans.

Refer below for details of exposure towards financial guarantees issued:

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Guarantees (refer note a)	20,318	5,278
Standby letter of credit facility	14	503
Less: Loss allowance against aforesaid	(605)	(873)
Total	19,727	4,908

- The Company has issued a corporate guarantee dated 24 March 2021 in favour of trustee for the benefit of the Lenders for the financial assistance availed by Makler Private Limited for a sum of ₹ 10,800 crores to part finance the cost of implementation of the Resolution Plan of Bhushan Power and Steel Limited. JSW Shipping & Logistics Private Limited, has provided a counter corporate guarantee in favour of the Company to the extent of the 51% of the guaranteed obligations in line with their shareholding in Piombino Steel Limited. (refer note 49).

47. Commitments

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	6,438	11,789

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

Other commitments:

- The Company from time to time provides need based support to subsidiaries and joint ventures entity towards capital and other requirements.
- In March 2018, the Company has entered into a five-year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. ("DSA") for supply of Steel Products. Duferco S.A has provided an interest bearing advance amount of US \$700 million under this agreement, secured by committed export of steel products to Duferco S.A. Out of this US \$443 million is pending towards fulfilment.
- The Company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated year. Such export obligations at year end aggregate to

₹ in crores

Particulars	As at 31 March 2021	As at 31 March 2020
Export promotion capital goods scheme	19,126	15,225

- The Company has given guarantees aggregating ₹ 127 crores (previous year ₹ 127 crores) on behalf of subsidiaries to Commissioner of Customs in respect of goods imported.
- In The MDPA signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/ correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

Based on legal evaluation, the Company believes that MDPA would get rectified and after considering the expected production quantities in the remaining period, there would not be any shortfall in minimum production as required under MDPA. Accordingly, no provision has been recognised in financial statements as at 31 March 2021.

- 48.** In assessing the carrying amounts of Investments in and loans / advances (net of impairment loss / loss allowance) to certain subsidiaries and a joint ventures and financial guarantees to certain subsidiaries (listed below), the Company considered various factors as detailed there against and concluded they are recoverable.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

(a) Investment, Loans and Financials guarantees as per table below:

As at 31 March 2021	JSW Steel (Netherlands) B.V ("NBV")	Periama Holdings, LLC ("PHL")	Acero Junction Holdings, Inc. ("Acero")	JSW Steel Italy Piombino S.p.A. ("JSIP")	GSI Lucchini S.p.A. ("GSI")
Investments	221	-	536	*	*
Loans (including interest accrued)	533	1,540	2,484	93	-
Financial Guarantees	719	5,847	1,428	915	18

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2020	JSW Steel (Netherlands) B.V ("NBV")	Periama Holdings, LLC ("PHL")	Acero Junction Holdings, Inc. ("Acero")	JSW Steel Italy Piombino S.p.A. ("JSIP")	GSI Lucchini S.p.A. ("GSI")
Investments	221	-	536	*	*
Loans (including interest accrued)	68	6,189	1,625	85	-
Financial Guarantees	711	1,536	1,658	985	20

*represents ₹ 0.19 crores

Estimate of values of the businesses and assets by independent external values based on cash flow projections/ implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to discount rate, future margins, increase in operational performance on account of committed capital expenditure and significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, availability of infrastructure facilities for mines and the likely impact of COVID-19 on the said operations.

- Equity shares of JSW Bengal Steel Limited, a subsidiary (carrying amount of investments: ₹ 508 crores as at 31 March 2021 ₹ 446 crores as at 31 March 2020 and share application money of Nil as at 31 March 2021; ₹ 62 crores as at 31 March 2020) - Evaluation of the status of its integrated Steel Complex (including power plant) to be implemented in phases at Salboni of district Paschim Medinipur in West Bengal by the said subsidiary and the plans for commencing construction of the said complex.
- Equity shares of JSW Jharkhand Steel Limited, a subsidiary (carrying amount: ₹ 96 crores as at 31 March 2021; ₹ 93 crores as at 31 March 2020 and share application money of Nil as at 31 March 2021; ₹ 1 crore as at 31 March 2020) - Evaluation of the status of its integrated Steel Complex to be implemented in phases at Ranchi, Jharkhand by the said subsidiary and the plans for commencing construction of the said complex.
- Equity shares of Peddar Realty Private Limited (PRPL), a subsidiary (carrying amount of investments: ₹ 24 crores as at 31 March 2021; ₹ 24 crores as at 31 March 2020, and receivable of ₹ 96 crores as at 31 March 2021; ₹ 110 crores as at 31 March 2020) -Valuation by an independent valuer of the residential complex in which PRPL holds interest.
- Investment of ₹ 4 crores (₹ 4 crores as at 31 March 2020) and loan of ₹ 167 crores (₹ 163 crores as at 31 March 2020) relating to JSW Natural Resources Mozambique Limitada and JSW ADMS Carvo Limitada (step down subsidiaries) - Assessment of minable reserves by independent experts based on the plans to commence operations after mining lease arrangements are in place for which application has been submitted to regulatory authorities, and infrastructure is developed.
- Preference shares of JSW Realty & Infrastructure Private Limited, a subsidiary (carrying amount: ₹ 175 crores as at 31 March 2021; ₹ 166 crores as at 31 March 2020 and loans of ₹ 31 crores as at 31 March 2021; ₹ 16 crores as at 31 March 2020) - Estimates of value of business based on the cash flow projections approved by the Management. The assessments include significant assumptions relating to operational performance, expansion, rentals and other charges, inflation and terminal value.
- Equity and Preference shares of, Creixent Special Steels Limited, a joint venture, (carrying amount: ₹ 490 crores as at 31 March 2021; ₹ 442 crores as at 31 March 2020) and loans and interest receivable (including of JSW Ispat Special Products Limited) of ₹262 crores (previous year ₹236 crores) - Valuation of property, plant and equipment by an Independent expert.

- 49.** Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for Bhushan Power and Steel Limited ('BPSL') was approved by the Hon'ble National Company Law Tribunal (NCLT) vide order dated 5 September 2019 and subsequently an appeal preferred by the Company has been allowed by the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 17 February 2020. The erstwhile promoters of BPSL, certain operational creditors and the Directorate of Enforcement ('ED') preferred an appeal before the Hon'ble Supreme Court against the NCLAT Order which are pending for adjudication.

On 26 March 2021 the Company has completed the acquisition of BPSL by implementing the resolution plan approved under IBC Code basis an agreement entered with erstwhile committee of creditors that provides an option/right to the Company to unwind the transaction in case of unfavorable ruling on certain specified matters by Hon'ble Supreme Court.

On Implementation of Resolution Plan, the Company has also entered an arrangement with JSW Shipping & Logistics Private Limited ('JSLPL') through which the Company and JSLPL holds equity of Piombino Steel Limited ('PSL') in the ratio of 49% and 51% respectively giving joint control of PSL to the Company and JSLPL.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

The Company has invested ₹ 980 crores, ₹ 4,100 crores and ₹ 7 crores in equity shares, Optionally Fully Convertible Debentures (OFCD) and share warrants respectively. PSL has received additional equity contribution from JSLPL amounting to ₹ 1,027 crores (including share warrants) and raised further debt. PSL has invested ₹ 8,550 crores in Makler Private Limited ('Makler') and Makler has raised further debt and paid ₹ 19,350 crores to the financial creditors of BPSL in accordance with approved Resolution Plan. Pursuant to merger of Makler with BPSL in accordance with Resolution Plan, BPSL has become wholly owned subsidiary of PSL. Post this transaction, Piombino Steel Limited has become joint venture of the Company in the current year.

BPSL operates a 2.5 MTPA integrated steel plant located at Jharsuguda, Odisha and also have downstream manufacturing facilities at Kolkata, West Bengal and Chandigarh, Punjab.

50. The Company entered into an assignment agreement on 31 March 2021 with Laptev Finance Private Limited (Laptev), a JSW Group company whereby Laptev assigned to the Company all rights and obligations of Laptev under the Business Transfer Agreement with Welspun Corp Limited (Welspun). In accordance with the Business Transfer Agreement, the Company acquired from Welspun, the business of manufacturing of high-grade steel plates and coils (PCMD Business) as a going concern on slump sale, for a consideration of ₹ 848.50 crores subject to closing adjustments towards net working capital. As a part of the transaction, the Company also purchased a parcel of land pertaining to PCMD Business from Welspun Steel Limited for ₹ 1.50 crores.

The facility has a manufacturing capacity of 1.2 MTPA of steel plates or coils.

As per Ind AS 103, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities which resulted in Nil goodwill/ capital reserve as at 31 March 2021. The acquisition does not have material impact on the financial result for the year ended 31 March 2021.

The fair value of the identifiable assets and liabilities of the PCMD business as at the date of acquisition and purchase consideration is as below:

Particulars	Provisional Fair Value recognised on acquisition
Assets	
Property Plant and Equipment (excluding intangible assets and CWIP)	850
Inventories	75
Trade Receivables	4
Other Current Assets	5
Total (A)	934
Liabilities	
Trade Payables (Acceptances)	121
Other current liabilities and provision	2
Total (B)	123
Total identifiable net assets acquired at fair value (C) = (A-B)	811
Purchase Consideration transferred in cash (D)	811
Goodwill/ (bargain purchase) arising on acquisition (I)	Nil

There is no impact in the Statement of profit and loss account of the Company for the year as the transaction was completed on 31 March 2021.

51. The Company has completed acquisition of 1,32,37,227 equity shares representing 26.45% of the issued and paid-up share capital of JSW Vallabh Tinplate Private Limited (JSW VTPL) and as a result JSW VTPL has become wholly owned subsidiary of the Company.
52. Previous year figures have been re-grouped /re-classified wherever necessary.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

53. Exceptional Items:

Particulars	Inversiones Eurosh Limitada	JSW Netherlands B.V. (NBV)	Periama Holdings LLC ("PHL")	Total
31 March 2021				
Allowance on doubtful loans	-	70	256	326
Allowance on doubtful interest receivables	-	7	53	60
	-	77	309	386
31 March 2020				
Allowance on doubtful loans	605	-	-	605
Allowance on doubtful interest receivables	209	-	377	586
Fair value Loss on preference shares designated as FVTPL	-	38	-	38
	814	38	377	1,229
Impairment on property plant & equipment				80
Total				1,309

Exceptional items for the year ended 31 March 2021 represents impairment provision of ₹ 386 crores on loans and interest receivables from an overseas subsidiary in USA and Netherlands based on the assessment of recoverable value of the US operations. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, mining production, future margins, and the likely impact of COVID-19 on the said operations.

Exceptional items for the year ended 31 March 2020 represents impairment provision of:

- (a) ₹ 852 crores relating to overseas subsidiaries towards the value of investments made and loans given and interest accrued thereon based on the overall assessment of recoverable value considering increased uncertainty in restarting the Iron ore mining operations at Chile on account of COVID-19 outbreak.
- (b) ₹ 377 crores on interest receivables from an overseas subsidiary in USA based on the assessment of recoverable value of the US operations. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, mining production, future margins, and the likely impact of COVID-19 on the said operations; and
- (c) ₹ 80 crores towards identified items of property, plant and equipment of the Company.

54. The President has given his assent to the Code on Social Security, 2020 ("Code") in September 2020. On 13 November 2020 the Ministry of Labour and Employment released draft rules for the Code. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact to its financial statements in the period in which the Code becomes effective.

55. Events occurring after balance sheet:

On 21 May 2021 the board of directors recommended a final dividend of ₹ 6.50 per equity share be paid to shareholders for financial year 2020-21, which is subject to approval by the shareholders at the Annual General Meeting to be held on 21 July 2021. If approved, the dividend would result in a cash outflow of ₹ 1,571 crores.

56. Standards issued but not yet effective

There are no standards that have been issued but not yet effective.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2021

57. Additional information

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

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Capital goods	1,734	4,382
Raw materials (including power and fuel)	12,975	15,444
Stores & spare parts	564	872

B) Expenditure in foreign currency:

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest and finance charges	1,013	1,370
Ocean freight	565	490
Technical know-how	72	27
Commission on sales	14	18
Legal & professional fees	37	28
Others	40	48

C) Earnings in foreign currency:

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
F.O.B. value of exports	14,205	9,580
Interest Income	122	97

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

per **VIKRAM MEHTA**
Partner
Membership No.:105938

Place: Mumbai
Date: 21 May 2021

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 21 May 2021

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

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

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Independent Auditor's Report

To the Members of JSW Steel Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of JSW Steel Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its joint ventures, comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further

described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Recoverability of Goodwill, Property plant and Equipment, Capital work in progress, Right-of-use assets and Advances related to certain business (as described in note 49 of the consolidated Ind AS financial statements)	
As at March 31, 2021, the Group has carrying amount of:	Our audit procedures included the following:
<ul style="list-style-type: none"> Goodwill of ₹ 324 crores, Property plant and Equipment, capital work in progress, advances and license fees of ₹ 7,984 crores Investment property ₹ 91 crores Right-of-use assets ₹ 77 crores Investment in equity and preference shares ₹ 507 crores Loan and interest receivable from related party ₹ 262 crores 	<ul style="list-style-type: none"> We obtained and read management's assessment for impairment. We performed test of controls over impairment process through inspection of evidence of performance of these controls. We assessed the impairment model prepared by the management and the assumptions used, with particular attention to the following: <ul style="list-style-type: none"> Benchmarking or assessing assumptions used in the impairment models, including discount rates, risk free rate of return, long term growth rate and other key assumptions against external and internal data; assessing the cash flow forecasts including possible impact on account of global pandemic through analysis of actual past performance and comparison to previous forecasts; testing the mathematical accuracy and performing sensitivity analyses of the models; and understanding the commercial prospects of the assets/ projects, and comparison of assumptions with external data sources; We assessed the competence, capabilities and objectivity of the experts used by management in the process of determining recoverable amounts. We assessed the conclusions reached by management and those charged with governance on account of various estimates and judgements including possible impact of pandemic. We assessed the compliance of the disclosures made in note 49 of the consolidated Ind AS financial statements with the accounting standards.
related to certain businesses incurring losses or where projects are on hold.	
The Group has also recognised impairment allowance of ₹ 83 crores during the year ended March 31, 2021 in respect of property plant and equipment and goodwill related to certain overseas businesses, as described in note 48 of the consolidated Ind AS financial statements.	
Assessment of the recoverable amount of Goodwill, Property plant and Equipment, Capital work in progress, Right-of-use assets and Advances related to certain businesses has been identified as a key audit matter due to:	
<ul style="list-style-type: none"> Significance of the carrying amount of these balances. The assessment requires management to make significant estimates concerning the estimated future cash flows, qualitative assessments of the status of the project and its future depending on balance work to be performed or approvals to be received, associated discount rates and growth rates based on management's view of future business prospects including any possible impact arising out of the pandemic on these estimates. Changes to any of these assumptions could lead to material changes in the estimated recoverable amount, impacting both potential impairment charges and potential reversals of impairment taken in prior years. 	

Key audit matters	How our audit addressed the key audit matter
<p>Recoverability of VAT deferral / refunds under the GST regime (as described in note 32 of the consolidated Ind AS financial statements)</p> <p>The Group's units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible and have been availing interest free VAT deferral loan / Net VAT refunds as an incentive under the incentive schemes notified by the State of Maharashtra and Karnataka.</p> <p>The Group has recognised income in relation these grants being the difference between the net present value of these interest free loans granted to the Group and the nominal value of such loans to the extent of SGST collected by the Group in respect of sales eligible for such grants, eligible incentive of Net SGST paid, as applicable, in accordance with the industrial promotion subsidy schemes and notifications issued by the State of Maharashtra and Karnataka.</p> <p>The amount of incentive recognised during the year amounts to ₹ 503 crores and cumulative balance of these receivables amount to ₹ 2,719 crores.</p> <p>We considered VAT deferral / refund incentive as a Key audit matter due to:</p> <ul style="list-style-type: none"> Significance of amount accrued during the year and carrying amount of these receivables as at March 31, 2021 Significant judgement involved in assessment of the eligibility of incentive under the new GST regime. 	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the recognition and measurement of government grants and income accruing therefrom. We read eligibility certificates in respect of VAT deferral / refund incentives available to the Company. We read the notification issued by the Government of Maharashtra (GoM) and Government of Karnataka (GoK) in respect of eligibility of VAT deferral / refund under the GST regime, guidelines for certification of the eligible incentive amount, modalities for sanction and disbursement of incentives. We read letter dated October 18, 2019 issued by Director of Industries of Maharashtra for in-principle approval for issuance of eligibility certificate and letter dated March 19, 2021 by the Company for submission of appraisal report to Director of Industries of Maharashtra for availing incentive under PSI 2007 scheme. We read the legal opinion obtained by the management for assessing the impact of new eligibility conditions and formula for determination of incentives based on latest Government Resolution issued by GoM including assessing the amounts withheld by the GoM on eligibility of certain duties which were refundable in the erstwhile VAT regime but have been denied in the new GST regime. We involved specialists to assist us in reviewing and evaluating the management's assessment of latest Government Resolution issued by GoM. We tested the calculation of incentives accrued for the year ended March 31, 2021.
<p>Capital Expenditure in respect of property, plant and equipment and capital work in progress (as described in note 4 and 5 of the consolidated Ind AS financial statements)</p> <p>The Group has incurred significant expenditure on capital projects, as reflected by the total value of additions in property plant and equipment and capital work in progress in notes 4 and 5 of the consolidated Ind AS financial statements.</p> <p>The Group is in the process of executing various projects for expansions of existing capacity across the locations. These projects take a substantial period of time to get ready for intended use.</p> <p>We considered Capital expenditure as a Key audit matter due to:</p> <ul style="list-style-type: none"> Significance of amount incurred on such items during the year ended March 31, 2021. Judgement and estimate required by management in assessing assets meeting the capitalisation criteria set out in Ind AS 16 Property, Plant and Equipment. Judgement involved in determining the eligibility of costs including borrowing cost and other directly attributable costs for capitalisation as per the criteria set out in Ind AS 16 Property, Plant and Equipment. 	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We obtained an understanding of the Group's capitalisation policy and assessed for compliance with the relevant accounting standards. We obtained understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalisation of assets. We performed substantive testing on a sample basis for each element of capitalised costs including inventory issued to contractors for the purpose of these projects and physical verification performed by management alongwith reconciliation and directly attributable cost including verification of underlying supporting evidence and understanding nature of the costs capitalised. In relation to borrowing costs we obtained the supporting calculations, verified the inputs to the calculation and tested the arithmetical accuracy of the model. We assessed accounting for costs incurred when projects are suspended or delayed for any reasons including the global pandemic. We obtained understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.

Key audit matters	How our audit addressed the key audit matter
<p>Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI (LODR) 2015') (as described in note 45 of the consolidated Ind AS financial statements)</p> <p>We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the consolidated Ind AS financial statements as a key audit matter due to:</p> <ul style="list-style-type: none"> the significance of transactions with related parties during the year ended March 31, 2021. Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015. 	<p>Our audit procedures in relation to the disclosure of related party transactions included the following:</p> <ul style="list-style-type: none"> We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to capturing of related party transactions and management's process of ensuring all transactions and balances with related parties have been disclosed in the consolidated Ind AS financial statements. We obtained an understanding of the Group's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. We agreed the amounts disclosed with underlying documentation and read relevant agreements, evaluation of arms-length by management, on a sample basis, as part of our evaluation of the disclosure. We assessed management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015. We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.
<p>Claims and exposures relating to taxation and litigation (as described in note 46 of the consolidated Ind AS financial statements)</p> <p>The Group has disclosed in note 46 of the consolidated Ind AS financial statements contingent liabilities of ₹ 14,969 crores in respect of disputed claims/ levies under various tax and legal matters and ₹ 3,035 crores towards Claims related to Forest development tax/ fee. In addition, the Group has assessed several claims as 'Remote' and hence are not required to be disclosed as contingent liabilities.</p> <p>Taxation and litigation exposures have been identified as a key audit matter due to:</p> <ul style="list-style-type: none"> Significance of these amounts and large number of disputed matters with various authorities. Significant judgement and assumptions required by management in assessing the exposure of each case to evaluate whether there is a need to set up a provision and measurement of exposures as well as the disclosure of contingent liabilities. <p>We focused on this matter because of the potential financial impact on the consolidated Ind AS financial statements. Additionally, the treatment of taxation and litigation cases require significant judgement due to the complexity of the cases, timescales for resolution and involvement of various authorities.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We obtained understanding, evaluated the design, and tested the operating effectiveness of the controls related to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities. We obtained details of legal and tax disputed matters and evaluation made by the management and assessed management's position through discussions on both the probability of success in significant cases, and the magnitude of any potential loss. We read external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. We involved tax specialists to assist us in evaluating tax positions taken by management. We assessed the relevant disclosures made in the consolidated Ind AS financial statements for compliance in accordance with the requirements of Ind AS 37.

Key audit matters	How our audit addressed the key audit matter
<p>Accounting for Acquisitions (as described in note 41 of the consolidated Ind AS financial statements)</p> <p>During the financial year ended March 31, 2021, the Group has completed following acquisitions:</p> <ul style="list-style-type: none"> Bhushan Power and Steel Limited with joint venture partner JSW Shipping & Logistics Private Limited on March 26, 2021 in accordance with the resolution plan approved by the National Company Law Tribunal. Asian Colour Coated Ispat Limited on October 27, 2020 through its wholly owned subsidiary in accordance with the resolution plan approved by the National Company Law Tribunal. Steel plates and coil mills division from Welspun Corp Limited on March 31, 2021 in accordance with business transfer agreement. <p>We considered the audit of accounting for these acquisitions to be a key audit matter as these are significant transactions during the year which require significant management judgement regarding:</p> <ul style="list-style-type: none"> Assessment of control or joint control over the entities acquired. Allocation of the purchase price to the assets and liabilities acquired and adjustments made to align accounting policies of the newly acquired entities with the Group. Fair valuation of the assets and liabilities acquired and to identify intangible assets acquired in the acquisition and its impact on the carrying value of investment in respect of joint venture accounted through equity method Accounting and disclosures given in the financial statements in accordance with the applicable Ind AS. 	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We have read the resolution plans approved by the National Company Law Tribunal and other related documents such as shareholders' agreement, business transfer agreement, escrow agreement etc. to obtain an understanding of the transactions and the key terms and conditions. We evaluated the control assessment made by the management and assessed the accounting treatment applied to these transactions. We read the valuation reports for the purchase price considerations paid for these acquisitions. We tested the identification and fair valuation of the acquired assets including intangible assets acquired, if any and liabilities by corroborating this identification based on our discussion with management and understanding of the business. We obtained understanding of the valuation methodologies used by management and the external valuation experts in the provisional fair valuation of acquired assets and liabilities. We involved valuation specialist and assessed the valuation methodology and assumptions such as discount and long-term growth rates, risk free rate of return and weight average cost of capital by comparing these assumptions to source data and external data, where required. We obtained understanding of the commercial prospects of the assets /projects acquired. We assessed the competence, capabilities and relevant experience of the experts engaged by management to determine fair valuation of the assets and liabilities acquired. We have assessed the accounting treatment followed by the Company for said acquisitions is in accordance with the requirements of Ind AS 103 or Ind AS 28 as applicable and also assessed the compliance of the disclosures made in note 41 of the consolidated Ind AS financial statements with the applicable accounting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is

a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud

or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of 27 subsidiaries, whose financial statements and other financial information include total assets of ₹ 11,958 crores as at March 31, 2021, and total revenues of ₹ 9,328 crores and net cash outflows of ₹ 347 crore for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of ₹ 1 crores for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of 5 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of such other auditors.

Certain of these subsidiaries and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 3 subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 0.01 crores as at March 31, 2021, and total revenues of ₹ 33 crores and net cash outflows of ₹ 1 crores for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of ₹ 0.03 crores for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of 3 joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint ventures, none of the directors of the Group's companies, its joint ventures incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, and joint ventures incorporated in India, refer to our separate Report in "Annexure 1" to this report;

- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company, its subsidiaries and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint ventures in its consolidated financial statements – Refer Note 46 to the consolidated financial statements;
 - ii. The Group and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2021;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures incorporated in India during the year ended March 31, 2021.

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

per **Vikram Mehta**
Partner
Membership Number: 105938
UDIN No: 21105938AAAACV6556

Place of Signature: Mumbai
Date: May 21, 2021

Annexure 1

To the Independent Auditor's Report of even date on the consolidated financial statements of JSW Steel Limited

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

In conjunction with our audit of the consolidated financial statements of JSW Steel Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the

internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 17 subsidiaries and 4 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint ventures incorporated in India.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Vikram Mehta**

Partner

Membership Number: 105938

UDIN No: 21105938AAAACV6556

Place of Signature: Mumbai

Date: May 21, 2021

Consolidated Balance Sheet

As at 31 March 2021

	Notes	As at 31 March 2021	As at 31 March 2020
₹ in crores			
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	58,857	57,625
(b) Capital work-in-progress	5	32,433	26,857
(c) Investment property	6	259	224
(d) Right-of-use assets	7	3,816	3,471
(e) Goodwill	8	336	415
(f) Other intangible assets	9	1,649	350
(g) Intangible assets under development	9(b)	133	334
(h) Investments in joint ventures	10	2,969	283
(i) Financial assets			
(i) Investments	11	5,604	974
(ii) Loans	12	1,022	772
(iii) Derivative assets	19(a)	110	-
(iv) Other financial assets	13	2,154	696
(h) Current tax assets (net)		275	385
(i) Other non-current assets	14	2,848	2,956
Total non-current assets		112,465	95,342
(2) Current assets			
(a) Inventories	15	14,249	13,773
(b) Financial assets			
(i) Investments	16	8	2
(ii) Trade receivables	17	4,486	4,505
(iii) Cash and cash equivalents	18(a)	11,943	3,966
(iv) Bank balances other than (iii) above	18(b)	870	8,037
(v) Loans	12	622	742
(vi) Derivative assets	19(b)	102	294
(vii) Other financial assets	13	1,467	2,858
(c) Current tax assets (net)		6	6
(d) Other current assets	14	2,091	2,286
(e) Assets classified as held for sale		8	9
Total current assets		35,852	36,478
TOTAL - ASSETS		148,317	131,820
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	20	302	301
(b) Other equity	21	46,462	36,298
Equity attributable to owners of the Company		46,764	36,599
Non-controlling interests (NCI)		(619)	(575)
Total equity		46,145	36,024
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	49,731	44,673
(ii) Lease liabilities	7	1,939	1,744
(iii) Derivative liabilities	23(a)	57	130
(iv) Other financial liabilities	24	588	464
(b) Provisions	25	852	348
(c) Deferred tax liabilities (net)	26	3,509	1,677
(d) Other non-current liabilities	27	2,197	3,072
Total non-current liabilities		58,873	52,108
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	28	1,999	8,325
(ii) Trade payables	29		
Total outstanding, dues of micro and small enterprises		230	142
Total outstanding, dues of creditors other than micro and small enterprises		15,013	17,776
(iii) Derivative liabilities	23(b)	110	251
(iv) Lease liabilities	7	405	306
(v) Other financial liabilities	30	21,347	14,143
(b) Provisions	25	274	161
(c) Other current liabilities	31	3,365	2,455
(d) Current tax liabilities (net)		556	129
Total current liabilities		43,299	43,688
Total liabilities		102,172	95,796
TOTAL - EQUITY AND LIABILITIES		148,317	131,820

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No.: 105938RAJEEV PAI
Chief Financial OfficerSAJJAN JINDAL
Chairman & Managing Director
DIN 00017762SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136Place: Mumbai
Date: 21 May 2021LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 21 May 2021SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

Consolidated Statement of Profit and Loss

For the year ended 31 March 2021

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
₹ in crores			
I Revenue from operations		79,839	72,610
Fees for assignment of procurement contract		-	250
Government grant income - VAT/GST incentive relating to earlier years		-	466
Total Revenue from operations	32	79,839	73,326
II Other income	33	592	546
III Total income (I + II)		80,431	73,872
IV Expenses			
Cost of materials consumed		32,623	38,865
Purchases of stock-in-trade		233	135
Changes in inventories of finished goods, work-in-progress and stock-in-trade	34	(348)	(270)
Mining premium and royalties		6,972	651
Employee benefits expense	35	2,506	2,839
Finance costs	36	3,957	4,265
Depreciation and amortisation expense	37	4,679	4,246
Other expenses	38	17,712	19,233
Total expenses		68,334	69,964
V Profit before share of profit / (loss) from joint ventures (net), exceptional items and tax (III-IV)		12,097	3,908
VI Share of profit / (loss) from joint ventures (net)		1	(90)
VII Profit before exceptional items and tax (V+VI)		12,098	3,818
VIII Exceptional items	48	83	805
IX Profit before tax (VII-VIII)		12,015	3,013
X Tax expense/(credit)	26		
Current tax		2,467	943
Deferred tax		1,675	(1,849)
Total tax expense/(credit)		4,142	(906)
XI Profit for the year (IX-X)		7,873	3,919
XII Other comprehensive income / (loss)			
A (i) Items that will not be reclassified to profit or loss			
a) Remeasurement losses of the defined benefit plans	43	33	(23)
b) Equity instruments through other comprehensive income		459	(304)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(12)	7
Total (A)		480	(320)
B (i) Items that will be reclassified to profit or loss			
a) The effective portion of gain / (loss) on hedging instruments		426	(825)
b) Changes in Foreign currency monetary item translation difference account (FCMITDA)		-	87
c) Foreign currency translation reserve (FCTR)		25	(316)
(ii) Income tax relating to items that will be reclassified to profit or loss		(143)	253
Total (B)		308	(801)
Total other comprehensive income/(loss) (A+B)		788	(1,121)
XIII Total comprehensive income/(loss) (XI+XII)		8,661	2,798
Total Profit / (loss) for the year attributable to:			
- Owners of the Company		7,911	4,030
- Non-controlling interests		(38)	(111)
		7,873	3,919
Other comprehensive income/(loss) for the year attributable to:			
- Owners of the Company		770	(1,076)
- Non-controlling interests		18	(45)
		788	(1,121)
Total comprehensive income/(loss) for the year attributable to:			
- Owners of the Company		8,681	2,954
- Non-controlling interests		(20)	(156)
		8,661	2,798
XIV Earnings per equity share of ₹ 1 each	39		
Basic (in ₹)		32.91	16.78
Diluted (in ₹)		32.73	16.67

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No.: 105938RAJEEV PAI
Chief Financial Officer

For and on behalf of Board of Directors

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762Place: Mumbai
Date: 21 May 2021LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 21 May 2021SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

Consolidated Statement of Changes in Equity

For the year ended 31 March 2021

A. Equity share capital

As at 1 April 2019	Movement during 2019-20	As at 31 March 2020	Movement during 2020-21	As at 31 March 2021
301	@	301	@@	302

₹ in crores

@ - ₹ 0.07 crores, @@ - ₹ 0.34 crores

B. Other equity

	Reserves and surplus					Other comprehensive income / (loss)				Total					
	Capital reserve	Securities premium reserve	Capital redemption reserve	Debt redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	Capital reserve on bargain purchase	FCTR		Equity instruments through other comprehensive income	Effective portion of cash flow hedges	FCMITDA	Attributable to owners of the parent	Non-controlling interest
Balance as at 1 April 2019	3,585	5,417	531	285	13,736	91	9,899	1,017	(552)	476	66	(57)	34,494	(450)	34,044
Profit for the year	-	-	-	-	4,030	-	-	-	-	-	-	-	4,030	(111)	3,919
Other comprehensive income for the year, net of income tax (refer note 26)	-	-	-	-	(16)	-	-	-	(271)	(304)	(542)	57	(1,076)	(45)	(1,121)
Dividends including dividend distribution tax	-	-	-	-	(1,195)	-	-	-	-	-	-	-	(1,195)	-	(1,195)
Impact of ESOP trust consolidation	-	-	-	-	10	-	-	-	-	-	-	-	10	-	10
Recognition of share based payments	-	-	-	-	-	37	-	-	-	-	-	-	37	-	37
Transfer between reserves	-	-	243	(285)	-	-	42	-	-	-	-	-	-	-	-
Acquisition of business	-	-	-	-	-	-	-	2	-	-	-	-	2	25	27
Equity component of compound financial instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	5	5
Transfer to general reserve after exercise of options	-	-	-	-	-	(6)	6	-	-	-	-	-	-	-	-
Others	-	-	-	-	(4)	-	-	-	-	-	-	-	(4)	1	(3)
Balance as at 31 March 2020	3,585	5,417	774	-	16,561	122	9,947	1,019	(823)	172	(476)	-	36,298	(575)	35,723

₹ in crores

	Reserves and surplus					Other comprehensive income / (loss)					Total		
	Capital reserve	Securities premium reserve	Capital redemption reserve	Retained earnings	Equity settled share based payment reserve	General reserve	Capital reserve on bargain purchase	FCTR	Equity instruments through other comprehensive income	Effective portion of cash flow hedges		Attributable to owners of the parent	Non-controlling interest
Balance as at 1 April 2020	3,585	5,417	774	16,561	122	9,947	1,019	(823)	172	(476)	36,298	(575)	35,723
Profit for the year	-	-	-	7,911	-	-	-	-	-	-	7,911	(38)	7,873
Other comprehensive income for the year, net of income tax (refer note 26)	-	-	-	23	-	-	-	7	458	282	770	18	788
Dividends including dividend distribution tax	-	-	-	(483)	-	-	-	-	-	-	(483)	-	(483)
Impact of ESOP trust consolidation	-	-	-	42	-	-	-	-	-	-	42	-	42
Recognition of share based payments	-	-	-	-	20	-	-	-	-	-	20	-	20
Acquisition of stake from NCI (refer note 52)	-	-	-	(11)	-	-	-	-	-	-	(11)	(24)	(35)
Acquisition of business (refer note 41)	-	-	-	-	-	1,915	-	-	-	-	1,915	-	1,915
Transfer between reserves	-	-	-	-	(25)	25	-	-	-	-	-	-	-
Balance as at 31 March 2021	3,585	5,417	774	24,043	117	9,972	2,934	(816)	630	(194)	46,462	(619)	45,843

₹ in crores

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

For S R C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E3000003

per VIKRAM MEHTA

Partner

Membership No.: 105938

Place: Mumbai

Date: 21 May 2021

For and on behalf of Board of Directors

RAJEEV PAI

Chief Financial Officer

SAJJAN JINDAL

Chairman & Managing Director

DIN 00017762

SESHAGIRI RAO M. V. S

Jt. Managing Director & Group CFO

DIN 00029136

LANCY VARGHESE

Company Secretary

ICSI Membership No. FCS 9407

Place: Mumbai

Date: 21 May 2021

Consolidated Statement of Cash Flows

For the year ended 31 March 2021

₹ in crores

	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Cash flow from operating activities		
Profit before tax	12,015	3,013
Adjustments for:		
Depreciation and amortisation expense	4,679	4,246
Loss on sale of property, plant and equipment (net)	37	30
Gain on sale of financial investments designated as FVTPL	(7)	(5)
Export obligation deferred income amortisation	(239)	(144)
Interest income	(481)	(439)
Dividend income	(11)	(10)
Interest expense	3,745	3,924
Unrealised exchange loss	(436)	687
Gain on financial instruments designated as FVTPL	-	(4)
Unwinding of interest on financial assets carried at amortised cost	(52)	(45)
Fair value gain on joint venture's previously held stake on acquisition of control	-	(13)
Share based payment expense	20	37
Share of loss from joint ventures (net)	(1)	90
Fair value loss on financial instrument designated as FVTPL	2	2
Allowances for doubtful receivable and advances	101	113
Non - cash expenditure	-	14
Exceptional items	83	805
	7,440	9,288
Operating profit before working capital changes	19,455	12,301
Adjustments for:		
(Increase) / Decrease in inventories	(335)	744
Decrease in trade receivables	72	2,458
(Increase) in other assets	(423)	(1,837)
Increase in trade payable and other liabilities	1,306	183
Increase in provisions	644	91
	1,264	1,639
Cash flow from operations	20,719	13,940
Income taxes paid (net of refund received)	(1,930)	(1,155)
Net cash generated from operating activities	18,789	12,785
B. Cash flow from investing activities		
Purchases of property, plant and equipment and intangibles assets (including under development and capital advances)	(9,258)	(12,810)
Proceeds from sale of property, plant and equipment	51	43
Cash outflow on acquisition of a subsidiary / acquisition of NCI (refer note 41 and 52)	(1,575)	(64)
Investment in joint ventures (refer note 41)	(5,087)	-
Proceeds from sale of stake in joint venture	-	164
Inter corporate deposits	(293)	-
Purchase of current investments	(606)	(762)
Sale of current investments	612	847
Bank deposits not considered as cash and cash equivalents (net)	7,407	(7,517)
Interest received	619	503
Dividend received	11	10
Net cash used in investing activities	(8,119)	(19,586)

₹ in crores

	For the year ended 31 March 2021	For the year ended 31 March 2020
C. Cash flow from financing activities		
Proceeds from sale of treasury shares	39	107
Payment for purchase of treasury shares	-	(101)
Proceeds from non-current borrowings	15,897	20,814
Repayment of non-current borrowings	(7,562)	(11,107)
Proceeds from / (repayment) of current borrowings (net)	(6,326)	1,940
Repayment of lease liabilities	(335)	(177)
Interest paid	(4,340)	(4,520)
Dividend paid (including corporate dividend tax)	(483)	(1,195)
Premium paid on redemption of debentures	-	(572)
Net cash (used in) / generated from financing activities	(3,110)	5,189
Net increase / (decrease) in cash and cash equivalents(A+B+C)	7,560	(1,612)
Cash and cash equivalents at the beginning of year	3,966	5,581
Add: Translation adjustment in cash and cash equivalents	(3)	(6)
Add: Cash and cash equivalents pursuant to business combinations (refer note 41)	420	3
Cash and cash equivalents at the end of year	11,943	3,966

Reconciliation forming Statement of Cash flows

Particulars	1 April 2020	Cash flows (net)	Foreign exchange difference	Changes in fair values	New leases	Others	₹ in crores 31 March 2021
Borrowings (non-current) other than Lease liabilities (including current maturities of long term borrowing included in other financial liabilities note 30)	51,049	8,335	(668)	(650)	-	(17)	58,049
Lease liabilities (including current maturities)	2,050	(335)	-	-	629	-	2,344
Borrowings (current)	8,325	(6,326)	-	-	-	-	1,999

Particulars	1 April 2019	Cash flows (net)	Foreign exchange difference	Changes in fair values	New leases	Others	₹ in crores 31 March 2020
Borrowings (non-current) other than finance lease obligations (including current maturities of long term borrowing included in other financial liabilities note 30)	39,106	9,707	2,401	(113)	-	(52)	51,049
Finance lease obligations (including current maturities)	1,957	(177)	-	-	405	(135)	2,050
Borrowings (current)	6,333	1,940	-	-	-	52	8,325

Other comprises of upfront fees amortisation and interest cost accrual on preference shares and deferred sales tax loan.

Notes:

1. The cash flow statement is prepared using the "indirect method" set out in Ind AS 7 - Statement of Cash Flows.

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No.: 105938RAJEEV PAI
Chief Financial Officer

For and on behalf of Board of Directors

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762Place: Mumbai
Date: 21 May 2021LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407Place: Mumbai
Date: 21 May 2021SESHAGIRI RAO M. V. S
Jt. Managing Director & Group CFO
DIN 00029136

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

1. General Information

JSW Steel Limited ("the Company" or "the Parent") is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Parent and its subsidiaries (together referred to as "the Group") is an integrated manufacturer of diverse range of steel products with its manufacturing facilities located at Vijayanagar works in Karnataka, Dolvi works in Maharashtra and Salem works in Tamil Nadu and also in the United States of America and Italy. The Group has entered into long term lease arrangements of iron ore mines located at Odisha and Karnataka and also in the United States of America.

JSW Steel Limited is a public limited company incorporated in India on 15 March, 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

2. Significant Accounting policies

I. Statement of compliance

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to Consolidated financial statement.

Accordingly, the Company has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "financial statements").

These financial statements are approved for issue by the Board of Directors on 21 May 2021.

II. Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting year as explained in the accounting policies below, and acquisition of subsidiaries where assets and liabilities are measured at fair values as at the date of acquisition in accordance with Ind AS 103.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Financial Statement is presented in INR and all values are rounded to the nearest crores except when otherwise stated.

Current and non-current classification

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

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

- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

All other assets are classified as non-current.

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

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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

III. Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including;

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and

- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

IV. Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition-related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of bargain purchase, before recognising gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If

the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

If the initial accounting for a business combination is incomplete by the end of the financial year, the provisional amounts for which the accounting is incomplete shall be disclosed in the financial statements and provisional amounts recognised at the acquisition date shall be retrospectively adjusted during the measurement period. During the measurement period, the group shall also recognise additional assets or liabilities if the new information is obtained about facts and circumstances that existed as of the acquisition date and if known, would have resulted in the recognition of those assets and liabilities as of that date. However, the measurement period shall not exceed the period of one year from the acquisition date.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

V. Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group depreciates building component of investment property over 30 years from the date of original purchase.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of derecognition from the derecognition of investment properties the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

VI. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described at note 2(VI) below.

VII. Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions

about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in consolidated statement of profit and loss in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

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When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

VIII. Revenue recognition**A. Sale of Goods**

The Group recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Group recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Group and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

Contract balances**i. Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment

is due, a contract asset is recognised for the earned consideration.

ii. Trade receivables

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

iii. Contract liabilities

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

iv. Refund liabilities

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

B. Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentives payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract cost incurred that it is probable will be recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

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When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

C. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

IX. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases.

Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease

liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term is as follows:

Class of assets	Years
Leasehold land	75 to 99 Years
Buildings	3 to 30 years
Plant & Machinery	3 to 15 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

The Company accounts for sale and lease back transaction, recognising right-of-use assets and lease liability, measured in the same way as other right-of-use assets and lease liability. Gain or loss on the sale transaction is recognised in statement of profit and loss

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below ₹ 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

X. Foreign currencies

The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (XXI) (B) (f));
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items; and

- exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognised in the financial statements for the year ended 31 March 2016 prepared under previous GAAP, are capitalised as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity year / upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

Goodwill, capital reserve on bargain purchase and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

XI. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the year in which they are incurred.

The Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on

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qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

XII. Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Consolidated Statement of Profit and Loss on a systematic basis over the years in which the Group recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

The benefit of a government loan at a below-market rate of interest and effect of this favorable interest is treated as a government grant. The Loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the Consolidated Statement of Profit and Loss immediately on fulfillment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

XIII. Employee benefits**Retirement benefit costs and termination benefits**

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

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Consolidated Balance Sheet with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Consolidated Statement Profit or Loss. Past service cost is recognised in profit or loss in the year of

a plan amendment or when the Group recognises corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

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

The Group presents the first two components of defined benefit costs in Consolidated Statement of Profit or Loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

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

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

Short-term and other long-term employee benefits

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

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

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

XIV. Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 40.

The fair value determined at the grant date of the equity-settled share-based payments is expensed

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on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Consolidated Statement of Profit or Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

XV. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a

transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred tax asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in consolidated statement of profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises

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from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

XVI. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets located in India, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of assets	Years
Plant and equipment	8 to 40 years
Work-rolls (shown under Plant and equipment)	1 to 5 years

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

The Group has applied Ind AS 116 w.e.f. 1 April 2019 and all lease are covered under Right-of-use assets.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Depreciation on the property, plant and equipment of the Company's foreign subsidiaries and jointly controlled entities has been provided on straight-line method as per the estimated useful life of such assets as follows:

Class of assets	Years
Buildings	15 to 50 years
Plant and machinery	3 to 30 years
Furniture and fixtures	3 to 10 years
Vehicles and aircrafts	4 to 5 years
Office equipment	3 to 10 years

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XVII. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Computer software	3 to 5 years
Licenses	Over the period of license

Mining assets are amortised using the unit of production method over the entire lease term.

The Group has elected to continue with carrying value of all its intangible assets recognised as on transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

XVIII. Mining Assets

Acquisition Costs

The cost of Mining Assets capitalised includes costs associated with acquisition of licenses and rights to explore, stamp duty, registration fees and other such costs.

Bid premium and royalties payable with respect to mining operations is contractual obligation. The said obligations are variable and linked to market prices. The Company has accounted for the same as expenditure on accrual basis as and when related liability arises as per respective agreements/ statute.

Exploration and evaluation

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest

that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The Company measures its exploration and evaluation assets at cost and classifies as Property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities.

General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.

Costs of exploration drilling and equipping exploration - Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

Stripping cost

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

Other production stripping cost incurred are expensed in the consolidated statement of profit and loss.

Developmental stripping costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

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Site restoration, rehabilitation and environmental costs:

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to consolidated statement of profit and loss over the life of the asset through amortisation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements are reviewed periodically.

The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology. Details of such provisions are set out in note 25.

XIX. Impairment of Non-financial assets

At the end of each reporting year, the Group reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate

that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss.

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

XX. Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of iron ore inventory includes cost of mining, bid premium, royalties and other manufacturing overheads. Cost of traded goods include purchase cost and inward freight.

Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XXI. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a

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third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. However, before a separate provision for an onerous contract is established, the Company recognises any write down that has occurred on assets dedicated to that contract. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

XXII. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Consolidated Statement of Profit and Loss.

A. Financial assets**a) Recognition and initial measurement**

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair

value through other comprehensive income (OCI) and fair value through profit and loss.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

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Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in consolidated statement of profit and loss. The net gain or loss recognised in consolidated statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the other income' line item. Dividend on financial assets at FVTPL is recognised when:

- The Group's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

d) Impairment

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows

by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, The Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, The Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

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The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets.

e) **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the consolidated statement of profit and loss and is included in the 'Other income' line item.

B. Financial liabilities and equity instrumentsa) **Classification as debt or equity**

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c) **Financial liabilities**

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Consolidated Statement of Profit and Loss. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

Other financial liabilities:

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments

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to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne by the Group on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit or Loss.

C. Derivative instruments and hedge accountinga) **Derivative financial instruments**

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts, commodity forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Consolidated Statement of Profit and Loss depends on the nature of the hedge item.

b) **Embedded derivatives**

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of

the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit and loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss, unless designated as effective hedging instruments.

c) **Hedge accounting**

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge or hedges of net investments in foreign operations. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to hedged risk.

(i) **Fair value hedges**

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Consolidated Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair

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value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in the Consolidated Statement of Profit and Loss in the line item relating to the hedged item.

The Group designates only the spot component for derivative instruments in fair value hedging relationship. The Group defers changes in the forward element of such instruments in hedging reserve and the same is amortised over the period of the contract.

When the Group designates only the intrinsic value of the option as the hedging instrument, it account for the changes in the time value in OCI. This amount is being removed from OCI and recognised in consolidated statement of profit and loss, either over the period of the hedge if the hedge is time related, or when the hedged transaction affects consolidated statement of profit and loss if the hedge is transaction related.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. For fair value hedges relating to items carried at amortised cost, the fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit and loss from that date.

(ii) Cash flow hedges

The effective portion of changes in fair value of derivatives and non-derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in Consolidated Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit and loss in the years when the hedged item affects profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains or losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and loss.

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

(iii) Hedges of net investments in a foreign operation

Hedges of net investments in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gains or losses relating to the ineffective portion are recognised immediately in the profit or loss.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to Consolidated Statement of Profit and Loss on the disposal of the foreign operation.

XXIII. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

XXIV. Cash and cash equivalents:

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Consolidated Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

XXV. Earnings per share:

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income

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(net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

3. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

A) Key sources of estimation uncertainty**i) Useful lives of property, plant and equipment**

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

ii) Impairment of investments in joint ventures and associate

Determining whether the investments in joint ventures and associate are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capacity utilisation of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies as more fully described in note 49. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

iii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the Group are not disclosed.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

iv) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

v) Impairment of Goodwill

Determining whether the goodwill acquired in business combinations are impaired, requires an estimate of recoverable amount of the Group's cash Generating unit (or groups of cash generating units). In considering the recoverable value of cash generating unit, the management have anticipated the future benefits to arise from commodity prices, capacity utilisation of plants, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying unit. If the recoverable amount of cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any Impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss.

vi) Provision for site restoration

Provision for site restoration are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Management reviews all assumptions annually and any changes is accounted accordingly.

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vii) Taxes

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions.

During the previous year ended 31 March 2020, the Group had made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit. Based on the detailed assessment carried out the management, deferred tax liabilities on temporary differences expected to reverse during the year in which the Company and one of its subsidiaries would be under the new tax regime and accordingly applied the new rate for measuring the said deferred tax liabilities in accordance with the requirements of IND AS 12 - 'Income Taxes'. This had resulted in reversal of deferred tax liabilities amounting to ₹2,225 crores. During the year, the Group has reassessed the impact of the Ordinance and there is no significant change in the measurement arising of the said assessment.

Further, certain components of the Group have opted for the new tax rate from financial year 2019-20 which has resulted into a reversal of deferred tax liabilities upto 31 March 2019 amounting to ₹98 crores during the previous year ended 31 March 2020.

viii) Relating to the global health pandemic from COVID-19

The Group has assessed the possible impact of COVID-19 in assessing the recoverability of carrying amounts of Group's assets such as property, plant & equipment, goodwill and other assets etc, considering the various internal and external information up to the date of approval of these financial results and concluded that they are recoverable based on the estimate of values of the businesses and assets by independent external valuers which was based on cash flow projections, fair values and implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to operational performance including significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, and capacity expansion/ availability of infrastructure facilities for mines. The Group continues to monitor any material changes to the future economic conditions.

B) Critical accounting judgements

i) Control over JSW Realty & Infrastructure Private Limited (RIPL)

RIPL has developed a residential township in Vijayanagar, Karnataka on the land taken on lease from the Company for a period of 30 years and provides individual housing units on rent to the employees of the Company or other group companies. RIPL is not allowed to sub-let or assign its rights under the arrangement without prior written consent of the Company. Though the Company does not hold any ownership interest in RIPL, the Company has concluded that the Company has practical ability to direct the relevant activities of RIPL unilaterally, considering RIPL's dependency on the Company for funding significant portion of its operation through subscription to 73.94% of preference share capital amounting to ₹ 313 crores issued by RIPL and significant portion of RIPL's activities.

ii) Determining the lease term of contracts with renewal and termination options - Company as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

iii) Joint control over JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited)

The consortium of JSW Steel Limited and AION Investments Private II Limited, completed the acquisition of JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited) ("JISPL" or "MIEL") through their jointly controlled entity Creixent Special Steels Limited ("CSSL") on 31 August 2018. The Company has made an investment in the

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year FY 2018-19 of ₹ 375 crores through equity and redeemable preference shares in CSSL to acquire joint control in MIEL and have an effective shareholding of 23.1% in MIEL. As per the Shareholding agreement, all the relevant activities of CSSL that affect the Company's variable returns from its involvement with CSSL/ MIEL have to be decided unanimously by a Steering Committee on which the Company has representation and thus the Company has concluded that it has joint control over CSSL.

iv) Joint control over Bhushan Power and Steel Limited

The Company along with JSW Shipping and Logistics Private Limited ("JSLPL") completed the acquisition of BPSL through their jointly controlled entity Piombino Steel Limited ("PSL") on 26 March 2021. The Company has made an investment of ₹ 5,087 crores through equity, optionally convertible instruments and warrants in PSL to acquire joint control in BPSL and have an effective shareholding of 49% in BPSL.

As per the Shareholding agreement (SHA), all the relevant activities of PSL that affect the Company's variable returns from its involvement with PSL/ BPSL have to be decided unanimously by a Steering Committee on which there is equal representation of the Company and JSLPL and JSLPL is not acting as de-facto agent of the Company under this SHA, thus the Company has concluded that it has joint control over PSL.

v) Incentives under the State Industrial Policy

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds.

The State Government of Maharashtra ('GOM') vide its Government Resolution (GR) issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company including denying incentives in certain cases.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

Accordingly, the Company has recognised grant income without giving effect to the above restrictions and the cumulative amount receivable towards the same is considered to be good and recoverable.

vi) Commitment under MDPA arrangement

The Mine development and production agreement ('MDPA') signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

Based on legal evaluation, the Company believes that MDPA would get rectified and after considering the expected production quantities in the remaining period, there would not be any shortfall in minimum production as required under MDPA. Accordingly, no provision has been recognised in financial statements as at 31 March 2021.

4. Property, plant and equipment

Particulars	₹ in crores										Total	
	Freehold land	Leasehold land	Buildings (owned)	Buildings (on finance lease)	Plant and equipments (owned)	Plant and equipments (on finance lease)	Furniture and fixtures	Vehicles and aircrafts	Office equipments	Mining development and projects		
Cost / deemed cost												
At 1 April 2019	1,769	764	9,266	27	59,819	3,157	135	157	85	1,024	76,203	
Transfer to ROU assets	-	764	-	27	14	3,157	-	-	-	-	3,962	
Additions	28	-	507	-	1,949	-	9	18	25	10	2,546	
Acquired pursuant to business combination	7	-	28	-	180	-	-	-	-	-	215	
Deductions	17	-	4	-	204	-	1	11	-	-	237	
Other adjustments (refer note c below)	-	-	-	-	311	-	-	-	-	-	311	
Translation reserve	26	-	104	-	603	-	1	1	1	95	831	
At 31 March 2020	1,813	-	9,901	-	62,644	-	144	165	111	1,129	75,907	
Additions	50	-	374	-	2,868	-	10	12	18	7	3,339	
Acquired pursuant to business combination (refer note 41)	298	-	326	-	1,626	-	1	1	1	-	2,253	
Deductions	-	-	20	-	519	-	@	8	1	-	548	
Transfer to investment property (refer note 6)	11	-	-	-	-	-	-	-	-	-	11	
Other adjustments (refer note c below)	-	-	-	-	117	-	-	-	-	-	117	
Asset transfer to held for sale	-	-	-	-	(2)	-	-	-	-	-	(2)	
Translation reserve	4	-	(25)	-	(178)	-	@	@	@	(9)	(208)	
At 31 March 2021	2,154	-	10,556	-	66,556	-	155	170	129	1,127	80,847	
Accumulated depreciation and impairment												
At 1 April 2019	4	34	1,549	2	11,708	667	57	49	41	621	14,732	
Transfer to ROU assets	-	34	-	2	8	667	-	-	-	-	711	
Depreciation	-	-	387	-	3,491	-	14	18	20	9	3,939	
Disposals	-	-	1	-	164	-	1	5	@	-	171	
Impairment	-	-	3	-	77	-	-	-	-	143	223	
Translation reserve	-	-	26	-	183	-	1	-	-	60	270	
At 31 March 2020	4	-	1,964	-	15,287	-	71	62	61	833	18,282	
Depreciation	-	-	401	-	3,775	-	14	18	17	6	4,231	
Disposals	-	-	12	-	451	-	@	4	1	-	468	
Asset transfer to held for sale	-	-	-	-	(2)	-	-	-	-	-	(2)	
Impairment (refer note 48)	-	-	-	-	-	-	-	-	-	20	20	
Translation reserve	@	-	(7)	-	(62)	-	@	@	@	(4)	(73)	
At 31 March 2021	4	-	2,346	-	18,547	-	85	76	77	855	21,990	
Net book value												
At 31 March 2020	2,150	-	8,210	-	48,009	-	70	94	52	272	58,857	
At 31 March 2021	1,809	-	7,937	-	47,357	-	73	103	50	296	57,625	

@ - between ₹ (0.50) crores to ₹ 0.50 crores

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Notes:

		₹ in crores	
		As at 31 March 2021	As at 31 March 2020
a)	Freehold land which is yet to be registered in the name of group entities*		
	Acres	184	20
	Deemed cost	117	9
b)	Freehold land and buildings which have been/agreed to be hypothecated/ mortgaged to lenders of related parties	99	111
c)	Other adjustments comprises:		
	Borrowing cost	85	15
	Foreign exchange loss / (gain) (net)	32	296

* includes land acquired pursuant to business combination from Welspun Corporation Limited on 31 March 2021 (refer note 41).

d) Assets given on operating lease:

(i) The Group has entered into lease arrangements, for renting the following:

Category of Asset	Area	Period
Land at Vijayanagar	526 acres*	5 years to 30 years
Land at Dolvi along with certain buildings	79 acres	15 years to 20 years
Land at Palwal	6 acres	15 years
Office Premises at Mittal Tower	1,885 sq. feet	24 months
Office Premises at CBD Belapur	33,930 sq. feet	5 years
Building for Vijayanagar Sports Institute	1,96,647 sq. feet	10 years
Hospital premises at Vijayanagar	81,500 sq. feet	20 years
Land at Vasind	22,303 sq. mtr.	25 years

*includes 440 acres of land classified as right-of-use assets in note 7.

The agreements are renewable & cancellable by mutual consent of both parties. The rent paid on above is based on mutually agreed rates.

(ii) Disclosure in respect of assets given on operating lease included in following heads:

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Land		
Cost/Deemed cost	86	86
Building		
Cost/Deemed cost	119	119
Accumulated depreciation	15	10
Depreciation for the year	5	4

e) Certain property, plant and equipments are pledged against borrowings, the details relating to which have been described in Note 22 and 28.

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f) Property, plant and equipments includes proportionate share (50%) of assets under joint operation as below:

Particulars	₹ in crores	
	Buildings (Owned)	Plant and equipments (Owned)
Cost / deemed cost		
At 31 March 2019	476	7
Additions	-	-
At 31 March 2020	476	7
Additions	-	-
At 31 March 2021	476	7
Accumulated depreciation		
At 31 March 2019	64	3
Depreciation expense	12	-
At 31 March 2020	76	3
Depreciation expense	16	1
At 31 March 2021	92	4
Net book value		
At 31 March 2021	384	3
At 31 March 2020	400	4

5. Capital work in progress includes exchange fluctuation (regarded as an adjustment to borrowing costs) to of ₹ 46 crores (previous year ₹ 936 crores) and borrowing cost (net off interest income) of ₹ 786 crores (previous year ₹ 648 crores), capitalised during the year.

6. Investment property

Particulars	₹ in crores		
	Land	Buildings	Total
Cost / deemed cost			
At 31 March 2019	3	237	240
Translation reserve	-	5	5
At 31 March 2020	3	242	245
Acquired pursuant to business combination (refer note 41)	16	-	16
Transfer from property, plant and equipment (refer note 4)	11	-	11
Translation reserve	-	14	14
At 31 March 2021	30	256	286
Accumulated depreciation			
At 31 March 2019	-	16	16
Depreciation expenses	-	4	4
Translation reserve	-	1	1
At 31 March 2020	-	21	21
Depreciation expense	-	4	4
Translation reserve	-	2	2
At 31 March 2021	-	27	27
Net book value			
At 31 March 2021	30	229	259
At 31 March 2020	3	221	224

The Fair value of investment property as at 31 March 2021 is ₹ 392 crores (as at 31 March 2020 - ₹ 339 crores) which has been determined on the basis of valuation carried by independent valuer. The fair value for investment property has been categorised as level 2 based on the techniques used and inputs applied.

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7. Right-of-use assets and Lease Liability

Particulars	₹ in crores			
	Land	Buildings	Plant and Equipment	Total
Transfer in Right-of-use assets				
Gross block	764	27	3,157	3,948
Accumulated depreciation	(34)	(2)	(667)	(703)
Additions (recognised pursuant to IND AS 116 adoption)	76	27	354	457
Right-of-use assets on initial recognition as on 1 April 2019	806	52	2,844	3,702
Additions	-	-	24	24
Depreciation	9	16	236	261
Translation reserve	-	-	6	6
At 31 March 2020	797	36	2,638	3,471
Additions	-	-	629	629
Depreciation	5	17	263	285
Translation reserve	-	-	1	1
At 31 March 2021	792	19	3,005	3,816

Leasehold land aggregating to ₹ 67 crores wherein the lease deed has expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.

Lease Liabilities

Particulars	₹ in crores
At 1 April 2019 (transferred from finance lease obligations)	1,957
Additional leases (recognised pursuant to Ind AS 116 adoption)	374
Lease liabilities on initial recognition as on 1 April 2019	2,331
Additions	31
Interest accrued	252
Lease principal payments	(177)
Lease interest payments	(252)
Others	(135)
At 31 March 2020	2,050
Additions	628
Interest accrued	357
Lease principal payments	(335)
Lease interest payments	(357)
Translation reserve	1
At 31 March 2021	2,344

Breakup of lease liabilities

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Current	405	306
Non-current	1,939	1,744
Total	2,344	2,050

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Less than 1 year	640	552
1-5 years	1,573	1,589
More than 5 years	1,248	954
Total	3,461	3,095

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Group has lease contracts for machinery that contains variable payments amounting to ₹ 442 crores (previous year ₹ 427 crores) shown under Cost of material consumed / other expenses.

The Group has recognised ₹ 50 crores (previous year ₹ 54 crores) as rent expenses during the year which pertains to short term lease/ low value asset which was not recognised as part of right-of-use asset and also recognised a gain of ₹ 1 crore on sale & leaseback transaction entered during the year. Both of amounts are being recognised as part of other expenses.

The leases that the Group has entered with lessors are generally long term in nature and no changes in terms of those leases are expected due to the COVID-19.

8. Goodwill

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Cost / deemed cost		
Balance at the beginning of the year	2,002	1,831
Acquired pursuant to business combination	-	15
Translation reserve	(53)	156
Balance at the end of the year (a)	1,949	2,002
Accumulated impairment		
Balance at the beginning of the year	1,587	991
Impairment (refer note 48)	63	513
Translation reserve	(37)	83
Balance at the end of the year (b)	1,613	1,587
Net book value (a-b)	336	415

Allocation of goodwill to Cash Generating Units (CGU's)

CGU	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Coal mines at West Virginia, USA	196	266
Steel plant at Mingo Junction, USA	96	98
Others	44	51
Total	336	415

Description of key assumptions considered for the value in use calculation

Alawest coal mines at West Virginia, USA

The recoverable amount of Alawest coal mines is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the directors covering the mining lease concession period, and a pre-tax discount rate of 15.6% per annum (16.7% for 31 March 2020). The discount rate commensurate with the risk specific to the projected cash flow and reflects the rate of return required by an investor.

Cash flow projections during the budget period are based on estimated coal extraction schedule and future prices of coal determined based on the average of coal prices published in various analyst reports. The projections do not consider growth rate in the coal prices from the year 2023-24 onwards.

Considering past trend of movement in coal prices, the management believes that the following changes in these key estimates would result into carrying amount exceeding the recoverable amount:

- Decrease in coal prices by 1% would result into change in recoverable value by ₹ 21 crores.
- Decrease in extraction schedule by 5% would result into change in recoverable value by ₹ 34 crores.

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Steel plant at Mingo Junction, USA

The recoverable amount of steel plant is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the directors, and a pre-tax discount rate of 18.2% per annum (18.4% per annum for 31 March 2020). The discount rate commensurate with the risk specific to the projected cash flow and reflects the rate of return required by an investor.

Cash flow projections during the budget period are based on estimated steel production till FY 2023-24 and future prices of steel prices. The projections do not consider growth rate in production and price in terminal year.

Considering past trend of movement in steel prices, the management believes that the following changes in these key estimates would result into carrying amount exceeding the recoverable amount:

- Decrease in steel prices by 1% would result into change in recoverable value by ₹ 330 crores.
- Decrease in production schedule by 5% would result into change in recoverable value by ₹ 251 crores.

9. Other intangible assets

Particulars	₹ in crores				
	Computer software	Licences	Mining concession	Port concession	Total
Cost / deemed cost					
At 1 April 2019	136	41	128	1	306
Additions	34	9	154	-	197
Disposals	-	-	-	-	-
Translation reserve	-	2	1	-	3
At 31 March 2020	170	52	283	1	506
Additions (refer note a below)	45	-	1,413	-	1,458
Disposals	-	-	-	-	-
Translation reserve	@	@	@	@	@
At 31 March 2021	215	52	1,696	1	1,964
Accumulated amortisation and impairment					
At 1 April 2019	79	20	7	-	106
Amortisation	20	8	14	-	42
Disposals	-	-	-	-	-
Impairment	-	-	6	1	7
Translation reserve	1	-	-	-	1
At 31 March 2020	100	28	27	1	156
Amortisation	35	3	121	-	159
Disposals	-	-	-	-	-
Translation reserve	@	@	@	@	@
At 31 March 2021	135	31	148	1	315
Net book value					
At 31 March 2021	80	21	1,548	-	1,649
At 31 March 2020	70	24	256	-	350

@ - Less than ₹ 0.50 crores

- The Company acquired mining blocks viz: -Nuagaon, Narayanposhi, Jajang and Gania in the Auctions held by the Government of Odisha in February 2020. The Company has signed the Mine Development and Production agreement(s) for all the four blocks and executed the lease deed(s) with Government of Odisha after complying with all regulatory aspects. Acquisition cost incurred for these mines such as stamp duty, registration fees and other such costs amounting to ₹ 817 crores have been capitalised as Intangible Assets. Further, the Company had also paid upfront premium payment amounting to ₹ 1,290 crores which was subsequently adjusted against the premium payment due to the Government. The Company had started mining operations at all the above said blocks since 1 July 2020. The Company has also recognised restoration liability and capitalised amounting to ₹ 443 crores during the year.
- Intangible assets under development include expenditure incurred on development of mining rights and other related costs for mines which are yet to be made operational.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

10. Investments in joint ventures

Particulars	Paid up value	As at 31 March 2021		As at 31 March 2020	
		No. of Shares	₹ in crores	No. of Shares	₹ in crores
A. Investment in equity shares accounted for using equity method					
Joint ventures					
Gourangdih Coal Limited					
Equity shares	₹ 10 each	2,450,000	2	2,450,000	2
Add: Share of profit/(loss) (net)			@		@
			2		2
JSW MI Steel Service Centre Private Limited					
Equity shares	₹ 10 each	66,500,000	67	66,500,000	67
Add: Share of profit/(loss) (net)			27		18
			94		85
JSW Severfield Structures Limited					
Equity shares	₹ 10 each	198,937,940	198	198,937,940	198
Add: Share of profit/(loss) (net)			(44)		(35)
			154		163
Rohne Coal Company Private Limited					
Equity shares	₹ 10 each	490,000	@@	490,000	@@
Add: Share of profit/(loss) (net)			@@@		@@@
			-		-
Vijayanagar Minerals Private Limited					
Equity shares	₹ 10 each	4,000	@@@@	4,000	@@@@
Add: Share of profit/(loss) (net)			2		2
			2		2
Creixent Special Steels Limited					
Equity shares	₹ 10 each	4,800,000	255	4,800,000	255
Add: Share of profit/(loss) (net)			(214)		(224)
			41		31
JSW Ispat Special Products Limited					
Equity shares	₹ 10 each	399	&	399	&
			&		&
Piombino Steel Limited (refer note a below and note 41)					
Equity shares	₹ 10 each	980,000,000	2,669		-
Add: Share of profit/(loss) (net)			-		-
			2,669		-
B. Investments in share warrants					
Joint Ventures					
Piombino Steel Limited (refer note 41)	Share warrants of ₹0.02 each exercisable within 5 years for 1 equity share against 1 warrant	3,50,00,00,000	7		-
Total			2,969		283
Unquoted					
Aggregate book value			2,969		283

@ - ₹ (0.22) crores (previous year ₹ (0.18) crores)

@@ - ₹ 0.49 crores

@@@ - ₹ (0.49) crores

@@@@ - ₹ 40,000/-

& - ₹ 3,990/-

a) 98,00,00,000 shares are pledged to the lenders of Piombino Steel Limited.

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11. Investments (non-current)

Particulars	Paid up value	As at 31 March 2021		As at 31 March 2020	
		No. of Shares	₹ in crores	No. of Shares	₹ in crores
A Investment in equity instruments					
Fully paid up					
Quoted (at fair value through other comprehensive income)					
JSW Energy Limited	₹10 each	101,605,500	893	101,605,500	434
SBI Infrastructure Fund	₹10 each	40,000	\$	40,000	\$
Unquoted (at fair value through other comprehensive income)					
Tarapur Environment Protection Society	₹100 each	244,885	4	244,885	4
Toshiba JSW Power Systems Private Limited	₹10 each	11,000,000	-	11,000,000	-
MJSJ Coal Limited	₹10 each	10,461,000	9	10,461,000	9
SICOM Limited	₹10 each	600,000	5	600,000	5
Kalyani Mukand Limited	₹1 each	480,000	\$	480,000	\$
Ispat Profiles India Limited	₹1 each	1,500,000	\$	1,500,000	\$
Vallabh Steels Limited	₹ 10 each	295,000	\$	295,000	\$
Geo Steel LLC			44		45
Caparo power	₹10 each	38,23,781	17	-	-
B Investments in preference shares					
Fully paid up					
Joint ventures					
Unquoted (at fair value through profit or loss)					
Rohne Coal Company Private Limited					
1% non-cumulative preference shares	₹10 each	23,642,580	-	23,642,580	-
1% Series-A non-cumulative preference shares	₹10 each	7,152,530	1	7,152,530	4
1% Series-B non-cumulative preference shares	₹10 each	1,994,686	2	1,661,686	2
Unquoted (at amortised cost)					
Creixent Special Steels Limited					
0.01% Redeemable preference shares I	₹10 each	171,969,200	232	171,969,200	207
0.01% Redeemable preference shares II	₹10 each	198,300,410	234	198,300,410	211
JSW Ispat Special Products Limited	0.01% compulsorily convertible, non-cumulative preference shares of ₹ 10 each	601	@@	601	@@
Others					
Unquoted (at fair value through profit or loss)					
JSW Investments Private Limited					
8% Non-Cumulative Non-Convertible Preference shares	₹10 each	100,000,000	47	100,000,000	47
Unquoted (at cost)					
Metal interconnector SCPA	EUR 1 each	1,192,771	21	1,192,771	14

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Particulars	Paid up value	As at 31 March 2021		As at 31 March 2020	
		No. of Shares	₹ in crores	No. of Shares	₹ in crores
C Investments in Optionally fully convertible debentures					
Fully paid up					
Joint ventures					
Unquoted (at fair value through profit or loss)					
Piombino Steel Limited (refer note 41)	6% optionally fully convertible, non-cumulative of ₹ 10 each for a term of 10 years	4,10,00,00,000	4,100		-
D Investments in government securities (unquoted- Others) (at amortised cost)					
National Savings Certificates (pledged with commercial tax department)			@		@
Total			5,609		982
Less: Aggregate amount of provision for impairment in the value of investments			(5)		(8)
Total			5,604		974
Quoted					
Aggregate book value			893		434
Aggregate market value			893		434
Unquoted					
Aggregate book value (net of impairment)			4,711		540
Investment at cost/deemed cost			487		431
Investment at fair value through other comprehensive income			972		497
Investment at fair value through profit and loss			4,145		46
Investment at amortised cost			487		431

₹ 1, @ - ₹ 0.15 crores, @@ - ₹ 6,010/-

12. Loans (unsecured)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Loans				
to related parties	493	188	141	508
to other body corporates	9	293	17	13
Security deposits	529	143	623	223
Less: Allowance for doubtful loans	(9)	(2)	(9)	(2)
Total	1,022	622	772	742
Notes:				
Loans Receivable Considered good	1,022	622	772	742
Loans Receivable which have significant increase in Credit Risk	-	-	-	-
Loans Receivable – credit impaired	-	2	-	2
Loans and advances to other body corporate	9	-	9	-

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13. Other financial assets (unsecured)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Export benefits and entitlements	25	192	25	115
Advance towards equity share capital / preference shares	1	-	1	-
Receivable for coal block development expenditure	116	-	117	-
Indirect tax balances refund due	-	22	-	22
Government grant incentive income receivable (refer note 32(a))	1,623	1,096	444	2,473
Interest receivable on loan to related parties	2	81	-	11
Others	387	179	121	328
Less: Allowance for doubtful balances	-	(103)	(12)	(91)
Total	2,154	1,467	696	2,858
Notes:				
Considered good	2,154	1,467	696	2,858
Considered doubtful, provided				
Export benefits and entitlements	-	19	12	7
Others	-	84	-	84

14. Other assets (unsecured)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Capital advances	680	-	1,000	-
Less: Allowances for doubtful advances	(7)	-	(7)	-
(A)	673	-	993	-
Advances to suppliers	271	925	271	1,154
Export benefits and entitlements	56	128	56	78
Advance royalty	7	-	94	-
Security deposits	39	26	164	86
Indirect tax balances/ recoverable /credits (refer note a below)	1,972	822	1,568	741
Prepayments and others	100	230	125	253
Less: Allowances for doubtful advances	(270)	(40)	(315)	(26)
(B)	2,175	2,091	1,963	2,286
Total (A+B)	2,848	2,091	2,956	2,286
Notes:				
Capital advances				
Considered good	673	-	993	-
Considered doubtful, provided	7	-	7	-
Other advances				
Considered good	2,175	2,091	1,963	2,279
Considered doubtful, provided				
Advance to suppliers	260	-	252	-
Prepayments and others	7	40	17	26
Indirect tax balances/recoverable/credits	3	-	3	-
Others	-	-	53	-

- a) Maharashtra Electricity Regulation Commission (MERC) has approved levy of additional surcharge of ₹ 1.25/kWh w.e.f. 1 September 2018 to all the consumers sourcing power from Captive power plants. The Company had appealed against the levy in Appellate Tribunal for electricity (APTEL) and the APTEL passed an order in favor of the Company. However, the State Government has filed Special Leave Petition before the Honorable Supreme Court of India (SC). The SC has vided their order dated 1 July 2019, granted stay against the order of the Appellate authority and the matter is pending before the SC.

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The amounts paid in dispute amounting to ₹ 535 crores towards the additional surcharge has been disclosed as part of other non-current assets.

15. Inventories

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Raw materials (at cost)	6,422	6,334
Work-in-progress (at cost)	556	451
Semi-finished/ finished goods (at cost or net realisable value)	5,217	4,881
Production consumables, fuel stock and stores and spares (at cost)	2,053	2,085
Traded goods	1	22
Total	14,249	13,773
Notes:		
Details of stock-in-transit		
Raw materials	1,442	2,008
Production consumables and stores and spares	133	190
Total	1,575	2,198

Value of inventories above is stated after write down to net realisable value of ₹ 113 crores (31 March 2020 - ₹ 291 crores). These were recognised as an expense during the year and included in cost of materials consumed and changes in inventories of finished goods, work-in-progress and stock-in-trade.

Inventories have been pledged as security against certain bank borrowings, the details relating to which have been described in note 22 and 28.

16. Investments (current)

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Mutual funds (quoted)	8	2
Total	8	2
Quoted		
Aggregate book value	8	2
Aggregate market value	8	2

17. Trade receivables

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Trade receivables considered good - Secured	2	-
Trade receivables considered good - Unsecured	4,467	4,488
Trade receivables which have significant increase in credit risk	160	160
Less: Allowance for doubtful debts	(143)	(143)
Trade Receivables - credit impaired	62	38
Less: Allowance for doubtful debts	(62)	(38)
Total	4,486	4,505

The credit period on sales of goods ranges from 7 to 90 days with or without security

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

The Group does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right to offset against any amounts owed by the Group to the counterparty.

Trade receivable have been given as collateral towards borrowings, the details relating to which has been described in note 22 and 28.

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Credit risk management regarding trade receivables has been described in note 44 (H).

Trade receivables from related party has been disclosed in note 45.

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

18. (a) Cash and cash equivalents

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Balances with banks		
In current accounts	953	1,887
In term deposit accounts with maturity less than 3 months at inception	10,988	2,078
Cheques on hand	1	-
Cash on hand	1	1
Total	11,943	3,966

18. (b) Bank balances other than cash and cash equivalents

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Earmarked balances in current account		
In current accounts	42	35
In term deposit accounts	-	14
Balance with banks		
In term deposit accounts		
with maturity more than 3 months but less than 12 months at inception	488	7,790
with maturity more than 12 months at inception	56	147
In margin money	284	51
Total	870	8,037

Earmarked bank balance are restricted in use and it relates to unclaimed dividend and balances with banks held as margin money for security against the guarantee.

19. Derivative assets

a. Non-current

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Forward contracts	110	-
Total	110	-

b. Current

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Forward contracts	100	278
Commodity contracts	-	@
Interest rate swaps	1	1
Currency options	1	15
Total	102	294

@ - Less than ₹0.50 crores

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20. Equity share capital

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Number of shares	Number of shares	Amount (₹ in crores)	Amount (₹ in crores)
Share Capital				
(a) Authorised				
Equity shares of the par value of ₹ 1 each	60,15,00,00,000	60,15,00,00,000	6,015	6,015
(b) Issued and subscribed				
Outstanding at the beginning of the year fully paid up	2,41,72,20,440	2,41,72,20,440	242	242
Less: Treasury shares held under ESOP trust (refer note a below)	(11,454,094)	(14,816,254)	(1)	(2)
Outstanding at the end of the year fully paid up	2,405,766,346	2,40,23,26,186	241	240
(c) Equity shares forfeited (amount originally paid-up)			61	61
Total			302	301

a) Shares held under ESOP trust:

The Company has created an Employee Stock Ownership Plan (ESOP) for providing share-based payment to its employees.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the company and its subsidiaries in India. For the purpose of the scheme, the Company purchases shares from the open market under ESOP trust. The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares.

For the details of shares reserved for issue under the Employee Stock Ownership Plan (ESOP) of the Company (refer note 40).

Movement in treasury shares

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Number of shares	Number of shares	Amount (₹ in crores)	Amount (₹ in crores)
Shares of ₹ 1 each fully paid up held under ESOP Trust				
Equity shares as at 1 April	1,48,16,254	1,55,08,976	2	2
Changes during the year	(3,362,160)	(6,92,722)	@	@
Equity shares as at 31 March	11,454,094	1,48,16,254	1	2

@ - ₹ (0.34) crores (previous year - ₹ (0.07) crores)

b) Rights, preferences and restrictions attached to Equity Shares

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shareholders holding more than 5% Share in The Company are set out below

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% of shares	No of shares	% of shares
Equity shares				
JFE Steel International Europe BV	36,25,83,070	15.00%	36,25,83,070	15.00%
JSW Techno Projects Management Limited	26,44,54,220	10.94%	25,70,51,220	10.63%
JSW Holdings Limited	18,14,02,230	7.50%	18,14,02,230	7.50%
Vividh Finvest Private Limited	14,33,70,690	5.93%	14,33,70,690	5.93%

d) Shares allotted as fully paid-up pursuant to contracts without payment being received in cash during the period of five years immediately preceding the date of the balance sheet

Nil

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- e) The Company has 3,00,00,00,000 authorised preference shares of ₹ 10 each amounting to ₹ 3,000 crores as on 31 March 2021 (₹ 3,000 crores in 31 March 2020).

21. Other equity

Particulars	As at 31 March 2021	As at 31 March 2020
General reserve	9,972	9,947
Retained earnings	24,043	16,561
Other comprehensive income		
Equity instruments through other comprehensive income	630	172
Effective portion of cash flow hedges	(194)	(476)
Foreign currency translation reserve	(816)	(823)
Other reserves		
Equity settled share based payment reserve	117	122
Capital reserve	3,585	3,585
Capital redemption reserve	774	774
Capital reserve on bargain purchase	2,934	1,019
Securities premium reserve	5,417	5,417
Total	46,462	36,298

(i) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10.0% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year.

Consequent to introduction of Companies Act 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss account to the general reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(ii) Retained earnings

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

(iii) Equity instruments through other comprehensive income

The Group has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(iv) Effective portion of cash flow hedges

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Group accounting policy.

(v) Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Indian rupees) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Gains and losses on hedging instruments that are designated as hedging instruments for hedges of net investments in foreign operations are included in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to profit or loss on the disposal of the foreign operation.

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(vi) Equity settled share based payment reserve

The Group offers ESOP, under which options to subscribe for the Company's shares have been granted to certain employees and senior management. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme

(vii) Capital reserve

Reserve is created primarily on amalgamation as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(viii) Capital redemption reserve

Reserve is created on redemption of preference shares as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(ix) Securities Premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

22. Borrowings

Particulars	₹ in crores			
	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Bonds (unsecured)	15,921	-	10,554	-
Debentures (secured)	8,670	510	5,180	120
Debentures (unsecured)	-	1,000	-	-
Term loans:				
Secured	11,995	3,450	13,022	3,301
Unsecured	11,787	2,953	14,296	2,841
Acceptances for capital projects with maturity more than 1 year				
Secured	601	86	673	61
Unsecured	703	345	1,057	115
Deferred government loans (unsecured)	379	4	142	25
Other loans:				
Preference shares (unsecured)	26	-	24	-
Unamortised upfront fees on borrowing	(351)	(30)	(275)	(88)
Total	49,731	8,318	44,673	6,375
Less: Current maturities of long-term debt clubbed under other financial liabilities (current) (refer note 30)		(8,318)		(6,375)
Total	49,731	-	44,673	-

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Details of security and terms of repayment

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
A. Bonds/Debentures					
Bonds (Unsecured)					
3,675	-	3,769	-	5.25% Repayable on 13 April 2022	
3,675	-	3,769	-	5.95% Repayable on 18 April 2024	
2,941	-	3,014	-	5.375% Repayable on 4 April 2025	
5,630	-	-	-	5.95% Repayable on 19 April 2026	
15,921	-	10,554	-		
Debentures (secured)					
1,000	-	1,000	-	10.02% secured NCDs of ₹ 10,00,000 each are redeemable in two tranches a. ₹ 500 crores on 20 May 2023 b. ₹ 500 crores on 19 July 2023	First pari passu charge on 3.8 MTPA property, plant and equipment located at Vijayanagar Works Karnataka (other than specifically carved out) and a flat situated at Vasind, Maharashtra.
670	330	1,000	-	10.34% secured NCDs of ₹ 10,00,000 each are redeemable in three tranches a. ₹ 330 crores on 18 January 2022 b. ₹ 330 crores on 18 January 2023 c. ₹ 340 crores on 18 January 2024	First pari passu charge on property, plant and equipment related to 2.8 MTPA expansion project located at Vijayanagar Works, Karnataka and a flat at Vasind, Maharashtra.
2,000	-	2,000	-	8.79% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a. ₹ 500 crores on 18 October 2026 b. ₹ 500 crores on 18 October 2027 c. ₹ 500 crores on 18 October 2028 d. ₹ 500 crores on 18 October 2029.	First pari-passu charge on property, plant and equipment upto 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out).
1,000	-	1,000	-	8.90% secured NCDs of ₹ 10,00,000 each are redeemable in four tranches a. ₹ 250 crores on 23 January 2027 b. ₹ 250 crores on 23 January 2028 c. ₹ 250 crores on 23 January 2029 d. ₹ 250 crores on 23 January 2030.	First pari passu charge on property, plant and equipment related to Cold Rolling Mill 1 and 2 complex located at Vijayanagar Works, Karnataka (other than specifically carved out).
4,000	-	-	-	8.5% secured NCD of ₹ 10,00,000 each redeemable in bullet payment on 12 October 2027, with provision of put/call option on 10 October 2025	First Pari Passu Charge on moveable and immovable fixed assets of the following: - Salem Works - Cold Rolling Mill #1 & #2 at Vijayanagar Works, Karnataka - Upto 3.8 MTPA Steel Plant" at Vijayanagar Works, Karnataka.
-	180	180	-	8.75% secured NCDs of ₹ 10,00,000 each is redeemable on 10 February 2022.	Secured by way of first ranking charge on all movable and immovable property, plant and equipment both present and future and on lease hold rights over immovable property of pellet project situated at Village Juibapuji, Taluka Alibaug, District Raigad, Maharashtra.
-	-	-	120	8.65% secured NCDs of ₹ 10,00,000 each was redeemed on 12 May 2020.	Secured by way of first ranking charge on all movable and immovable property, plant and equipment both present and future and on lease hold rights over immovable property of pellet project situated at Village Juibapuji, Taluka Alibaug, District Raigad, Maharashtra.
8,670	510	5,180	120		
Debentures (secured)					
-	1,000	-	-	Bullet payment on 3 September 2021 with put/call option on 15 June 2021.	
-	1,000	-	-		

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As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
B. Term Loans					
Term Loans From Banks (Secured)					
				Weighted average interest rate - 7.57 %	
-	-	563	75	Repaid in FY 20-21	First pari-passu charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
-	-	600	200	Repaid in FY 20-21	First charge on 3.2 MTPA expansion property, plant and equipments situated at Vijayanagar Works Karnataka
750	250	937	94	4 quarterly installments of ₹ 62.50 crores each from 30 April 2021 to 31 January 2022 8 quarterly installments of ₹ 93.75 crores each from 30 April 2022 to 31 January 2024	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
588	149	700	150	5 quarterly instalments of ₹ 37.5 crores each from 30 June 2021 to 30 June 2022 4 quarterly instalments of ₹ 43.75 crores each from 30 September 2022 to 30 June 2023 2 quarterly instalments of ₹ 187.5 crores each from 30 September 2023 to 31 December 2023	First pari passu charge on 3.8MTPA upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
950	350	1,250	200	2 quarterly installments of ₹ 50 crores each from 30 June 2021 to 30 September 2021 4 quarterly installments of ₹ 125 crores each from 31 December 2021 to 30 September 2022 2 quarterly installments of ₹ 350 crores each from 31 December 2022 to 31 March 2023	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
262	163	388	150	2 quarterly installments of ₹ 37.5 crores each from 30 June 2021 to 30 September 2021 4 quarterly installments of ₹ 43.75 crores each from 31 December 2021 to 30 September 2022 2 quarterly installments of ₹ 87.5 crores each from 31 December 2022 to 31 March 2023	First pari passu charge on 3.8MTPA upstream assets (other than assets specifically carved out) at Vijayanagar Works, Karnataka.
614	192	758	192	4 quarterly installments of ₹ 48 crores each from 30 June 2021 to 31 March 2022 9 quarterly installments of ₹ 64 crores each from 30 June 2022 to 30 June 2024 1 quarterly installment of ₹ 38.35 crores on 30 September 2024	First charge on entire movable and immovable property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra (excluding those specifically charged and equipment/machinery procured out of proceeds of ECA/ECB/FCL) both present and future.
88	49	125	50	11 quarterly instalments of ₹ 12.5 crores each from 30 June 2021 to 31 December 2023	First charge on property, plant and equipments upto 5 MTPA capacity situated at Dolvi works, Maharashtra.
-	45	90	160	1 quarterly installment of ₹ 45 crores on 30 June 2021	First charge on 3.2 MTPA expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka
150	100	225	100	10 quarterly installments of ₹ 25 crores each from 1 June 2021 to 1 September 2023	First charge on 3.2 MTPA expansion property, plant and equipments situated at Vijayanagar Works Karnataka

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As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
225	25	-	-	4 quarterly installments of ₹ 6.25 crores each from 30 June 2021 to 31 March 2022 4 quarterly installments of ₹ 9.37 crores each from 30 June 2022 to 31 March 2023 4 quarterly installments of ₹ 12.5 crores each from 30 June 2023 to 31 March 2024 4 quarterly installments of ₹ 15.62 crores each from 30 June 2024 to 31 March 2025 4 quarterly installments of ₹ 18.75 crores each from 30 June 2025 to 31 March 2026	First charge on 5 MTPA Hot Strip Mill at Vijayanagar Works in Karnataka
-	-	-	375	Repaid in FY20-21	First charge on 3.2 MTPA expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka
225	94	319	75	1 quarterly installment of ₹ 18.75 crores on 30 June 2021 12 quarterly installments of ₹ 25 crores each from 30 September 2021 to 30 June 2024	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
319	75	394	66	5 quarterly installments of ₹ 18.75 crores each from 30 June 2021 to 30 June 2022 12 quarterly installments of ₹ 25 crores each from 30 September 2022 to 30 June 2025	First pari passu charge on 3.8 MTPA property, plant and equipment located at Vijayanagar Works Karnataka (other than specifically carved out).
62	63	109	63	8 quarterly installments of ₹ 15.625 crores each from 30 June 2021 to 31 March 2023	First pari passu charge on 3.8 MTPA property, plant and equipments located at Vijayanagar Works Karnataka (other than specifically carved out).
2,961	156	709	-	12 quarterly installments of ₹ 38.96 crores each from 30 June 2021 to 31 March 2024 4 quarterly installments of ₹ 194.8 crores each from 30 June 2024 to 31 March 2025 8 quarterly installments of ₹ 233.77 crores each from 30 June 2025 to 31 March 2027	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out).
300	100	375	100	16 quarterly installments of ₹ 25 crores each from 30 June 2021 to 15 February 2025	First pari passu charge on property, plant and equipments situated at Salem Works, Tamil Nadu.
699	463	1,164	-	1 quarterly instalment of 113.65 crores on 30 June 2021 3 quarterly installments of ₹ 116.40 crores each from 30 September 2021 to 31 March 2022 4 quarterly installments of ₹ 174.60 crores each from 30 June 2022 to 31 March 2023	First pari passu charge on the mining rights/assets proposed to be acquired for the 4 iron ore blocks acquired in the State of Odisha.
300	100	400	100	16 quarterly installments of ₹ 25 crores each from 30 June 2021 to 31 March 2025	First pari passu charge on property, plant and equipments related to new 5 MTPA Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.
354	86	418	86	20 quarterly installments of ₹ 21.43 crores each from 30 June 2021 to 31 March 2026 1 installment of ₹ 11.06 crores on 30 June 2026	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 1 April 2019. First pari-passu charge on property, plant and equipment of 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) at Dolvi Works, Maharashtra
187	42	219	31	21 quarterly installments of ₹ 10.41 crores each from 30 June 2021 to 31 March 2026 1 installment of ₹ 10.57 crores on 30 September 2026	First pari passu charge on property, plant and equipment related to new 5 MTPA Hot Strip Mill (HSM-2) at Vijayanagar Works, Karnataka.

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As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
380	120	470	105	12 quarterly installments of ₹ 30 crores each from 30 June 2021 to 31 March 2024 4 quarterly installments of ₹ 35 crores each from 30 June 2024 to 31 March 2025	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 1 March 2019. First charge on entire immovable and movable fixed assets located at Salav works (erstwhile JSW Steel Salav Limited), Maharashtra.
297	106	377	80	10 quarterly installments of ₹ 26.56 crores each from 30 April 2021 to 31 January 2023. 2 quarterly installments of ₹ 69.06 crores each from 30 April 2023 to 31 July 2023.	First charge by way of legal mortgage on 2400sq feet land at Toranagallu village in the state of Karnataka. First pari-passu charge on the entire property, plant and equipments of the respective subsidiary Company situated at Vasind, Tarapur and Kalmeshwar both present and future.
390	110	500	-	4 quarterly installments of ₹ 35 crores each from 30 November 2021 to 30 August 2022 4 quarterly installments of ₹ 40 crores each from 16 March 2022 to 16 December 2022 4 quarterly installments of ₹ 50 crores each from 7 May 2022 to 7 February 2023	First pari-passu charge on the entire property, plant and equipments of the respective subsidiary Company situated at Vasind, Tarapur and Kalmeshwar both present and future.
150	50	-	-	12 quarterly installments of ₹ 16.67 crores each from 13 August 2021 to 1 May 2024	First pari-passu charge on the entire property, plant and equipments of the respective subsidiary Company situated at Vasind, Tarapur and Kalmeshwar both present and future.
500	-	-	-	4 quarterly installments of ₹ 12.5 crores each from 30 June 2023 to 31 March 2024 16 quarterly installments of ₹ 28.12 crores each from 30 June 2024 to 31 March 2028	First pari-passu charge on the entire property, plant and equipments of the respective subsidiary Company situated at Vasind, Tarapur and Kalmeshwar both present and future.
-	-	167	103	Repaid in FY 2020-21	First ranking charge / mortgage / collateral on all movable and immovable property, plant and equipments both present and future and on lease hold rights over immovable property of coke oven project situated at Village JuiBapuji, Taluka Alibaug, District Raigad, Maharashtra.
86	86	150	86	8 quarterly installments of ₹ 21.43 crores each from 30 June 2021 to 31 March 2023.	First ranking charge / mortgage / security interest on all movable and immovable property, plant and equipment both present and future and on lease hold rights over immovable property of pellet project situated at Village JuiBapuji, Taluka Alibaug, District Raigad, Maharashtra.
85	54	115	40	Repayable in equal monthly installments of 10 years.	Secured by way of equitable mortgage by deposit of tittle deeds of project assets and by way of mortgage of Phase III of JSW township at Basapur village site, extension of mortgage of phase I and II of housing colony at Toranagallu, assignment of receivables from the property financed and comfort letter from the parent for loan repayment.
7	15	18	13	4 quarterly installments of ₹ 3.75 crores each from 30 June 2021 to 31 March 2022 1 quarterly installment of ₹ 3.92 crores on 30 June 2022 1 quarterly installment of ₹ 3.49 crores on 30 September 2022	First pari passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.
2	1	1	2	5 quarterly installments of ₹ 0.36 crores each from 1 April 2021 to 1 April 2022 1 quarterly installment of ₹ 0.05 crores on 1 July 2022 2 quarterly installment of ₹ 0.55 crores from 1 October 2022 to 1 January 2022	First pari passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.

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As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
4	6	8	6	6 quarterly installments of ₹ 1.51 crores each from 30 June 2021 to 30 September 2022 1 quarterly installment of ₹ 0.75 crores on 31 December 2022	First pari passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.
423	94	530	96	20 quarterly installments of ₹ 23.62 crores each from 30 June 2021 to 31 March 2026 1 quarterly installment of ₹ 44.95 crores on 30 June 2026	Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 1 April 2019 First pari-passu charge on property, plant and equipments of 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) at Dolvi Works, Maharashtra
-	-	-	503	Repaid in FY 20-21	Secured through an unconditional and irrevocable standby letter of credit (SBLC) to the bank. The SBLC is secured corporate guarantee of JSW Steel Limited, India and a 1 st charge on property, plant and equipments of Dolvi unit upto 3.3 MTPA.
1	2	1	1	43 varying installments commencing from April 2021 to December 2024.	Secured against equipment for its preparation plant
616	303	942	-	2 installments of USD 41.25 mio each (equivalent ₹ 303 crores each) from August 2021 to August 2022 and USD 42.5 mio (equivalent ₹ 313 crores) payable in August 2023.	Secured against the property, plant and equipment (as on date of agreement i.e. August 2018) located at Mingo Junction, Ohio, USA.
10	@	-	-	47 monthly installments of ₹ 0.22 crores each from 1 February 2022 to 1 January 2026 1 installment of ₹ 0.30 crores on 1 February 2026	First pari passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.
10	1	-	-	48 monthly installments of ₹ 0.22 crores each from 1 February 2022 to 1 January 2026	First pari passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.
11,995	3,450	13,022	3,301		
Term Loans From Banks (Unsecured)				Weighted average interest rate - 3.01 %	
-	75	30	120	2 quarterly installments of ₹ 25 crores each from 20 June 2021 to 20 September 2021 1 quarterly installment of ₹ 25 crores on 20 November 2021	
-	-	-	250	Repaid in FY 20-21	
300	-	-	-	3 quarterly installments of ₹ 100 crores each from 28 June 2023 to 28 December 2023	
-	750	750	-	1 installment of ₹ 250 crores on 5 April 2021 and 1 installment of ₹ 500 crores on 5 September 2021	
141	90	300	218	5 half yearly installments of ₹ 39.07 crores each from 30 April 2021 to 30 April 2023 6 half yearly installments of ₹ 5.95 crores each from 18 September 2021 to 18 March 2024	
28	14	43	14	6 half yearly installments of ₹ 7.04 crores each from 30 September 2021 to 31 March 2024	

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As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
69	21	91	21	6 half yearly installments of ₹ 3.32 crores each from 31 July 2021 to 31 January 2024 7 half yearly installments of ₹ 1.34 crores each from 30 April 2021 to 30 April 2024 10 semiannual installments of ₹ 2.12 crores each from 25 June 2021 to 25 March 2026 10 semiannual installments of ₹ 2.21 crores each from 25 June 2021 to 25 March 2026. 11 semiannual installments of ₹ 1.56 crores each from 25 June 2021 to 25 June 2026	
28	14	43	14	6 half yearly installments of ₹ 7 crores each from 26 August 2021 to 28 February 2024	
157	81	246	84	6 half yearly installments of ₹ 17.15 crores each from 19 July 2021 to 19 January 2024 5 half yearly instalments of ₹ 23.42 crores each from 19 July 2021 to 19 July 2023 1 half yearly instalment of ₹ 17.79 crores on 19 January 2024	
108	37	150	39	7 semiannual installments of ₹ 6.03 crores each from 9 July 2021 to 9 July 2024 1 semiannual installment of ₹ 5.31 crores on 9 January 2025 7 semiannual installments of ₹ 12.68 crores each from 9 July 2021 to 9 July 2024 1 semiannual installment of ₹ 9.19 crores on 9 January 2025	
30	108	141	111	Repayable ₹ 98 crores on 12 August 2021 7 semiannual instalments of ₹ 5.02 crores each from 27 September 2021 to 25 September 2024 1 semiannual instalment of ₹ 4.49 crores on 25 March 2025	
21	10	30	10	6 semiannual installments of ₹ 5.15 crores each from 15 June 2021 to 15 December 2023.	
-	270	277	260	Repaid in FY 20-21	
47	9	54	9	12 semiannual installments of ₹ 4.70 crores each from 31 July 2021 to 31 January 2027	
-	-	-	1,131	Repaid in FY 20-21	
54	13	69	14	10 semiannual installments of ₹ 4.60 crores each from 23 July 2021 to 23 January 2026 10 semiannual installments of ₹ 2.15 crores each from 6 August 2021 to 7 February 2026	
257	405	678	-	Repayable in three tranches a. ₹ 367.52 crores on 21 February 2022 b. ₹ 36.75 crores on 6 March 2022 c. ₹ 257.27 crores on 3 July 2022	
1,158	386	1,583	-	4 annual installments of ₹ 385.90 crores from 12 October 2021 to 12 October 2024	
294	-	302	-	4 annual installments of ₹ 73.50 crores each from 12 July 2022 to 12 July 2025	
919	-	942	-	4 annual installments of ₹ 229.70 crores each from 16 July 2022 to 16 July 2025	
735	-	754	-	Repayable on 5 April 2024	
551	-	565	-	4 equal installments of ₹ 137.82 crores each from 19 October 2022 to 19 October 2025	

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
199	25	176	20	18 semi-annual installments of ₹ 12.44 crores each from 31 August 2021 to 28 February 2030	
170	21	142	16	18 semi-annual installments of ₹ 10.63 crores each from 30 June 2021 to 31 December 2029	
301	50	364	52	14 semi-annual installments of ₹ 12.92 crores each from 27 September 2021 to 25 March 2028 1 installment of ₹ 0.23 crore on 25 September 2028 14 semi-annual installments of ₹ 11.95 crores each from 27 September 2021 to 25 March 2028 1 installment of ₹ 2.57 crores on 25 September 2028	
151	22	181	23	15 semi-annual installments of ₹ 6.20 crores each from 25 June 2021 to 25 June 2028 1 installment of ₹ 2.56 crores on 25 December 2028 15 semi-annual installments of ₹ 5.07 crores each from 25 June 2021 to 25 June 2028 1 installment of ₹ 1.76 crores on 25 December 2028	
-	-	-	188	Repaid in FY 20-21	
279	64	332	-	6 quarterly installments of EUR 2.5 mio each (equivalent ₹ 21.52 crores) from 21 July 2021 to 21 October 2022 5 quarterly installments of EUR 5.0 mio each (equivalent ₹ 43.05 crores) from 21 January 2023 to 21 January 2024	
368	-	377	-	2 annual installments of USD 25 mio each (equivalent ₹ 183.76 crores) payable on 14 May 2023 and 14 May 2024	
245	123	377	-	3 annual installments of USD 16.67 mio each (equivalent ₹ 122.53 crores) payable on 13 March 2022 to 13 March 2024	
86	151	225	83	1 quarterly installments of EUR 2.5 mio each (equivalent ₹ 21.52 crores) on 25 April 2021 5 quarterly installments of EUR 5.0 mio each (equivalent ₹ 43.05 crores) from 21 July 2021 to 25 July 2022	
2	2	4	2	2 equal installments of USD 0.24 mio each (equivalent ₹ 1.76 crores)	
87	38	204	23	1 semiannual installment of USD 1.89 mio (equivalent ₹ 13.88 crores) on 27 August 2021 2 semiannual installment of USD 3.31 mio (equivalent ₹ 24.31 crores) from 26 February 2022 to 27 August 2022 2 semiannual installment of USD 4.25 mio (equivalent ₹ 31.25 crores) from 26 February 2022 to 27 August 2022	

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As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
1,103	-	1,131	-	3 annual installments of USD 1.67 mio each (equivalent ₹ 12.28 crores) from 28 March 2023 to 28 March 2025 3 annual installments of USD 6.67 mio each (equivalent ₹ 49.02 crores) from 19 April 2023 to 19 April 2025 3 annual installments of USD 10.0 mio each (equivalent ₹ 73.50 crores) from 11 July 2023 to 11 July 2025 3 annual installments of USD 6.67 mio each (equivalent ₹ 49.02 crores) from 9 October 2023 to 9 October 2025 3 annual installments of USD 3.33 mio each (equivalent ₹ 24.48 crores) from 11 January 2024 to 11 January 2026 3 annual installments of USD 6.67 mio each (equivalent ₹ 49.02 crores) from 29 January 2024 to 29 January 2026 3 annual installments of USD 15.0 mio each (equivalent ₹ 110.26 crores) from 29 January 2024 to 29 January 2026	
196	25	183	20	18 semiannual installments of USD 1.67 mio each (equivalent ₹ 12.28 crores) from 30 June 2021 to 31 December 2029	
149	32	186	33	11 semi-annual installments of ₹ 16.01 crores each from 25 June 2021 to 25 June 2026 1 installment of ₹ 5.14 crores on 25 December 2026	
1,838	-	1,885	-	2 annual installments of ₹ 612.48 crores each from 19 March 2024 to 19 March 2025 1 installment of ₹ 612.66 crores on 19 March 2026	
290	34	286	15	19 semi-annual installments of ₹ 17.06 crores each from 31 August 2021 to 31 August 2030	
875	-	786	-	1 installment of ₹ 269.57 crores on 28 December 2023 2 annual installments of ₹ 269.49 crores each from 28 December 2024 to 28 December 2025 for USD Loans 1 installment of ₹ 22.12 crores on 22 January 2024 2 annual installments of ₹ 22.11 crores each from 22 January 2025 to 22 January 2026 for JPY loans	
209	37	116	37	13 semi-annual installments of ₹ 18.17 crores from 8 August 2021 to 8 August 2027 1 installment of ₹ 9.38 crores on 8 February 2030	
342	46	293	34	17 semi-annual installments of ₹ 22.83 crores each from 30 June 2021 to 30 June 2029	
11,787	2,953	14,296	2,842		

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

As at 31 March 2021		As at 31 March 2020		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
₹ in crores		₹ in crores			
C. Acceptances for capital projects with more than 1 year					
Acceptances for capital projects with more than 1 year (Secured)					
9	-	9	-	Repayment of ₹ 9.45 crores on 1 August 2022	First pari-passu charge on movable fixed assets of 1.5 MTPA Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
-	-	8	61	Repaid in FY 20-21	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out) .
-	10	-	-	Repayment of 4 cases in 2021-22 - ₹ 10.45 crores	First pari passu charge on expansion project at Dolvi Works, Maharashtra from 5 MTPA to 10 MTPA capacity (other than specifically carved out) .
568	56	633	-	Repayment of 10 cases in 2021-22 - ₹ 55.53 crores Repayment of 78 cases in 2022-23 - ₹ 566.97 crores	First pari-passu charge on movable fixed assets of 1.5 MTPA Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
24	20	23	-	Repayment in 2021-22 - ₹ 19.74 crores Repayment in 2022-23 - ₹ 24.25 crores	First pari-passu charge over the capital goods of the respective subsidiary.
601	86	673	61		
Acceptances for capital projects with more than 1 year (Unsecured)					
132	147	268	101	Repayment of 39 cases in 2021-22 - ₹ 147.44 crores Repayment of 24 cases in 2022-23 - ₹ 132.43 crores	
464	198	662	14	Repayment of 59 cases in 2021-22 - ₹ 197.97 crores Repayment of 121 cases in 2022-23 - ₹ 461.74 crores Repayment of 02 cases in 2023-24 - ₹ 2.28 crores	
107	-	-	-	Repayment in 2022-23 - ₹ 106.85 crores	
-	-	127	-	Repaid in FY 2020-21	
703	345	1,057	115		
D. Deferred Payment Liabilities					
Deferred Sales Tax Loan (Unsecured)					
-	-	1	25	Repaid in FY 20-21	
373	3	134	-	Interest free loan Payable after 14 years by 31 March 2035	
6	1	7	@	6 varying annual instalments starting after 12 years of disbursement till July 2031	
379	4	142	25		
E. Preference Shares					
26	-	23	-	10% non-cumulative, Redeemable at their face value after 15 years from the date of allotment at 20% per annum on or before 31 March of every year starting from the 16 th year and ending on or before 31 March of the 20 th year.	
26	-	23	-		
G. Unamortised Upfront Fees on Borrowing					
(351)	(30)	(275)	(87)		
Total Amount					
49,731	8,318	44,673	6,375		

@ - less than ₹ 0.50 crores

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

23. Derivative liabilities

a. Non-current

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Interest rate swaps	57	130
Total	57	130

b. Current

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Forward contract	74	181
Commodity contract	1	67
Interest rate swaps	28	
Currency options	7	3
Total	110	251

24. Other financial liabilities (non-current)

Particulars	₹ in crores		₹ in crores	
	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Rent and other deposits	47	69	44	66
Retention money for capital projects	535	1,202	407	1,082
Other payables	6	19	13	-
Total	588	1,290	464	1,148
Less: Amount clubbed under other financial liabilities (refer note 30)	-	(1,290)	-	(1,148)
Total	588	-	464	-

25. Provisions

Particulars	₹ in crores		₹ in crores	
	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
Provision for compensated absences (refer note 43)	167	41	123	43
Provision for gratuity (refer note 43)	224	45	181	95
Provision for long term service award	13	2	12	2
Provision for provident fund (refer note 43)	-	-	-	5
Other provisions				
Restoration liabilities	445	41	29	@
Provision for onerous contracts	-	126	-	-
Others	3	19	3	16
Total	852	274	348	161

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Provision for contingency		
Balance at the beginning of the year	-	2
Utilisation during the year	-	2
Balance at the end of the year	-	-
Restoration liabilities #		
Balance at the beginning of the year	29	18
Created during the year	455	9
Unwinding of discount and changes in the discount rate	2	1
Movement on account of exchange rate variation	@	1
Balance at the end of the year	486	29
Provision for onerous contracts		
Balance at the beginning of the year	-	-
Movement during the year	126	-
Balance at the end of the year	126	-
Others		
Balance at the beginning of the year	19	19
Movement during the year	3	@
Balance at the end of the year	22	19

@ - less than ₹ 0.50 crores

Site restoration expenditure is incurred on an ongoing basis until the closure of the site. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure.

26. Income Tax

India

Indian companies are subject to Indian income tax on a standalone basis. For each fiscal year, the respective entities profit or loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Statutory income tax is charged at 30% plus a surcharge and education cess with tax benefits or 22% plus a surcharge and education cess without tax benefits.

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2019-20 is 15% plus a surcharge and education cess. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

United States of America (USA)

Some of the subsidiaries of the Group are a C corporation for federal tax purposes and files a consolidated tax return. The subsidiaries records income taxes pursuant to the liability method and the applicable tax rate is 21%.

Italy

The subsidiaries in Italy records income taxes pursuant to the liability method. The nominal tax rates in Italy are 24% for the Income Tax of the Companies (IRES) and 3.9% for the Regional Tax on Productive Activities (IRAP), calculated on a different tax base.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

a) Income tax expense/(benefit)

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax		
Current tax (including earlier years reversal/ adjustments)	2,467	943
Total	2,467	943
Deferred tax		
Deferred tax	288	133
MAT credit entitlement	1,478	198
(Restoration)/Reversal of MAT credit entitlement relating to earlier years on finalisation of income tax returns	172	(16)
Reversal of DTL on measurement due to change in tax rate (Refer note b below)	-	(2,225)
Deferred tax provision/(reversal) for earlier years on finalisation of income tax returns	(263)	61
Total	1,675	(1,849)

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before tax	12,015	3,013
Enacted tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	4,199	1,053
Expenses not deductible in determining taxable profits	71	34
Income exempt from taxation / taxable separately	(7)	(105)
Tax holiday allowances	(516)	(382)
Effect of different tax rates of subsidiaries	231	309
Deferred tax assets not recognised	394	751
Tax provision/(reversal) for earlier years on finalisation of income tax returns	(137)	(67)
Elimination of allowances for loan to subsidiaries on consolidation	(114)	(212)
Reversal of DTL on measurement due to change in tax rate (refer note b below)	-	(2,323)
Others	21	36
Total	4,142	(906)
Effective tax rate	34.47%	(30.07)%

- a) There are certain income-tax related legal proceedings which are pending against the Group. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 46).
- b) Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') subsequently amended in Finance Act issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions.

During the previous year ended 31 March 2020, the Group had made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit. Based on the detailed assessment carried out the management, deferred tax liabilities on temporary differences expected to reverse during the year in which the Company and one of its subsidiaries would be under the new tax regime and accordingly applied the new rate for measuring the said deferred tax liabilities in accordance with the requirements of IND AS 12 - 'Income Taxes'. This had resulted in reversal of deferred tax liabilities amounting to ₹ 2,225 crores.

Further, certain components of the Group have opted for the new tax rate from financial year 2019-20 which has resulted into a reversal of deferred tax liabilities upto 31 March 2019 amounting to ₹ 98 crores during the previous year ended 31 March 2020.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

There are certain income-tax related legal proceedings which are pending against the Group and its Joint ventures. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 46).

b) Deferred tax assets / (liabilities)

The following is the analysis of deferred tax assets / (liabilities) balances presented in the balance sheet:

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Deferred tax liabilities	(3,509)	(1,677)
Deferred tax assets	-	-
Total	(3,509)	(1,677)

Significant component of deferred tax assets / (liabilities) and movement during the year are as under:

Deferred tax balance in relation to	As at 31 March 2020	Acquired pursuant to business combination	For the year ended 31 March 2021			As at 31 March 2021
			Recognised / (reversed) through profit and loss	Recognised in (reclassified) from OCI	Others	
Property, plant and equipment	(9,454)	-	(242)	18	2	(9,676)
Carried forward business loss / unabsorbed depreciation	661	-	(137)	(6)	(2)	516
Provision for employee benefit / loans and advances	1,197	-	323	(12)	-	1,508
Minimum alternate tax (MAT) credit entitlement	4,444	-	(1,650)	-	-	2,794
Cashflow hedges	254	-	-	(143)	-	111
Lease liabilities	679	-	(17)	-	-	662
Others	542	-	48	(12)	(2)	576
Total	(1,677)	-	(1,675)	(155)	(2)	(3,509)

Deferred tax balance in relation to	As at 1 April 2019	Acquired pursuant to business combination	For the year ended 31 March 2020			As at 31 March 2020
			Recognised / (reversed) through profit and loss	Recognised in (reclassified) from OCI	Others	
Property, plant and equipment	(11,174)	(6)	1,813	-	(87)	(9,454)
Carried forward business loss / unabsorbed depreciation	1,207	-	(596)	-	50	661
Provision for employee benefit / loans and advances	673	-	517	7	-	1,197
Minimum alternate tax (MAT) credit entitlement	4,626	-	(182)	-	-	4,444
Cashflow hedges / FCMITDA	1	-	-	253	-	254
Lease liabilities	621	-	58	-	-	679
Others	269	(3)	239	-	37	542
Total	(3,777)	(9)	1,849	260	-	(1,677)

The Group offsets deferred tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and relates to income taxes levied by the same tax authority.

Deferred tax assets on carry forward business loss/ unabsorbed depreciation have been recognised to the extent of deferred tax liabilities on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax asset at respective entities.

The deferred tax liabilities on temporary differences associated with investment in subsidiaries which have not been recognised aggregate to ₹ 971 crores (31 March 2020: ₹ 628 crores), where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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Expiry schedule of losses on which deferred tax assets is not recognised is as under:

Expiry of losses (as per local tax laws)	₹ in crores							
	2021-22	2022-23	2023-24	2024-25	2025-26	Beyond 5 years	Indefinite	Total
I. Business losses	86	94	119	2,460	1,069	335	8,035	12,198
II. Unabsorbed depreciation	-	-	-	-	-	-	425	425
III. Long term capital losses	203	3	-	2,025	-	-	-	2,231
IV. Short term capital losses	-	@	-	665	-	-	-	665
Total	289	97	119	5,150	1,069	335	8,460	15,519

@ - Less than ₹ 0.50 crores

27. Other non-current liabilities

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Advance from customer #	2,033	3,044
Others	164	28
Total	2,197	3,072

Advance from customer includes the amount relating to a five year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. for supply of Steel Products. Duferco S.A. has provided an interest bearing advance amount of USD 700 million under this agreement. The advance and interest will be adjusted by export of steel products to Duferco S.A. Current portion of ₹ 1,010 crores (as at 31 March 2020 - ₹ 1,010 crores) has been included in note 31.

28. Borrowings (current) (at amortised cost)

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Loan repayable on demand		
Working capital loans from banks (secured)		
Rupee loans	846	3,092
Foreign currency loans	653	1,150
Export Packing Credit in Rupee from banks (unsecured)	-	200
Rupee loans from banks (unsecured)	500	-
Commercial papers (unsecured)	-	3,883
Total	1,999	8,325

Borrowing have been drawn at following rate of interest

Particulars	Rates of interest
Working capital loans from banks (including rupee loans from banks)	0.25% p.a. to 12.05% p.a.

Working capital loans from banks of ₹ 1,499 crores (31 March 2020 - ₹ 4,242 crores) are secured by:

- pari passu first charge by way of hypothecation of stocks of raw materials, finished goods, work-in-process, consumables (stores and spares) and book debts / receivables of the Company and the respective subsidiary, both present and future.
- pari passu second charge on movable properties and immovable properties forming part of the property, plant and equipment of the Company and the respective subsidiary, both present and future except such properties as may be specifically excluded.

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29. Trade payables

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
(a) Total outstanding, dues of micro and small enterprises	230	142

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

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Principal amount due outstanding as at end of year (refer note (i) below)	268	142
Interest due on (1) above and unpaid as at end of year	18	-
Interest paid to the supplier	@	-
Payments made to the supplier beyond the appointed day during the year	14	*
Interest due and payable for the year of delay	443	*
Interest accrued and remaining unpaid as at end of year	7	-
Amount of further interest remaining due and payable in succeeding year	-	-

@ - Less than ₹ 0.50 crores, *Under legal valuation

- It includes vendors classified as part of other financial liabilities in note 28 relating to payable for capital projects amounting to ₹ 38 crores as at 31 March 2021 (₹ Nil as at 31 March 2020).

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
(b) Total outstanding, dues of creditors other than micro and small enterprises		
Acceptances	8,356	9,798
Other than acceptances	6,657	7,978
Total	15,013	17,776

Acceptances include credit availed by the Group from banks for payment to suppliers for raw materials purchased by the Group. The arrangements are interest-bearing and are payable within one year.

Payables other than acceptances payables are normally settled within 180 days.

Trade payables to related parties has been disclosed in note 45.

30. Other financial liabilities (current)

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Current maturities of long term borrowings (refer note 22)	8,318	6,375
Current dues of other financial liabilities (refer note 24)	1,290	1,148
Payables for capital projects		
Acceptances	4,376	2,710
Other than acceptances	1,323	2,461
Interest accrued but not due on borrowings	851	651
Payables for bid premium and royalty	2,944	-
Payables to employees	375	313
Unclaimed matured debentures and accrued interest thereon	@	@
Unclaimed dividends	32	32
Unclaimed amount of sale proceeds of fractional shares	3	3
Purchase consideration payable on acquisition of business (refer note 41)	811	-
Others	1,024	450
Total	21,347	14,143

@ - less than ₹ 0.50 crores

Acceptance includes credit availed by the group from banks for payment to suppliers for capital items. The arrangements are interest-bearing and are payable within one year.

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31. Other current liabilities

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Advances from customers	1,984	1,459
Statutory liabilities	847	419
Export obligation deferred income	513	561
Others	21	16
Total	3,365	2,455

Advance from customer includes current portion ₹ 1,010 crores (as at 31 March 2020 - ₹ 1,010 crores relating to APSA. Refer note 27.

Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme and Special Economic Zone (SEZ) scheme on purchase of property, plant and equipment accounted for as government grant and being amortised over the useful life of such assets.

32. Revenue from operations

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products (including shipping services)	78,059	71,116
Other operating revenues		
Government grant income		
Grant income recognised under PSI 2007 scheme (refer note a below)	261	126
Deferred Income GST government / Sales Tax Loan	242	497
Export obligation deferred income amortisation	239	144
Export benefits and entitlements income	445	395
Unclaimed liabilities written back	62	144
Miscellaneous income* (refer note c below)	531	188
Total (a)	79,839	72,610
VAT / GST incentive relating to earlier years (refer note a below)	-	466
Fees for assignment of procurement contract (refer note b below)	-	250
Total (b)	-	716
Total Revenue from operations(a+b)	79,839	73,326

*includes income from scrap sales, CST incentive etc.

Notes:

a) Incentives under the State Industrial Policy

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds historically. The Company currently recognises income for such government grants based on the State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST).

- i) During October 2019, the Company has received an in-principle approval for eligibility from the Government of Maharashtra in response to the application filed by the Company for incentive under PSI Scheme 2007 on its investment for expansion from 3.3 MTPA to 5 MTPA at Dolvi unit for the period beginning May 2016 onwards. The Company has submitted the required documentation with the State Government for issuance of the Eligibility Certificate and expects to receive the same basis the modalities declared by the Government. Accordingly, the Group has recognised grant income amounting to ₹ 261 crores for the year ended 31 March 2021. The cumulative amount receivable towards the same is ₹ 852 crores as at 31 March 2021.

Also, the Company had recognised grant income during the previous year including ₹ 466 crores in relation to earlier years.

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- ii) The State Government of Maharashtra (GOM) vide its Government Resolution (GR) dated 20 December 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said Incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

- b) During the previous year, the Company received an amount of ₹ 250 crores as consideration from a vendor for assignment of its long term supply contract in favor of a third party with same terms and conditions over the remaining term of the contract and have accordingly recognised one-time income in relation to the same.
- c) During the year, miscellaneous income includes an amount of ₹ 260 crores income recognised from a one time disputed claims settlement and Government Grant received at the US operations of the Group.

d) Ind AS 115 Revenue from Contracts with Customers

The Group recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 42):

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from contracts with customer - Sale of products (including shipping services)	78,059	71,116
Other operating revenue	1,780	2,210
Total revenue from operations	79,839	73,326
India	59,030	55,419
Outside India	20,809	17,907
Total revenue from operations	79,839	73,326
Timing of revenue recognition		
At a point in time	79,839	73,326
Total revenue from operations	79,839	73,326

Product wise turnover

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
MS slabs	428	856
Hot rolled coils/steel plates/sheets	28,023	26,554
Galvanised coils/sheets	10,262	7,643
Color Coated Galvanised and Galvalume coils/sheets	5,407	4,571
Cold rolled coils/sheets	7,967	8,340
Steel billets & blooms	1,451	389
Long rolled products	15,528	16,593
Plates and pipes	2,527	2,780
Iron ores	2,188	-
Others	4,278	3,390
Total	78,059	71,116

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Contract Balances

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Trade Receivables (refer note 17)	4,486	4,505
Contract liabilities		
Advance from customers (refer note 27 and 31)	4,017	4,503

The credit period on sales of goods ranges from 7 to 90 days with or without security.

The acquisition of the subsidiaries resulted in increase in trade receivables of ₹ 123 crores in FY 2020-21.

As at 31 March 2021, ₹ 205 crores (previous year: ₹ 181 crores) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include long term and short term advances received for sale of goods. The outstanding balances of these accounts increased in due to the continuous increase in the customer base. Long term advances are detailed in note 27.

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹ 1,459 crores (previous year: ₹ 1,154 crores) and performance obligations satisfied in previous years is ₹ Nil (previous year: ₹ Nil).

Out of total contract liabilities outstanding as on 31 March 2021 ₹ 1,984 crores (previous year ₹ 1,459 crores) will be recognised by 31 March 2022 and remaining thereafter.

Refund liabilities

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Arising from volume rebates and discount (included in Other financial liabilities - Note 30)	864	343

The Group does not have any significant adjustments between the contracted price and revenue recognised in the consolidated statement of profit and loss.

33. Other income

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income earned on financial assets that are not designated as FVTPL		
Loans to related parties	102	76
Bank deposits	300	315
Others	79	48
Dividend income from non-current investments designated as FVTOCI	11	10
Gain on sale of current investments designated as FVTPL	7	5
Fair value gain on financial instruments designated as FVTPL	-	4
Unwinding of interest on financial assets carried at amortised cost	52	45
Net loss/ (gain) on foreign currency transactions and translation	1	-
Fair value gain on joint venture's previously held stake on acquisition of control	-	13
Miscellaneous income (insurance claim received, rent income etc.)	40	30
Total	592	546

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34. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening stock:		
Semi-finished /finished goods/stock-in-trade	4,903	4,473
Work-in-progress	451	583
	5,354	5,056
Acquired pursuant to business combination (refer note 41):		
Semi-finished /finished goods/stock-in-trade	72	28
	72	28
Closing stock:		
Semi-finished /finished goods/stock-in-trade	5,218	4,903
Work-in-progress	556	451
	5,774	5,354
Total	D=A+B-C	(348)

35. Employee benefits expense

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	2,121	2,343
Contribution to provident and other funds (refer note 43)	262	327
Gratuity expense	2	7
Expense on employees stock ownership plan	20	31
Staff welfare expenses	101	131
Total	2,506	2,839

The Company in the previous year launched a one-time scheme applicable only for certain permanent employees (Eligible Employee) of the Company. The Eligible Employee can purchase the Equity Shares from the open market by availing a loan provided by a bank / non-banking financial institution ("Lending Agency") identified by the Company to facilitate acquisition of Equity Shares by the Eligible Employees under the Plan. The plan provides that the Company shall service 75% of the total interest liability owed to the Lending Agency and the balance 25% will be borne by the Eligible Employee. The interest expense recognised in the financial statements during the year was ₹ 13 crores (₹ 7 crores in 31 March 2020).

36. Finance costs

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense		
on bonds and debentures	1,250	838
Others	2,205	2,792
Dividend on redeemable preference shares	-	12
Interest on finance lease obligations	241	252
Unwinding of interest on financial liabilities carried at amortised cost	49	30
Exchange differences regarded as an adjustment to borrowing costs	7	89
Other borrowing costs	152	248
Interest on income tax	53	4
Total	3,957	4,265

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37. Depreciation and amortisation expense

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment	4,231	3,939
Depreciation of Investment property	4	4
Amortisation of intangible assets	159	42
Depreciation of right-of-use assets	285	261
Total	4,679	4,246

38. Other expenses

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Stores and spares consumed	3,057	3,781
Power and fuel	5,985	6,272
Rent	50	54
Repairs and maintenance		
Plant and equipment	1,123	1,201
Buildings	41	29
Others	47	24
Insurance	196	146
Rates and taxes	102	204
Carriage and freight	4,110	3,898
Jobwork and processing charges	646	659
Commission on sales	56	46
Net loss / (gain) on foreign currency transactions and translation #	(104)	829
Donations and contributions	-	56
Fair value loss on financial instruments designated as FVTPL	2	2
Mining and development cost	251	-
Miscellaneous expenses	2,012	1,889
Allowance for doubtful debts and advances	101	113
Loss on sale of property, plant and equipment (net)	37	30
Total	17,712	19,233

including hedging cost of ₹ 306 crores (previous year ₹ 332 crores)

39. Earnings per share

Particulars	₹ in crores	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit attributable to equity shareholders (A) (₹ in crores)	7,911	4,030
Weighted average number of equity shares for basic EPS (B)	2,403,812,821	2,402,145,868
Effect of dilution :		
Weighted average number treasury shares held through ESOP trust	13,407,619	15,074,572
Weighted average number of equity shares adjusted for the effect of dilution(C)	2,417,220,440	2,417,220,440
Earnings per share of ₹ 1 each		
Basic (₹)	(A / B)	16.78
Diluted (₹)	(A / C)	16.67

For details regarding treasury shares held through ESOP trust (refer note 20(a) and 40)

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40. Employee share based payment plans

ESOP SCHEME 2016

The Board of Directors of the Company at its meeting held on 29 January 2016, formulated the JSWSL EMPLOYEES STOCK OWNERSHIP PLAN 2016 ("ESOP Plan"). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

ESOP 2016 is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the company and its subsidiaries in India.

Three grants have been made under ESOP plan 2016 to eligible employees on the rolls of the company as at 1 April, 2016, 1 April, 2017 and 1 April, 2018.

During the previous year the Company has made supplementary grants under the JSWSL Employee stock ownership Plan 2016 to its permanent employees who are on the rolls of the Company and its Indian subsidiaries as on 5 December 2019 and the same was approved by the ESOP committee in its meeting held on 5 December 2019.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 50% of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the fourth year with a vesting condition that the employee is in continuous employment with the company till the date of vesting.

The exercise price would be determined by the ESOP committee as a certain discount to the primary market price on the date of grant.

A total of 28,687,000 options are available for grant to the eligible employees of the Company and a total of 3,163,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

The outstanding position as at 31 March 2021 is summarised below:

Particulars	ESOP 2016		
	1st grant (L-16 and above Grade)	2nd grant (L-16 and above Grade)	3rd grant (L-16 and above Grade)
Date of grant			
-original grant	17 May 2016	16 May 2017	14 May 2018
-supplementary grant	5 December 2019	5 December 2019	5 December 2019
Share Price on date of grant			
-original grant	129.56	201.70	329.05
-supplementary grant	259.80	259.80	259.80
Average fair value on date of grant			
-original grant	67.48	104.04	167.15
-supplementary grant	91.07	92.55	98.63
Outstanding as on 1 April 2019	6,377,110	4,718,488	3,375,417
Granted during the year	185,595	129,154	211,002
Transfer in	28,370	19,926	-
Transfer out	418,990	278,188	193,376
Forfeited \ lapsed during the year	127,315	187,655	132,092
Exercised during the year	824,510	4,617	-
Outstanding as on 31 March 2020	5,220,260	4,397,108	3,260,951
Granted during the year *	-	-	6,108
Transfer in	-	-	-
Transfer out	29,100	23,247	16,284
Forfeited \ lapsed during the year	64,225	46,219	67,460
Exercised during the year	2,289,495	675,644	12,357
Outstanding as on 31 March 2021	2,837,440	3,651,998	3,170,958
of above - vested outstanding options	2,837,440	3,651,998	1,585,479
of above - unvested outstanding options	-	-	1,585,479

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Particulars	ESOP 2016		
	1st grant (L-16 and above Grade)	2nd grant (L-16 and above Grade)	3rd grant (L-16 and above Grade)
Vesting Period Original	17 May 2016 till 31 March 2019 (for 50% of the grant) and 17 May 2016 to 31 March 2020 (for remaining 50% of the grant)	16 May 2017 till 31 March 2020 (for 50% of the grant) and 16 May 2017 to 31 March 2021 (for remaining 50% of the grant)	14 May 2018/ 5 December 2019 till 31 March 2021 (for 50% of the grant) and 14 May 2018/ 5 December 2019 to 31 March 2022 (for remaining 50% of the grant)
Supplementary	5 December 2019 to 6 December 2020 for the subsequent grants	5 December 2019 to 6th December 2020 for 50% of the options granted and upto 31st March, 2021 for remaining 50% of the options granted	
Exercise period		4 years from vesting date	
Weighted average remaining contract life			
- original grant	30 months	42 months	54 months
- Supplementary grant	45 months	47 months	54 months
Exercise Price			
- Original grants	103.65	161.36	263.24
- Supplementary grants	207.84	207.84	207.84
Weighted average share price for shares exercised during the year	291.79	291.79	291.79
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The fair value of options has been calculated by using Black Scholes Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Scholes Method. The assumptions used in the above are:	The fair value of options has been calculated by using Black Scholes Method. The assumptions used in the above are:
Expected volatility	Volatility was calculated using standard deviation of daily change in stock price. The volatility used for valuation is 39.23 % for options with 3 year vesting and 39.62 % with 4 years vesting	Volatility was calculated using standard deviation of daily change in stock price. The volatility used for valuation is 33.76 % for options with 3 year vesting and 37.43 % with 4 years vesting	Volatility was calculated using standard deviation of daily change in stock price. The volatility used for valuation is 33.23 % for options with 3 year vesting and 33.28% with 4 years vesting
Original grants	The volatility used for valuation is 32.30 % for options with 1 year vesting	The volatility used for valuation is 32.30 % for options with 1 year vesting and 32.10 % with 1.32 years vesting	The volatility used for valuation is 32.10 % for options with 1.32 years vesting and 32.21 % with 2.32 years vesting
Supplementary grants	The expected option life is assumed to be midway between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be midway between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2	The expected option life is assumed to be midway between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2
Expected dividends			
- Original grants	₹ 1.10 per share	₹ 0.75 per share	₹ 2.25 per share
- Supplementary grants	₹ 4.10 per share	₹ 4.10 per share	₹ 4.10 per share
Risk-free interest rate	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option	Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option

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Particulars	ESOP 2016		
	1st grant (L-16 and above Grade)	2nd grant (L-16 and above Grade)	3rd grant (L-16 and above Grade)
Original grants	The rate used for calculation is 7.36% (for 3 years vesting) & 7.44%(for 4 years vesting)	The rate used for calculation is 6.87% (for 3 years vesting) & 6.96%(for 4 years vesting)	The rate used for calculation is 7.85% for options with 3 year vesting and 7.92% for options with 4 years vesting
Supplementary grants	The rate used for calculation is 5.67% (for 1 year vesting)	The rate used for calculation is 5.67% (for 1 years vesting) & 5.76% (for 1.32years vesting)	The rate used for calculation is 5.76% (for 1.32 years vesting) & 6.02% (for 2.32 years vesting)
The method used and the assumptions made to incorporate the effects of expected early exercise;	Black-Scholes Options pricing model		
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The following factors have been considered: a) Share price b) Exercise prices c) Historical volatility d) Expected option life e) Dividend Yield		
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.			

*Includes grants as part of supplementary grants

41. Business combination

a) Pursuant to the Corporate Insolvency Resolution process under the Insolvency Bankruptcy Code, 2016 the Resolution Plan submitted by JSW Steel Coated Products Limited ("JSCPL"), a wholly owned subsidiary of the Company in respect of the corporate insolvency resolution process of Asian Color Coated Ispat Limited ("ACCIL") has been approved with certain modifications by the Hon'ble National Company Law Tribunal, New Delhi ("NCLT") on 19 October 2020.

JSCPL completed the acquisition of ACCIL through its wholly owned subsidiary Hasaud Steel Limited on 27 October 2020 by infusing ₹ 1,550 crores as per approved resolution plan.

ACCIL is mainly engaged in manufacture of downstream steel products and has two manufacturing units located at Khopoli, Maharashtra and Bawal, Haryana.

As per Ind AS 103 on Business Combination, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities. The resulting differential has been accounted as capital reserve. The financial statements include the results of ACCIL for the period from 1 November 2020 to 31 March 2021.

The provisional fair value of the identifiable assets and liabilities of ACCIL as at the date of acquisition and purchase consideration is as below:

Particulars	₹ in crores
Assets	
Property Plant and Equipment	1,402
Investment property	16
Investments	19
Inventories	144
Trade receivables	29
Other receivables	29
Cash and cash equivalents	420
Total (A)	2,059
Liabilities	
Borrowings	
Trade Payables	86
Other current liabilities and provision	60
Total (B)	146
Total identifiable net assets acquired at fair value (C) = (A-B)	1,913
Purchase Consideration transferred in cash (D)	1,550
Provisional Goodwill/ (Bargain purchase) arising on acquisition (E)	(363)

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Basis the provisional purchase price allocation carried out by independent valuation expert, the bargain purchase of ₹ 363 crores arising on ACCIL acquisition has been accounted for in the books of the company.

The Company has recognised a capital reserve on bargain purchase of ₹ 363 crores, basis the provisional purchase price allocation carried out by independent valuation expert. There is a significant time gap between the bid date and final acquisition date, which resulted in the generation of working capital, out of the operations performed in the intermediate period. Therefore, the company was able to record a capital reserve on this acquisition, primarily due to increase in working capital.

At the date of the acquisition, the fair value of the trade receivables approximated their gross contractual amount.

From the date of acquisition, ACCIL has contributed to ₹ 2,016 crores of revenue and a net profit after tax of ₹ 16 crores.

- b) The Company entered into an assignment agreement on 31 March 2021 with Laptev Finance Private Limited (Laptev), a JSW Group company whereby Laptev assigned to the Company all rights and obligations of Laptev under the Business Transfer Agreement with Welspun Corp Limited (Welspun).

In accordance with the Business Transfer Agreement, the Company acquired from Welspun, the business of manufacturing of high-grade steel plates and coils (PCMD Business) as a going concern on slump sale by Welspun, for a consideration of ₹ 848.50 crores subject to closing adjustments towards net working capital. As a part of the transaction, the Company also purchased a parcel of land pertaining to PCMD Business from Welspun Steel Limited for ₹ 1.50 crores.

The facility has a manufacturing capacity of 1.2 MTPA of steel plates or coils.

As per Ind AS 103, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities, which resulted in no goodwill/ capital reserve as at 31 March 2021.

The provisional fair value of the identifiable assets and liabilities of the PCMD business as at the date of acquisition and purchase consideration is as below:

Particulars	₹ in crores
Assets	
Property Plant and Equipment	850
Inventories	75
Trade receivables	4
Other current assets	5
Total (A)	934
Liabilities	
Trade payables (acceptances)	121
Other current liabilities and provision	2
Total (B)	123
Total identifiable net assets acquired at fair value (C) = (A-B)	811
Purchase consideration payable (D)	811
Provisional Goodwill/ (Bargain purchase) arising on acquisition (E)	-

There is no impact in the Consolidated statement of profit and loss of the Company for the year as the transaction was completed on 31 March 2021.

If both the above acquisition had taken place at the beginning of the period, management estimates that consolidated revenue from operation and profit for the combined entity would be ₹ 81,713 crores and ₹ 7,123 crores respectively. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2020.

- c) Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for Bhushan Power and Steel Limited ('BPSL') was approved by the Hon'ble National Company Law Tribunal (NCLT) vide order dated 5 September 2019 and subsequently an appeal preferred by the Company has been allowed by the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 17 February 2020. The erstwhile promoters of BPSL, certain operational creditors and the Directorate of Enforcement ('ED') preferred an appeal before the Hon'ble Supreme Court against the NCLAT Order, which are pending for adjudication.

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The Company, basis legal opinion, believes it has good case based on judicial precedent to succeed in appeal pending before Hon'ble Supreme Court, accordingly on 26 March 2021 the Company completed the acquisition of BPSL by implementing the resolution plan approved by NCLT basis an agreement entered with BPSL's committee of creditors that provides an option/right to the Company to unwind the transaction in case of unfavorable ruling on certain specified matters by Hon'ble Supreme Court.

On Implementation of Resolution Plan, the Company has also entered an arrangement with JSW Shipping & Logistics Private Limited ('JSLPL') through which the Company and JSLPL holds equity of Piombino Steel Limited ('PSL') in the ratio of 49% and 51% respectively giving joint control of PSL to the Company and JSLPL.

The Company has invested ₹ 980 crores, ₹ 4,100 crores and ₹ 7 crores in equity shares, Optionally Fully Convertible Debentures (OFCD) and share warrants respectively. PSL has received additional equity contribution from JSLPL amounting to ₹ 1,027 crores (including share warrants) and raised further debt. PSL has invested ₹ 8,550 crores in Makler Private Limited ('Makler') and Makler has raised further debt and paid ₹ 19,350 crores to the financial creditors of BPSL in accordance with approved Resolution Plan. Pursuant to merger of Makler with BPSL in accordance with Resolution Plan, BPSL has become wholly owned subsidiary of PSL.

The Company has accounted its investment in PSL by applying equity method of accounting in accordance with Ind-AS 28 'Investments in Associates and Joint Ventures' basis unaudited consolidated financial statements of PSL wherein purchase consideration has been allocated on a provisional basis in accordance with Ind-AS 103 'Business Combinations' pending final determination of fair value of the acquired assets and liabilities. Accordingly, the Company has recognised its share of capital reserve amounting to ₹ 1,552 crores.

BPSL operates a 2.5 MTPA integrated steel plant located at Jharsuguda, Odisha and also have downstream manufacturing facilities at Kolkata, West Bengal and Chandigarh, Punjab.

42. Segment reporting

The Group is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Group's performance and resource allocation. The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed below:

Information about geographical revenue and non-current assets

a) Revenue from operations

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020		
	Within India	Outside India	Total	Within India	Outside India	Total
	Revenue from operations	59,030	20,809	79,839	55,419	17,907

Revenue from operations has been allocated on the basis of location of customers.

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b) Non-current assets

Particulars	₹ in crores					
	As at 31 March 2021			As at 31 March 2020		
	Within India	Outside India	Total	Within India	Outside India	Total
(a) Property, plant and equipment	52,737	6,120	58,857	50,923	6,702	57,625
(b) Capital work-in-progress	31,532	901	32,433	26,434	423	26,857
(c) Investment property	119	140	259	91	133	224
(d) Right-of-use assets	3,727	89	3,816	3,371	100	3,471
(e) Goodwill	36	300	336	43	372	415
(f) Other intangible assets	1,615	34	1,649	325	25	350
(g) Intangible assets under development	130	3	133	331	3	334
(h) Investment in joint ventures	2,969	-	2,969	283	-	283
(i) Other non-current assets	2,805	43	2,848	2,704	252	2,956
(j) Current tax assets (net)	275	-	275	385	-	385
(k) Financial assets			8,890			2,442
Total non-current assets			112,465			95,342

Non-current assets have been allocated on the basis of their physical location.

43. Employee benefits

a) Defined contribution plan

The Group operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the Group in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

Group's contribution to provident fund and 401 (K) plan recognised in the Consolidated Statement of Profit and Loss is ₹ 94 crores (previous year: ₹ 137 crores) (included in note 35).

b) Defined benefit plans

The Group sponsors funded defined benefit plans for qualifying employees. The defined benefit plans are administered by a separate Fund that is legally separated from the entity.

The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days' salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

Under the Compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2021 by independent qualified actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(i) Gratuity

Particulars	₹ in crores			
	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Funded	Unfunded	Funded	Unfunded
a) Liability recognised in the Balance Sheet				
i) Present value of obligation				
Opening balance	360	9	310	5
Service cost	22	2	21	2
Interest cost	25	1	21	1
Actuarial loss / (gain) on obligation	(31)	(2)	22	-
Benefits paid	(28)	@	(14)	(1)
Experience adjustments	(4)	-	-	-
Transfer on business combination	-	5	-	2
Liability In	1	@	-	-
Liability transfer	@	@	-	-
Closing balance	345	15	360	9
Less:				
ii) Fair value of plan assets				
Opening balance	93	-	97	-
Expected return on plan assets less loss on investments	6	-	7	-
Actuarial (loss)/gain on plan assets	@	-	-	-
Employers' contribution	12	-	-	-
Fund transfer	@	-	-	-
Benefits paid	(20)	-	(11)	-
Closing balance	91	-	93	-
Amount recognised in Balance Sheet (refer note 25)	254	15	267	9
b) Expenses during the year				
Service cost	22	2	21	2
Interest cost	25	1	21	1
Expected return on plan assets	(6)	-	(7)	-
Transferred to preoperative expenses	(1)	-	-	-
Component of defined benefit cost recognised in statement of profit & loss (a)	40	3	35	3
Remeasurement of net defined benefit liability				
Actuarial (gain)/loss on defined benefit obligation	(31)	(2)	22	1
Return on plan assets (excluding interest income)	@	-	@	-
Component of defined benefit cost recognised in other comprehensive income (b)	(31)	(2)	22	1
Total (a+b)	9	1	57	2
c) Actual return on plan assets	7	-	7	-
d) Break up of plan assets:				
(i) ICICI Prudential Life Insurance Co. Ltd.				
Balanced Fund	3	-	3	-
Debt Fund	3	-	3	-
Short Term Debt Fund	@	-	-	-
(ii) HDFC Standard Life Insurance Co. Ltd.				
Defensive Managed Fund	13	-	1	-
Secure Managed Fund	15	-	21	-

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Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Funded	Unfunded	Funded	Unfunded
Stable Managed Fund	@	-	-	-
(iii) SBI Life Insurance Co. Ltd. - Cap Assured Fund	37	-	44	-
(iv) LIC of India - Insurer Managed Fund	16	-	9	-
(v) Kotak- Group Bond fund	@	-	-	-
(vi) Bajaj Allianz Fund	3	-	11	-

@ - less than ₹ 0.50 crores

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.

e) Principal actuarial assumptions

Particulars	2021-22		2020-21	
Discount rate	6.80%-6.87%	6.67%-6.86%	6.84%-6.89%	6.80%-6.87%
Expected return on plan assets	5.10%-6.00%	-	6.84%-6.89%	-
Expected rate of increase in salaries	6.80%-6.87%	6.00%-8.00%	6.00%-8.00%	6.00%-8.00%
Attrition rate	2.00%-3.70%	2.00%-10.00%	2.00%	2.00%-10.00%

Based on India's standards mortality table with modifications to reflect expected changes in mortality.

f) Experience adjustments

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Defined benefit obligation	360	368	315	270	243
Plan assets	91	93	97	95	80
Surplus / (deficit)	(269)	(275)	(218)	(175)	(163)
Experience adjustments on plan liabilities - loss/(gain)	(33)	23	19	5	20
Experience adjustments on plan assets - gain/(loss)	@	@	@	@	@

@ - less than ₹ 0.50 crores

- g) The Group expects to contribute ₹ 87 crores (previous year ₹ 95 crores) to its gratuity plan for the next year.
- h) The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years (31 March 2020: 10 years).
- i) In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2006-08) ultimate.
- j) Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.
- k) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- l) The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Defined benefit obligation	360	368
Plan assets	91	93
Net liability arising from defined benefit obligation	269	275

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Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	31 March 2021		31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(22)	25	(27)	32
Future salary growth (1% movement)	25	(23)	31	(28)
Attrition rate (1% movement)	3	(3)	2	(2)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Category of assets average percentage allocation fund wise

	SBI	HDFC	ICICI	Bajaj Allianz	Kotak	LIC - I	LIC - II
Government securities	0.00%	46.72%	35.97%	60.40%	-	76.50%	20.00%
Debt	87.70%	37.60%	38.73%	12.54%	-	17.27%	Balance invested in approved investments as specified in Schedule I of IRDA guidelines
Equity	6.87%	10.46%	7.36%	17.79%	-	6.23%	
Others	5.43%	5.22%	17.94%	9.27%	100%	0.00%	

Maturity analysis of projected benefit obligation

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31 March 2021				
Projected benefit payable	49	122	450	621
As at 31 March 2020				
Projected benefit payable	32	110	582	724

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

(ii) Provident fund

Provident Fund for certain eligible employees was managed by the Company through JSW Steel Employees Provident Fund Trust, in line with the Provident Fund and Miscellaneous Provisions Act, 1952 till 31 December 2020. The Company made monthly contributions to provident fund managed by trust for qualifying employees. The Trustees of JSW Steel Employees Provident Fund Trust are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and the relevant provisions prescribed under the law.

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

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Actuarial assumptions made to determine interest rate guarantee on exempt provident fund liabilities are as follows:

Particulars	₹ in crores	
	As at 31 March 2020	As at 31 March 2020
Total plan assets		588
Total plan liabilities		593
Discount rate		6.84%
Rate of return on assets		8.49%
Guaranteed rate of return		8.50%

Out of the total contribution made for Provident Fund in Defined Contribution Plan, ₹ 16 crores (previous year ₹ 27 crores) is made to the JSW Steel Employees Provident Fund Trust till 31 December 2020.

The Company has discontinued operations of the JSW Steel Employees Provident Fund Trust from 1 January 2021 and accordingly, the Trust have transferred to EPFO, Bellary the fund of ₹ 619.44 crores in compliance with its obligations as at 31 December 2020. Over and above the said obligations, the Trust has transferred additional fund of ₹ 19.83 crores to EPFO, Bellary, which is distributed to respective members.

The Company does not have any further obligations with respect to JSW Steel Employees Provident Fund Trust.

(iii) Other long term benefits:

(a) Compensated absences

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. Employee are entitled to encash leave while serving in the Company. At the rate of daily salary, as per current accumulation of leave days.

(b) Long Service Award

The Company has a policy to recognise the long service rendered by employees and celebrate their long association with the Company. This scheme is called - Long Association of Motivation, Harmony & Excitement (LAMHE). The award is paid at milestone service completion years of 10, 15, 20 and 25 years.

44. Financial instruments

A. Capital management

The Group being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Group is not subject to any externally imposed capital requirements.

The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

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Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Long term borrowings	49,731	44,673
Current maturities of long term debt	8,318	6,375
Short term borrowings	1,999	8,325
Total borrowings	60,048	59,373
Less:		
Cash and cash equivalents	11,943	3,966
Bank balances other than cash and cash equivalents	870	8,037
Current investments	8	2
Net debt	47,227	47,368
Total equity	46,145	36,024
Gearing ratio	1.02	1.31

- (i) Equity includes capital and all reserves of the Group that are managed as capital.
- (ii) Debt is defined as long and short term borrowings (excluding derivatives and financial guarantee contracts), as described in notes 22 and 28.

B. Categories of financial instruments

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31 March 2021

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relations	₹ in crores	
					Total Carrying Value	Fair value
Financial assets						
Loans	1,644	-	-	-	1,644	1,644
Other financial assets	3,621	-	-	-	3,621	3,621
Trade receivables	4,486	-	-	-	4,486	4,486
Cash and cash equivalents	11,943	-	-	-	11,943	11,943
Bank balances other than cash and cash equivalents	870	-	-	-	870	870
Derivative assets	-	-	27	185	212	212
Investments	486	972	4,154	-	5,612	5,623
Total financial assets	23,050	972	4,181	185	28,388	28,399
Financial liabilities						
Long-term borrowings*	58,049	-	-	-	58,049	58,188
Lease liabilities	2,344	-	-	-	2,344	2,527
Short-term borrowings	1,999	-	-	-	1,999	1,999
Trade payables	15,243	-	-	-	15,243	15,243
Derivative liabilities	-	-	28	139	167	167
Other financial liabilities	13,617	-	-	-	13,617	13,617
Total financial liabilities	91,252	-	28	139	91,419	91,741

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As at 31 March 2020

Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Derivatives in hedging relations	Total Carrying Value	₹ in crores
						Fair value
Financial assets						
Loans	1,514	-	-	-	1,514	1,514
Other financial assets	3,554	-	-	-	3,554	3,554
Trade receivables	4,505	-	-	-	4,505	4,505
Cash and cash equivalents	3,966	-	-	-	3,966	3,966
Bank balances other than cash and cash equivalents	8,037	-	-	-	8,037	8,037
Derivative assets	-	-	294	-	294	294
Investments	431	497	48	-	976	984
Total financial assets	22,007	497	342	-	22,846	22,854
Financial liabilities						
Long-term borrowings*	51,048	-	-	-	51,048	51,731
Lease liabilities	2,050	-	-	-	2,050	2,276
Short-term borrowings	8,325	-	-	-	8,325	8,325
Trade payables	17,918	-	-	-	17,918	17,918
Derivative liabilities	-	-	84	297	381	381
Other financial liabilities	8,232	-	-	-	8,232	8,232
Total financial liabilities	87,573	-	84	297	87,954	88,863

*including current maturities of long-term borrowings

C. Financial risk management

The Group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

The risk management policies aim to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk and
- Liquidity risk

D. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivatives for speculative purposes.

E. Financial currency risk management

The Group's functional currency is Indian Rupees (INR). The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Group is exposed to exchange rate risk under its trade and debt portfolio.

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Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Group's overall debt position in Rupee terms without the Group having incurred additional debt and favorable movements in the exchange rates will conversely result in reduction in the Group's receivables in foreign currency. In order to hedge exchange rate risk, the Group has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and hedges. At any point in time, the Group hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months. In respect of imports and other payables, the Company hedges its payables as when the exposure arises. Short term exposures are hedged progressively based on their maturity.

The Group has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Group continues to believe that there is no impact on effectiveness of its hedges.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

As at	Nature	No. of Contracts	Type	US\$ Equivalent (millions)	INR Equivalent (crores)	MTM (₹ in crores)
31 March 2021	Assets	96	Buy	390	2,863	19
		79	Sell	707	5,200	53
	Liabilities	148	Buy	565	4,154	(59)
		16	Sell	201	1,480	(7)
31 March 2020	Assets	136	Buy	936	7,058	241
		12	Sell	166	1,255	8
	Liabilities	20	Buy	215	1,618	(60)
		27	Sell	398	3,003	(119)

Currency options to hedge against fluctuations in changes in exchange rate:

As at	Nature	No. of Contracts	US\$ equivalent (million)	INR equivalent (crores)	MTM of Option (₹ in crores)
31 March 2021	Assets	14	545	4,006	110
	Liabilities	16	307	2,257	(7)
31 March 2020	Assets	20	317	2,390	15
	Liabilities	1	15	113	(3)

① - less than ₹ 0.50 crores

The carrying amounts of the Group's monetary assets and monetary liabilities at the end of the reporting period are as follows:

As at 31 March 2021

Particulars	₹ in crores					
	INR	USD	Euro	JPY	Others	Total
Financial assets						
Investments	5,549	-	23	-	40	5,612
Loans	1,643	-	1	-	-	1,644
Trade receivables	2,660	1,006	817	-	3	4,486
Cash and cash equivalents	11,852	36	54	-	1	11,943
Bank balances other than cash and cash equivalents	672	197	-	-	1	870
Derivative assets	10	202	-	-	-	212
Other financial assets	3,579	35	6	-	1	3,621
Total financial assets	25,965	1,476	901	-	46	28,388
Financial liabilities						
Borrowings	21,610	28,430	1,279	410	1	51,730
Trade payables	5,355	8,719	1,153	13	3	15,243
Derivative liabilities	14	148	3	2	-	167
Lease liabilities	2,266	31	47	-	-	2,344
Other financial liabilities	13,223	5,594	2,874	214	30	21,935
Total financial liabilities	42,468	42,922	5,356	639	34	91,419

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As at 31 March 2020

Particulars	₹ in crores					
	INR	USD	Euro	JPY	Others	Total
Financial assets						
Investments	917	-	14	-	45	976
Loans	1,514	-	-	-	-	1,514
Trade receivables	3,031	802	672	-	-	4,505
Cash and cash equivalents	3,835	69	62	-	-	3,966
Bank balances other than cash and cash equivalents	7,982	54	-	-	1	8,037
Derivative assets	19	275	-	-	-	294
Other financial assets	3,481	28	43	-	2	3,554
Total financial assets	20,779	1,228	791	-	48	22,846
Financial liabilities						
Borrowings	24,940	25,682	1,843	533	-	52,998
Trade payables	5,653	10,542	1,627	31	65	17,918
Derivative liabilities	61	319	-	-	1	381
Lease liabilities	1,964	33	53	-	-	2,050
Other financial liabilities	7,176	4,815	2,151	234	231	14,607
Total financial liabilities	39,794	41,391	5,674	798	297	87,954

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

a) Amounts receivable in foreign currency on account of the following:

Particulars	As at 31 March 2021		As at 31 March 2020	
	US\$ equivalent	INR equivalent	US\$ equivalent	INR equivalent
	(million)	(crores)	(million)	(crores)
Trade receivables	150	1,101	66	496

b) Amounts payable in foreign currency on account of the following:

Particulars	As at 31 March 2021		As at 31 March 2020	
	US\$ equivalent	INR equivalent	US\$ equivalent	INR equivalent
	(million)	(crores)	(million)	(crores)
Borrowings	2,592	19,051	3,514	26,488
Trade payables and acceptances	107	789	65	489
Payables for capital projects	602	4,424	337	2,539
Interest accrued but not due on borrowings	33	239	59	446

The following table details the Group's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

Impact on Profit / (loss) for the year for a 1% change:

Particulars	₹ in crores			
	Increase		Decrease	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
USD /INR	515	482	(515)	(482)
EURO/INR	50	62	(50)	(62)
YEN/INR	6	8	(6)	(8)

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F. Commodity price risk

The Group's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Group. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Group earns from the sale of its steel products.

The Group is subject to fluctuations in prices for the purchase of iron ore, coking coal, ferro alloys, zinc, scrap and other raw material inputs. The Group purchased primarily all of its iron ore and coal requirements in the open market at prevailing price during the year ended 31 March 2021.

The Group aims to sell the products at prevailing market prices. Similarly, the Group procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

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

Hedging commodity is based on its procurement schedule and price risk. Commodity hedging is undertaken as a risk offsetting exercise and, depending upon market conditions hedges, may extend beyond the financial year. The Group is presently hedging maximum up to 100% of its consumption.

The following table details the Group's sensitivity to a 5% movement in the input price of iron ore and coking coal net of hedge accounting impact. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5%. For a 5% reduction in commodity prices, there would be a comparable impact on profit or equity, and the balances below would be negative.

Impact on Profit / (loss) for the year for a 5% change:

Particulars	₹ in crores			
	Increase for the year ended		Decrease for the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Iron ore	(595)	(512)	595	512
Coal/Coke	(692)	(795)	692	795
Zinc	(35)	(38)	35	38

The commodity forward and option contracts entered into by the Group and outstanding at the year-end are as under:

As at	Nature	No. of Contracts	Commodity Name	Quantity (Iron Ore, Coking Coal, Zinc - MT) (Brent Crude - Mio Barrels)	US\$ Equivalent of notional value (million)	INR equivalent (crores)	MTM of Commodity contract (₹ in crores)
31 March 2021	Assets	-	-	-	-	-	-
	Liabilities	-	-	-	-	-	-
31 March 2020	Assets	3	Zinc	1,250	2	18	@
	Liabilities	20	Liquified natural gas	9,702,000	(37)	(281)	(56)
		4	Zinc	1,500	3	25	(3)

@ - less than ₹ 0.50 crores

G. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Group hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Group hedges up to 20% of interest risk in US dollars. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Group by maintaining an appropriate mix

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between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The following table provides a break-up of the Group's fixed and floating rate borrowings:

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Fixed rate borrowings	29,135	22,810
Floating rate borrowings	31,294	36,926
Total borrowings	60,429	59,736
Total borrowings	60,048	59,373
Add: Upfront fees	381	363
Total gross borrowings	60,429	59,736

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were being constant, the Group's profit for the year ended 31 March 2021 would decrease / increase by ₹ 285 crores (for the year ended 31 March 2020: decrease / increase by ₹ 339 crores). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

The following table detail the nominal amounts and remaining terms of interest rate swap contracts outstanding at the year-end.

As at	Nature	No. of Contracts	US\$ Equivalent of notional value (million)	MTM of IRS (₹ in crores)
31 March 2021	Assets	2	50	1
	Liabilities	22	335	(85)
31 March 2020	Assets	3	60	1
	Liabilities	22	335	(130)

H. Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets, financial guarantees and derivative financial instruments.

Moreover, given the diverse nature of the Group's business, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of the trade receivables in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties. The assessment is carried out considering the segment of customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable. Basis this assessment, the allowance for doubtful trade receivables as at 31 March 2021 is considered adequate

Movements in allowances for bad and doubtful debts

Particulars	₹ in crores
	Amount
As at 1 April 2019	105
Movement during the year	76
As at 31 March 2020	181
Movement during the year	24
As at 31 March 2021	205

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

For current investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for Group's mutual fund and bond investments. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 28,388 crores as at 31 March 2021 and, ₹ 22,846 crores as at 31 March 2020, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets.

In respect of financial guarantees provided by the Group to banks and financial institutions, the maximum exposure which the Group is exposed to is the maximum amount which the Group would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Receivables are deemed to be past due or impaired with reference to the Group's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Group based on past experiences does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss ('ECL').

The credit quality of the Group's is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Group uses simplified approach for (i.e. lifetime expected credit loss model) impairment of trade receivable / contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Group actively seeks to recover the amounts in question and enforce compliance with credit terms.

For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

I. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Group has acceptances due to reverse factoring arrangements which might invoke liquidity risk as a result of liabilities being concentrated with few financial institutions instead of a diverse group of suppliers. The Group has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Liquidity exposure as at 31 March 2021

₹ in crores				
Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Investments	8	-	5,604	5,612
Trade receivables	4,486	-	-	4,486
Cash and cash equivalents	11,943	-	-	11,943
Bank balances other than cash and cash equivalents	870	-	-	870
Loans	622	729	293	1,644
Derivative assets	102	110	-	212
Other financial assets	1,467	2,154	-	3,621
Total	19,498	2,993	5,897	28,388
Financial liabilities				
Long term borrowings	-	35,573	14,158	49,731
Short term borrowings	1,999	-	-	1,999
Trade payables (including acceptances)	15,243	-	-	15,243
Derivative liabilities	110	57	-	167
Lease liabilities	405	1,078	861	2,344
Other financial liabilities	21,347	580	8	21,935
Total	39,104	37,288	15,027	91,419

Liquidity exposure as at 31 March 2020

₹ in crores				
Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Investments	2	-	974	976
Trade receivables	4,505	-	-	4,505
Cash and cash equivalents	3,966	-	-	3,966
Bank balances other than cash and cash equivalents	8,037	-	-	8,037
Loans	742	734	38	1,514
Derivative assets	294	-	-	294
Other financial assets	2,858	696	-	3,554
Total	20,404	1,430	1,012	22,846
Financial liabilities				
Long term borrowings	-	34,990	9,683	44,673
Short term borrowings	8,325	-	-	8,325
Trade payables (including acceptances)	17,918	-	-	17,918
Derivative liabilities	251	130	-	381
Lease liabilities	306	1,162	582	2,050
Other financial liabilities	14,143	457	7	14,607
Total	40,943	36,739	10,272	87,954

The amount of guarantees given included in Note 46(i) represents the maximum amount the Group could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the arrangement.

Collateral

The Group has pledged part of its trade receivables, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is obligation to return the securities to the Group once these banking facilities are surrendered (refer note 22 and 28).

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

J. Level wise disclosure of financial instruments

₹ in crores				
Particulars	As at 31 March 2021	As at 31 March 2020	Level	Valuation technique and key inputs
Quoted investments in the equity shares measured at FVTOCI	893	434	I	Quoted bid prices in an active market.
Quoted investments in the equity shares measured at FVTPL	8	2	I	Quoted bid prices in an active market.
Derivative assets	212	294	II	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Derivative liabilities	167	381	II	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Non-current investments in unquoted OFCD measured at FVTPL	4,100	-	II	Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
Unquoted investments in the equity shares measured at FVTOCI	13	13	III	Net asset value of share arrived has been considered as fair value.
Unquoted investments in the equity shares measured at FVTPL	66	50	III	Cost is approximate estimate of fair value.
Non-current investments in unquoted Preference shares measured at FVTPL	50	54	III	Discounted cash flow- Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks.

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short term nature.

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

Sensitivity analysis of Level III:

	Valuation technique	Significant unobservable inputs	Change	Sensitivity of the input to fair value
Investments in unquoted Preference shares	DCF method	Discounting Rate 9.00%	0.50%	0.50% Increase / (decrease) in the discount would decrease / (increase) the fair value by ₹ 2 crores / (₹ 2 crores)

Reconciliation of Level III fair value measurement:

₹ in crores		
Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	117	69
Purchases / (sale) (net)	@	@
Acquired pursuant to business combination (refer note 41)	17	-
Transfer to FVTOCI from investment in joint ventures on stake sale	-	45
Gain / (loss) recognised in the Consolidated statement of Profit and Loss	(5)	3
Closing balance	129	117

@ - Less than ₹ 0.50 crores

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Details of financial assets / liabilities measured at amortised but fair value disclosed in category wise

₹ in crores

Particulars	As at		Level	Valuation technique and key inputs
	31 March 2021	31 March 2020		
Long term borrowings			II	Discounted cash flow method - Future cash flows are discounted by using rates which reflect market risks.
Carrying value	58,049	51,048		
Fair value	58,188	51,731		
Investments			II	Discounted cash flow method - Future cash flows are discounted by using rates which reflect market risks.
Carrying value	487	431		
Fair value	498	440		
Loans - financial assets			II	Discounted cash flow method - Future cash flows are discounted by using rates which reflect market risks.
Carrying value	1,644	1,514		
Fair value	1,644	1,514		

There have been no transfers between level I and level II during the year.

The Asset and Liability position of various outstanding derivative financial instruments is given below:

₹ in crores

Particulars	Underlying	Nature of Risk being Hedged	As at 31 March 2021			As at 31 March 2020		
			Asset	Liability	Net Fair Value	Asset	Liability	Net Fair Value
Cash Flow Hedges								
Designated and effective Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	37	(12)	25	-	(100)	(100)
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate Risk	1	(85)	(84)	-	(130)	(130)
Commodity Contract		Price Risk	-	(1)	(1)	-	(67)	(67)
Options contract	Long-term Foreign currency borrowings	Exchange rate movement risk	110	-	110	-	-	-
Designated and Ineffective Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	22	(2)	20	-	(37)	(37)
Fair Value Hedges								
Forwards Currency Contracts	Highly probable Forecast Sales	Exchange rate movement risk	20	(40)	(20)	221	(3)	218
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	8	(8)	-	-	-	-
Non Designated Hedges								
Forwards Currency Contracts	Trade payables & Acceptance	Exchange rate movement risk	1	(5)	(4)	27	(1)	26
Forwards Currency Contracts	Long-term Foreign currency borrowings	Exchange rate movement risk	-	(1)	(1)	-	(1)	(1)
Forwards Currency Contracts	Loans and advance	Exchange rate movement risk	-	-	-	-	(37)	(37)
Interest rate Swap	Long-term Foreign currency borrowings	Interest rate risk	-	-	-	1	-	1
Options Contract	Trade payables & Acceptance	Exchange rate movement risk	1	(7)	(6)	15	(3)	12
			200	(161)	39	264	(379)	(115)
Receivable/ payable from cancelled/ settled derivative contracts			12	(6)	6	30	(2)	28
Total			212	(167)	45	294	(381)	(87)

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Details of non-derivative financial instruments designated as hedging instruments outstanding as at:

Cash Flow hedges	As at 31 March 2021		As at 31 March 2020	
	USD in mio	Fair Value ₹ in crores	USD in mio	Fair Value ₹ in crores
Long term borrowings	625	(180)	638	(333)
Acceptances	191	(25)	328	(118)
	816	(205)	966	(451)

Movement in cash flow hedge:

Particulars	As at 31 March 2021	As at 31 March 2020
Opening Balance	723	(101)
FX recognised in other comprehensive Income	(273)	613
Hedge ineffectiveness recognised in P&L	78	128
Amount Reclassified to P&L during the year	(230)	83
Closing balance	298	723

45. Related party disclosures

A) List of related parties

1) Joint ventures

Vijayanagar Minerals Private Limited
Rohne Coal Company Private Limited
JSW Severfield Structures Limited
Gourangdih Coal Limited
Geo Steel LLC (Ceased w.e.f. 28 January 2020)
JSW Structural Metal Decking Limited
JSW MI Steel Service Center Private Limited
JSW Vallabh Tinplate Private Limited (Ceased w.e.f. 31 December 2019)
Creixent Special Steels Limited
JSW Ispat Special Products Limited
Piombino Steel Limited (w.e.f. 27 March 2021)
Bhushan Power & Steel Limited (w.e.f. 27 March 2021)

2) Key Management Personnel (KMP)

a) Non-Independent Executive Director

Mr. Sajjan Jindal
Mr. Seshagiri Rao M V S
Dr. Vinod Nowal
Mr. Jayant Acharya

b) Independent Non-Executive Director

Mr. Gangaram Baderiya - Nominee Director, KSIIDC (upto 23 October 2020)
Mr. M.S.Srikanth, IAS - Nominee Director, KSIIDC (w.e.f. 23 October 2020)
Mr. Hiroyuki Ogawa - Nominee Director, JFE Steel Corporation
Dr. (Mrs.) Punita Kumar Sinha
Mr. Malay Mukherjee
Mr. Haigreve Khaitan
Mr. Seturaman Mahalingam
Mrs. Nirupama Rao
Mr. Harsh Charandas Mariwala

c) Mr. Rajeev Pai - Chief Financial Officer

d) Mr. Lancy Varghese - Company Secretary

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

3) Relatives of KMP

Mrs. Savitri Devi Jindal
 Mr. Prithvi Raj Jindal
 Mr. Naveen Jindal
 Mrs. Nirmala Goyal
 Mrs. Urmila Bhuwalka
 Mrs. Seema Jajodia
 Mrs. Sarika Jhunjhnuwala
 Mrs. Saroj Bhartia
 Mrs. Sangita Jindal
 Mrs. Tarini Jindal Handa
 Mrs. Tanvi Shete
 Mr. Parth Jindal
 Mrs. Shanti Acharya
 Mrs. Esther Varghese

4) Other Related Parties

JSW Energy Limited
 JSW Energy (Barmer) Limited
 JSW Power Trading Company Limited
 JSW Hydro Energy Limited
 JSW Energy (Kutehr) Limited
 JSW Solar Limited
 Jindal Stainless Limited
 Jindal Stainless (Hisar) Limited
 JSL Lifestyle Limited
 Jindal Saw Limited
 Jindal Saw USA LLC
 JITF Urban Infrastructure Limited
 Jindal Tubular (India) Limited
 Jindal Urban Waste Management Limited
 Jindal Rail Infrastructure Limited
 Jindal Steel & Power Limited
 India Flysafe Aviation Limited
 JSW Infrastructure Limited
 JSW Jaigarh Port Limited
 South West Port Limited
 JSW Dharamatar Port Private Limited
 JSW Paradip Terminal Private Limited
 Jaigarh Digni Rail Limited
 JSW Cement Limited
 JSW Cement, FZE
 South West Mining Limited
 JSW Projects Limited
 BMM Ispat Limited (w.e.f 27 October 2020)
 JSW IP Holdings Private Limited
 JSoft Solutions Limited (merged with Everbest Consultancy Services Private Limited)
 Reynold Traders Private Limited
 JSW Techno Projects Management Limited
 JSW Global Business Solutions Limited
 Everbest Consultancy Services Private Limited
 Jindal Industries Private Limited
 JSW Foundation
 Inspire Institute of Sports

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Jindal Technologies & Management Services Private Limited
 Epsilon Carbon Private Limited
 JSW Living Private Limited
 JSW International Trade Corp PTE Limited
 Jindal Education Trust
 JSW Paints Private Limited
 Toshiba JSW Power System Private Limited
 MJSJ Coal Limited
 JSW Bengaluru Football Club Private Limited
 JSW Shipping & Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)
 Neotrex Steel Wires Private Limited
 Neotrex Steel Private Limited
 JSW Minerals Trading Private Limited
 Khaitan & Company
 Eurokids International Private Limited
 J Sagar Associates
 Shiva Cement Limited
 Tehkhand Waste to Electricity Projects Limited
 Encorp Powertrans Private Limited
 Nourish Organic Foods Private Limited
 Brahmani River Pellets Limited
 Danta Enterprises Private Limited
 Glebe Trading Private Limited
 JSW Holdings Limited
 JSW Investments Private Limited
 JSW Logistics Infrastructure Private Limited
 JTPM Metal Traders Private Limited
 Sahyog Holdings Private Limited
 Virtuous Tradecorp Private Limited
 S K Jindal and Sons HUF
 P R Jindal HUF

5) Post-Employment Benefit Entity

JSW Steel EPF Trust (upto 31 December 2020)
 JSW Steel Group Gratuity Trust
 JSW Steel Limited Employee Gratuity Fund

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

B) Transactions with related parties

₹ in crores

Particulars	Joint ventures		Other related parties *		Total	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Party's Name						
Purchase of Goods / Power & fuel / Services / Branding expenses						
JSW Energy Limited	-	-	1,811	2,489	1,811	2,489
JSW International Tradecorp PTE Limited	-	-	12,146	15,478	12,146	15,478
Others	207	84	2,605	2,166	2,812	2,250
Total	207	84	16,562	20,133	16,769	20,217
Reimbursement of expenses incurred on our behalf by						
JSW Energy Limited	-	-	1	3	1	3
JSW Cements Limited	-	-	5	-	5	-
JSW Cement, FZE	-	-	-	1	-	1
Others	-	-	1	@	1	@
Total	-	-	7	4	7	4
Sales of Goods/Power & Fuel/Services/Assets						
JSW Vallabh Tin Plate Private Limited	-	312	-	-	-	312
JSW MI Steel Service Centre Private Limited	433	298	-	-	433	298
JSW Ispat Special Products Limited	711	119	-	-	711	119
Jindal Saw Limited	-	-	1,128	1,165	1,128	1,165
JSW Energy Limited	-	-	464	404	464	404
Jindal Industries Private Limited	-	-	214	374	214	374
Epsilon Carbon Private Limited	-	-	345	530	345	530
Brahmani River Pellets Limited	-	-	646	-	646	-
Others	73	80	396	165	469	245
Total	1,217	809	3,193	2,638	4,410	3,447
Other income/ Interest income/ Dividend income						
JSW Energy Limited	-	-	11	11	11	11
JSW Global Business Solutions Limited	-	-	4	6	4	6
JSW Techno Projects Management Limited	-	-	1	8	1	8
India Flysafe Aviation Limited	-	-	20	20	20	20
JSW Projects Limited	-	-	36	40	36	40
JSW Ispat Special Products Limited	26	16	-	-	26	16
JSW Shipping & Logistics Private Limited	-	-	20	10	20	10
Others	6	4	15	11	21	15
Total	32	20	107	106	139	126
Purchase of assets						
JSW Severfield Structures Limited	228	762	-	-	228	762
Jindal Steel & Power Limited	-	-	87	238	87	238
JSW Cement Limited	-	-	157	243	157	243
Jindal Saw Limited	-	-	55	71	55	71
Others	-	16	4	49	4	65
Total	228	778	303	601	531	1,379

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₹ in crores

Particulars	Joint ventures		Other related parties *		Total	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Capital / revenue advances given						
JSW Energy Limited	-	-	81	-	81	-
JSW Dharmatar Port Private Limited	-	-	-	200	-	200
Jindal Steel & power Limited	-	-	-	200	-	200
JSW Paints Private Limited	-	-	45	35	45	35
Others	-	-	-	4	-	4
Total	-	-	126	439	126	439
Capital / revenue advances received back						
Jindal Steel & power Limited	-	-	-	200	-	200
JSW Paints Private Limited	-	-	10	-	10	-
Total	-	-	10	200	10	200
Security deposits given						
JSW Shipping and Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)	-	-	71	116	71	116
Total	-	-	71	116	71	116
Lease and other deposit received back						
India Flysafe Aviation Limited	-	-	10	10	10	10
Others	-	-	1	1	1	1
Total	-	-	11	11	11	11
Loan given received back						
JSW Techno Projects Management Limited	-	-	-	96	-	96
JSW Projects Limited	-	-	300	15	300	15
JSW Global Business Solutions Private Limited	-	-	3	2	3	2
Total	-	-	303	113	303	113
Loan given						
JSW Projects Limited	-	-	200	130	200	130
JSW Ispat Special Products Limited	-	90	-	-	-	90
Others	2	1	-	-	2	1
Total	2	91	200	130	200	221
Donation/ CSR expenses						
JSW Foundation	-	-	83	75	83	75
Total	-	-	83	75	83	75
Recovery of expenses incurred by us on their behalf						
JSW Energy Limited	-	-	7	9	7	9
JSW Cement Limited	-	-	71	45	71	45
JSW International Tradecorp Pte Limited	-	-	68	119	68	119
JSW Jaigarh Port Limited	-	-	3	3	3	3
JSW Infrastructure Limited	-	-	7	7	7	7
JSW Ispat Special Products Limited	-	1	-	-	-	1
Others	5	5	36	27	41	32
Total	5	6	192	210	197	216

Notes

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Particulars	₹ in crores					
	Joint ventures		Other related parties *		Total	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Investments / Share application money given						
Piombino Steel Limited	137	-	-	-	137	-
Rohne Coal Company Private Limited	-	1	-	-	-	1
Others	@	@	-	-	@	@
Total	137	1	-	-	137	1
Investments / share application money refunded						
Rohne Coal Company Private Limited	-	@	-	-	-	@
Total	-	@	-	-	-	@
Interest expenses						
JSW Techno Projects Management Limited	-	-	-	2	-	2
Total	-	-	-	2	-	2
Lease interest cost						
JSW Projects Limited	-	-	105	132	105	132
JSW Techno Projects Management Limited	-	-	95	84	95	84
Others	-	-	19	17	19	17
Total	-	-	219	233	219	233
Lease liabilities / Finance lease obligation repayment						
JSW Projects Limited	-	-	255	228	255	228
Others	-	-	28	26	28	26
Total	-	-	283	254	283	254
Loan refunded						
JSW Techno Projects Management Limited	-	-	-	6	-	6
Others	-	-	@	-	@	-
Total	-	-	@	6	@	6
Dividend paid						
JSW Holdings Limited	-	-	36	73	36	73
JSW Techno Projects Management Limited	-	-	51	101	51	101
Sahyog Holdings Private Limited	-	-	22	46	22	46
Others	-	-	48	99	48	99
Total	-	-	157	319	157	319

@ - less than ₹ 0.50 crores

- includes relatives of KMP

Notes:

- The transactions are inclusive of taxes wherever applicable.
- The transactions are disclosed under various relationships (i.e. joint ventures and other related parties) based on the status of related parties on the date of transactions.
- The Group makes monthly contributions to provident fund managed by JSW Steel EPF Trust for qualifying Vijayanagar employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. During the year, the Group contributed ₹ 21 crores (previous year ₹ 22 crores).
- The Group maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). During the year, the Group contributed ₹ 7 crores (previous year ₹ Nil).

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- During the year, the Company has transferred environment clearance certificate issued for its slag grinding & mixing unit to JSW Cement Limited for no consideration.

Compensation to Key Management Personnel

Nature of transaction	₹ in crores	
	FY 2020-21	FY 2019-20
Short-term employee benefits	88	56
Post-employment benefits	1	1
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total compensation to key management personnel	89	57

Notes:

- 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.
- The Company has recognised an expenses of ₹ 2 crores (previous year ₹ 3 crores) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
- Dividend paid to KMP is ₹ 0.09 crores (FY 2019-20: ₹ 0.18 crores).
- The Independent Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable to the Non-Executive Directors is based on the number of meetings of the Board attended by them and their Chairmanship/Membership of Audit Committee during the year, subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹ 20,000/- for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during FY 2020-21 is ₹ 3 crores (FY 2019-20 is ₹ 3 crores), which is not included above.

Terms and conditions

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31 March 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Guarantees to Joint ventures:

Guarantees provided to the lenders of the joint ventures are for availing term loans from the lender banks.

The transactions other than mentioned above are also in the ordinary course of business and at arms' length basis.

Notes

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C) Amount due to or from related parties

Particulars	₹ in crores					
	Joint ventures		Other related parties		Total	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Party's Name						
Trade payables						
JSW Energy Limited	-	-	8	377	8	377
JSW International Tradecorp Pte Limited	-	-	1,192	1,499	1,192	1,499
Others	34	115	521	532	555	647
Total	34	115	1,721	2,408	1,755	2,523
Advance received from customers						
JSW Structural Metal Decking Limited	1	1	-	-	1	1
JSW Ispat Special Products limited	-	2	-	-	-	2
Jindal Saw Limited	-	-	1	1	1	1
Jindal Rail Infrastructure Limited	-	-	3	-	3	-
Brahmani River Pellet Limited	-	-	13	-	13	-
Others	-	-	7	@	7	@
Total	1	3	24	1	25	4
Lease & other deposits received						
JSW Severfield Structures Limited	13	13	-	-	13	13
JSW Energy Limited	-	-	11	11	11	11
Jindal Saw Limited	-	-	5	5	5	5
JSW Cement Limited	-	-	11	11	11	11
Others	-	-	12	12	12	12
Total	13	13	39	39	52	52
Trade receivables						
JSW MI Steel Service Center Private Limited	50	44	-	-	50	44
Jindal Industries Private Limited	-	-	-	8	-	8
Jindal Saw Limited	-	-	-	34	-	34
Bhushan Power & Steel Limited	19	-	-	-	19	-
Epsilon Carbon Private Limited	-	-	106	109	106	109
JSW Energy Limited	-	-	148	1	148	1
Others	21	@	16	5	37	5
Total	90	44	270	157	360	201
Share application money given						
Gourangdih Coal Limited	1	1	-	-	1	1
Total	1	1	-	-	1	1
Capital / revenue advances (including other receivables)						
JSW Ispat Special Products Limited	-	15	-	-	-	15
Rohne Coal Company Private Limited	26	22	-	-	26	22
JSW Projects Limited	-	-	49	49	49	49
JSW Paints Private Limited	-	-	72	1	72	1
JSW IP Holdings Private Limited	-	-	1	10	1	10
JSW Dharamatar Port Private Limited	-	-	200	200	200	200
Others	5	6	10	7	15	13
Total	31	43	332	267	363	310

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Particulars	₹ in crores					
	Joint ventures		Other related parties		Total	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Lease and other deposits given						
JSW Shipping and Logistics Private Limited	-	-	247	175	247	175
India Flysafe Aviation Limited	-	-	183	193	183	193
Total	-	-	430	368	430	368
Loan and advances given						
JSW Projects Limited	-	-	315	415	315	415
Bhushan Power & Steel Limited	134	-	-	-	134	-
JSW Ispat Special Products Limited	215	215	-	-	215	215
Others	3	1	13	18	16	19
Total	352	216	328	433	680	649
Interest receivable						
JSW Ispat Special Products Limited	45	21	-	-	45	21
JSW Techno Projects Management Limited	-	-	28	9	28	9
Others	5	-	3	1	8	1
Total	50	21	31	10	81	31
Lease liabilities						
JSW Projects Limited	-	-	797	1,052	797	1,052
JSW Techno Projects Management Limited	-	-	997	550	997	550
JSW Jaigarh Port Limited	-	-	44	46	44	46
JSW Dharamatar Port Private Limited	-	-	131	138	131	138
JSW Shipping and Logistics Private Limited	-	-	137	-	137	-
Total	-	-	2,106	1,786	2,106	1,786
Guarantees and collaterals provided by the Company on behalf						
Bhushan power & Steel Limited	10,800	-	-	-	10,800	-
Total	10,800	-	-	-	10,800	-

@ - less than ₹ 0.50 crores

Note:

The Group maintains gratuity trust for the purpose of administering the gratuity payment to its employees (JSW Steel Group Gratuity Trust and JSW Steel Limited Employee Gratuity Fund). As on 31 March 2020, the fair value of plan assets was as ₹ 74 crores (As at 31 March 2020: ₹ 92 crores).

46. Contingent liabilities:

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
(i) Guarantees	10,850	82

The Company has issued a corporate guarantee dated 24 March 2021 in favor of trustee for the benefit of the Lenders for the financial assistance availed by Makler Private Limited for a sum of ₹ 10,800 crores to part finance the cost of implementation of the Resolution Plan of Bhushan Power and Steel Limited. JSW Shipping & Logistics Private Limited, has provided a counter corporate guarantee in favor of the Company to the extent of the 51% of the guaranteed obligations in line with their shareholding in Piombino Steel Limited. (refer note 41).

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Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
(ii) Disputed claims/levies (excluding interest, if any), in respect of:		
Excise duty	472	491
Custom duty	760	774
Income tax	61	32
Sales tax / Special entry tax	1,557	1,509
Service tax	645	702
Levies by local authorities	73	54
Levies relating to Energy / Power Obligations	408	277
Claim by suppliers and other parties	143	98
a) Excise duty cases includes disputes pertaining to availment of CENVAT credit, valuation methodologies, classification of gases under chapter heading.		
b) Custom duty cases includes disputes pertaining to import of Iron ore fines and lumps under wrong heading, utilisation of SHIS licences for clearance of imported equipment, payment of customs duty for Steam Coal through Krishnapatnam Port and anti-dumping duty on Met Coke used in Corex.		
c) Sales Tax / VAT / Special Entry Tax cases includes disputes pertaining to demand of special entry tax in Karnataka and demand of cess by department of transport in Goa.		
d) Service Tax cases includes disputes pertaining to availment of service tax credit on ineligible services, KKC amount paid but no credit not availed, denial of credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents.		
e) Income Tax cases includes disputes pertaining to transfer pricing, deduction u/s 80-IA and other matters.		
f) Levies by local authorities – statutory cases include disputes pertaining to payment of water charges and enhanced compensation.		
g) Levies relating to Energy/Power Obligations cases includes disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., belated payment surcharge, claims for the set off of renewable power obligations against the power generated in its captive power plants and dues relating to additional surcharge imposed on captive consumption by Maharashtra State Electricity Distribution Company Limited.		
The Group had filed a Petition before the Maharashtra Electricity Regulatory Commission (MERC) under the Electricity Act, 2003 (Act) seeking exemption from the requirement to meet Renewable Purchase Obligations (RPO) targets on the strength of its cogeneration plants at Dolvi. The MERC rejected the petition on various grounds and the Company has filed an appeal before the APTEL challenging the MERC order along with application seeking interim stay of the directions contained in the order on the grounds that it is not covered by the definition of "obligated entities" under RPO regulations. APTEL has passed an interim order directing that no-coercive action be taken against the Company in relation to this dispute. The next hearing is scheduled on 7 July 2021. Based on merits of the case, the Company has not recognised provision for RPO obligation and treated it as a contingent liability.		
h) Claims by Suppliers and other parties includes Quality Claims issues raised by suppliers and others.		
i) There are several other cases which has been determined as remote by the Group and hence not been disclosed above.		
(iii) Claims related to Forest Development Tax / Fee	3,035	2,588
Amount paid under protest	920	920
In response to a petition filed by the iron ore mine owners and purchasers (including the Company) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated 3 December 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognised provision for FDT of ₹ 1,043 crores (including paid under protest – ₹ 665 crores) and treated it as a contingent liability.		
The State of Karnataka on 27 July 2016, has amended Section 98-A of the Forest Act retrospectively substituting the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the Company and others, the Honourable High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the SCI, and based on merits of the case duly supported by a legal opinion and a favorable order from the High Court, the Company has not recognised provision for FDF amount of ₹ 1,992 crores (including paid under protest - ₹ 255 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.		

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47. Commitments

Nature of transaction	₹ in crores	
	FY 2020-21	FY 2019-20
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of ad-vances)	10,493	13,929
Other commitments		
a) The Group has imported capital goods under the export promotion capital goods scheme to utilise the bene-fit of a zero or concessional customs duty rate. These benefits are subject to future exports. Such export ob-ligations at year end aggregate to	20,728	17,407
b) The Group has given guarantees to Commissioner of Customs in respect of goods imported.	127	127

- c) The Company has entered into a five-year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. ("DSA") for supply of Steel Products. Duferco S.A has provided an interest bearing advance amount of US \$700 million under this agreement, secured by committed export of steel products to Duferco S.A. Out of this US \$443 million is pending towards fulfilment.
- d) The MDPA signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/ correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

Based on legal evaluation, the Company believes that MDPA would get rectified and after considering the expected production quantities in the remaining period, there would not be any shortfall in minimum production as required under MDPA. Accordingly, no provision has been recognised in financial statements as at 31 March 2021.

48. Exceptional items for the year ended 31 March 2021 includes impairment provision of ₹ 83 crores relating to the US coal business towards the value of Property, plant and equipment and Goodwill of ₹ 20 crores and ₹ 63 crores respectively based on the estimate of values by independent external valuers using cash flow projections of respective businesses and assets.

Exceptional items for the year ended 31 March 2020 represents impairment provision of:

- i) ₹ 725 crores relating to overseas subsidiaries towards the value of Property, plant and equipment (PPE) (including CWIP), Goodwill, Intangibles and other assets based on the overall assessment of recoverable value considering increased uncertainty in restarting the Iron ore mining operations at Chile on account of COVID 19 outbreak.

The provision of ₹ 725 crores include ₹ 143 crores towards PPE, ₹ 9 crores towards CWIP, ₹ 7 crores towards Intangible assets, ₹ 513 crores towards Goodwill and ₹ 53 crores towards advances.

- ii) ₹ 80 crores towards identified items of property, plant and equipment of the Company.

49. In assessing the carrying amounts of Goodwill, PPE, Capital work in progress (CWIP), Investment Property, ROU, and advances (net of impairment loss / loss allowance) aggregating to ₹ 9,245 crores (₹ 9,376 crores as at 31 March 2020) relating to certain businesses (listed below), the Company considered various factors as detailed there against and concluded that they are recoverable.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

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- i. PPE (including CWIP and advances) of ₹ 4,262 crores (₹ 4,314 crores as at 31 March 2020) relating to steel operations at Baytown, USA - Estimate of values of the businesses and assets by independent external valuers based on cash flow projections at a pre-tax discount rate of 13.3%. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, future margins and the likely impact of COVID 19 on the said operations.
- ii. Goodwill, PPE, CWIP and Capital advances of ₹ 196 crores (₹ 266 crores as at 31 March 2020), ₹ 410 crores (₹ 446 crores as at 31 March 2020), ₹ Nil (₹ 9 crores as at 31 March 2020) and ₹ Nil (₹ 3 crores as at 31 March 2020) respectively relating to coal mines at West Virginia, USA - Estimate of values of the businesses and assets by independent external valuers based on cash flow projections over a period of the lease at a pre-tax discount rate of 15.6%. In making the said projections, reliance has been placed on estimates of future prices of coal, mineable resources, and assumptions relating to operational performance, availability of infrastructure facilities for mines and likely impact of COVID 19 on the said operations.
- iii. PPE (including CWIP) of ₹ 1,758 crores (₹ 1,812 crores as at 31 March 2020) and goodwill of ₹ 96 crores (₹ 98 crores as at 31 March 2020) relating to steel operations at Ohio, USA - Estimate of values of the businesses and assets by independent external valuers based on cash flow projections at a pre-tax discount rate of 18.2%. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, future margins and the likely impact of COVID 19 on the said operations.
- iv. PPE (including CWIP) of ₹ 528 crores (₹ 543 crores as at 31 March 2020) relating to steel operations at Piombino, Italy - Estimate of values of the businesses and assets by independent external valuers based on cash flow projections at a pre-tax discount rate ranging from 8.4% to 11.4%. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, future margins and the likely impact of COVID 19 on the said operations.
- v. Integrated Steel Complex at Salboni, Bengal [PPE ₹ 212 crores (₹ 219 crores as at 31 March 2020), CWIP ₹ 14 crores (₹ 14 crores as at 31 March 2020), ROU assets ₹ 77 crores (₹ 78 crores as at 31 March 2020) and advances ₹ 148 crores (₹ 148 crores as at 31 March 2020)] - Evaluation of current status of the integrated Steel Complex (including power plant) to be implemented in phases at Salboni of district Paschim Medinipur in West Bengal and the plans for commencing construction of the said complex.
- vi. Integrated Steel Complex at Ranchi, Jharkhand [PPE ₹ 45 crores (₹ 45 crores as at 31 March 2020), CWIP ₹ 31 crores (₹ 31 crores as at 31 March 2020) and Advances ₹ 1 crore (₹ 1 crore as at 31 March 2020)] - Evaluation of current status of the integrated Steel Complex to be implemented in phases at Ranchi, Jharkhand and the plans for commencing construction of the said complex.
- vii. Goodwill ₹ 24 crores (₹ 24 crores as at 31 March 2020) and Investment property ₹ 91 crores (₹ 91 crores as at 31 March 2020) relating to interest in a real estate property - Valuation of the property by an independent expert.
- viii. PPE ₹ 98 crores including mining development and projects ₹ 87 crores (₹ 95 crores including mining development and projects ₹ 84 crores as at 31 March 2020) and goodwill ₹ 8 crores (₹ 8 crores as at 31 March 2020) relating to coal mines at Mozambique - Assessment of mineable reserves by independent experts based on plans to commence operations after mining lease arrangements are in place for which application has been submitted to regulatory authorities and infrastructure is developed.
- ix. PPE (including CWIP) of ₹ 477 crores (₹ 446 crores as at 31 March 2020) of a subsidiary JSW Realty & Infrastructure Private Limited, - Estimates of value of business based on the cash flow projections approved by the Management. The assessments include significant assumptions relating to operational performance, expansion, rentals and other charges, inflation and terminal value.
- x. Investment in equity shares (net of share of profits) and preference shares of Creixent Special Steels Limited, a joint venture, ₹ 507 crores (₹ 449 crores as at 31 March 2020) and loans and interest receivable (including of JSW Ispat Special Products Limited) of ₹ 262 crores (previous year ₹ 236 crores) - Valuation of PPE by an independent expert.

50. Research and development activities

The manufacturing and other expenses include ₹ 31 crores (previous year - ₹ 33 crores) in respect of research and development activities undertaken during the year. Depreciation expenditure includes ₹ 17 crores (previous year - ₹ 13 crores) in respect of research and development activities undertaken during the year.

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51. Joint ventures

Details of the Group's material joint ventures are as follows:

Name of the Joint venture	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Principal activity
		31 March 2021	31 March 2020	
JSW Severfield Structures Limited	India	50%	50%	Design, fabrication and erection of structural steel works
JSW Structural Metal Decking Limited	India	33.33%	33.33%	Metal Deckings
Rohne Coal Company Private Limited	India	49%	49%	Coal mining company
JSW MI Steel Service Center Private Limited	India	50%	50%	Steel service centre
Vijayanagar Minerals Private Limited	India	40%	40%	Supply of iron ore
Gourangdih Coal Limited	India	50%	50%	Coal mining company
Creixent Special Steels Limited	India	48%	48%	Investment in steel related & allied businesses and trading in steel products
JSW Ispat Special Products Limited	India	23.10%	23.10%	Manufacturing & marketing of sponge iron, steel & Ferro alloys
Piombino Steel Limited (w.e.f 27 March 2021)	India	49%	-	Investment in steel related & allied businesses and trading in steel products
Bhushan Power & Steel Limited (w.e.f. 27 March 2021)	India	49%	-	Manufacturing of iron and steel products

The above joint ventures are accounted using the equity method in these consolidated financial statements.

Summarised financial information in respect of the Group's, material joint ventures are set out below. The summarised financial information below represents amounts shown in joint ventures financial statements prepared in accordance with the local GAAP (adjusted by the Group for equity accounting purposes).

a) Financial information of joint ventures as at 31 March 2021

Particulars	₹ in crores			
	JSW Severfield Structures Limited	JSW MI Steel Service Center Private Limited	Creixent Special Steels Limited	Piombino Steel Limited
Current Assets	625	139	1,555	6,654
Non-current Assets	304	227	3,495	17,578
Current liabilities	587	80	1,267	1,630
Non-current liabilities	26	99	3,040	16,430
The above amount of assets and liabilities include the following:				
Cash and cash equivalents	@	36	14	2,652
Current financial liabilities (excluding trade and other payables and provisions)	165	23	373	-
Non-current financial liabilities (excluding trade and other payables and provisions)	22	92	3,022	16,060
Revenue	496	431	4,188	34
Profit / (loss) for the period / year	(13)	18	136	(2)
Other comprehensive income for the period / year	(13)	(1)	10	-
Total comprehensive income for the period / year	(26)	18	146	(2)
Dividends received from the joint venture during the period / year	-	-	-	-
The above profit / (loss) for the period / year include the following:				
Depreciation and amortisation	22	10	226	-
Interest income	1	1	9	10
Interest expense	37	6	363	17
Income tax expense (income)	1	9	(9)	(2)

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Particulars	₹ in crores			
	JSW Severfield Structures Limited	JSW MI Steel Service Center Private Limited	Creixent Special Steels Limited	Piombino Steel Limited
Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:				
Net assets of the joint venture	308	187	93	6,173
Proportion of the Group's ownership interest in the joint venture	50%	50%	48%	49%
Other adjustments	-	-	-	349
Carrying amount of the Group's interest in the joint venture	154	94	41	2,676

b) Financial information of joint ventures as at 31 March 2020

Particulars	₹ in crores		
	JSW Severfield Structures Limited	JSW MI Steel Service Center Private Limited	Creixent Special Steels Limited
Current Assets	716	119	1,259
Non-current Assets	318	240	3,587
Current liabilities	686	74	1,344
Non-current liabilities	19	116	2,906
The above amount of assets and liabilities include the following:			
Cash and cash equivalents	3	21	36
Current financial liabilities (excluding trade and other payables and provisions)	146	14	817
Non-current financial liabilities (excluding trade and other payables and provisions)	16	113	2,880
Revenue	995	305	2,639
Profit / (loss) for the year	59	7	(549)
Other comprehensive income for the year	@	2	(29)
Total comprehensive income for the year	59	9	(578)
Dividends received from the joint venture during the year	-	-	-
The above profit / (loss) for the year include the following:			
Depreciation and amortisation	21	9	213
Interest income	4	3	12
Interest expense	33	8	319
Income tax expense (income)	1	4	-
Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:			
Net assets of the joint venture	326	170	65
Proportion of the Group's ownership interest in the joint venture	50%	50%	48%
Other adjustments	-	-	-
Carrying amount of the Group's interest in the joint venture	163	85	31

@ - between ₹ (0.50) crores to ₹ 0.50 crores

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c) Aggregate information of joint ventures that are not individually material

Particulars	₹ in crores	
	As at 31 March 2021	As at 31 March 2020
Aggregate carrying amount of the Group's interest in these joint ventures	4	4
Profit / (loss) from continuing operations	@	@
Post tax profit / (loss) from continuing operations	@	@
Other comprehensive income	-	-
Total comprehensive income	@	@

@ - between ₹ (0.50) crores to ₹ 0.50 crores

52. Subsidiaries

Details of the Group's subsidiaries at the end of reporting period are as follows:

Name of the subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Principal activity
		31 March 2021	31 March 2020	
JSW Steel (Netherlands) B.V.	Netherlands	100%	100%	Acquisition and investment in steel related & allied businesses and trading in steel products
JSW Steel Italy S.r.L.	Italy	100%	100%	Trading in steel products and Holding company of JSW Steel Italy Piombino S.p.A., Piombino Logistics S.p.A. - A JSW Enterprise and GSI Lucchini S.p.A.
JSW Steel Italy Piombino S.p.A. (formerly known as Aferpi S.p.A.)	Italy	100%	100%	Produces & distributes special long steel products
Piombino Logistics S.p.A. - A JSW Enterprise (formerly known as Piombino Logistics S.p.A.)	Italy	100%	100%	Manages the logistic infrastructure of piombino's port area
GSI Lucchini S.p.A. (refer note 53 b)	Italy	69.27%	69.27%	Producer of forged steel balls
JSW Steel (UK) Limited	United Kingdom	100%	100%	Investment in steel related and steel allied businesses
Periama Holdings, LLC	United States of America	100%	100%	Holding company of JSW Steel (USA) Inc. and West Virginia operations
JSW Steel (USA) Inc.	United States of America	90%	90%	Manufacturing plates, pipes and double jointing
Purest Energy, LLC	United States of America	100%	100%	Holding company
Meadow Creek Minerals, LLC	United States of America	100%	100%	Mining company
Hutchinson Minerals, LLC	United States of America	100%	100%	Mining company
R.C. Minerals, LLC	United States of America	100%	100%	Mining company
Keenan Minerals, LLC	United States of America	100%	100%	Mining company
Peace Leasing, LLC	United States of America	100%	100%	Mining company
Prime Coal, LLC	United States of America	100%	100%	Management company
Planck Holdings, LLC	United States of America	100%	100%	Holding company
Rolling S Augering, LLC	United States of America	100%	100%	Mining company
Periama Handling, LLC	United States of America	100%	100%	Coal loading company
Lower Hutchinson Minerals, LLC	United States of America	100%	100%	Mining company
Caretta Minerals, LLC	United States of America	100%	100%	Mining company

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Name of the subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Principal activity
		31 March 2021	31 March 2020	
JSW Panama Holdings Corporation	Republic of Panama	100%	100%	Holding company for Chile based companies and trading in iron ore
Inversiones Euroush Limitada	Chile	100%	100%	Holding company (LLP) of Santa Fe Mining
Santa Fe Mining	Chile	70%	70%	Mining company and Holding company of Santa Fe Pureto S.A.
Santa Fe Puerto S.A.	Chile	70%	70%	Port company
JSW Natural Resources Limited	Republic of Mauritius	100%	100%	Holding company of JSW Natural Resources Mozambique Limitada and JSW Mali Resources SA
JSW Natural Resources Mozambique Limitada	Mozambique	100%	100%	Mining company
JSW ADMS Carvao Limitada	Mozambique	100%	100%	Mining company
Acero Junction Holdings, Inc	United States of America	100%	100%	Investment in steel related and steel allied businesses
JSW Steel (USA) Ohio, Inc.	United States of America	100%	100%	Manufacturing of slabs and hot rolled coils.
JSW Bengal Steel Limited	India	98.76%	98.69%	Steel plant
JSW Natural Resources India Limited	India	98.76%	98.69%	Mining related company
JSW Energy (Bengal) Limited	India	98.76%	98.69%	Power plant
JSW Natural Resources Bengal Limited	India	98.76%	98.69%	Mining related company
JSW Jharkhand Steel Limited	India	100%	100%	Steel plant and mining
JSW Steel Coated Products Limited	India	100%	100%	Steel plant
Amba River Coke Limited	India	100%	100%	Coke oven and Pellet plant
Nippon Ispat Singapore (PTE) Limited	Singapore	100%	100%	Mining company
Erebus Limited	Mauritius	100%	100%	Mining company
Arima Holdings Limited	Mauritius	100%	100%	Mining company
Lakeland Securities Limited	Mauritius	100%	100%	Mining company
Peddar Realty Private Limited	India	100%	100%	Real estate
JSW Realty & Infrastructure Private Limited	India	0%	0%	Construction and development of residential township
JSW Industrial Gases Private Limited	India	100%	100%	Production of gaseous and liquid form of oxygen, nitrogen, argon and other products recoverable from separation of air
JSW Utkal Steel Limited	India	100%	100%	Steel plant
JSW One Platforms Limited (formerly known as JSW Retail Limited)	India	100%	100%	Trading in steel and allied products
Hasaud Steel Limited	India	100%	100%	Investment in steel related activities
Asian Color Coated Ispat limited (w.e.f. 27 October 2020)	India	100%	-	Steel plant
Vardhman Industries Limited (w.e.f. 31 December 2019)	India	100%	100%	Steel plant
JSW Vallabh Tin Plate Private Limited* (w.e.f. 31 December 2019)	India	100%	73.55%	Steel plant
JSW Vijayanagar Metallica Limited (w.e.f. 24 December 2019)	India	100%	100%	Steel plant
Piombino Steel Limited (upto 26 March 2021)	India	-	100%	Trading in steel products

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Name of the subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Principal activity
		31 March 2021	31 March 2020	
Makler Private Limited (upto 25 March 2021)	India	-	100%	Trading in steel products
JSW Retail and Distribution Limited (w.e.f. 15 March 2021)	India	100%	-	Trading in steel and allied products

* The Company has completed acquisition of 1,32,37,227 equity shares representing 26.45% of the issued and paid-up share capital of JSW Vallabh Tinplate Private Limited ("JSW VTPL") and as a result JSW VTPL has become wholly owned subsidiary of the Company. The difference between consideration paid and balance of non-controlling interest has been accounted in equity in consolidated financial statements of the Company.

Summarised financial information in respect of the Group's, material subsidiary that has non-controlling interests is set out below. The amount disclosed for each subsidiary are before inter-company elimination.

Financial information of non-controlling interest as on 31 March 2021

Particulars	₹ in crores			
	JSW Realty & Infrastructure Limited	Santa Fe Mining (Consolidated)	JSW Steel (USA), Inc.	GSI Luchhini S.p.A
Non-current assets	533	@	4,287	8
Current assets	66	11	916	274
Non-current liabilities	400	-	5,597	3
Current liabilities	73	494	819	171
Equity attributable to owners of the company	-	(338)	(659)	75
Non-controlling interest	126	(145)	(554)	33
Revenue	59	-	1,011	345
Expenses	58	22	1,801	350
Profit/ (loss) for the year	16	(22)	570	(4)
Profit / (loss) attributable to owners of the company	-	(16)	513	(3)
Profit / (loss) attributable to the non-controlling interest	16	(7)	57	(1)
Profit / (loss) for the year	16	(22)	570	(4)
Other comprehensive income attributable to owners of the company	-	-	-	-
Other comprehensive income attributable to the non-controlling interests	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Total comprehensive income attributable to the owners of the company	-	(16)	513	(3)
Total comprehensive income attributable to the non-controlling interests	16	(7)	57	(1)
Total comprehensive income for the year	16	(22)	570	(4)
Net cash inflow / (outflow) from operating activities	45	(8)	62	3
Net cash inflow / (outflow) from investing activities	(48)	-	(500)	(1)
Net cash inflow / (outflow) from financing activities	5	4	573	(11)
Net increase / (decrease) in cash and cash equivalents	2	(4)	135	(9)

@- between ₹ (0.50) crores to ₹ 0.50 crores

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Financial information of non-controlling interest as on 31 March 2020

Particulars	₹ in crores				
	JSW Realty & Infrastructure Limited	JSW Vallabh Tinplate Private Limited	Santa Fe Mining (Consolidated)	JSW Steel (USA), Inc.	GSI Luchhini S.p.A
Non-current assets	504	214	-	4,314	29
Current assets	54	101	16	1,318	305
Non-current liabilities	394	37	-	4,631	8
Current liabilities	60	183	489	1,676	187
Equity attributable to owners of the company	-	70	(331)	(164)	80
Non-controlling interest	104	25	(142)	(511)	59
Revenue	41	107	-	2,207	362
Expenses	48	108	218	3,155	361
Profit/ (loss) for the year	33	(1)	(218)	423	1
Profit / (loss) attributable to owners of the company	-	(1)	(153)	380	1
Profit / (loss) attributable to the non-controlling interest	33	@	(65)	42	@
Profit / (loss) for the year	33	(1)	(218)	423	1
Other comprehensive income attributable to owners of the company	-	@	-	-	-
Other comprehensive income attributable to the non-controlling interests	@	@	-	-	@
Other comprehensive income for the year	@	@	-	-	@
Total comprehensive income attributable to the owners of the company	-	(1)	(153)	380	1
Total comprehensive income attributable to the non-controlling interests	33	@	(65)	42	-
Total comprehensive income for the year	33	(1)	(218)	423	1
Net cash inflow / (outflow) from operating activities	38	4	(9)	323	10
Net cash inflow / (outflow) from investing activities	(60)	(1)	-	(442)	(2)
Net cash inflow / (outflow) from financing activities	49	(3)	9	133	2
Net cash inflow / (outflow)	27	@	@	14	10

@- between ₹ (0.50) crores to ₹ 0.50 crores

53. Subsequent events

- On 21 May 2021, the board of directors recommended a final dividend of ₹ 6.50 (Rupees six and paise fifty only) per equity share of ₹ 1 each to be paid to the shareholders for the financial year 2020-21, which is subject to approval by the shareholders at the Annual General Meeting to be held on 21 July 2021. If approved, the dividend would result in cash outflow of ₹ 1,571 crores.
- On 13 April 2021, JSW Steel Italy S.r.L, a wholly owned subsidiary of the Company completed the acquisition of remaining 840,840 equity shares, representing 30.73% equity share capital of GSI Luchini S.p.A. for a consideration of EUR 1 million. Consequent to this, GSI Luchini S.p.A. has become a wholly owned subsidiary of the Company.

54. The President has given his assent to the Code on Social Security, 2020 ("Code") in September 2020. On 13 November 2020 the Ministry of Labour and Employment released draft rules for the Code. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact once the subject rules are notified and will give appropriate impact to its financial statements in the period in which the Code becomes effective.

55. Previous year figures have been re-grouped / re-classified wherever necessary.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

56. Disclosure of additional information pertaining to the Parent Company, Subsidiaries and Joint ventures as per Schedule III of Companies Act, 2013

Name of entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
PARENT COMPANY								
JSW Steel Limited	75.90	35,022	111.32	8,764	81.47	642	108.60	9,406
SUBSIDIARIES								
INDIAN								
Vardhman Industries Limited	0.13	59	0.34	27	-	@	0.31	27
JSW Bengal Steel - Group	0.98	454	(0.10)	(8)	-	-	(0.09)	(8)
Amba River Coke Limited	5.18	2,392	2.68	211	4.19	33	2.82	244
JSW Steel Coated Products Limited	6.56	3,025	8.79	692	11.29	89	9.02	781
JSW Jharkhand Steel Limited	0.17	77	(0.03)	(2)	-	@	(0.02)	(2)
Peddar Realty Private Limited	0.25	114	0.18	14	-	-	0.16	14
JSW Vallabh Tinplate Private Limited	0.39	179	0.19	15	-	@	0.17	15
JSW Realty & Infrastructure Private Limited	0.72	332	0.03	2	-	@	0.02	2
JSW Industrial Gases Private Limited	0.54	250	0.47	37	-	@	0.43	37
JSW Uttkal Steel Limited	0.20	92	(0.01)	(1)	-	-	(0.01)	(1)
Hasaud Steel Limited	(0.08)	(37)	-	@	-	-	-	@
Asian Color Coated Ispat Limited	3.93	1,813	2.50	197	(0.13)	(1)	2.26	196
JSW Vijayanagar Metallics Limited	0.01	5	-	@	-	-	-	@
JSW Retail Limited	-	@	0.01	1	-	-	0.01	1
FOREIGN								
JSW Steel (Netherlands) B.V.	(2.85)	(1,313)	(1.18)	(93)	-	-	(1.07)	(93)
Periana Holding LLC - Group	(0.46)	(210)	(9.75)	(768)	-	-	(8.87)	(768)
JSW Panama Holdings Corporation - Group	0.31	145	(0.03)	(2)	-	-	(0.02)	(2)
JSW Steel (UK) Limited	0.31	141	(0.08)	(6)	-	-	(0.07)	(6)
JSW Natural Resources Limited - Group	0.28	130	-	@	-	-	-	@
Arima Holding Limited	@	@	-	@	-	-	-	@
Lakeland Securities Limited	-	@	-	@	-	-	-	@
Erebus Limited	-	@	-	@	-	-	-	@

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To the Consolidated Financial Statements as at and for the year ended 31 March 2021

Name of entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Nippon Ispat Singapore (PTE) Limited	-	@	-	@	-	-	-	@
JSW Steel Italy S.R.L.	0.02	10	-	@	-	-	-	@
Acerio Holdings Junction Inc. - Group	1.55	713	(10.45)	(823)	-	(9.50)	(823)	(823)
JSW Steel Italy Piombino S.p.A	0.63	293	(3.23)	(254)	-	(2.93)	(254)	(254)
Piombino Logistics S.p.A	0.07	30	(0.84)	(66)	-	(0.76)	(66)	(66)
GSI Luchini S.p.A.	0.17	80	(0.22)	(17)	-	(0.20)	(17)	(17)
NON-CONTROLLING INTEREST IN ALL SUBSIDIARIES	(1.34)	(619)	(0.61)	(48)	2.28	(0.35)	(30)	(30)
JOINT VENTURES (investment as per the equity method)								
INDIAN								
Vijayanagar Minerals Private Limited	0.00	2	-	@	-	-	-	@
Rohne Coal Company Private Limited	-	-	-	-	-	-	-	-
JSW Severfield Structures Limited - Group	0.33	154	(0.25)	(20)	-	(0.23)	(20)	(20)
Gourangdih Coal Limited	0.00	2	-	@	-	-	-	@
JSW MI Steel Service Center Private Limited	0.20	94	0.11	9	-	0.10	9	9
Crexent Special Steels Limited - Group	0.09	41	0.15	12	-	0.14	12	12
Piombino Steel Limited - Group	5.80	2,675	-	-	-	-	-	-
Foreign currency translation reserve	-	-	-	-	0.89	0.08	7	7
Total	100.00	46,145	100.00	7,873	100.00	100.00	8,661	8,661

@ - Less than ₹ 0.50 crores

Note: The balances and amounts presented above are net of intercompany eliminations and consolidation adjustments.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2021

57. Standards issued but not yet effective

There are no standards that have been issued but not yet effective.

See accompanying notes to the Consolidated Financial Statements

As per our report of even date

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

per VIKRAM MEHTA
Partner
Membership No.: 105938

Place: Mumbai
Date: 21 May 2021

RAJEEV PAI
Chief Financial Officer

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 21 May 2021

For and on behalf of Board of Directors

SAJJAN JINDAL
Chairman & Managing Director
DIN 00017762

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

(Information of Subsidiaries, JVs and Associates as required under first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A: Subsidiaries

Name of the Subsidiary	₹ in crores												
	JSW Steel Coated Products Limited	Amba River Coke Limited	Industrial Gases Private Limited	JSW One Platforms Limited	JSW Vallabh Tin Plate Private Limited	Vardhman Industries Limited	JSW Bengal Steel Limited	JSW Natural Resources India Limited	JSW Energy (Bengal) Limited	JSW Natural Resources Bengal Limited			
A	Reporting Currency	INR	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00			
B	Exchange rate		800.05	931.90	92.08	0.01	50.04	4.50	483.41	107.33	65.62	64.20	
C	Share Capital		3,431.81	1,128.19	210.05	1.86	34.10	54.82	4.51	(5.25)	2.70	(4.08)	
D	Reserves and Surplus		9,953.58	3,648.99	329.66	7.90	326.08	96.19	494.15	102.09	68.34	60.14	
E	Total Assets		5,721.72	1,588.90	27.53	6.03	241.94	36.87	6.23	0.01	0.02	0.02	
F	Total Liabilities		731.51	63.35	0.03	-	-	0.39	185.90	-	64.54	2.16	
G	Investment		14,962.99	3,902.08	529.38	16.86	620.67	346.42	-	-	-	-	
H	Turnover		979.08	259.82	49.25	0.97	22.40	24.79	(7.61)	(0.16)	(0.08)	(0.11)	
I	Profits / (Losses) before Taxes		245.93	92.17	12.52	0.34	8.52	-	0.30	0.04	-	0.01	
J	Provision for Taxation		733.15	167.65	36.73	0.63	13.88	24.79	(7.91)	(0.20)	(0.08)	(0.12)	
K	Profits / (Losses) after Taxes		-	-	-	-	-	-	-	-	-	-	
L	Proposed Dividend		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	98.76%	98.76%	98.76%	98.76%	
M	% of shareholding												
Name of the Subsidiary	₹ in crores												
	Peddar Realty Private Limited	JSW Uttkal Steel Limited	JSW Jharkhand Steel Limited	JSW Realty & Infrastructure Pvt Ltd.	Hasaud Steel Limited	JSW Retail & distribution Limited @	Asian Color Coated Ispat Limited #	JSW Vijayanagar Metallics Limited	Piombino Steel Limited \$	Makler Private Limited ^			
A	Reporting Currency	INR	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00			
B	Exchange rate		0.01	96.89	96.40	0.01	0.33	0.01	73.06	4.97	-	-	
C	Share Capital		(6.01)	(7.32)	(19.22)	125.63	628.30	-	(3,158.52)	(0.42)	-	-	
D	Reserves and Surplus		91.62	102.30	78.17	599.25	1,137.36	0.01	1,820.56	18.34	-	-	
E	Total Assets		97.62	12.73	0.99	473.61	508.73	-	4,906.02	13.79	-	-	
F	Total Liabilities		-	-	-	46.61	73.06	-	20.68	-	-	-	
G	Investment		1.49	-	-	59.02	0.58	-	3,890.03	-	7.18	25.44	
H	Turnover		14.33	(1.35)	(2.23)	11.47	(22.29)	-	(729.79)	(0.39)	(0.82)	(3.93)	
I	Profits / (Losses) before Taxes		0.14	-	0.01	(4.25)	-	-	-	-	-	-	
J	Provision for Taxation		14.19	(1.35)	(2.24)	15.72	(22.29)	-	(729.79)	(0.39)	(0.82)	(3.93)	
K	Profits / (Losses) after Taxes		-	-	-	-	-	-	-	-	-	-	
L	Proposed Dividend		100.00%	100.00%	100.00%	0.00%	100.00%	100.00%	100.00%	100.00%	NA	NA	
M	% of shareholding												

Part A: Subsidiaries (Continued)

Name of the Subsidiary	₹ in crores												
	JSW Steel (USA) Inc.	JSW Steel (USA) Ohio, Inc.	JSW Steel Italy Piombino S.p.A.	Piombino Logistics S.p.A.	GSI Luchini S.p.A.	Caretta Minerals LLC	Prime Coal LLC	Planck Holdings LLC	Rolling S Augering LLC	Periama Handling LLC			
A	Reporting Currency	USD	73.50	73.50	86.10	86.10	12.24	23.56	595.73	73.50	73.50	73.50	73.50
B	Exchange rate		5,902.43	240.62	181.44	(314.17)	(43.57)	88.57	(393.18)	0.77	548.52	32.44	29.41
C	Share Capital		(7,132.79)	(2,565.78)	(1,326.01)	119.95	285.51	714.18	(109.80)	(167.34)	(84.22)	(79.66)	-
D	Reserves and Surplus		5,178.90	1,776.02	1,458.74	151.28	173.38	511.63	109.41	252.95	51.82	50.25	-
E	Total Assets		6,409.26	4,101.18	23.16	-	-	-	595.73	-	-	-	-
F	Total Liabilities		1,002.75	454.29	1,768.04	43.68	342.46	86.29	-	-	-	-	-
G	Investment		(743.17)	(859.01)	(160.72)	(28.39)	(5.13)	(133.45)	(6.15)	(18.19)	(2.47)	(2.78)	(2.78)
H	Turnover		(156.06)	-	-	-	(1.07)	-	(23.58)	-	-	-	-
I	Profits / (Losses) before Taxes		(587.11)	(859.01)	(160.72)	(28.39)	(4.06)	(133.45)	(6.15)	5.39	(2.47)	(2.78)	(2.78)
J	Provision for Taxation		-	-	-	-	-	-	-	-	-	-	-
K	Profits / (Losses) after Taxes		-	-	-	-	-	-	-	-	-	-	-
L	Proposed Dividend		90.00%	100.00%	100.00%	100.00%	69.27%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
M	% of shareholding												
Name of the Subsidiary	₹ in crores												
	Lower Hutchinson Minerals LLC	Meadow Creek Minerals LLC	Keenan Minerals LLC	Hutchinson Minerals LLC	Peace Leasing LLC	R.C. Minerals LLC	Purest Energy LLC	JSW Steel (Netherlands) B.V.	Periama Holdings LLC	Acero Junction Holdings, Inc.			
A	Reporting Currency	USD	73.50	73.50	73.50	73.50	73.50	73.50	73.50	73.50	73.50	73.50	73.50
B	Exchange rate		11.92	29.86	3.95	37.54	56.79	90.78	336.68	206.55	240.62	240.62	240.62
C	Share Capital		(22.68)	(88.75)	(8.59)	(54.37)	(68.21)	(166.07)	(1,647.86)	(2,055.91)	5.56	5.56	5.56
D	Reserves and Surplus		0.20	0.65	-	0.18	-	-	1,331.79	7,358.56	2,730.27	2,730.27	2,730.27
E	Total Assets		10.96	59.54	4.64	17.01	0.26	11.42	2,642.97	9,207.92	2,484.09	2,484.09	2,484.09
F	Total Liabilities		-	-	-	-	-	-	277.15	1,436.24	240.62	240.62	240.62
G	Investment		-	-	-	-	-	-	-	-	-	-	-
H	Turnover		(1.27)	(2.03)	(0.04)	(0.18)	(0.01)	(0.01)	(755.31)	(755.31)	3.92	3.92	3.92
I	Profits / (Losses) before Taxes		-	-	-	-	-	-	-	-	-	-	-
J	Provision for Taxation		(1.27)	(2.03)	(0.04)	(0.18)	(0.01)	(0.01)	(180.44)	(180.44)	179.64	179.64	179.64
K	Profits / (Losses) after Taxes		-	-	-	-	-	-	-	-	-	-	-
L	Proposed Dividend		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
M	% of shareholding												

Part A: Subsidiaries (Continued)

Name of the Subsidiary	JSW Steel Italy S.R.L.	JSW Steel (UK) Limited	JSW Panama holdings Corporation	Inversiones Eurosh Limitada	Santa Fe Mining S.A.	Santa Fe Puerto S.A.	JSW Natural Resources Limited	JSW Natural Resources Mozambique Limitada	JSW ADMS Carvo Limitada	Nippon Ispat Singapore (PTE) Limited	Arima Holdings Limited	Erebus Limited	Lakeland Securities Limited
A Reporting Currency	EURO	GBP	USD	USD	USD	USD	USD	USD	USD	SGD	USD	USD	USD
B Exchange rate	86.10	100.95	73.50	73.50	73.50	73.50	73.50	73.50	73.50	54.37	73.50	73.50	73.50
C Share Capital	107.80	154.22	0.74	0.32	14.46	0.36	100.37	138.25	-	4.27	37.04	158.34	0.26
D Reserves and Surplus	(47.63)	(155.20)	45.08	(771.65)	(497.09)	(13.16)	(70.60)	(111.94)	1.67	(9.47)	(37.42)	(158.72)	(0.64)
E Total Assets	1,031.37	141.19	45.83	489.87	11.27	-	230.36	119.61	91.09	-	0.02	0.02	0.02
F Total Liabilities	971.20	142.17	0.01	1,261.20	493.90	12.80	200.59	93.30	89.42	5.20	0.40	0.40	0.40
G Investment	634.13	-	0.31	10.12	-	-	138.25	7.87	-	-	-	-	-
H Turnover	-	-	-	-	-	-	-	-	-	-	-	-	-
I Profits / (Losses) before Taxes	(44.38)	(11.72)	1.27	(35.77)	(229.12)	-	(4.28)	0.51	(0.34)	(0.01)	(0.07)	(0.07)	(0.07)
J Provision for Taxation	-	-	-	-	-	-	-	-	0.08	-	-	-	-
K Profits / (Losses) after Taxes	(44.38)	(11.72)	1.27	(35.77)	(229.12)	-	(4.28)	0.51	(0.42)	(0.01)	(0.07)	(0.07)	(0.07)
L Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-
M % of shareholding	100.00%	100.00%	100.00%	100.00%	70.00%	70.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Note: The financial statements of subsidiaries are converted into Indian Rupees on the basis of exchange rate as on closing day of the financial year.

The financial information disclosed above in respect of entities acquired during the year are for the full financial year.

Additional disclosure

Subsidiaries yet to commence operation	Name of subsidiaries
	JSW Bengal Steel Limited
	JSW Natural Resources India Limited
	JSW Energy (Bengal) Limited
	JSW Natural Resources Bengal Limited
	JSW Utkal Steel Limited
	JSW Jharkhand Steel Limited
	JSW Retail & Distribution Limited
	JSW Vijayanagar Metallica Limited
	Inversiones Eurosh Limitada
	Santa Fe Puerto S.A.
	JSW Natural Resources Mozambique Limitada
	JSW ADMS Carvo Limitada
	Piombino Steel Limited \$
	Makler Private Limited ^

@ - subsidiary w.e.f 15 March 2021

- subsidiary w.e.f 31 October 2020

\$ - ceased to be a subsidiary w.e.f 27 March 2021

^ - ceased to be a subsidiary w.e.f 25 March 2021

Part B: Associates and Joint Ventures

Name of Associates/ Joint Ventures	Joint ventures					
	Vijaynagar Minerals Private Limited	Rohme Coal Company Private Limited	JSW Severfield Structures Limited	JSW Structural Metal Decking Limited	Gourangdh Coal Limited	
1. Latest audited Balance Sheet Date	31 March 2020	31 March 2021	31 March 2021	31 March 2021	31 March 2020	
2. Shares of Associate/Joint Ventures held by the company on the year end	4,000	490,000	197,937,940	4,482,905	2,450,000	
Number of shares	-	0.49	197.94	4.48	2.45	
Amount of Investment	40.00%	49.00%	50.00%	33.33%	50.00%	
Extend of Holding %		Joint Venture Agreement				
3. Description of how there is significant influence	NA	NA	NA	NA	NA	
4. Reason why the associate/joint venture is not consolidated	1.77	(4.02)	151.49	7.16	1.56	
5. Networth attributable to Shareholding as per latest audited Balance Sheet	0.01	-	(7.90)	0.79	(0.04)	
6. Profit / Loss for the year	-	(2.07)	-	-	-	
i. Considered in Consolidation						
ii. Not Considered in Consolidation						

Name of Associates/ Joint Ventures	Joint ventures					
	JSW MI Service centre Private Limited	JSW Ispat Special Products Limited	Creixent Special Steels Limited	Piombino Steel Limited *	Bhushan Power & Steel limited *	
1. Latest audited Balance Sheet Date	31 March 2021	31 March 2021	31 March 2021	31 March 2020	31 March 2020	
2. Shares of Associate/Joint Ventures held by the company on the year end	66,500,000	108,448,611	4,800,000	980,000,000	49,000,000	
Number of shares	66.50	108.45	4.80	980.00	49.00	
Amount of Investment	50.00%	23.10%	48.00%	49.00%	49.00%	
Extend of Holding %		Joint Venture Agreement				
3. Description of how there is significant influence	NA	NA	NA	NA	NA	
4. Reason why the associate/joint venture is not consolidated	93.64	321.81	(59.30)	NA	NA	
5. Networth attributable to Shareholding as per latest audited Balance Sheet	8.85	47.66	(38.33)	-	-	
6. Profit / Loss for the year	-	-	-	-	-	
i. Considered in Consolidation						
ii. Not Considered in Consolidation						

* - joint venture w.e.f. 27 March 2021

Part B: Associates and Joint Ventures (Continued)

Additional disclosure	Name of associates and Joint Ventures
Associates and Joint Ventures yet to commence operation	Rohne Coal Company Private Limited
Associates and Joint Ventures liquidated or sold during the year	Gourangdih Coal Limited
	None

For and on behalf of Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJIAN JINDAL
Chairman & Managing Director
DIN 00017762

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

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

Place: Mumbai
Date: 21 May 2021

Financial Highlights (Standalone)

	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue Accounts (₹ in crores)					
Gross Turnover	56,244	66,235	75,210	62,315	69,458
Net Turnover	51,621	64,976	75,210	62,315	69,458
Operating EBIDTA	11,544	13,741	18,512	12,517	19,259
Depreciation and Amortisation	3,025	3,054	3,421	3,522	3,781
Finance Costs	3,643	3,591	3,789	4,022	3,565
Exceptional Items	-	234	-	1,309	386
Profit Before Taxes	5,131	7,075	11,707	4,292	12,196
Provision for Taxation	1,554	2,450	3,586	(999)	3,803
Profit after Taxes	3,577	4,625	8,121	5,291	8,393
Capital Accounts (₹ in crores)					
Net Fixed Asset (including ROU assets)	50,266	49,568	51,772	50,542	51,942
Debt*	38,273	36,181	48,539	58,713	54,138
Net Debt	36,946	35,580	42,725	47,312	42,393
Equity Capital	240	241	240	240	241
Other Equity (Reserve & Surplus)	23,797	27,605	34,592	38,061	46,675
Shareholders' Funds	24,098	27,907	34,893	38,362	46,977
Ratios					
Book Value Per Share (₹)	99.69	115.45	144.35	158.70	194.34
Market price Per Share (₹)	188.20	288.15	293.05	146.25	468.45
Earning per Share (Diluted) (₹)	14.80	19.14	33.60	21.89	34.72
Market Capitalisation (₹ in crores)	45,492	69,652	70,837	35,352	113,235
Equity Dividend per Share (₹)	2.25	3.20	4.10	2.00	6.50
Fixed Assets Turnover Ratio	1.03	1.31	1.45	1.23	1.34
Operating EBIDTA Margin	22.1%	20.7%	24.0%	19.5%	27.2%
Interest Service Coverage Ratio	3.38	4.05	5.26	3.61	6.52
Net Debt Equity Ratio	1.53	1.27	1.22	1.23	0.90
Net Debt to EBIDTA	3.20	2.59	2.31	3.78	2.20

* including Lease liabilities, APSA and excluding acceptance

Financial Highlights (Consolidated)

	2016-17	2017-18	2018-19	2019-20	2020-21
REVENUE ACCOUNTS (₹ in crores)					
Gross Turnover	59,560	71,349	82,499	71,116	78,059
Net Turnover	54,628	70,071	82,499	71,116	78,059
Operating EBIDTA	12,174	14,794	18,952	11,873	20,141
Depreciation and Amortisation	3,430	3,387	4,041	4,246	4,679
Finance Costs	3,768	3,701	3,917	4,265	3,957
Exceptional Items	-	264	-	805	83
Profit Before Taxes	5,128	7,651	11,168	3,013	12,015
Provision for Taxation	1,674	1,538	3,644	(906)	4,142
Profit after Taxes	3,467	6,113	7,524	3,919	7,873
CAPITAL ACCOUNTS (₹ in crores)					
Net Fixed Asset (including ROU assets)	57,858	57,141	61,804	61,670	64,581
Debt*	43,334	39,393	52,238	65,477	65,436
Net Debt	41,549	38,019	45,969	53,473	52,615
Equity Capital	240	241	240	240	241
Other Equity (Reserve & Surplus)	22,346	27,696	34,494	36,298	46,462
Shareholders' Funds	22,401	27,534	34,345	36,024	46,144
RATIOS					
Book Value Per Share (₹)	92.67	113.91	142.08	149.03	190.90
Market price Per Share (₹)	188.20	288.15	293.05	146.25	468.45
Earning per Share (Diluted) (₹)	14.58	25.71	31.60	16.67	32.73
Market Capitalisation (₹ in crores)	45,492	69,652	70,837	35,352	113,235
Equity Dividend per Share (₹)	2.25	3.20	4.10	2.00	6.50
Fixed Assets Turnover Ratio	0.94	1.23	1.33	1.15	1.21
Operating EBIDTA Margin	21.9%	20.6%	22.4%	16.2%	25.2%
Interest Service Coverage Ratio	3.34	4.15	5.02	3.11	5.82
Net Debt Equity Ratio	1.85	1.38	1.34	1.48	1.14
Net Debt to EBIDTA	3.41	2.57	2.43	4.50	2.61

* including Lease liabilities, APSA and excluding acceptance

Corporate Information

Chairperson Emeritus

Mrs. Savitri Devi Jindal

Board of Directors

Non-Independent Executive Directors

Mr. Sajjan Jindal

Chairman and Managing Director

Mr. Seshagiri Rao M.V.S.

Joint Managing Director
and Group CFO

Dr. Vinod Nowal

Deputy Managing Director

Mr. Jayant Acharya

Director (Commercial and Marketing)

Nominee Directors

Dr. V. Ram Prasath Manohar IAS

Nominee Director, KSIIDC

Mr. Hiroyuki Ogawa

Nominee Director, JFE Steel Corp.,
Japan

Independent Non-Executive Directors

Mr. Malay Mukherjee

Mr. Harsh Charandas Mariwala

Mr. Seturaman Mahalingam

Dr. (Mrs.) Punita Kumar Sinha

Mr. Haigreve Khaitan

Mr. Harsh Charandas Mariwala

Mrs. Nirupama Rao

Chief Financial Officer

Mr. Rajeev Pai

Company Secretary

Mr. Lancy Varghese

Auditors

STATUTORY AUDITOR

M/s. S R B C & CO LLP,
Chartered Accountants

COST AUDITOR

M/s. Shome & Banerjee
Cost Accountants

SECRETARIAL AUDITOR

M/s. S. Srinivasan & Co.
Company Secretaries

Bankers

Bank of Baroda

Bank of India

ICICI Bank Ltd.

IDBI Bank Ltd.

Indian Bank

Indian Overseas Bank

Punjab National Bank

State Bank of India

Union Bank of India

Registered Office

JSW Centre,

Bandra-Kurla Complex,

Bandra (East),

Mumbai - 400 051

T: +91 22 4286 1000

F: +91 22 4286 3000

www.jsw.in

Registrar & Share Transfer Agents

KFin Technologies Private Limited

Selenium Building, Tower-B,

Plot No. 31 & 32,

Financial District, Nanakramguda,

Serilingampally, Hyderabad,

Rangareddi, Telangana,

India - 500 032.

Works

VIJAYANAGAR WORKS

P.O. Vidyanagar,
Toranagallu Village, Sandur Taluk,
Ballari District, Karnataka - 583 275
T: +91 8395 - 250120 to 30
F: +91 8395 - 250138/250665

DOLVI WORKS

Geetapuram, Dolvi Village, Pen Taluk,
Raigad District,
Maharashtra - 402 107
T: +91 2143 - 277501 to 15
F: +91 2143 - 277533 / 42

SALEM WORKS

Pottaneri, M. Kalipatti Village,
Mecheri Post, Mettur Taluk,
Salem District, Tamil Nadu - 636 453
T: +91 4298 - 272000
F: +91 4298 - 272272

T: +91 4298 - 272272



About JSW Steel Ltd:

JSW Steel is the flagship business of the diversified US\$ 13 billion JSW Group. As one of India's leading business houses, JSW Group also has other business interests in sectors such as energy, infrastructure, cement, paints, sports and venture capital. JSW Steel has grown from a single manufacturing unit in early '80s to become India's leading integrated steel company with a steel-making capacity of 28 MTPA in India & USA, including capacities under joint control & new capacity to be commissioned at Dolvi during this year.

Its roadmap for the next phase of growth includes a target of achieving 37.5 MTPA steel capacity by FY 2024-25. The Company's manufacturing unit in Vijayanagar, Karnataka is the largest single location steel-producing facility in India with a capacity of 12 MTPA. JSW Steel has always been at the forefront of research and innovation. It has a strategic collaboration with global leader JFE Steel of Japan, enabling JSW to access new and state-of-the-art technologies to produce & offer high-value special steel products to its customers. These products are extensively used across industries and applications including construction, infrastructure, automobile, electrical applications, appliances etc. JSW Steel is widely recognised for its excellence in business. Some of its key honours and awards include World Steel Association's Steel Sustainability Champion (consecutively from 2019 to 2021), Leadership Band Rating (A-) in CDP (2020), Deming Prize for TQM for its facilities at Vijayanagar (2018) and Salem (2019), DJSI RobecoSAM Sustainability Industry Mover Award (2018) among others. JSW Steel is the only Indian company to be ranked among the top 10 global steel producers by World Steel Dynamics for 10 consecutive years. As a responsible corporate citizen, JSW Steel's carbon reduction goals are aligned to India's Climate Change commitments under the Paris Accord.

If undelivered, please return to:

JSW Centre

Bandra Kurla Complex,
Near MMRDA Grounds,
Bandar East,
Mumbai 400 051

P: +91 22 4286 1000
F: +91 22 4286 3000
E: contact@jsw.in
W: www.jsw.in