Sustainable Steel for a Better Everyday
JSW Steel is India's leading and one of the world's most efficient integrated steelmakers. We are progressing responsibly 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 increasing appetite for steel, to drive its sustainable development story.

We are a reliable partner in nation building. We are JSW Steel.

---

### Technology competence

Combination of state-of-the-art steel making technologies:

- Corex
- DRI
- Conarc
- Blast Furnace
- BOF
- EAF

---

### Key Statistics

- **27 MTPA**
  - Domestic crude steel capacity
  - (Including BPSL and JSW Ispat Special Products Ltd.)

- **37 MTPA**
  - Expected domestic capacity by FY 2024-25

- **1.5 MNTPA**
  - International presence (JSW Steel USA)

- **~12.6 MTPA**
  - Downstream steel capacity

- **500+**
  - New branded stores

- **100+ countries**
  - Export footprint

- **13**
  - Captive iron ore mines

- **13,000+**
  - Direct employees

---

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

Shri O.P. Jindal | 7th August, 1939 - 31st March, 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.
**Sustainable steel for a Better Everyday**

Sustainability is an everyday responsibility at JSW Steel. We are enhancing our operational efficiency every day, focusing on cost optimisation and capacity expansion enabling sustainable operations. We are constantly innovating to diversify our product portfolio with value added products and minimising resource use through greater efficiencies. With a consistent focus on technology adoption and on Environmental, Social, and Governance (ESG), we are equipping ourselves to deliver sustained value to all our stakeholders. With bigger and better operations at optimised costs, cleaner products and solutions, we are making sustainable steel that is to play an indispensable part in creating a Better Everyday for all.

**Financial Highlights**

- **Consolidated revenue from operations**: ₹1,46,371 crore (83% y-o-y)
- **Operating EBITDA**: ₹39,007 crore (94% y-o-y)
- **PAT**: ₹20,938 crore (166% y-o-y)
- **Consolidated CSR spends for the year**: ₹218 crore
- **Cost savings from digitalisation**: ₹39,007 crore
- **Sales of value-added and special products (VASP)**: ₹21,454 crore

**Operational Highlights**

- **Crude steel production**: 19.51 MnT (29% y-o-y)
- **Saleable steel sales (including Dolvi)**: 18.18 MnT (21% y-o-y)
- **Conversion cost per tonne**: ₹218 crore (61% y-o-y)
- **Conversion cost per tonne (instand)**: ₹218 crore
- **Material recycled**: 3.77 MnT
- **GHG emissions intensity**: 2.50 tCO2/tcs (Scope 1&2)

**ESG highlights**

- **Economic value generated**: ₹1,19,280 crore
- **Economic value retained**: 30%
- **Conversion cost per tonne**: ₹218 crore
- **Material recycled**: 3.77 MnT
- **Water reused and recycled**: 16,538.55 (000'm3)
- **Conversion cost per tonne**: ₹218 crore
- **Material recycled**: 3.77 MnT

**Better**

01

**Doubled capacities in the past 6 years**

02

**A partner of choice in India’s development story**; working towards building an ‘Aatmanirbhar Bharat’

03

**Driving capacity expansion across facilities**

  - Dolvi’s capacity doubled from 5 MTPA to 10 MTPA
  - Setting up 0.5 MTPA continuous Annealing Line at Vasind and second Tinplate line of 0.25 MTPA at Tarapur (4.11 MTPA post expansion capacity of JSW Steel Coated Products Ltd.)
  - Setting up a 5 MTPA steelmaking capacity in Vijayanagar
  - Announced as a preferred bidder for an iron ore mine in Maharashtra
  - New colour coating lines being set up in J&K and Rajpura, Punjab

**Cleaner**

01

**Performing well against all ESG priorities**

02

**Recognised as the worldsteel Sustainability Champion for the fourth consecutive year**

03

**Investing significantly (₹10,000 crore)** to reduce carbon emission from steel manufacturing

04

**Transitioning to low emission steel production cycle**

05

**Robust ESG roadmap to achieve targets by 2030**

06

**Entered the S&P DJSI Sustainability Index 2021 for Emerging Markets**

07

**Maintained Leadership level (A-)** in CDP climate change programme

08

**First steel company in the world to issue USD-denominated Sustainability Linked Bonds**

09

**Providing transparency to customers through product eco-labelling - EPDs (Environmental Product Declaration) of all finished steel products and CII GreenPro certification for rebars, based on lifecycle analysis**

10

**Implemented an EV policy for employees to influence consumer behaviour in decarbonising the transport sector**
The fifth integrated report of JSW Steel is prepared in accordance with the International Integrated Reporting framework published by the International Integrated Reporting Council (IIRC) (now 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.

### Reporting period

**01st April 2021 - 31st March 2022**

### Responsibility statement

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).

### Assurance

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 as third party assurance provider.

Restatements of information

Reinstated information from our preceding Integrated report for FY 2020-21, has been denoted by in this report.

### Our approach to reporting

The fifth integrated report of JSW Steel is prepared in accordance with the International Integrated Reporting framework published by the International Integrated Reporting Council (IIRC) (now 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.

### Basis of our presentation

#### Our approach to reporting

The fifth integrated report of JSW Steel is prepared in accordance with the International Integrated Reporting framework published by the International Integrated Reporting Council (IIRC) (now 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.

### Reporting period

**01st April 2021 - 31st March 2022**

### Responsibility statement

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).

### Assurance

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 as third party assurance provider.

### Restatements of information

Reinstated information from our preceding Integrated report for FY 2020-21, has been denoted by in this report.

### Frameworks, guidelines and standards

Apart from abiding by the guiding principles and content elements of the International (IR) Framework (January 2021) 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)
- 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, including voluntary compliance to the Business Responsibility and Sustainability Report (BRSR) framework
- Secretarial Standards issued by the Institute of Company Secretaries of India
- JSW Steel also discloses climate change-related information to the CDP every year.

### Reporting period

**01st April 2021 - 31st March 2022**

### Responsibility statement

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).

### Assurance

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 as third party assurance provider.

### Restatements of information

Reinstated information from our preceding Integrated report for FY 2020-21, has been denoted by in this report.
Organisational Overview

About JSW Steel  10-11
Operational presence  12-13
Product portfolio  14-15
Investment case  16-21

Climate action, industry and JSW steel

What does climate change mean for steel?  38-41
Alignment with TCFD recommendations  42-43

Value creation

Operating context  46-51
Value creation model  52-53
Stakeholder engagement  54-55
Materiality  56-57
Risk management  58-65

Reviewing FY 2021-22

Message from Chairman and Managing Director  24-27
Message from Joint Managing Director  28-29
Financial performance  30-31
Safety and performance  32-35

Strategy

Strategic priorities  68-71
S1 S1-Strategic growth  72-81
S2 S2-Diversification of product profile and customer base  82-91
S3 S3-Backward integration and raw material security  92-95
S4 S4-Focus on resource optimisation and digitalisation  96-105
S5 S5-Prudent financial management  106-109
S6 S6-Mainstreaming sustainability in business imperatives  110-111

Annexures

GRI content index  172-177
SDG Index  178-179
Independent assurance statement  180-183

Statutory Report

Business Responsibility and Sustainability Report  240-267
Directors’ Report  268-312
Corporate governance report  313-345

Financial Statements

Standalone financial statements  346-457
Consolidated financial statements  458-586
Over the years, JSW Steel has grown into one of the leading steel producers in India, and a globally-recognised leader in cost efficiency, operational excellence and sustainability.
Making steel sustainable everyday

JSW Steel is India’s leading integrated steel manufacturer with a resolute focus on making sustainable steel, enabled by agile innovation, best-in-class technology adoption and digitalisation. While pursuing our strategic business objectives, we are playing a key role in India’s development story, working towards safeguarding the environment and making a meaningful difference to lives of our people, partners and communities.

Purpose  →  Vision  →  Values

- Building world-class infrastructure, products and solutions
- Deploying world-class capabilities
- Nurturing our communities

Bring positive transformation to every life we touch

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Vision</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building world-class</td>
<td>Confidence</td>
<td>Confidence</td>
</tr>
<tr>
<td>infrastructure, products</td>
<td>Courage</td>
<td>Courage</td>
</tr>
<tr>
<td>and solutions</td>
<td>Commitment</td>
<td>Commitment</td>
</tr>
<tr>
<td>Deploying</td>
<td>Compassion</td>
<td>Compassion</td>
</tr>
<tr>
<td>world-class capabilities</td>
<td>Collaboration</td>
<td>Collaboration</td>
</tr>
<tr>
<td>Nurturing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>our communities</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

JSW Steel: The flagship of the JSW Group

27 MTPA  ~12.6 MTPA
Domestic crude steel capacity  Downstream steel capacity

1.5 MNTPA
JSW Steel USA Integrated steel plant with a finishing capacity of 3 MNTPA

The US$ 22 billion JSW Group is ranked among India’s leading business houses. JSW’s innovative and sustainable presence in various sectors including Steel, Energy, Infrastructure, Cement, Paints, Venture Capital and Sports is helping the Group play an important role in driving India’s economic growth.

Revolutionising steel across India and beyond

What we offer

- Colour coated and roofing products
- Hot-rolled sheets
- TMT Bars
- Smart steel doors
- Tinplate
- Alloy-based sheets

Map not to scale. Please find details of our facilities on Page 12-13.

1 million net tonnes per annum
*Includes JSW Coated Products Ltd., Welspun Corp Plates and Coil Mill Division, ACCIL, JSWVTPL and VIL
Expanding our geographic reach

We are present in strategically located geographies across India, USA and Italy. The majority of our capacity is fulfilled by our four integrated steel plants (ISPs) at Vijayanagar, Dolvi, Salem and in Odisha. Our value-added steel products (VASP) adds a competitive edge to our market presence, which we fulfill through our joint ventures and subsidiaries. We have operationalised 13 mines across Karnataka and Odisha, which provides long-term iron ore supply and price security.

Manufacturing facilities

1. **Vijayanagar Works (ISP)**
   - **Key products**: Hot Rolled (HR), Cold Rolled (CR), Galvanised (GI) and Galvalume (GL), wire rods, TMT, slabs, billets
   - **Capacity**: 12 MTPA crude steel, expanding by 7.5 MTPA additional capacity by FY 2024-25
   - **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

2. **Dolvi Works (ISP)**
   - **Key products**: HR, TMT, billets
   - **Capacity**: 10 MTPA crude steel
   - **Highlights**: Strategically connected to a 30 MTPA capacity jetty, Setting up 175 MW Waste Heat Recovery Boilers (WHRB) and 60 MW power plants to harness flue gases and steam from coke dry quenching

3. **Salem Works (ISP)**
   - **Key products**: Wire rod, alloy long products, billets/blooms
   - **Capacity**: 1 MTPA crude steel
   - **Highlights**: India’s largest special alloy steel plant, Awarded Deming Prize for operational excellence in 2019

4. **Bhushan Power and Steel Ltd. (BPSL)**
   - **Capacity**: 2.75 MTPA crude steel
   - **Highlights**: Specialised in offering reduced iron and briquetted iron products

Mines

- **216 MnT** Karnataka iron ore reserves
- **1,135 MnT** Odisha iron ore reserves
- **31.62 MnT** Captive iron ore production in FY 2021-22

Downstream operations

5. **Anjar Works**
   - **Capacity**: 1.2 MTPA Steel plates and coils
   - **Key products**: GI/GL, colour-coated products

6. **Vasind Works**
   - **Capacity**: 1.32 MTPA
   - **Key products**: GI/GL, colour-coated products
   - **Continuous annealing line**: of 0.5 MTPA to be set up by FY 2022-23
   - **Highlights**: India’s largest exporter of colour-coated products for the appliances industry

7. **Kalmeshwar Works**
   - **Capacity**: 0.95 MTPA
   - **Key products**: GI/GL, colour-coated products

8. **Tarakpur Works**
   - **Capacity**: 0.73 MTPA of GI/GL, 0.25 MTPA of Tin plate
   - **Key products**: GI/GL, colour-coated products, Tin plate
   - **Tinplate line**: of 0.25 MTPA to be set up by FY 2022-23
   - **Highlights**: India’s largest exporter of coated products to Europe, Africa, North and South Americas, and the Middle East

9. **JSW Vallabh Tinplate Pvt. Ltd. (JSWVTPL)**
   - **Capacity**: 0.1 MTPA
   - **Key products**: Tin plate
   - **Highlights**: Indian’s largest special alloy steel plant

10. **Vardhman Industries Ltd. (VIL)**
    - **Capacity**: 40,000 tonnes (per annum)
    - **Key products**: Colour-coated products

11. **Asian Colour Coated Ispat Ltd. (ACCIL)**
    - **Capacity**: 1 MTPA Steel plates and coils
    - **Key products**: HRPO, GI/GL and colour-coated products

International manufacturing facilities

1. **JSW Steel USA (Ohio)**
   - **Capacity**: 1.5 MNTPA Crude steel
   - **Finishing capacity**: 3 MNTPA

2. **JSW Steel USA (Baytown)**
   - **Capacity**: 1.2 MNTPA Plate mill
   - **Capacity**: 0.55 MNTPA Pipe mill

3. **JSW Steel Italy (Piombino)**
   - **Finishing capacity**: 1.3 MTPA
   - **Key products**: Rails, wire rods, bars and grinding balls
Delivering custom solutions to diverse needs

JSW Steel offers a comprehensive suite of products and solutions to address diverse customer needs across markets and end-use industries. We have transformed from a product business to a solutions business, with the JSW One platform helping widen reach and customer base.

**Colour coated and roofing products**
- **Radiance**
  Superior Colour Coated Steel product with newly evolved paint technology to enhance product life
- **Everflow**
  Super-premium and technologically superior colour coated steel products. Its Aluminium Zinc coating of 150gsm, Super Durable Polyester (SDP) paint coating and Bottom Colour Paint Coating makes it uniquely positioned for interior aesthetics as well as strong roofing solutions
- **Colouron+**
  Premium colour-coated roofing sheets with anti-corrosion technology that prevents early corrosion of steel and substantially increases roof life
- **Silveron+**
  Premium galvalume coil and sheets with enhanced corrosion resistance, better heat reflectivity and longer life.
- **Pragati+**
  A vibrant range of colour-coated galvanised steel sheets

**Tinplate**
- **Platina**
  Tinplate products with high strength, formability and smooth finish

**Alloy-based sheets**
- **Vishwas+**
  Anti-corrosion premium aluminium-zinc sheets
- **Vishwas**
  Premium galvanised corrugated (GC) sheets

**Galvalume**
- **Galves**
  Premium, long-life galvalume coil and sheets with applications in the solar energy sector
- **Galveco**
  100% eco-friendly, ROHS-compliant, lead-free coils and sheets

**Hot rolled sheets**
- **trusteel**
  Multi-utility steel sheets in accurate lengths and shapes

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

**Smart steel doors**
- **Avante**
  Striking the right combination of steel and wood, engineered for long-life and convenience
Invested in the future

The annual demand for finished steel in India is expected to touch 240 MnT by FY 2030-31, more than doubling from the current levels. This will be enabled by the government’s thrust on infrastructure and housing development, increasing share of manufacturing in India’s GDP through initiatives such as Production-Linked Incentive (PLI) Scheme and National Infrastructure Pipeline (NIP). Moreover, following the disruptions induced by COVID-19 and the geopolitical realignments post the Russia-Ukraine situation, many economies have been shifting their supply chains across upstream and downstream facilities. In the past five years, we have grown our domestic capacities from 18 MTPA to touch 27 MTPA through organic and inorganic expansion and ramp-up is underway. The mines are well-positioned to cater to the needs of our integrated steel plants, and we have integrated competency. This access to captive raw material helps us mitigate risks on the raw material availability and quality fronts. The mines are well-positioned to cater to the needs of our integrated steel plants, and we have integrated efficient logistics to reduce overheads. We have been implementing digitalisation at our Odisha mines, to further enhance our efficiencies.

$136 per tonne

Conversion cost in FY 2021-22

On the basis of the weighted average score out of 10, across 23 different parameters from World Steel Dynamics’ World-Class Steelmaker rankings as of November 2021, we have been ranked 5th in Asia and 12th globally.

Increasingly margin-accretive product mix

In line with the evolving needs of our customers, we have continuously innovated and introduced new products in the market, and progressively increased our share of Value-Added and Special Products (VASP) in our portfolio. Our products across categories such as hot rolled, cold rolled, colour coated, electrical steel, alloy steel and tinplate find varying applications across industries. Our brands enjoy continued goodwill in the market given the assured quality and advanced applicability. We have also been able to understand the pulse of the market and develop first-to-market product solutions in domestic market.

Our operations remain committed to achieving the sustainability targets. In FY 2021-22, we achieved environment product declaration (EPD) for all our finished steel products.

Growing to become India’s largest steelmaker, we are enabled by technology-driven efficiency, a value-added product profile, robust financial fundamentals, unremitting support from our employees and communities, and a central focus on progressing on our sustainability parameters.
Progressing on ESG, with a clear focus on decarbonisation

At JSW Steel, sustainability translates into everything we do. We have identified 17 priority areas across Environmental, Social and Governance (ESG) parameters and are working tirelessly to achieve specific aims.

We have set specific targets for the most material sustainability parameters and are actively progressing on all key performance indicators. A brief snapshot of our sustainability performance and 2030 targets is provided.

<table>
<thead>
<tr>
<th>Environment</th>
<th>Water Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change</td>
<td>Specific Energy Consumption</td>
</tr>
<tr>
<td>Specific energy consumption (Scope 1+2)</td>
<td>(btu/ftca)</td>
</tr>
<tr>
<td>FY05 6.94</td>
<td>FY05 3.39</td>
</tr>
<tr>
<td>FY30 5.65*</td>
<td>FY30 1.95</td>
</tr>
<tr>
<td>Improvement 19%</td>
<td>Improvement 42%</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Resources</td>
<td>Specific water consumption</td>
</tr>
<tr>
<td>Specific water consumption (steel production)</td>
<td>(m³/ftca)</td>
</tr>
<tr>
<td>FY05 3.60</td>
<td>FY05 2.21*</td>
</tr>
<tr>
<td>FY30</td>
<td>FY30</td>
</tr>
<tr>
<td>Improvement 39%</td>
<td>Improvement 72%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Waste</th>
<th>Air emissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specific Waste</td>
<td>Specific process dust emissions</td>
</tr>
<tr>
<td>Waste recycled (Kg/ftca)</td>
<td>(Kg/ftca)</td>
</tr>
<tr>
<td>FY05 6.77</td>
<td>FY05 0.93</td>
</tr>
<tr>
<td>FY30</td>
<td>FY30 0.26*</td>
</tr>
<tr>
<td>Improvement 38 pp</td>
<td>Improvement 72%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social</th>
<th>Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>We are also progressively improving our safety performance through the deployment of specific health and safety initiatives and competency development, to nurture safety culture across the organisation. On the social front, JSW Foundation is positively touching the lives of more than a million people in India. In FY 2021-22, JSW Foundation becomes the first CSR Foundation in India to be compliant with ISO 26000:2010 framework for contributing to sustainable development and it also became a member of the United Nations Global Compact (UNGC).</td>
<td>Our illustrious Board sets our overall strategic direction, and their collective skills and competencies contribute to our responsible growth story. We have a diverse Board in terms of gender, with three women members; and in terms of skill sets and areas of expertise.</td>
</tr>
</tbody>
</table>

**42%** Target reduction in specific CO₂ emissions by 2030 vs baseline year of 2005

*The above reflects revised and more stringent targets. The targets for 2030 are based on baseline figures of 2005.*
Balance Sheet

We continue to maintain a healthy balance sheet despite charting out large investments to expand our capacity. On the back of healthy profitability in FY 2021-22, both our Net Debt to Equity and Net Debt to EBITDA ratios have improved and are comfortably placed at 0.83x and 1.45x, respectively. With new capacities coming on stream driving volume growth, we are well placed to maintain our Net Debt to EBITDA ratio well below 3.75x.

We are consistently reducing our cost of capital with access to diverse pools of liquidity and strong relationships with institutions across the world. We successfully raised the global steel industry’s first USD sustainability-linked bond worth $500m in September 2021. Our credit ratings from both domestic and international agencies remain strong.

Prudent Capital Allocation

Our capital allocation strategy is built to capture value-accretive opportunities, while maintaining our leverage well under stated levels. Through our efforts, we have been able to deliver superior returns for shareholders through dividends and share price appreciation.
We had our best ever year with record performance during FY 2021-22, across financial, operational and strategic parameters. Even in a volatile macro environment, we have continued to grow and deliver value to our stakeholders.

In this section

- Message from Chairman and Managing Director: 24-27
- Message from Joint Managing Director and Group CFO: 28-29
- Financial performance: 30-31
- Safety and performance: 32-35
A confident and sustainable future for all

Dear Stakeholder,

The year 2022 is a momentous one for India, as the country prepares to commemorate 75 years of its journey as an independent and progressive nation. What makes this present time even more special is that India finds itself on a springboard for rapid growth that will enhance its economic standing in the global order. This growth will be underpinned by an infrastructure push, digital inclusion and rising per capita income, with the Union Government taking the lead on capex, to ‘crowd in’ private investments. Steel is an integral part of this story. At JSW Steel, we invest in the country’s future, and are growing hand in hand with India.

The financial year gone by was a mixed bag, with most major economies rebounding from the negative effects of COVID-19. However, commodity price volatility, soaring energy prices, lingering supply chain challenges and geopolitical conflicts have made the recovery increasingly fragile. Although global growth expectations have moderated recently, the structural demand drivers for commodities like steel remain intact.

The recovery increasingly fragile. Although global growth expectations have moderated. However, commodity price volatility, soaring energy prices, lingering supply chain challenges and geopolitical conflicts have made the recovery increasingly fragile. Although global growth expectations have moderated recently, the structural demand drivers for commodities like steel remain intact. Commodity inflation impacted our cost structure, with coking coal prices reaching $670 per tonne FOB Australia in March 2022, and energy prices at elevated levels. While steel prices rose, we also focused on cost-efficiency initiatives to protect margins.

We commissioned our 5 MTPA expansion at Dolvi during the year, which is the largest ever single phase expansion undertaken by the Indian steel industry, and comprises India’s largest blast furnace and steel melt shop. Commodity inflation impacted our cost structure, with coking coal prices reaching $670 per tonne FOB Australia in March 2022, and energy prices at elevated levels. While steel prices rose, we also focused on cost-efficiency initiatives to protect margins.

At the same time, when the nation faced severe shortage in medical-grade oxygen, we supported the government’s efforts by supplying liquid oxygen from our plants to health facilities, and also by setting up COVID care facilities near our plants. The successful rollout of the world’s largest vaccination drive in India saw a rapid improvement in sentiment in the second half of FY 2021-22, and we moved our focus back to the domestic market. Our capacity utilisation levels remained high at 89%, and we delivered record steel production. We continued our focus on value added and special products (VASP) in our portfolio mix, with 60% of our sales being VASP in FY 2021-22. We commissioned our 5 MTPA expansion at Dolvi during the year, which is the largest ever single phase expansion undertaken by the Indian steel industry, and comprises India’s largest blast furnace and steel melt shop. Commodity inflation impacted our cost structure, with coking coal prices reaching $670 per tonne FOB Australia in March 2022, and energy prices at elevated levels. While steel prices rose, we also focused on cost-efficiency initiatives to protect margins.

Another year of record performance

It gives me immense pleasure to share with you JSW Steel’s record performance during the year under review, despite the second wave of the pandemic in India testing our collective resilience and threatening to derail the economic recovery. However, unlike the first wave, we did not have to shut down our plants. Domestic demand was impacted initially due to localised lockdowns, and we focused on exports to offset the impact during the second wave.

At the same time, when the nation faced severe shortage in medical-grade oxygen, we supported the government’s efforts by supplying liquid oxygen from our plants to health facilities, and also by setting up COVID care facilities near our plants. The successful rollout of the world’s largest vaccination drive in India saw a rapid improvement in sentiment in the second half of FY 2021-22, and we moved our focus back to the domestic market. Our capacity utilisation levels remained high at 89%, and we delivered record steel production. We continued our focus on value added and special products (VASP) in our portfolio mix, with 60% of our sales being VASP in FY 2021-22. We commissioned our 5 MTPA expansion at Dolvi during the year, which is the largest ever single phase expansion undertaken by the Indian steel industry, and comprises India’s largest blast furnace and steel melt shop. Commodity inflation impacted our cost structure, with coking coal prices reaching $670 per tonne FOB Australia in March 2022, and energy prices at elevated levels. While steel prices rose, we also focused on cost-efficiency initiatives to protect margins.

We commissioned our 5 MTPA expansion at Dolvi during the year, which is the largest ever single phase expansion undertaken by the Indian steel industry, and comprises India’s largest blast furnace and steel melt shop. Commodity inflation impacted our cost structure, with coking coal prices reaching $670 per tonne FOB Australia in March 2022, and energy prices at elevated levels. While steel prices rose, we also focused on cost-efficiency initiatives to protect margins.

JSW Steel delivered its highest ever EBITDA of ₹39,007 crore and Net Profit of ₹20,938 crore. The board has proposed a record dividend of ₹17.35 per share, in line with our dividend policy.

Our balance sheet remains strong with robust cash flow generation, and the strongest credit metrics in several years. Our Net Debt-to-EBITDA, on a consolidated basis, stands at a comfortable 1.45x.

Subsidiaries and acquisitions start to deliver value

Our subsidiaries and recent acquisitions also recorded strong performance and turnaround. We successfully consolidated the Bhushan Power and Steel (BPSL) acquisition, which delivered exceptional performance, and generated strong EBITDA and cash flows. Our Joint Venture company, JSW Ispat Special Products, improved its performance, and we have announced a merger of the company with JSW Steel, subject to requisite approvals. Our US operations turned profitable during the year.

Advancing with steel, growing with India

Steel continues to be the essential material for newer urban constructions, mobility, and renewable energy infrastructure. Key players in the Indian and global steel industry are today focused on producing value-added steel products, made in the most efficient and responsible ways. The steel industry is poised to benefit from the global spend on infrastructure and the energy transition.

The World Steel Association is making notable strides in providing global leadership on all major strategic issues impacting the industry, particularly focusing on economic, environmental and social sustainability. I am honoured to serve as its Chairman, and I consider this to be an opportunity to contribute and collaborate with various stakeholders to create the market conditions necessary to transition to low-carbon steelmaking.

The future of the Indian steel industry is exciting with a steadily expanding domestic market. During FY 2021-22, Indian steel consumption grew to 106 Mnt from the pre-pandemic level of 100 Mnt. Demand is expected to grow at a healthy rate through the current decade. We view the export duties imposed on steel in May 2022 as a short-term headwind, since they have been imposed with the objective of controlling inflation. We continue to engage with the government on this matter and believe that the duties would be withdrawn once inflation moderates.

India is a cost-competitive exporter of steel, and has an opportunity to take on a larger role in the global steel trade. The Indian government continues to encourage manufacturing-led growth and merchandise exports from India. We are expanding our India capacity in a phased manner to 37 MTPA from 27 MTPA at present to tap the opportunities in the domestic as well as global markets.

Sajjan Jindal
We have also made significant inroads into electrical distribution infrastructure, all of which are steel-intensive. in renewable power generation, and transmission & white goods.

The energy transition has provided a significant opportunity us the largest and preferred supplier across categories, Our thrust on R&D and product development has made product mix to over 50%.

emissions. We are consciously going beyond basic steel best available technologies (BAT) to reduce associated CO2

We became the first steel company in the world to issue a US dollar-denominated Sustainability Linked Bond (SLB). We have earmarked ₹10,000 crore for investments to reduce our carbon emissions through various initiatives

Digitalisation reaping substantial benefits

One of our top priorities has been the digitisation of our operations, with the deployment of cutting-edge technology. At the outset, we had set specific goals to incubate a ‘digital first’ organisational culture, enabled by systems, people and technology. We implemented Industry 4.0 in our manufacturing process to make our operations efficient, including automation, augmented and virtual reality, advanced robotics, IoT, AI and machine learning across 200+ lighthouse projects. These efforts have started bearing fruit, with increased cost efficiency, better turnaround times, optimised resource usage and enhanced safety performance.

Setting benchmarks in ESG performance

At JSW Steel, ESG is core to everything we do, and during FY 2021-22, we made significant progress towards our 17 focus areas. We retained our leadership rating of A- in the 2021 CDP Climate Change assessment, being the only company in India and Asia (ex-Japan) to achieve this feat in our category. We were also included in the S&P Dow Jones Sustainability Index for Emerging Markets and were named Sustainability Champion by World Steel Association for the fourth consecutive year. We became the first steel company in the world to issue a US dollar-denominated Sustainability Linked Bond (SLB). The $500 million SLB has a tenure of 10.5 years and is linked to our CO₂ emissions intensity (Scope 1 and 2) by 42% by 2030, compared to the base year of 2005, aligned with India's Nationally Determined Contribution (NDC).

We have earmarked ₹10,000 crore for investments to reduce our carbon emissions through various initiatives, such as increasing the use of renewable energy to replace thermal power, reduce our fuel rate through improved raw material quality via beneficiation, and deployment of Best Available Technologies (BAT).

We have contracted for ~1 GW of renewable energy, of which 225 MW became operational in April 2022, and the balance will come on stream in phases. Meanwhile, all our finished products underwent lifecycle analysis this year and received Environment Product Declaration through the International EPD System; this demonstrates our commitment to measuring and reducing the environmental impact of our products, and reporting these impacts in a transparent manner.

We have earmarked ₹10,000 crore for investments to reduce our carbon emissions through various initiatives

I am happy to share that JSW Steel was honoured with World Steel Association's Steele Award in the category of Excellence in Life Cycle Application. This recognition highlights our focus on product sustainability and encourages us to continue to drive more sustainable products. Our stewardship across areas of water and waste will continue, and we will maintain our focus on making circular economy a reality for all.

Our focus on overall people experience, and their health and safety remains steadfast. To this end, we continue to carry out regular engagements, training programmes, inspections and audits, and campaigns. Through the Contractor Assessment & Rating for Excellence in Safety (CARES) programme, we are also ensuring contractor safety. To make our commitment to greener operations more inclusive, we have unveiled an EV Policy for our employees, which is aimed at encouraging them to make sustainable mobility choices.

The JSW Foundation continued to positively impact the lives of millions. It’s a matter of great pride that the JSW Foundation is now a member of the United Nations Global Compact and is the first Indian foundation to receive ISO 26000:2010 conformance for contributing to social responsibility.

Our progress on ESG goals, and continued business outcomes are the outcomes of the robust governance mechanism that we have established. Our Board, with credible and renowned members, plays a key role in guiding and progressing our ESG agenda. The Board’s diverse experience, collective intelligence and insights help us to think and act ahead of the curve, and deliver sustained stakeholder value. All our statutory Board Committees are chaired by Independent Directors, and the Audit Committee and Nomination & Remuneration Committee are fully independent.

Acknowledgements

I would like to welcome Ms. Fiona Paulus to the board. With her global investment banking experience, focused on the resources and energy sectors, and leadership in the area of risk management, we look forward to her advice and counsel.

I also take this opportunity to thank all our stakeholders – the Central, State and local governments, our customers, investors, regulators, lenders, suppliers and advisors – for their continued support.

Finally, my sincere thanks to JSW Steel's exceptionally talented and hardworking team, who are relentlessly pursuing our mission of being Better Everyday.

As we continue to dream bigger, challenge norms and do better, I look forward to your continued support.

Best regards,
Sajjan Jindal
Championing growth, nation building and sustainability

Seshagiri Rao MVS

Dear Shareholders,

As I write to you, the world is shaken by rising inflationary pressure and experiencing economic instability. On one hand, the worst of the pandemic seems to be behind us. On the other hand, escalating geopolitical tensions, inflation woes and lingering supply chain issues are an overhang on the global economic growth. Against the backdrop of the Russia-Ukraine conflict, new global alignments are taking shape and old ties are getting recalibrated.

In this environment, India remains a bright spot, with its economy expected to expand at the fastest rate among all major economies. However, inflation concerns have gathered steam of late, which may impact overall demand and consumption and lead to a slight moderation in growth. We believe the government and the central bank are taking the right fiscal and monetary measures to rein in inflation.

India’s structural growth story remains intact, with steel expected to play a much larger role in shaping the nation’s infrastructure development goals to support sustained high growth. The outlook for Indian steel industry remains buoyant with growing domestic demand and prospects for playing a greater role in the global steel trade.

JSW Steel is responding to these opportunities by increasing its low emission steel production through usage of renewable energy, recycling scrap and higher beneficiation. We are leveraging digitalisation and adopting industry 4.0 for higher safety and operational excellence. Our focus continues to remain on maintaining a healthy balance sheet through prudent capital allocation.

The Indian steel industry has evolved significantly over the past decade. From a net importer of steel between 2008 and 2016, the country turned a net exporter. The industry is now racing to build capacities that meet the increasing domestic demand while also catering to the growing base of exports.

In FY 2021-22, India exported 18 MnT of steel while imports declined to 4.8 MnT, with the overall domestic steel consumption rising to 105.8 MnT. Total domestic steel capacity is expected to touch 150 MTPA by the end of FY 2022-23.

In FY 2021-22, volatile and steadily increasing input prices also drove the steel prices higher. Indian steel prices are a reflection of global steel prices with a strong correlation of 0.97 with import and export parity. Approximately, 15-20% of Indian steel capacity is currently dedicated for exports of steel and steel intensive manufactured goods. Indian domestic steel prices have remained lower than most of the other countries including Europe, US, Turkey, Brazil, Japan – indirectly making the Indian exports of engineering goods also globally competitive.

Delving deeper into top steel importing and exporting countries Japanese and Korean products are not competitive while China is not encouraging exports as it has announced reduction in export tax rebate. Russian steel has been largely banned by major importers like the EU and the US in response to the conflict in Ukraine. Indian steel industry therefore has an opportunity to increase its presence in global trade.

Export duty is a short term headwind

The export duty on steel recently imposed by the Government of India has raised some concerns among the investors, as it contradicts the Government’s PLI scheme for specialty steel. The export duty is expected to rein in domestic inflation and should be rolled back as and when inflation is under control. This, however, does not change JSW Steel’s focus on exports as we want to maintain our long-term relationship with valued customers. Further, the negative impact of export duty will be partly offset by lower prices of iron ore and coking coal.

Expansions on track; acquisitions contribute

We have successfully increased our capacity through a combination of organic and inorganic growth. At Dolvi, the new 5 MTPA expansion became operational during the year. Our ongoing expansion projects at Vijayanagar and BPSL are on track to increase our India capacity to 37 MTPA by FY 2024-25.

We continue to strengthen our downstream offerings and are focusing on import substitution. The capacity enhancements at Vasind and Tarapur have been commissioned, and more such projects are expected to complete in the current year. We are now offering long-term warranties on our coated steel products. To serve the future demand for bearings from electric vehicles, we are steering our focus on the Salem plant, and are building capabilities accordingly. Further, we are setting up Rectangular Hollow Section for API grade steel at Vijayanagar and Dolvi.

We were able to turnaround and improve profitability for all our acquisitions – BPSL, ACFL, VTPL, and VIL. JSW Ispat (previously Monnet Ispat and Energy Limited) also reported a profit. We have announced merger with JSW Ispat to further simplify our corporate structure.

The best-ever performance

Given this scenario, we delivered a year of record performance, with our highest ever annual crude steel production at 19.51 MnT, up 23% YoY, highest ever annual saleable steel sales at 18.18 MnT, up 21% YoY, highest ever annual revenue from operations at ₹1,46,371 crore, up 83% YoY, highest ever annual operating EBITDA at ₹98,007 crore, up 54% YoY and highest ever annual net profit at ₹20,938 crore, up 166% YoY.

Even as the industry witnessed volatility, we continued to make investments and implement capacity expansion plans. We have managed our capital prudently, with a razor sharp focus on our balance sheet. Thus, despite investing in capex and acquisitions, we not only managed to maintain our debt at comfortable levels but also ensured high capital returns to shareholders, which speak volumes about our robust cash flow generation.

The power of JSW One

We are leveraging the JSW Group’s strengths and building synergies through JSW One, a technology-enabled one-stop platform created to serve the building materials value by bringing together our steel, cement and paints businesses. JSW One is one of the key levers through which we are evolving from a business that sells products to an entity that focuses on providing our customers with end-to-end solutions.

Investments in a sustainable future

We maintain our focus on imbibing sustainability and digitalisation across our operations and have progressed against our key ESG targets. JSW Steel has been declared the ‘Steel sustainability champion’ for the fourth consecutive year by the World Steel Association. We are spending ₹1,00,000 crore on carbon transition and targeting to reduce carbon emission by approximately 2.5% year on year over a period till FY2030 a benchmark that is higher than mandated for the industry.

We have obtained EPDs, i.e., Type III eco-labelling for all finished products from three integrated plants. We are also launching India’s first ‘Skill Impact Bond’, a fund to benefit and empower 50,000 youth with a special focus on women.

We have also progressed significantly on our digitalisation drive, where we are progressing on end-to-end digitalisation of plant operations, procurement and project management. We have also extended the digital drive to our sales and marketing functions. Presently, we are entering the final phase of digital immersion, where we envision scaling our interventions to being the best in our class. With these core initiatives, we are building a truly sustainable organisation, which will form a key part of India’s growth story.

Sincerely,
Seshagiri Rao MVS
Propelling growth with robust financials

At JSW Steel, profitability lies at the heart of sustainability. We focus on maintaining a strong balance sheet, which enables us to stay the course across market cycles as well as invest in the future. FY 2021-22 was no exception, as we delivered another year of record performance.

**Operational indicators (Standalone)**

<table>
<thead>
<tr>
<th></th>
<th>(MnT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross turnover</td>
<td></td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>(₹ in crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross turnover</td>
<td>84%</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>94%</td>
</tr>
</tbody>
</table>

**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.

<table>
<thead>
<tr>
<th></th>
<th>(₹ in crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net fixed assets</td>
<td>56%</td>
</tr>
<tr>
<td>Net debt-to-equity ratio</td>
<td>1.83</td>
</tr>
</tbody>
</table>

**Shareholder indicators (consolidated)**

In FY 2021-22, we delivered enhanced value for our investors and shareholders through robust stock market performance and over 3X dividend payout.

<table>
<thead>
<tr>
<th></th>
<th>(₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividend per share</td>
<td>167%</td>
</tr>
<tr>
<td>Book value per share</td>
<td>52%</td>
</tr>
</tbody>
</table>

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 and sale of high-margin products reduction. This contributed to a higher topline for the business, while our continued efficiency focus and backward integration have helped maintain costs under control.

**Profit after tax**

<table>
<thead>
<tr>
<th></th>
<th>(₹ in crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating EBITDA</td>
<td>26.2%</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>166%</td>
</tr>
</tbody>
</table>

**Earnings per share**

<table>
<thead>
<tr>
<th></th>
<th>(₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per share</td>
<td>161%</td>
</tr>
<tr>
<td>5-year CAGR</td>
<td>42.4%</td>
</tr>
</tbody>
</table>
Reiterating commitment to 'Zero Harm'

We strive to provide a healthy and safe environment for our employees, contractors, business associates, visitors and communities. It starts with complying with all applicable health and safety regulations. We have implemented best-in-class Occupational Health and Safety (OHS) management systems, which are continuously benchmarked against global best practices, to achieve our vision of ‘Zero Harm’.

Highlights FY 2021-22

<table>
<thead>
<tr>
<th>Indicator</th>
<th>FY 2021-22</th>
<th>FY 2022-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTIFR - 0.28 Target for FY 2022-23</td>
<td>0.32</td>
<td>0.28</td>
</tr>
<tr>
<td>Safety Observations</td>
<td>5.6 Lakhs+</td>
<td></td>
</tr>
<tr>
<td>Corrective and Preventive actions (CAPA)</td>
<td>1,78,000+</td>
<td></td>
</tr>
<tr>
<td>e-learning modules on safety completed</td>
<td>28,500+</td>
<td>28,300+</td>
</tr>
<tr>
<td>Planned safety Inspections &amp; Internal Audits undertaken</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Awards & Recognitions

01  JSW Steel Salem became the first integrated steel plant (ISP) globally to be recognised with 5-star Occupational Health & Safety from British Safety Council against 2021 specifications.

02  JSW Steel Dolvi won the Platinum Health and Safety award 2021, from the Indian Chamber of Commerce (ICC), Kolkata in the Metal and Mining Sector.

03  JSW Steel Salem received the Award of Honour from the National Safety Council, Tamil Nadu Chapter for excellence in Occupational Health, Safety and Environment 2020.

04  JSW Steel Dolvi won the International Safety award 2022 award with Distinction from British Safety Council.

Key initiatives undertaken during FY 2021-22

01  Health & Safety Strategy was reviewed and the key focus areas identified are Leadership & Culture, Risk Management & Control, Capability Building, Contractor Safety Management and Assurance & Audit

02  Digitised safety management information system across all the sites

03  Digital interventions to reduce man-machine interface

04  Theme-based monthly safety campaign at all the locations

05  Skill assessment and development programme launched at all the sites

06  NEBOSH International General Certification for safety professionals

07  ‘Safety Hero Program’ to recognise employees and contract workers who bring about positive change in the safety culture

08  Performance indicators KRAs up to 15% are linked to employee’s variable pay

Leadership and culture

Safety Observations

Safety observation involves structured, planned and proactive safety conversations with the workforce in their workplaces to achieve positive behavioural change. We implemented Safety Observation (SO) programme to institutionalise felt leadership, which gained traction with site leadership teams.

5,100 Employees undertook the Safety Perception Survey launched at the Salem site.

To further strengthen Health & Safety at the workplace, the ‘Safety Dragnet’ programme was launched at the Salem site. Safety Dragnet has representations from the top management, zonal heads and department heads along with 41 employees who were nominated as DESOs (Department Safety & Environment Officer) and 235 associate employees who were nominated as ASCs (Associate Safety Champions). Nominated DESOs and ASCs have the core knowledge of operations mechanical and electrical safety functioning, and together they promote a safe working environment by coordinating line walk safety inspections, cross-functional team safety audits, ensuring compliance to safety-related action points to bring positive change in the safety culture.

Safety Perception Survey

Safety Perception Survey was launched at the Salem plant with 5,100 employees, associates and contract workmen to understand behavioural, cultural and personal perspectives about safety. The assessment consisted of an online survey, one-on-one interviews and focus group discussions providing insights into challenges and opportunities that are required for the next steps and interventions.

Line Management Ownership

Several initiatives were undertaken by site leadership teams to enhance line management ownership and capabilities. These initiatives included participation in safety observations, incident investigations, line manager walkthrough, Gemba walk, emergency drills, safety training, road safety inspections, safety marches, participation in divisional improvement committees, sub-committees and Apex meetings.

During the year, we regret to report eight fatalities consisting of one employee and seven contractors.

* Vijayanagar, Dolvi and Salem works
AR/VR-enabled emergency response training

Fire is a major hazard in a built environment. Live firefighting training requires significant resources and open spaces, apart from having an adverse environmental impact. It is also not possible to simulate different kinds of emergency scenarios. To overcome these challenges, we have implemented an AR/VR-enabled emergency response training.

VR firefighting trainer removes the need to imagine a difficult situation and instead replaces it with a realistic simulation. The desired outcome was achieved at low cost, with no injury, no additional space and zero emissions. It provides an effective learning experience so that the trainees can respond in real time and with authentic spatial understanding to the danger at hand. It combines high fidelity virtual fire environments with real-time physical interfaces to deliver the real virtual training experience, any place, any time in a safe, cost-effective manner. This prepares firefighters and Rakshaks for the risks associated with fighting fires.
Globally, climate change and climate action are reigning as burning issues. As an industry, steel can play a significant role in bringing down carbon emissions, and the time to act is now.

In this section

What does climate change mean for steel? 38-41
Alignment with TCFD recommendations 42-43
Decarbonising steelmaking for a better world

Steel is essential to every aspect of our life. Steel is also one of the most sustainable materials and essential for climate change adaptation. However, steelmaking is a hard to abate process, contributing to emissions aggravating climate change. The global steel industry is adapting to the changing realities with technology-led innovation and participating to mitigate climate change.

According to worldsteel, steel demand is projected to rise to 1,840.2 MT in 2022, an increase of 0.4% from 2021.

In 2023, steel demand to see further growth of 2.2% to reach 1,881.4 MT.

Factors driving decarbonisation in steel

01
Growing demand for carbon-friendly steel products
- Industries are aiming towards eliminating carbon emissions completely from their value chains
- Shifting towards full lifecycle perspective

02
Tightening of carbon emission regulations
- Getting manifested in CO₂ reduction based targets and rising CO₂ emission prices

03
Growing investor and public interest in sustainability
- Growing investor interest in companies that are aware of their ESG risks and opportunities, and plans to mitigate them

Steel producers need to evaluate and decide on technologically-advanced solutions, which are also economically viable to decrease their carbon footprint in the long run. On the path to discovering and using new technologies, improving process efficiency and maximising the use of scrap can improve the operational performance of a plant significantly.

"By the middle of the century, around 35 million people in India could face annual coastal flooding with 45-50 million at risk by the end of the century if emissions are high. Direct damage is estimated at $24 billion if emissions are cut as currently promised."

IPCC, 6th Assessment Report

According to worldsteel, every tonne of steel produced in 2020 was responsible for emitting an average of 1.89 tonnes of carbon dioxide which equated to about 7-9% of global CO₂ emissions.

According to JPC, crude steel production in India

Stood at 120 MnT
In FY 2021-22
Increased by 16% y-o-y

In 2023, steel demand to see further growth of 2.2% to reach 1,881.4 MT.
Over the past years, discussions around CO₂ capture technologies have been revolutionising the industrial market through tremendous technological innovations. Presently at the development stage, many steel companies are set to imbibe the CCUS technology into their operations and have been committing to decarbonisation. Steel plants are ideal for carbon capture methodology as most of their emissions can be captured from their process-gas and off-gas. This captured carbon can be repurposed. This enables producers to keep their costs low while making substantial progress towards decarbonisation. This technology is set to transform the functioning of the steel industry. CCU/CCUS will play an important role in enabling a circular carbon economy.

**Carbon capture, utilisation and storage**

Over the past years, discussions around CO₂ capture technologies have been revolutionising the industrial market through tremendous technological innovations. Presently at the development stage, many steel companies are set to imbibe the CCUS technology into their operations and have been committing to decarbonisation. Steel plants are ideal for carbon capture methodology as most of their emissions can be captured from their process-gas and off-gas. This captured carbon can be repurposed. This enables producers to keep their costs low while making substantial progress towards decarbonisation. This technology is set to transform the functioning of the steel industry. CCU/CCUS will play an important role in enabling a circular carbon economy.

**CCU at JSW Steel**

**Carbon capture**

Implemented carbon capture and utilisation (CCU) technology at JSW Salav Works

**Key benefits**

- CO₂ purity level of up to 99.5%
- Scalable across the energy system and enables emission reduction

**The CCU process**

JSW Steel Salav DRI

**Carbon capture and storage**

CO₂ is then captured, stored and transported for its usage in the food & beverages industry

**CO₂ purity level**

99.5%

**Production capacity**

100 TPD

**Other enablers**

- Adoption of BAT
- Iron ore beneficiation for efficiency
- Reduction in coke rate
- Reducing coke utilisation and increasing PCI and NS in BFs
- Increased usage of Renewable Energy
- Exploring technologies such as CCUS
- Increased usage of scrap
- Creation of carbon sinks
- Efficient logistics through pipe conveyor

**Deep decarbonisation**

- Scaled deployment of CCUS
- Carbon avoidance – use of hydrogen for reduction of iron

**Offsetting and other interventions**

- Direct electrolysis of iron ore
- Development of green cover to act as a carbon sink

**Roadmap for JSW Steel transition to a low-carbon future**

2030

- **Emissions reduction**
  - Improving on process and energy efficiency
  - Technology performance improvement with conventional routes
  - Internal monitoring & planning by CAG
  - Risk assessment and mitigation via TCFD alignment

2030 to 2050

- **Deep decarbonisation**
  - Scaled deployment of CCUS
  - Carbon avoidance – use of hydrogen for reduction of iron

2050 to 2070

- **Offsetting and other interventions**
  - Direct electrolysis of iron ore
  - Development of green cover to act as a carbon sink

**Sources**

- Climate change and the production of iron and steel – Worldsteel association
- Step Up programme – Worldsteel association
- Decarbonisation challenge for steel – McKinsey & Company
- Worldsteel Benchmarking systems
- Steel and climate change – ISS
- Carbon Capture, Utilisation and Storage for the Steel Industry – Carbon Clean
- Hydrogen in steel production: what is happening in Europe – Bellona
Integrating climate issues into strategy

As one of the major steel producing companies in India, we are committed towards addressing climate change concerns and are taking measurable actions to ensure a low-carbon future. We have developed a roadmap for this purpose. Furthermore, we have adopted the Taskforce on Climate-related Financial Disclosures (TCFD) framework and became signatory to the Taskforce in March 2021.

Having showcased a glimpse of our first TCFD response in FY 2020-21, we continued to lay the foundation required for integrating climate change concerns into our overall governance structure and business decision making process. We carried out a scenario-based climate change risk assessment exercise to determine potential implications of climate risks on our steel business and operations and to strengthen future financial planning.

We have utilised internationally accepted scenarios from two primary sources:

- Intergovernmental Panel on Climate Change (IPCC) which provides pathways for assessing physical impacts of climate change from varying degrees of GHG emission concentration in the atmosphere
- International Energy Agency (IEA) which models implications of climate-related policies and technologies on energy systems globally

We used the IPCC Representative Concentration Pathways RCP8.5 and RCP4.5 for assessing location-specific physical risks and IEA World Energy Outlook (WEO) 2020 Stated Policies Scenarios (STEPS) and Sustainable Development Scenario (SDS) for assessing transition risks.

Physical and transition climate change scenarios

**Business-as-usual scenario**

**IPCC scenarios (Physical Risks)**

- **RCP8.5 scenario**
  - Extremely high emissions scenario with global mean temperature expected to rise by 3.7°C (2.6-4.9°C) by end of the century. The scenario assumes high dependence on fossil fuels and no policy-driven mitigation.

**WEO-2020 scenarios (Transition Risks)**

- **Stated Policies scenario**
  - Incorporates existing and announced climate policies (till mid-2020) including Nationally Determined Contributions from governments across the world. The scenario provides a baseline against which additional actions are required to meet SDS climate goals.

  **Optimistic scenario**

  - **IPCC scenarios (Physical Risks)**
    - **RCP4.5 scenario**
      - Intermediate emissions scenario with global mean temperature expected to rise by 1.8°C (1.1-2.6°C) by end of the century. The scenario considers increased use of renewable energy and strong policy-driven mitigation.

  - **WEO-2020 scenarios (Transition Risks)**

  - **Sustainable Development scenario**
    - Provides an energy sector pathway which is consistent with meeting global net-zero CO2 emissions from the energy system as a whole by around 2070, universal access to energy and reduced air pollution

These climate scenarios are viewed as tools that help us make informed business decisions while taking into consideration potential impact of climate risks. We mapped each scenario for the projected time period of 2021-2050, and categorised into three horizons:

- Short-term: 2021-2025
- Medium-term: 2025-2035
- Long-term: 2035-2050

For identification and assessment of climate-related physical risks, location-specific climate profiles were developed for each asset to determine climate change impacts in every region of our operations. These risks were assessed based on two parameters:

- Probability of occurrence – likelihood of occurrence of a given risk due to projected changes in climate parameters at regional level
- Expected impact – extent of impact that JSW Steel is likely to witness from an identified risk (function of our climate resilience at plant/facility level)

Based on probability of occurrence and expected impact levels, risks are plotted on 3X3 risk matrix to determine risk levels i.e., high, medium and low category risks.

All the risks shown here for are the risks of high probability of occurrence with an expected impact of medium or high in the short to medium term until 2035.

Climate related transition risks

**Business as usual – SPS**

- **Risk type**
  - Policy and Regulatory
  - Technology Risks
    - Challenges in adopting to breakthrough technologies

**Optimistic – SDS**

- **Risk type**
  - Policy and Regulatory
  - Technology Risks
    - Challenges in adopting to breakthrough technologies

The results of the scenario analysis highlights that irrespective of scenarios, climate-related risks are material for our operations and have the potential to adversely impact our business. Taking cognisance of this, we have developed a 2030 low carbon and sustainable development roadmap that addresses the significant part of transition risks.

Based on the outcomes of climate risk assessment exercise, we intend to enhance our alignment with the TCFD recommendations by implementing Utilizing outputs of scenario analysis exercise, JSW Steel shall work towards developing risk management strategies and business continuity plans for addressing material physical and transition risks and opportunities. Additionally, we shall also focus on designing key metrics/KPIs for monitoring performance of risk mitigation strategies with an aim of assessing their ability in building climate resilience over time.

Climate related physical risks

**Business as usual – IPCC RCP 8.5 scenario**

- **Risk type**
  - Extreme rainfall and flooding
  - Cyclones
  - Water Unavailability

- **Optimistic – IPCC RCP 4.5 Scenario**

- **Risk type**
  - Extreme rainfall and flooding
  - Cyclones
  - Water Unavailability

**Timeframe**

- **Short Term**
- **Medium Term**
- **High Likely impact**
- **Medium**
Our holistic value-creation approach is led by our stakeholder focus, multi-capital thinking, effective progress on material matters and optimally managing our opportunities and risks.
Navigating a dynamic sector

Steel industry holds high levels of significance as the global pace in infrastructure and manufacturing picks up. There is increasing demand for greener and cost-effective materials to satisfy this demand, and being an affordable and nearly infinitely recyclable material, steel is the natural choice. Several trends shape the steel industry, and most notable and relevant trends in JSW Steel’s operating environment are given below.

Robust growth of Indian economy to drive progress

Evaluated over the period 2000-2022, steel demand has had a strong correlation of 0.61 with economic growth along with an elasticity in excess of 1.15. During the last two decades, global steel trade was impacted severely by two major shocks of the global financial crisis between 2008 and 2009 and the COVID-19 pandemic beginning in CY 2020 along with the trade downturn of 2015.

The global financial crisis started in 2008 with the global economy contracting by 0.08% in CY 2009. During the crisis, the world lost around 93.4 trillion and the Advanced Market Economies (AME) witnessed contraction of 3.3%, while Emerging Market Economies (EME) expanded by 2.6%. In the aftermath of GFC, India continued to grow from $1.224 trillion economy in 2008 to a $3.0 trillion economy by 2.8%. In the aftermath of GFC, India continued to grow from $1.224 trillion economy in 2008 to a $3.0 trillion economy in 2008 to a $3.0 trillion economy.

With the COVID-19 pandemic impacting global economies, the global GDP contracted by 6.1% with Gross Fixed Capital Formation (GFCF) sharply down by 10.4% and private consumption expenditure down by 6%. Likewise, Indian steel production too recorded a sharp contraction by 5.3% to 103.5 MnT with finished steel demand contracting by 5.3% to 94.9 MnT and per-capita steel demand at 70 kg (down from 74.7 kg).

In FY 2021-22, Indian GDP grew by 8.7% on a lower base of FY 2020-21 with World GDP up by $1.1 trillion or 6.1% to reach $86.3 trillion.

With regards to the Indian economy, in FY 2020-21 owing to the impact of the COVID-19 pandemic, the GDP growth contracted by 6.1% with Gross Fixed Capital Formation (GFCF) sharply down by 10.4% and private consumption expenditure down by 6%. Likewise, Indian steel production too recorded a sharp contraction by 5.3% to 103.5 MnT with finished steel demand contracting by 5.3% to 94.9 MnT and per-capita steel demand at 70 kg (down from 74.7 kg).

In FY 2021-22, Indian GDP grew by 8.7% on a lower base of FY 2020-21 with World GDP up by 15.8% while private consumption up by 7.3%; Indian merchandise export increased by 44.6% y-o-y from $292 billion in FY 2020-21 to $422 billion in FY 2021-22 (v/s target of $400 billion). During this period, Indian steel production increased by 15.9% to 180.0 MnT and apparent steel consumption rose by 9.6% to 174.5 MnT. Engineering exports also recorded a sharp increase by 46% from $77 billion in FY 2020-21 to $112 billion in FY 2021-22.

India has large demand potential – however integrated steel capacities have been added in blocks which are far larger than the volumes the domestic market can absorb immediately, compelling the steel industry to explore the export market. However, the long-term growth story for steel is robust and the Indian steel industry is continuously exploring investment options to create and expand capacities to meet the country’s rising demand potential.

Evolving story for steel is robust and the Indian steel industry is continuously exploring investment options to create and expand capacities to meet the country’s rising demand potential.

Evolution of the Indian steel industry from net importer to net exporter

In FY 2020-21, as domestic economic activity was impacted by the COVID-19 pandemic, domestic demand remained muted. Hence, the steel industry focused on finished steel exports increasing from 11.2 MnT in FY 2019-20 to 17.4 MnT in FY 2020-21 while imports reduced from 7.165 MnT in FY 2019-20 to 5.042 MnT in FY 2020-21. This rendered India as a net steel exporter.

In the consecutive year, with increasing private consumption and improved business sentiment, the steel industry continued to witness growth in steel trade. Finished steel exports continued to gain focus, especially in an environment full of volatility and uncertainty recording historic high tonnage at 18.4 MnT with imports down to 4.8 MnT. Engineering exports also recorded a sharp increase by 46% from $77 billion in FY 2020-21 to $112 billion in FY 2021-22.

In FY 2020-21, as domestic economic activity was impacted by the COVID-19 pandemic, domestic demand remained muted. Hence, the steel industry focused on finished steel exports increasing from 11.2 MnT in FY 2019-20 to 17.4 MnT in FY 2020-21 while imports reduced from 7.165 MnT in FY 2019-20 to 5.042 MnT in FY 2020-21. This rendered India as a net steel exporter.

In the consecutive year, with increasing private consumption and improved business sentiment, the steel industry continued to witness growth in steel trade. Finished steel exports continued to gain focus, especially in an environment full of volatility and uncertainty recording historic high tonnage at 18.4 MnT with imports down to 4.8 MnT. Engineering exports also recorded a sharp increase by 46% from $77 billion in FY 2020-21 to $112 billion in FY 2021-22.

India has large demand potential – however integrated steel capacities have been added in blocks which are far larger than the volumes the domestic market can absorb immediately, compelling the steel industry to explore the export market. However, the long-term growth story for steel is robust and the Indian steel industry is continuously exploring investment options to create and expand capacities to meet the country’s rising demand potential.

The challenges of mismatch of capacity vis-a-vis domestic demand, leading the industry to explore the export options – both directly as well as through the exports of steel intensive manufactured goods.

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP (%)</th>
<th>Indian steel production (MnT)</th>
<th>Indian finished steel consumption (MnT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2019-20</td>
<td>4.2</td>
<td>109.1</td>
<td>100.2</td>
</tr>
<tr>
<td>FY 2020-21</td>
<td>-6.6</td>
<td>103.5</td>
<td>94.9</td>
</tr>
<tr>
<td>FY 2021-22</td>
<td>8.7</td>
<td>120.0</td>
<td>105.8</td>
</tr>
</tbody>
</table>
Indian steel industry in a sweet spot

An analysis of the top steel importing countries and top steel exporting countries will show us that the opportunity landscape for India is quite clear. Japan, Korea and China are top steel exporting countries. Even though China has witnessed some growth in steel exports in CY 2021, the country’s focus to achieve its environmental targets may impact the growth. The country has already reduced the Export Tax Rebate to discourage exports of steel products which is perceived to be resource-intensive, capital intensive, energy intensive and emission-sensitive. Japan and Korean products are not particularly competitive and Russian steel is more or less embargoed by key importing countries such as the EU and the US. India can ably fill this gap, and this will require the country to create more steel capacities.

Driving growth in user industries

Export volumes from user industry like engineering, has doubled in the period FY 2018-19 to FY 2021-22. There has been a steady rise in indirect steel trade, of the 18.4 Mnt export volume around 11 Mnt is through indirect sale. India steel industry is focused on exporting higher quantities of specialty steel and steel intensive manufactured goods to promote more and more value-addition, employment and economic development and growth of the country. The Industry has prioritised supplies to the domestic value-addition market including MSMEs for promoting manufacturing activities of steel intensive engineering goods - both for domestic as well as exports, through special schemes supporting both value and volume for MSME’s.

Going forward, the infrastructure sector will be a focus area for growth as government estimates to spend ₹ 15 lakh crore in capex spending as per Budget estimates for FY 2022-23. Auto sector and capital good and consumer durable are also expected to back steel domestic demand growth.

China: Withdrawal of Export Tax Rebate

Export Tax Rebate to discourage exports of steel products which is perceived to be resource-intensive, capital intensive, energy intensive and emission-sensitive. Japan and Korean products are not particularly competitive and Russian steel is more or less embargoed by key importing countries such as the EU and the US. India can ably fill this gap, and this will require the country to create more steel capacities.

Indian steel prices to remain competitive

Globally, economies are focusing more and more on resource conservation. Steel manufacturing in an energy intensive industry and has necessitated that the global steel industry focuses on reducing the overall carbon footprint of its operations. On the other hand, quality of iron ore is increasingly declining. Hence, steel manufacturers have to consistently look at technologies to enable utilisation of low quality iron ore and also optimise the use of coal without much environmental impact. The same has led to increased operational costs and impacted steel prices.

In FY 2021-22, volatile and steadily increasing input prices also drove the steel prices higher. Indian steel prices are a reflection of global steel prices with a strong correlation of 0.97 with import and export parity. Approximately, 15-20% of Indian steel capacity is currently dedicated for exports of steel and steel intensive manufactured goods. However, comparatively, domestic steel prices have remained lower than most of the other countries including Europe, US, Turkey, Brazil, Japan - indirectly making the Indian exports of engineering goods also globally competitive.

India's Domestic steel Prices

Indian HRC Price vs Import and Export Parity

<table>
<thead>
<tr>
<th>Year</th>
<th>Exp.-parity</th>
<th>Import-parity</th>
<th>Dom.-Mumbai</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 Jan</td>
<td>₹43,500</td>
<td>₹43,200</td>
<td>₹43,000</td>
</tr>
<tr>
<td>2020 Jan</td>
<td>₹43,000</td>
<td>₹42,800</td>
<td>₹42,600</td>
</tr>
<tr>
<td>2021 Jan</td>
<td>₹42,500</td>
<td>₹42,300</td>
<td>₹42,100</td>
</tr>
</tbody>
</table>

Total Demand Distribution

- Building & Construction Sector: 43%
- Infrastructure Sector: 25%
- Auto: 9%
- Engg. & Pkg. (E&P): 22%
- Defense: 0.4%

Source: Joint Plant Committee (s sectoral distribution is based on CRISIL-IFC study published in March, 2020)
Treading the export duty mandate

China, Russia and India, are the only three countries in the world to have imposed export duty on steel. Recently, China has removed export incentives and has not added export duty. Russia has also removed export duty on steel.

No other economy has so far announced an export duty on steel products or manufactured product – which are viewed as the value chain products.

The Government has enforced measures to address inflation. The imposition of export duty on 11 steel and iron intermediaries will help domestic metal availability for Infrastructure development which constitutes a critical part of public spending and remains one of the key economic enablers. Indian steel has a pivotal role in the country's economic development constituting 60-65% share in Infrastructure and Construction, 20-25% in General Engineering and Capital Goods, 10-12% in Automobile and Appliances along with special steels for Indian Defence and other miscellaneous activities.

The National Steel Policy (2017) has projected the country’s steel capacity to grow by two-folds from current levels of 154 MnT (as on December 2021) to 300 MnT by FY 2030-31, along with production to increase from 120 MnT FY 2021-22 to 255 MnT in FY 2030-31 and projection for exports initially targeted at 30 MnT. Thus, steel would continue to remain the metal of choice during the country’s economic transformation from current GDP levels of $3 trillion to $10 trillion during the next eight to ten years, for supporting the manufacturing led economic growth with thrust on infrastructure and construction.

Russian Export Tax on Ferrous and Non-Ferrous Metals

<table>
<thead>
<tr>
<th>SL No</th>
<th>Product</th>
<th>Indicative Price ($/mt)</th>
<th>Min. Export Tax ($/mt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ferrous</td>
<td>Pellet and other ferrous products</td>
<td>(-400)</td>
<td>&gt;54</td>
</tr>
<tr>
<td></td>
<td>HR Flats and Rebar</td>
<td>-</td>
<td>&gt;115</td>
</tr>
<tr>
<td></td>
<td>CR Flats and Wire</td>
<td>(&lt;1300)</td>
<td>&gt;133</td>
</tr>
<tr>
<td></td>
<td>SS and Ferro Alloys</td>
<td>-</td>
<td>&gt;150</td>
</tr>
<tr>
<td>Non-Ferrous</td>
<td>Copper</td>
<td>-</td>
<td>&gt;1226</td>
</tr>
<tr>
<td></td>
<td>Nickel</td>
<td>-</td>
<td>&gt;3321</td>
</tr>
<tr>
<td></td>
<td>Aluminium</td>
<td>-</td>
<td>&gt;254</td>
</tr>
</tbody>
</table>

Trade barriers on exports from India

<table>
<thead>
<tr>
<th>Type of Investigation</th>
<th>Product description</th>
<th>Duty Rate</th>
<th>Date of Definitive Imposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>Corrosion resistant steel products</td>
<td>3.05%-22.57% (22.57% for JSW)</td>
<td>25th Jul 2016 (in-force since 5 years)</td>
</tr>
<tr>
<td>Anti Subsidy</td>
<td>Corrosion resistant steel products</td>
<td>11.30%-588.43% (11.3% for JSW)</td>
<td>20th Sep 2016 (in-force since 5 years)</td>
</tr>
<tr>
<td>Anti Dumping</td>
<td>Cold-rolled steel flat products</td>
<td>7.60% (for JSW)</td>
<td>20th Sep 2016 (in-force since 5 years)</td>
</tr>
<tr>
<td>Anti Subsidy</td>
<td>Cold rolled flat steel products</td>
<td>10.00% (for JSW)</td>
<td>20th Sep 2016 (in-force since 5 years)</td>
</tr>
<tr>
<td>Anti Dumping</td>
<td>Certain Hot-Rolled Carbon Steel Flat Products</td>
<td>0%-38.72% (0% for JSW)</td>
<td>3rd Dec 2001 (in-force since 19 years)</td>
</tr>
<tr>
<td>Anti Subsidy</td>
<td>Certain Hot-Rolled Carbon Steel Flat Products</td>
<td>68.77%-215.54% (215.54% for JSW)</td>
<td>3rd Dec 2001 (in-force since 19 years)</td>
</tr>
<tr>
<td>Anti Dumping</td>
<td>Cut-To-Length Carbon Steel Plate</td>
<td>72.49%</td>
<td>10th Feb 2000 (in-force since 20 years)</td>
</tr>
<tr>
<td>Anti Subsidy</td>
<td>Cut-To-Length Carbon Steel Plate</td>
<td>12.82%</td>
<td>10th Feb 2000 (in-force since 20 years)</td>
</tr>
<tr>
<td>Section 232</td>
<td>All steel products incl. Semis</td>
<td>25.00%</td>
<td>23rd March 2018</td>
</tr>
</tbody>
</table>

European Union

Safeguards

<table>
<thead>
<tr>
<th>Type of Investigation</th>
<th>Product description</th>
<th>Duty Rate</th>
<th>Date of Definitive Imposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>Multiple steel products (Semis &amp; Longs excl.)</td>
<td>25% over and above quota</td>
<td>18th Jul 2018</td>
</tr>
<tr>
<td>Anti Subsidy</td>
<td>Hot Rolled Steel Sheet and Strips</td>
<td>Rs. 3150 per mt</td>
<td>17th Aug 2001</td>
</tr>
<tr>
<td>Anti Dumping</td>
<td>Corrosion Resistant Steel (except Colour Coated)</td>
<td>40%</td>
<td>21st Feb 2019</td>
</tr>
</tbody>
</table>

| Anti Dumping | Zinc Coated (Galvanized) Steel | 12% | 16th Aug 2017 |
| Anti Subsidy  | Zinc Coated (Galvanized) Steel | 4.3% (Effective rate 12.8%) | 16th Aug 2017 |

Thailand

| Anti Dumping | Hot Rolled Flat Steel Products | 26.81%-31.92% (31.92% for JSW) | 27th Mar 2003 |

Indonesia

| Anti Dumping | Hot Rolled Coil | 12.95%-56.51% (22.25% for JSW) | 2nd Mar 2008 |

Taiwan

| Anti Dumping | Carbon Steel Plate | 32.82% | 22nd Aug 2016 |

| Anti Dumping | HR Coils and Sheets | 25% | 19 Jun 20 |

| Anti Dumping | Carbon Steel Plate | 32.82% | 22nd Aug 2016 |

| Anti Dumping | HR Coils and Sheets | 25% | 19 Jun 20 |
Delivering holistic growth

Our value creation model is a reflection of our integrated approach. It takes into account our available financial and non-financial resources, stakeholder expectations and concerns, the external environment as well as our purpose and values to deliver superior outcomes and capital returns.

**External Environment**

### Purpose
- Building world-class infrastructure, products and solutions
- Deploying world-class capabilities
- Nurturing our communities

### Governance

**Vision**
Bring positive transformation to every life we touch

**Values**
- Confidence
- Courage
- Commitment
- Compassion
- Collaboration

### Activities

#### Value chain

**Value creation model**

- **Inputs**
  - Financial capital
  - Manufactured capital
  - Intellectual capital
  - Human capital
  - Social and relationship capital
  - Natural capital

- **External Environment**

**Strategy and resource allocation**

**Outputs**

#### Performance

- **Risk management**

**Outcomes**

- **Financial capital**
  - Revenue: ₹1,46,371 crore
  - Operating EBITDA: ₹30,007 crore
  - PAT: ₹20,938 crore
  - RoCE: 30%
  - Net debt to equity ratio: 0.83
  - Market capitalisation: ₹1,77,098 crore
  - EPS: ₹6.45
  - Dividend declared: ₹17.35 per share
  - Credit rating: Short-term credit rating: A1+ by CARE Ratings and ICRA Ltd

- **Manufactured capital**
  - VAPE contribution in product mix: 60%
  - Capacity utilisation: 89%

- **Intellectual capital**
  - Number of patents granted: 15
  - Number of technical papers published: 27

- **Human capital**
  - Number of beneficiaries of CSR activities: ~5.5 lakh
  - Number of saplings planted: 31,509
  - Waste utilised:

- **Social and relationship capital**
  - Number of technical papers published: 27

- **Natural capital**
  - Material recycled: 3.77 MnT
  - Waste utilised: 100%
Greater involvement. Stronger together.

It is imperative for us to have a meaningful dialogue with our stakeholders to understand their needs. The insight we gain from regular engagement with them helps us gauge the issues that will shape the business environment, manage our risks better and take informed decisions that address stakeholder concerns. This way, we create a winning proposition for all and strengthen trust in us as a conscientious corporate organisation.

**Customers**

**Engagement forums**
- Customer meets
- Official communication channels: advertisements, publications, websites and social media
- Conferences and events
- Customer feedback and satisfaction survey
- Customer visits, phone calls, emails and meetings
- JSW Shoppe

**Key outcomes**
- Timely delivery
- Wide range of high-quality products that meet customer requirements
- Competitive pricing
- Easy availability through large distribution network
- Post-sales support – Digital CRM to ensure quick and accessible customer support

**Emphasis area**
- Value-added products
- Offerings based on solutions
- Sustainable and low-carbon steel
- Human rights and safety
- Warranties and quality assurances

**Employees**

**Engagement forums**
- JSW World – Intranet portal
- Gunhawk – Employee newsletter
- 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

**Key outcomes**
- Satisfaction and motivation
- Fair wages and rewards
- Improved work-life balance
- Regular training and skill development
- Career growth
- Safe and secure work environment

**Emphasis area**
- Health and safety
- Wellbeing and benefits
- Best-in-class labour practices
- Employee engagement
- Learning and development

**Community and civil society/NGOs**

**Engagement forums**
- 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

**Key outcomes**
- Local employment and procurement
- Infrastructure development
- Funding for community development
- Training and livelihood programmes
- Contribution to local economy

**Emphasis area**
- Health and safety
- Local development with livelihood opportunities, skill development and education
- Lower pollution and healthy living environment

**Government and regulatory bodies**

**Engagement forums**
- Official communication channels: Advertisements, publications, websites and social media
- Phone calls, emails and meetings
- Regulatory audits/inspections

**Key outcomes**
- Aligning with the government to support economic development
- Continued contribution to the exchequer

**Emphasis area**
- Contribution towards India's infrastructure vision and Nationaly Determined Contributions (NDCs)
- Contribution to the exchequer
- Import substitution
- Contribution to 'Make In India'

**Institutions and industry bodies**

**Engagement forums**
- Conferences
- Joint R&D initiatives
- Internship opportunities for students

**Key outcomes**
- Exchange of knowledge
- Collaboration in R&D
- Industry exposure for students

**Emphasis area**
- Championing sustainability as a standard practice
- Setting the tone for the development of the industry and economy

**Investors**

**Engagement forums**
- Analyst meets and conference calls
- Annual General Meeting
- Official communication channels: Advertisements, publications, websites and social media
- Investor meetings and roadshows

**Key outcomes**
- Sustainable growth and returns
- High standards of corporate governance and risk management
- Compliance with global ESG norms and setting benchmarks in key areas

**Emphasis area**
- Sustainability-linked bonds

**Suppliers**

**Engagement forums**
- Vendor assessment and review
- Training workshops and seminars
- Supplier audits
- Official communication channels: Advertisements, publications, websites and social media

**Key outcomes**
- Timely payment
- Continuity of orders
- Capacity building
- Transparency

**Emphasis area**
- Sustainable supply chain practices
- Local procurement
- Human rights, health and safety
Shaping our strategy. Aligning our priorities.

As part of our strategic action plan, we conducted a materiality assessment during FY 2021-22 and identified issues that have a significant potential to influence our business. We have devised clear pathways to approach and work on these issues in order to deliver sustained value.
Mitigating risks. Preserving value.

At JSW Steel, we have established a robust risk management framework to understand the dynamic externalities and devise ways of mitigating them. We follow the globally recognised ‘COSO’ framework of Enterprise Risk Management (ERM), which helps integrate internal controls into business processes. It also allows for a better understanding of the potential upside and downside of factors that can impact the organisation’s ability to create value.

We are cognisant of the fact that the emerging and identifiable risks need to be managed and mitigated in order to
- Protect our shareholders and other stakeholder’s interests
- Achieve our 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, we have a robust risk management framework in place. A sub-committee of Directors oversee the ERM framework to ensure it addresses the following:
- 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 such as performance, incident, process and transaction risks are avoided, mitigated, transferred (as 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 and internal audit reviews, among others.

Strategic risks

The COVID-19 pandemic

Due to the consecutive second and third wave of the COVID-19 pandemic, global and domestic economic revival remained under stress. Human lives continue to be at risk from virus mutation.

Response

We have continued to take precautionary and proactive measures to control the spread of coronavirus among our workforce across all our sites and offices. Various measures are being taken such as:
- Strict adherence to guideline issued by various Government authorities
- Compulsory wearing of masks and following COVID appropriate behaviour at plants and offices
- Random testing of staff returning from outstation travel
- Setting up quarantine centres across all plant locations
- These initiatives have helped us manage the pandemic risk. Vaccination remains key to combating the COVID-19 pandemic.

Response

We are continuously monitoring the situation. The risk is being managed by
- Broadening sourcing options – different geographies, multiple vendors
- Prudent hedging strategies to mitigate the foreign exchange fluctuation risk
- Various contract options like long-term contracts and monthly/quarterly/spot contracts for cost effectiveness

Geopolitical scenario - the Russia-Ukraine conflict

Due to the geopolitical tension and war, oil and natural gas prices have increased and are expected to further drive up logistics costs, resulting in higher inflation. Prices of key raw materials such as coking coal, iron ore, ferro alloys and zinc are also expected to increase.

Response

We are continuously monitoring the situation. The risk is being managed by
- Prudent hedging strategies to mitigate the foreign exchange fluctuation risk
- Various contract options like long-term contracts and monthly/quarterly/spot contracts for cost effectiveness

Intensifying competition and ability to market increasing volumes

Steel in India is a highly competitive industry, and we have to compete with other Indian integrated steel manufacturers in varying degrees. Domestic steel producers have responded to competition by raising their manufacturing capacity in the past. Growing consolidation in the steel industry worldwide may lead to global steel producers adding to the competition. Many of these international producers, with ample financial and other resources at their disposal, have announced their intention to establish manufacturing operations in India. The contest, as a result of acquisitions and consolidation in the industry, driven by the IBC process and capacity expansions may result in stressed profitability.

Response

- The domestic market is likely to see healthy steel demand due to
  - The Government’s thrust on infrastructure development through a capex outlay of ₹15 lakh crore, as announced in the Union Budget 2022-23
  - Plans for 25,000 km national highway expansion, affordable housing, manufacture of 400 new Vande Bharat trains, eight ropeway projects and other projects will drive 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 our presence via Shoppee Connect can be increased to widen customer base

Leveraging channel financing and micro credits for providing additional liquidity

Continued focus on cost, which has made us one of the lowest conversion cost producers in the world, and timely response on cost control to stay competitive
Competitive dynamics and industry cyclical

As in the case of most commodity-intensive industries, operating margins in the steel industry are affected by sales realisation and fluctuations in demand and supply of steel products.

Due to the competitive market dynamics, the following reasons can affect sales and margin:
- Adverse global and domestic demand-supply dynamics
- Cyclical nature of the steel industry
- Unfair trade practices resulting in a surge in imports
- Trade barriers imposed by countries like the US and some European countries

Response
- Trade sanctions on Russia by the US and EU amid the Russia-Ukraine war would improve export opportunities for the Indian steel industry, EU imports around 30 MnT of steel, of which 20% is from Russia
- Due diligence review carried out before dealing with unknown markets
- Better market intelligence with inputs from the marketing team
- Our agile strategy of switching between exports and domestic sales in line with shifting demand patterns
- Widening and deepening customer reach in domestic and international markets, which gives the flexibility to switch between domestic to export market and vice versa
- Expected to achieve 50% of sales from value-added products
- Competitive strength of our specialised, value-added and branded steel portfolio including tinplate, galvanised, and galvalume among others, together with our responsive credit and pricing policy

Raw material availability and cost – Iron ore and Coking coal

Our primary raw materials iron ore and coal; our operations also require raw materials such as various types of limestone, alloys, refractories, oxygen, fuel and gas. The price and availability of raw materials may be adversely affected by factors beyond our control, including interruption in production by suppliers, demand for raw materials, change in supplier allocation, price and currency fluctuations, policy changes and transport costs, etc.

The current uncertain external environment, high costs of iron ore and coking coal are impacting our margins. Iron ore and coking coal availability also depends on:
- Global movement and parity of landed cost considering price, freight, tariff and exchange rates
- Government policies on mining, allocation and tariff
- Domestic demand-supply gap, constraints and vendor actions
- Risk of production stoppage due to non-availability of coking coal as we are solely dependent on coking coal imports
- Uncertainty in availability given that no major additional capacities are being added globally

Response
- Iron ore
  - Iron ore requirement at our Vijayanagar and Dolvi plant is primarily met by iron ore mines owned by us in Dantula and Karnataka, which have significantly reduced our dependence on imported iron ore
  - We are exploring iron ore from different international sources as imported iron ore on value-in-use basis has productivity gains, which to a large extent offset the difference in price

Coking coal
- Prices are expected to remain volatile in view of the global geopolitical events
- Considering buying on Annual Rate Contract where the price is linked to TSI and PLATTS index
- Diversifying sources across various geographies to ensure availability of coking coal and minimise the impact of rising prices

Response
- Foreign exchange and interest rate fluctuations
  - Foreign exchange rates have been volatile and given that we incur costs in one currency and generate sales in another, our profit margins may be affected by exchange rate changes between two currencies. Interest rate increases in the key global economies could slowdown foreign currency inflows into the country, which could affect the value of domestic currency and interest rates and thus, adversely impact our ability to secure financing on favourable terms. High borrowing cost has the potential to impact profitability.

Response
- Mining
  - Risk of non-achievement of production target due to over-dependence on Mining Development Operators (MDO)
    - MDO’s work may be impacted by non-availability of finance and workers

Response
- Mergers and Acquisitions
  - We continue to explore strategic acquisition opportunities. However, such acquisitions in the future may result in a material increase in debt, may be difficult to integrate, and may not be value accretive. In certain instances, they may have adverse material impact on our financial position or results of operations. We run the following risks:
    - Risk of acquisition at value greater than fair value may impact Return On Capital Employed (ROCE), and thus adversely impact debt and interest servicing
    - Challenges in turn around and scale up or delay may drag the profitability
    - Litigation may impact earnings and erode stake holders value
Infrastructure and logistics

Disruption in the transportation of goods and supplies, electricity grid, communication systems or any other public facility could impact normal business activity and add to costs by adversely impacting financial condition and cash flows.

Various factors can affect the movement of inbound quality raw materials and outbound goods such as:
- Port congestion, channel blockage, disrupted unloading/loading infrastructure, rail and road connectivity
- Storage and material handling (RMHS) system, which protects material from exposure to weather or our metallurgical property, may be disrupted
- Geopolitical tensions such as that between Russia and Ukraine pose challenges to container availability, resulting in higher freight charges

Response

Infrastructure improvement has been undertaken to ensure seamless flow of inbound material and outbound goods. Some of these are:
- Higher capacity barges (River Sea vessels or RSV) for transportation of inbound raw material and outbound finished goods, and to ease the logistics constraints on road movement
- Additional rail/road entry and exit points for enhanced volumes planned at all locations being expanded
- Bogie Versatile Coil Wagon (BVCW) deployed at Vijayanagar for loading HR/CR Steel Coils (Hot rolled/Cold rolled)
- Additional storage yards for iron ore fines and coking coal
- Extension of jetty length and additional barge unloaders at Dharamtar port to cater the additional raw material requirements at Dolvi due to expanded capacity
- Higher freight charges being addressed through rate negotiation with shipping companies on a quarterly basis and catering export orders by converting container shipments to break-bulk

Environment protection and climate change

The steelmaking process involves emission of CO₂, dust and other co-products gases/waste (slag) that pose a risk to environment and sustainable growth. At the COP26 summit, India has committed to achieve net zero emissions by year 2070. In India, as elsewhere, climate action is intensifying but any drastic change in carbon emission regulations may adversely impact our business and operations.

Compliance with new and more stringent environmental obligations related to greenhouse gas (GHG) emissions may require additional capital expenditure or modifications in operating practices and additional reporting obligations.

Capacity expansion projects require adherence to legal requirements like environmental assessments, environmental impact studies and/or plans of development before commencing work. It has also resulted in water being a risk to our operations. Expiration or delay in approvals could prevent us from carrying out our operations in full.

Response

We are complying with all the applicable norms through use of best-in-class technology
- We select the right equipment, technology, processes, inputs and we track our 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 to recover carbon and divert to different applications
- For our mining operations, we have undertaken comprehensive Reclamation & Rehabilitation (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 aging technology to treat BOF slag that would be generated after proposed expansions at Vijayanagar and Dolvi
- We disclose information related to carbon emissions, renewable energy utilised and circularity of projects 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.
- As part of our water stewardship approach, we have implemented water efficient technologies that help us conserve, reuse and recycle water, enabling judicious use of the resource.
Occupational health and safety

Extensive health and safety laws, regulations and standards are in place for the steel industry. Associated hazards include accidents involving moving machinery, on-site transport, forklifts and overhead cranes; explosions and resulting fires. These may lead to severe damage or destruction of property, equipment and environment and cause personal injury or even fatalities among our personnel. In consequence, there may be temporary or lengthy interruptions in operations, damage to our reputation and corporate image and perhaps even civil and criminal liabilities.

Response

- Ensuring compliance with local and international laws, regulations and standards with a primary focus on protecting employees and communities from harm and operations from business interruptions
- Construction guidance notes released for 10 critical activities to improve construction safety
- Periodic safety training, mandatory usage of safety gadgets such as safety shoes, helmets, hand gloves, masks on shop floor and plants
- External, detailed Fire Prevention Audit carried out at all downstream units
- British Safety Council 5 Star Audit Sap analysis conducted at Salem Plant
- Safety made a mandatory Key Result Area (KRA) for employees, requiring them to undergo mandatory classroom/online learning sessions on safety with an assessment test to check the level of learning
- Employee Assistance Program (We care) undertaken in collaboration with M/S Skill-soft to develop project management, team building, communication and other skills
- Strong security arrangements like security check-post, entry pass/identity cards, access control system, CCTVs at critical locations

Human capital with requisite skillset and experience is critical to maintain the current level of operations and upcoming expansion at plants. While we consider our labour relations to be good, we cannot discount future disruptions in operations due to disputes or other problems with employees.

Response

- Senior leadership support in setting the tone at the top
- Strong HR policies and processes in place for hiring and retaining talent
- Group-wide employee re-designation exercise done in alignment with the market scenario
- JSW steel LPIP Samruddhi Plan 2021, our ESOP plan launched for employees to retain talent
- Candis Conversation programme for enabling greater interaction between employees and senior leaders so as to build strong relationships
- A separate pool of employees identified across bands for grooming for next level roles through specially designed Future-Fit Leadership Development programmes from IIM Ahmedabad, IIM-Hyderabad and Cornell University, US
- Gender diversity initiative ‘Springboard’ launched for employees to retain talent
- Employee Assistance Program (We care) undertaken in collaboration with M/S Skill-soft to develop project management, team building, communication and other skills
- Strong security arrangements like security check-post, entry pass/identity cards, access control system, CCTVs at critical locations

Cyber security

Our extensive digital projects are exposed to a wide array of cyber risks. Digital security is paramount to ensuring seamless operations since a potential breach could lead to loss of process control and impact day-to-day functions.

Cyber security risk could damage reputation and lead to financial loss. Such threats arise from:
- Theft of corporate information
- Theft of financial information (e.g., financial results and bank details)
- Ransomware - cyber extortion
- Disruption to business (e.g., inability to carry out SAP transactions, online payments)
- Loss of business or contract

Response

- All the information technology management system confirms to ISO 27001:2013
- Controlling system vulnerability through:
  - 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
- Breach assessment through:
  - Strengthening the cyber security posture, carried out self-assessment and continuous monitoring going on
  - Third-party view and peer comparison undertaken
  - Breach assessment done with subject expert partners
- Incorporating cyber security and privacy into everyday business decisions and processes
- Cyber security awareness programme conducted across all the locations in view of growing threats of cyberattacks due to increased online trades and transactions
- Progress of cyber security roadmap being tracked periodically
- Monitor threats and respond, investigate and remediate cyber security related incidents and data breaches
In FY 2021-22, we have made remarkable progress against our six strategic priority areas from capacity expansion to integration of Industry 4.0 and ensuring cost-effective and sustainable operations.
Progressing on our six focus areas

At JSW Steel, we realise our #BetterEveryday proposition through six well-established strategic focus areas. These areas were delineated after careful consideration of our material issues, growth imperatives, and internal and external drivers of growth. In FY 2021-22, we significantly progressed on these areas through targeted initiatives and delivered on all key performance indicators.

Strategy formulation process

Our strategic planning and formulation activity is based on stakeholder expectations and concerns as well as the short-, medium, and long-term objectives of the business.

In alignment with the integrated approach to strategy development, we believe in building on our internal synergies while closely analysing our macro-environment.

A strategy meet of the Board of Directors is held once every four financial years to formulate, evaluate and approve our business strategy. The meeting focuses on our strategic goals, financial management policies, management assurances and control aspects, and the growth plan of the Company.

Through such discussions we have arrived at our strategic pillars that propel business growth across all aspects.

Note: Please note that 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.
# Progressing on our six focus areas

<table>
<thead>
<tr>
<th>Strategic priority</th>
<th>FY 2021-22 Update</th>
<th>Near-term outlook</th>
<th>KPIs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic growth</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>S1</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual capex is at ₹14,198 crore</td>
<td>Complete the capex projects as per stated plan and reach steelmaking capacity of 37 MTPA in India by FY 2024-25</td>
<td>Total domestic installed capacity</td>
<td></td>
</tr>
<tr>
<td>Commenced 5 MTPA brownfield expansion project at Vijayanagar with a capex of ₹20,000 crore</td>
<td></td>
<td>Total downstream capacity</td>
<td></td>
</tr>
<tr>
<td>Incremental expansion at Vijayanagar of existing facilities to enhance capacity</td>
<td></td>
<td>Market share</td>
<td></td>
</tr>
<tr>
<td>Increased stake in BPSL to 83.3% in FY 2021-22</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recorded improved profitability at all our acquisitions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Diversification of product profile and customer base</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>S2</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtained an Environmental Product Declarations (EPD’s) – Type III eco-labelling for all finished products from three integrated steel plants</td>
<td>Complete the downstream projects as per capex plan</td>
<td>New grades developed</td>
<td></td>
</tr>
<tr>
<td>All finished products undergo lifecycle analysis</td>
<td>Effective influencer management – aim for &gt;10% increase in base of masons, contractors, architects and engineers in the Privilege Club Loyalty Program</td>
<td>Domestic market share</td>
<td></td>
</tr>
<tr>
<td>Progressing across our downstream expansion projects</td>
<td>Enrich product mix by addition of value-added products – Seismic Resistant Steel and Binding Wires</td>
<td>Domestic to export sales mix</td>
<td></td>
</tr>
<tr>
<td>New products developed</td>
<td>Providing retail solutions using technology – launch of Distributor Management Services on digital platform</td>
<td>Number of retail outlets</td>
<td></td>
</tr>
<tr>
<td>Increased connect with retailers and expanded presence to ~75% of India</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Backward integration and raw material security</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>S3</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of iron ore mines in Odisha presents us with various benefits</td>
<td>Continue operations across the acquired mines that meet the cost-efficiency and sustainability goals of the business</td>
<td>Captive iron ore consumption capacity of the Group’s captive power plants</td>
<td></td>
</tr>
<tr>
<td>Secured coal mines, ensuring raw material availability</td>
<td>Enhance mining capabilities and efficiencies at Odisha with an estimated capex of ₹3,450 crore to reduce reliance on outsourced mining, expected completion within two years</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Focus on resource optimisation and digitalisation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>S4</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Set up of 8 MTPA pellet plant and 1.5 MTPA coke oven plant at Vijayanagar</td>
<td>Improve efficiency and boost safety through yard management automation</td>
<td>Capacity utilisation</td>
<td></td>
</tr>
<tr>
<td>Set up 175 MW and 60 MW power plants at Dolvi</td>
<td>Project SAMPARK - Paperless technology powered logistics</td>
<td>Conversion cost per tonne of steel</td>
<td></td>
</tr>
<tr>
<td>Progressing across Industry 4.0 digital initiatives</td>
<td>Digitally enabled finance function</td>
<td>Iron ore transported using pipe conveyor</td>
<td></td>
</tr>
<tr>
<td>Introduced virtual reality (VR)-based fire-safety trainings</td>
<td>Analytics to optimise Vijayanagar SMS process time and energy burden</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Prudent financial management</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>S5</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spent ₹14,198 crore on capex projects</td>
<td>Rating upgrade across domestic and international agencies</td>
<td>Net debt to equity</td>
<td></td>
</tr>
<tr>
<td>Total debt stood at ₹56,650 crore at the end of FY 2021-22</td>
<td>Acquiring assets via IBC, with minimal impact on balance sheet</td>
<td>Net debt to EBITDA</td>
<td></td>
</tr>
<tr>
<td>Became the first steel company globally to raise Sustainability Linked Bonds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mainstreaming sustainability in business imperatives</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>S6</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Group joins the World Business Council for Sustainable Development</td>
<td>Continue focus on health and safety management</td>
<td>CO₂ emissions</td>
<td></td>
</tr>
<tr>
<td>Received an A-band from CDP for the best practices</td>
<td>Continue decarbonisation and emissions control in line with stated targets</td>
<td>Specific energy consumption</td>
<td></td>
</tr>
<tr>
<td>Started using power from 225 MW Renewable Solar power at Vijayanagar</td>
<td>Continue emphasis on conservation initiatives, implementation of best available technologies (BATs) towards decarbonisation, focus on circularity, hydrogen economy and responsible product stewardship towards sustainable steel</td>
<td>Water consumption</td>
<td></td>
</tr>
<tr>
<td>Conducted wellbeing and wellness workshops on the topics of Resilience, Emerging Stronger and Recharge for Action through JSW We Care</td>
<td>Make conscious efforts to enhance diversity in the workforce</td>
<td>Air Emissions (PM, SOx, NOx)</td>
<td></td>
</tr>
<tr>
<td>Launched India’s first ‘Skill Impact Bond’</td>
<td></td>
<td>Waste utilised, recycled and reused</td>
<td></td>
</tr>
</tbody>
</table>
**Strategic Growth**

The government’s infrastructure push and an opportunity to leverage the gap created in the international market by recent geopolitical events have created an unprecedented momentum for the Indian steel industry. At JSW Steel, we are well-aligned with these developments and the larger India growth story with its increasing demand for steel in various sectors. Towards this end, we continue to actively invest in greenfield and brownfield projects and pursue select inorganic opportunities to augment our capacities.

**Key trends**

- Conducive government policies such as PLI
- Large-scale infrastructure programmes such as NIP
- Potential for per capita steel consumption to grow to 158 kg by FY 2030-31
- Rising urbanisation and per capita income levels
- Supply chain disruptions from Russia-Ukraine conflicts

**Key risks**

- R1 The COVID-19 pandemic
- R8 Mergers and Acquisitions
- R11 Occupational health and safety

---

**Capitals deployed**

- Financial Capital
- Natural Capital
- Human Capital

**Capitals enhanced**

- Manufactured Capital

**27 MTPA**

Total domestic installed capacity (including BPSL and JISPL)

**12.6 MTPA**

Total downstream capacity
Capex programme
At JSW Steel, we are well-placed to address the strong demand growth enabled by the government’s thrust on infrastructure, housing and the increasing share of manufacturing in GDP. Significant opportunities arise from projects under the $1.4 trillion National Infrastructure Pipeline (NIP), the realignment of global supply chains and China+1 sourcing approach of MNCs. The Production-Linked Incentive (PLI) scheme, launched by the government to promote manufacturing in select sectors, will also act as a boost to the steel industry.

Aligned to these prospects, we have a near-term target of taking our domestic installed capacities to 37 MTPA by FY 2024-25. The expansion projects at Vijayanagar and Bhushan Power and Steel Limited (BPSL) will be key to executing this plan.

Key projects to augment installed capacities:
- Commenced 5 MTPA brownfield expansion project at Vijayanagar with a comparatively lower capex of ₹20,000 crore
- Incremental expansion at Vijayanagar of existing facilities to enhance capacity by a further 2.5 MTPA (+1.5) in phases
- The expansion at Bhushan Power and Steel Limited (BPSL) to 3.5 MTPA is progressing well and is expected to be completed in FY 2022-23. Long lead-time items have been ordered for the Phase-II expansion from 3.5 MTPA to 5 MTPA and the project is expected to be completed by FY 2023-24
- Organic brownfield (BF) capacity expansion capex well below global benchmarks of replacement cost of $1,000/tonne for BF-based capacity

### Roadmap to 37 MTPA by FY 2024-25 (MnT)

<table>
<thead>
<tr>
<th></th>
<th>FY 2022-23</th>
<th>FY 2023-24</th>
<th>FY 2024-25</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Steel standalone</td>
<td>23.0</td>
<td>30.5</td>
<td>37.0</td>
</tr>
<tr>
<td>Vijayanagar Expansion</td>
<td>2.5</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>BPSL</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td>Total</td>
<td>30.5</td>
<td>37.0</td>
<td>43.5</td>
</tr>
</tbody>
</table>

### Ongoing capex programme
- **₹48,852 crore**
- **₹33,259 crore** Ongoing capex including creditors & acceptance
- **₹5000 crore** Similar plant and other facilities to support 5 MTPA expansion at Vijayanagar
- **₹1,401 crore** JSPL and other projects
- **₹4,704 crore** Sustenance capex

### Doubling capacities at Dolvi
The biggest growth achievement of FY 2021-22 is the commissioning of the additional 5 MTPA capacities at our Dolvi facility, essentially doubling its installed capacity.

The expansion comprises one of India’s largest blast furnaces and steel melt shops (SMS), with two converters, 350 tonnes each. The new SMS is equipped with state-of-the-art energy recovery systems to reduce carbon emission intensity. The key components of the expansion include:

**01 Pellet plant of 8 MTPA**
**02 Two phases of coke oven battery totalling 3 MTPA capacity**
**03 4.5 MTPA blast furnace**
**04 5 MTPA steel melt shop**
**05 5 MTPA hot strip mill**
Vijayanagar on its next phase of growth

JSW Steel Vijayanagar Works, our flagship facility, is also India’s largest single-location steel plant and the world’s sixth largest steel plant.

With a value-accretive ₹20,000 crore investment, the 12 MTPA plant is set to increase its installed capacity by 5 MTPA by FY 2023-24, along with additional capacity augmentation of 1 MTPA and a coke oven of 1.5 MTPA. 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.

The civil works of the brownfield project has commenced and long lead items have been ordered and letters of credit established.

Inorganic growth

We pursue selective acquisitions that are value-accretive and/or strategically positioned to provide us a competitive edge through capacities, market access or value-addition competencies. During FY 2021-22, we were able to turnaround and improve the profitability of all our acquisitions, across ACCIL, VTPL, VIL and BPSL. JSW Ispat Special Steel Ltd. or JISPL (previously Monnet Ispat & Energy Limited) has also reported a net profit for FY 2021-22. We are increasingly looking at merging some of our businesses to simplify our governance structure.

A successful turnaround journey at JISPL

FY 2016-17 to FY 2017-18

A consortium of JSW Steel and AION completed the acquisition of the Monnet Ispat & Energy Ltd. (now JISPL). Restarted pellet plant in November 2018.

FY 2017-18 to FY 2018-19

Restarted Blast Furnace and steel melt shop operations in February 2019. Implemented pellet plant expansion to 2.2 MTPA. Increased DRI production by using own pellets and process improvements. Restarted TMT operations. Introduced JSW Neosteel brand under licensing arrangement.

FY 2018-19 to FY 2019-20

Refurbished blast furnace, SMS and oxygen plant to bolster operations. Converted to Special Steel by modification of Caster, commissioning of one additional Vacuum De-gasifier. Introduced Round Cast in Billet/Bloom Caster.

FY 2019-20 to FY 2020-21

Successfully navigated through the COVID-19 crisis. Achieved highest quarterly EBITDA in Q4 FY 2021 post takeover by the consortium through operational excellence; commenced operations at the slab caster.

FY 2021-22

Achieved profitability on an annual basis for the first time since acquisition.

Operating Revenue at JISPL

<table>
<thead>
<tr>
<th>FY (in crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2017-18</td>
</tr>
<tr>
<td>FY 2018-19</td>
</tr>
<tr>
<td>FY 2019-20</td>
</tr>
<tr>
<td>FY 2020-21</td>
</tr>
<tr>
<td>FY 2021-22</td>
</tr>
</tbody>
</table>

CAGR: 44%

Operating EBITDA at JISPL

<table>
<thead>
<tr>
<th>FY (in crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2017-18</td>
</tr>
<tr>
<td>FY 2018-19</td>
</tr>
<tr>
<td>FY 2019-20</td>
</tr>
<tr>
<td>FY 2020-21</td>
</tr>
<tr>
<td>FY 2021-22</td>
</tr>
</tbody>
</table>

CAGR: 87%

Figures pertain to JISPL
**Inorganic growth**

**Increasing our stake in BPSL**

We increased our stake in BPSL to 83.3% in FY 2021-22, compared to 49% in FY 2020-21.

The acquisition further diversifies JSW Steel Group’s presence and provides a strategic access to the fast-emerging market in eastern India. In the near term, we expect to nearly double the capacity at BPSL to augment our overall portfolio.

---

**BPSL – Geographies, products and expansion plan**

**Chandigarh**
- Cold Rolled Steel Strips and Precision Tubes

**Jharsuguda**
- Integrated Steel Plant with Captive Power Plant

**Nabarangpur**
- Iron Ore Mine: 82mt Reserves

**Valuation**

<table>
<thead>
<tr>
<th>Value Addition</th>
<th>FY2021</th>
<th>FY2022E</th>
<th>FY2023E</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRCA, GI/GL</td>
<td>2.75</td>
<td>3.50</td>
<td>5.00</td>
</tr>
<tr>
<td>BPSL</td>
<td>1.80</td>
<td>2.35</td>
<td>2.75</td>
</tr>
<tr>
<td>BPSL</td>
<td>1.80</td>
<td>2.35</td>
<td>2.75</td>
</tr>
</tbody>
</table>

**Projects at BPSL**

**Phase-I expansion to 3.5 MTPA (by Q2 FY 2023)**

- EAF modification: Completed in Q4 FY 2022
- SMS1 Caster modification: Caster 1 & 2 Project commissioned in Q1 FY 2023
- Completion of Sinter Plant-2: Furnace light-up done, to be completed by Q2 FY 2023

**Phase-II expansion to 5 MTPA (by FY 2024-25)**

- Long lead-time items ordered (New wire rod mill-2 and SMS-2, BF-1 & 2 PCI upgradation). Project to be completed by FY 2024-25
## Recent acquisitions and synergies

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Capacity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asian Colour Coated Ispat Limited (ACCIL)</strong></td>
<td>1 MTPA</td>
<td>Synergies: Acquired ACCIL in October 2020 for ₹1,550 crore through IBC process. Pure-play downstream company with a capacity of c.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.</td>
</tr>
<tr>
<td><strong>Bhushan Power and Steel Limited (BPSL)</strong></td>
<td>2.75 MTPA</td>
<td>Synergies: Acquired BPSL in March 2021 with stake of 49% through IBC process. Payment to financial creditors in IBC process for 100% stake was ₹18,350 crore; the cash outgo from the Company was ₹5,087 crore. Integrated steel producer with liquid steel capacity in Jharsuguda, Odisha, primarily flat steel, downstream facilities in Kolkata and Chandigarh. Acquisition gives us strategic presence in eastern India.</td>
</tr>
<tr>
<td><strong>Plate and Coil Mill Division (PCMD) of Welspun Corp Ltd</strong></td>
<td>1.2 MTPA</td>
<td>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 our entry into different grades of steel products, esp. plates</td>
</tr>
<tr>
<td><strong>Valabbh Tinplate Limited (VTPL)</strong></td>
<td>0.1 MTPA</td>
<td>Synergies: Adds to our growing focus on tinplate</td>
</tr>
<tr>
<td><strong>JSW Ispat Special Products Limited (erstwhile Monnet Ispat &amp; Energy Limited)</strong></td>
<td>0.04 MTPA</td>
<td>Synergies: Helps consolidate the downstream or value-added steel products industry in the country</td>
</tr>
<tr>
<td><strong>JSW Steel Piombino Works (previously Aferpi S.p.A)</strong></td>
<td>1.3 MTPA</td>
<td>Synergies: Serves as our captive conduit to the European markets.</td>
</tr>
<tr>
<td><strong>JSW Ohio (previously Acero Junction)</strong></td>
<td>1.5 MNTPA*</td>
<td>Synergies: Helps serve the US market by making and finishing steel products within the country, giving us market access.</td>
</tr>
</tbody>
</table>

### Previous acquisitions

#### Vardhman Industries Limited

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

**0.04 MTPA**

Downstream capacity

#### JSW Ispat Special Products Limited (erstwhile Monnet Ispat & Energy Limited)

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

**1.2 MTPA**

Crude steel capacity

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

**Synergies**: Serves as our captive conduit to the European markets

**1.3 MTPA**

Finishing capacity

#### JSW Ohio (previously Acero Junction)

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

**1.5 MNTPA**

Integrated steel plant with a finishing capacity of 3 MNTPA

*million net tonnes per annum

### Outlook

#### Near-term outlook

- Complete the capex projects as per stated plan and reach steelmaking capacity of 37 MTPA by FY 2024-25.

#### Long-term outlook

- Vision to reach 50 MTPA capacity in India by FY 2030-31.
- Complete the development and commissioning of the upcoming 13.2 MTPA greenfield steel plant in Jagatsinghpur district, Odisha, along with a 900 MW captive power plant; the plant will play a key role in the growth story of both JSW Steel’s and India.
- 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 a domestic market share of 15% 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.
Diversification of product profile and customer base

Through our increasingly consumer-oriented business and a growing portfolio of Value Added and Special Products (VASP), we achieve enhanced margins that add to our business success and brand value. Our products also contribute significantly to environmental sustainability by replacing plastic, reducing emissions and playing a substantial role in enabling renewable energy infrastructure.

KPIs

- 60% of VASP in products sold
- 16.34 MnT* Total steel sales volume
- 11.10% Domestic market share
- 72:28% Domestic to export sales mix
- 16,000+ Number of retail outlets (exclusive and non-exclusive)

* Total sales comprises JSW Steel Indian operations excluding BPSL and JV's, and after netting-off inter-company sales.

Key trends

- Brand consciousness
- Burgeoning renewable energy infrastructure
- Steel as an alternate building material
- Steel being viewed as a greener, recyclable material

Material issues

- Economic performance
- Technology, product and process innovation

Key risks

- R2 - Geopolitical scenario – the Russia-Ukraine conflict
- R3 - Intensifying competition and ability to market increasing volumes
- R4 - Competitive dynamics and industry cyclicality
Environmental Product Declarations

The objective is to enable and support organisations in any country to communicate quantified environmental information to customers on the life cycle of their products in a credible, comparable, and understandable way, thereby assisting in product comparison. EPD is based on a Life Cycle Assessment (LCA) study - a methodology to assess the environmental impacts associated with a product or service and provides a holistic approach by considering the potential impacts from all stages of manufacture, product use, and end-of-life stages. EPDs combined with the Life Cycle Assessment approach with a level playing field provided by Product Category Rules (PCR), results in a reliable resource for the customers to have better clarity on which product to opt for.

Read more at https://www.jsw.in/sustainability/transparency-customers

Progressing on downstream projects

At JSW Steel, we are constantly and strategically increasing our VASP portfolio, aligned to both domestic and global market opportunities. India's steel exports profile continues to be special steels-led, and JSW Steel plays an important part in catering to this mix. In the past three years, our downstream capacities have increased multi-fold, with our finished products continuing to witness significant offtake.

With this backdrop, we regularly undertake downstream expansion projects that maintain or increase the proportion of value-added products in the overall product portfolio. Our recent projects include:

JSW Vijayanagar

- CCM-1 complex capacity expansion
  - (0.85 MTPA to 1.80 MTPA)
- Three CGL lines commissioned in May 2021
- Two CGL lines of 0.45 MTPA each commissioned (Line 2 commissioned in April 2022)
- Colour coating line (0.3 MTPA)

JSW Vasind and Tarapur

- Modernisation-cum-capacity enhancement projects
  - All expansions commissioned, including 0.45 MTPA GI/GI at Vasind in October 2021
  - 0.25 MTPA colour coating Line commissioned in May 2021
  - 0.5 MTPA continuous annealing line at Vasind, to be commissioned by FY 2022-23
  - Second tinplate line of 0.25 MTPA at Tarapur, to be commissioned by FY 2022-23

4.11 MTPA

Total capacity at Vasind, Tarapur and Kalmeshwar post expansion

Other downstream projects

- 0.25 MTPA colour coating line at Rapur, Punjab, to be commissioned in Q4 FY 2023
- 0.12 MTPA colour coating line in Jammu & Kashmir, to be commissioned in Q1 FY 2024
- 0.144 MTPA URPC Steel Strands line at Vijayanagar to be commissioned in Q2 FY 2023

Key product highlights

- All finished products under life-cycle analysis
- Environment Product Declaration in place for Hot Rolled Coils (HRC) and Cold Rolled Closed Annealed (CRCA) products
- Preferred supplier for high-end corrosion resistance steel products for white goods
- Meeting the requirements of the automotive industry through lightweighting and safety
- Setting up RHS to create API grade steel across our HRC units in Vijayanagar and Duvdi
- India’s largest electrical steel range
- One of the largest Tinplate suppliers in India, enabling plastic and import substitution & replacing plastics
- Key contributor to India’s commitment to renewable energy, Brand Galvos being widely used in solar structure installations
- Exploring to set up grain oriented electrical steel in collaboration with JFE
- Salem unit being oriented to cater to increasing demand from bearings industry

JSW Steel Coated Products

Our coated products business has been an unquestionable success story, which has become a key driver in our growth strategy. Growing with capacities, product innovation, technology and sustainability, today, JSW Steel Coated Products Limited (JSWSCPL) is India’s largest manufacturer and exporter of colour-coated steel products, commanding ~60% market share in India in this space. In the past two years, we have significantly increased our installed capacities to reach 4.38 MTPA, including our acquisitions, and we continue to build capacities to maintain the share of VASP in our product mix to over 50%. To further enrich our portfolio, we are concentrating on introducing patented and highly marketable products, which will increase our market penetration and customer stickiness.

Technology will play a key role in achieving planned growth, and we are already deploying robotics and automation at our facilities. Above all, our growth will be underlined by a spirit of responsibility, with specific targets set for key focus areas such as climate change, water positivity, social responsibility and circular economy.

During FY 2021-22, we ensured that our capacity utilisation remained robust, with a strong sales focus. We laid emphasis on higher value-added products, increasing our connect with retailers and expanding our presence to ~75% of India. From a B2B standpoint, we focused on large products such as those for Metros and solar infrastructure. From an exports lens, we concentrated on Europe and Africa as our primary markets.
In FY 2021-22, we launched JSW Mitra, our new retail format to amplify our reach in Tier 2 and Tier 3 towns, and to cover smaller stores in large cities.

**Branded stores**

Our JSW Shoppe and JSW Shoppe Connect branded format stores have helped widen our customer base, increase our B2C footprint and provide a better retail experience to our customers. In FY 2021-22, we continued to focus on the branded format, deploying 500+ Shoppe and Shoppe Connect stores, thus increasing the count of branded retail stores to 1,301 across 888 towns. We also launched an industry-first, digitally enabled JSW experience centre in Coimbatore, to give customers an immersive brand experience.

**Colours of trust**

We accord paramount importance to trust, choice and quality as the building blocks of our relationship with our customers. In order to reaffirm our commitment to them, we rolled out a 10-year warranty for our colour-coated roofing sheets ‘Colouron+’, first-of-its-kind in the industry. Customers can avail the warranty by registering the purchase online. We also launched three new variants of Colouron+ – High Gloss, High gloss & Anti Dust and Cool Roof – to widen consumer choice and meet performance expectations.

**Our customer-first initiatives**

**JSW Shoppe and JSW Shoppe Connect:**

- 108 JSW Shoppe stores rolled out in FY 2021-22
- 16,000+ Retail outlets
- 395 JSW Shoppe Connect stores rolled out in FY 2021-22
- 376 Distribution centres
- 60 JSW Mitra stores appointed during the year

In FY 2021-22, we launched JSW Mitra, our new retail format to amplify our reach in Tier 2 and Tier 3 towns, and to cover smaller stores in large cities.

**Higher brand recall through campaigns**

- During IPL 2021, we unveiled our new marketing campaign for JSW Neosteel and JSW Colouron+, featuring cricketer Rishabh Pant showcasing our high-quality product portfolio; the campaign was aired during both legs of IPL 2021.
- We conducted a 360° marketing campaign during the IPL season including in-stadium advertisements, social media advertising and commercials. The campaigns had a significant impact on our brand lift score, performing well on the counts of awareness, online ad awareness, brand favourability and purchase intent.

**IPL campaign impressions**

- 78 million JSW Neosteel IPL campaign reach on TV
- 88 million JSW Colouron+ IPL campaign reach on TV
- 16 million JSW Neosteel IPL campaign reach on OTT (Disney+Hotstar)
- 15 million JSW Colouron+ IPL campaign reach on OTT (Disney+Hotstar)

**JSW One – Building synergies**

At JSW Steel, we have evolved from a ‘sale of product’ business to a ‘sale of solution’ business. We are increasingly focusing on providing our customers end-to-end solution visibility to cater to their needs and expectations.

This is enabled by JSW One, the Group’s integrated technology platform, which seeks to transform India through increased transparency, trust, and ease-of-business. This platform is structured under two key streams of JSW One MSME and JSW One Homes. JSW One MSME is a one-stop, multi-product digital marketplace, for MSMEs planning on taking their business to the next level. We connect manufacturers to resources, by leveraging JSW One’s collective access and expertise in the field.

At JSW One Homes, we make sure that the home building journey from plot purchase to moving in, is streamlined and convenient. Our professionals support our clients every step of the way. Together with transparent pricing, our dedicated team of professionals and trusted contractors, handles the entire spectrum of services at a turnkey level, for anyone seeking to build a home. JSW One Homes is built on the legacy of the JSW Group, which is one of the very few conglomerates globally which can offer steel, cement and paints as a comprehensive one-stop home-building solution to customers.

For JSW Steel, JSW One provides a unique opportunity to alter the way we market our products by using the synergies from customer overlaps within the different businesses.
Influencer engagement

Our flagship Influencer Connect programme (JSW Privilege Club) was further expanded in FY 2021-22 by enrolling 15,000+ influencers, thereby taking the overall influencer count to 32,000+ across the country. The engagement programme allows for comprehensive relationship-building with influencers through rewards and training programmes.

Apart from skill development initiatives, we also took care of our influencer community - comprising masons, contractors and fabricators – through free medical insurance policy and loss of wage coverage during hospitalisation. More than 10,000 influencers benefited from this initiative. Further, we launched a scholarship scheme for the children of the influencers.

Projects showcase

<table>
<thead>
<tr>
<th>Project</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>MMRDA Mumbai Metro – Radiance Anti-Dust variant supplied for Andheri</td>
<td>Andheri (Gundavali) station</td>
</tr>
<tr>
<td>Mauritius (Island Agelage) AFCONS project</td>
<td></td>
</tr>
<tr>
<td>NTPC (Chennai)</td>
<td></td>
</tr>
<tr>
<td>Bengaluru Metro (SDP-C3)</td>
<td></td>
</tr>
<tr>
<td>DRDO Bengaluru Project</td>
<td></td>
</tr>
<tr>
<td>Adani Port (Myanmar)</td>
<td></td>
</tr>
<tr>
<td>Pune Metro Station (3 Stations – Vanaz, Ideal Colony and Nalstop)</td>
<td></td>
</tr>
<tr>
<td>IKEA Bengaluru</td>
<td></td>
</tr>
<tr>
<td>Kerala Stadium</td>
<td></td>
</tr>
<tr>
<td>Kia Motors Factory (Anantpur, AP)</td>
<td></td>
</tr>
</tbody>
</table>

Infrastructure in India is estimated to grow at a CAGR of ~7% during 2022-27. The government plans to invest about ₹10.92 lakh crore on infrastructure projects by FY 2024-25. Sectors such as Roads (19%), Urban (16%), Railways (13%), Energy (24%), amount to around 70% of the projected capital expenditure in infrastructure in India. All of these segments need a highly specialised Steel Product called ‘LRPC’ (Low Relaxation Prestressed Concrete Steel Strands). Major applications of LRPC strands are in metro rail, high-speed rail, flyovers and bridges, sea links, nuclear power plants, LNG tanks, windmills, dams, rock anchoring, cement silos, precast slabs for industrial and commercial parks, etc.

At JSW Steel, our focus is on propelling the nation’s growth by actively and consistently delivering world-class products. We are happy to share that JSW is setting up India’s largest and most technologically advanced Manufacturing plant (0.144 Mi TPA) for LRPC at our Vijayanagar facility, under the name of Neotrex Steel Pvt Ltd. These strands are highly reliable and are designed to reinforce and accelerate the ongoing and upcoming infrastructure projects across India, and globally.
## New product development and innovations

<table>
<thead>
<tr>
<th>Innovation objective</th>
<th>Product category</th>
<th>Key result(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High permeability grade development that suit the higher energy efficiency demand of windmill generators, substituting imports</td>
<td>50C1000P</td>
<td>Customised CRNG0 high permeability, fully processed, which meets high efficiency and better thermal profile of windmill generators</td>
</tr>
<tr>
<td>Developed a unique uncoated, fully-processed product with superior lamination factor and welding performance, targeting lower-end electrical appliances (i.e. FHP/fan/pump motors)</td>
<td>50C900L</td>
<td>Additional volume in electrical steel FP material</td>
</tr>
<tr>
<td>Development of high strength bainitic steel containing low carbon with Cr, Mo, V as alloying elements in hot rolled and stress relieved condition</td>
<td>15CDV6</td>
<td>The product can be used in supplied punched condition</td>
</tr>
<tr>
<td>Development of cast carbon manganese steel with Nb addition to achieve the desired strength for transmission tower structures</td>
<td>18MnNb6</td>
<td>Product developed for an application of break disc in railway industry</td>
</tr>
<tr>
<td>First-time development of import substitute grade with Tungsten -Vanadium alloy grade; supplied in value-added wire rod spheroidised annealed pickle phosphate condition</td>
<td>N88</td>
<td>The material is able to achieve the strength required for transmission structures</td>
</tr>
<tr>
<td>Development of high-strength coated steel for solar structures</td>
<td>S550GD</td>
<td>Specific doffer wire application in textile machinery</td>
</tr>
<tr>
<td>Development of AHSS CP with better formability</td>
<td>780CP</td>
<td>First time high-strength material for solar structures; coated product helps reduce weight by increased strength and thickness reduction</td>
</tr>
<tr>
<td>Development of High Hole expansion grade with 590MPa level strength</td>
<td>SPH590FC</td>
<td>Advanced high-strength steel with improved stretch flange ability and formability</td>
</tr>
<tr>
<td>Tinplate product development for packing paints in drums</td>
<td>Tin Plate T2</td>
<td>Tinplate product development for packing paints in drums</td>
</tr>
</tbody>
</table>

### Outlook

#### Near-term outlook

- Complete the downstream projects as per capex plan
- Effective influencer management – aim for 10% increase in base of masons, contractors, architects and engineers in the Privilege Club Loyalty programme
- Enrich product mix by addition of value-added products – Seismic Resistant Steel and Binding Wires
- Providing retail solutions using technology – launch of Distributor Management Services on digital platform

#### Long-term outlook

- Maintain ~60%+ contribution from VASP in the overall product portfolio
- Continued focus on increasing the share of VASP in the portfolio to enhance margins
- Help India achieve import substitution in value-added steel products
- Leverage reach through international acquisitions
Backward integration and raw material security

Our captive iron ore mines in Karnataka and Odisha provide us the much-needed security, stability and quality in raw material supply. In the past fiscal, we operationalised all our newly acquired mines, thus fully integrating our steel business across the value-chain. This has already started to buoy our margins significantly, while guarding us against price, supply and quality risks.
Strategic advantages of Odisha mines and way forward

The acquisition of iron ore mines in Odisha (with reserves of ~1.1 billion tonnes) presents us with several benefits, including:

01 Strategic long-term iron ore security for Dolvi and Salem Works

02 Consistent and high-quality iron ore grade to enhance brownfield productivity

03 Opportunity to optimise and significantly reduce logistics cost over time

We are presently in the process of strengthening mining operations in Odisha, with an estimated outlay of ₹3,450 crore over two years. This is expected to help in:

01 Enhancing own mining infrastructure to reduce reliance on outsourced mining

02 Grinding and washing facilities to improve ore quality, aiding higher productivity at the steelmaking operations

03 Implementing digitalisation across the mining operations

Coal

Coal is an essential raw material for operating our blast furnaces and manufacturing processes. The criticality of its availability and consistency in quality are key success factors. However, of late, global demand-supply mismatch has resulted in lesser availability of coal in the market, thereby priming up coal prices and hence, our input costs.

While we hedge our risks with long-term contractual agreements, we have also acquired coking coal mines in West Virginia, US, and coal mining concessions in Mozambique. In India as well, we secured the ‘Moitra’ coking coal block in Jharkhand in 2015, which is expected to contribute to our coal availability and security upon its full operationalisation. We are also participating in coal auctions for newer coal mining licences being auctioned by the government, to further augment our raw material security.

Outlook

Near-term outlook

» Continue operations across the acquired mines that meet the cost-efficiency and sustainability goals of the business
» Enhance mining capabilities and efficiencies at Odisha with an estimated capex of ₹3,450 crore to reduce reliance on outsourced mining; expected completion within two years
» Add grinding and washing facilities to improve the quality of ore, aiding higher productivity at the steelmaking operations
» Continue to focus on enabling better logistics handling
» Evaluate and develop a slurry pipeline in Odisha, connecting Nuagaon mine with Paradeep port

Long-term outlook

» Target to source up to 50% of the iron ore requirement captively
» Participate in the government’s iron ore and coal auctions to improve backward integration
» Evaluate opportunities to increasingly use domestic coal and continue diversification of coal sources
Focus on resource optimisation and digitalisation

At JSW Steel, incisive use of technology, advanced analytics and our innovation capabilities help us in retaining our position on the global cost curve. We engage in targeted projects across our costs, manufacturing and logistics operations to progressively reduce our overheads and enhance overall efficiency. Despite margins being challenged in FY 2021-22, we could deliver higher volumes, create a better product mix and achieve notable EBITDA growth.

**Capitals deployed**
- Intellectual Capital
- Manufactured Capital

**Capitals enhanced**
- Financial Capital
- Natural Capital

**Key trends**
- Digitalisation
- Steel cyclical

**Material issues**
- Economic performance
- Technology, product and process innovation

**Key risks**
- R1 The COVID-19 pandemic
- R5 Raw material availability and cost – Iron ore and Coking coal
- R9 Infrastructure and logistics
- R13 Cyber security

**Key performance indicators**

- $136
  - Conversion cost per tonne of steel

- 6.27 MnT
  - Iron ore transported using pipe conveyor

- 89% 30%
  - Capacity utilisation
  - RoCE

- ₹23,865
  - EBITDA per tonne of steel sold*  

- 26.6%  
  - Operating EBITDA margin

*Steel + coated
Cost reduction projects and manufacturing integration

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 India’s largest pellet plant. The 8 MTPA plant was commissioned in FY 2020-21 and was made operational during the year. This has led to a reduction in the procurement of lump ore, in turn reducing the overall cost of production.

The construction of Coke Oven Battery of 1.5 MTPA at Vijayanagar is currently under progress and is expected to be commissioned in phases in FY 2022-23. We are also planning to expand the coke oven capacity by another 1.5 MTPA at Vijayanagar, which is expected to be commissioned in phases from Q4 2023. Cumulatively the projects will contribute to substantial cost savings.

Setting up 175 MW and 60 MW power plants at Dolvi

We are setting up a 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) process. These power plants are expected to be commissioned in the first half of FY 2022-23.

Digitalisation

At JSW Steel, our Group Digital Vision is ‘Delivering ‘wow’ by digitally transforming and nurturing JSW’s ecosystem and creating sustainable value’. This function at JSW is led by a Chief Digitization Officer. The vision is further anchored by the following key objectives:

- Dynamic, paperless interaction with customers
- Intelligent, digitalised operating shops
- Integrated and seamless internal processes
- Analytics-enabled support functions and next-gen ready employees

Our digital focus areas

- Sustainability
  - Safety, Security, Governance
- Supply Chain
- Cultural Transformation
- Integrated Control Tower
- Process Excellence focus
  - Lean, Fail-fast, Hackathon, Six Sigma, Agile, Design Thinking supported by Process Excellence & Transformation (PET) Team
- People upskilling
  - Data Science & IoT Skilling, Tech sessions, Online courses, Symposiums enabled through Cultural transformation efforts

Industry 4.0 for digital steel plants and value-chain

JSW-industry 4.0 for Digital Steel Plants and Value Chain

- Fleet and fuel management system (Odisha Mines)
- Integrated Control Tower (VJNR, Dolvi, Salem)
- Dashboards (Several plants)
- All Enabled Security Surveillance System (Salem)
- Inventory Tracking (VTK)
- Predictive Maintenance (Several plants)
- Sampark – E2E Logistics Transformation (VJNR, Dolvi)
- Data lake based on Data Historians (Dolvi, Salem)
- Zinc Dross Removal (VJNR, VTK)
- Robotics in coated steel operations (VTK)
- Robotics in coated steel operations (VTK)
- Sampark – E2E Logistics Transformation (Dolvi)
- Online Surface Inspection System (VJNR, VTK)
- Level-2 Automation (Salem, VTK)
- Yard Management System (VJNR, Dolvi, VTK)
- Digital Logistics Management System (Odisha Mines)
- Store Process Transformation (VTK)
- Increase throughput and reducing set-up time using camera vision in SMS (Dolvi)
- Optimisation models (Ex. Cost, Raw Material)
- Implemented projects and horizontal deployment on-going
- Under implementation projects
- Conceptualised projects

Technologies used

- Core Systems (SAP, ST, ECP, Azure, Darwin Box), IoT, A/ML, Analytics
- Cloud/Edge Computing: HPA-leveraging JSW Digital team as well as Startup ecosystem

Process Excellence focus

- Lean, Fail-fast, Hackathon, Six Sigma, Agile, Design Thinking supported by Process Excellence & Transformation (PET) Team

People upskilling

- Data Science & IoT Skilling, Tech sessions, Online courses, Symposiums enabled through Cultural transformation efforts

Anticipated Impact

- Increased Sales
- Asset Availability
- Great Place To Work (GPTW)
- Improve Safety
Our digitalisation journey

We envisaged our digitalisation journey in four waves of intervention and we are now in the final stage of immersion. The past three waves achieved the following objectives:

- Wave 1: Accelerated the implementation of select use cases across the value-chain
- Wave 2: Digitalised procurement and projects and implemented E2E digitalisation within a single manufacturing shop
- Wave 3: Achieved E2E plant digitalisation, extended digital to sales and marketing initiatives and implemented integrated control tower (ICT) in manufacturing

In Wave 4, our vision is to scale digital to best-in-class between 2022-24 to:
- Enhance sales, marketing and e-commerce
- Continue digital projects in existing plants
- Implement digitalisation in new/acquired plants such as JSW Ispat Limited, ACCIL and BPSL
- Extend digitalisation to support functions such as HR, Finance, Logistics, Commercial and others
- Implement sustainability projects in every function

Key initiatives over the last four years

- Auto positioning of battery machines at coke ovens
- Computer Vision Machine Learning (CVML) at SMS
- Dynamic production optimisation model in SMS
- Data analytics-driven Super Heat and LF lifting temperature optimisation
- Advanced analytics-driven slab bulging effect reduction and modelling driven caster pull optimisation
- Footprint analysis module for detecting and predicting equipment anomalies

Data analytics

We have extensively deployed data analytics and artificial intelligence to streamline our business operations. Data analytics plays a critical role in bolstering our innovation capability and thus the success of our organisation. We have achieved significant savings through its implementation. Today, most of our operations work apply data analytics. We are also incorporating big data management and advanced analytics, so that employees can make fact-based, timely and prompt decisions.

Data collection is enabled through multiple plant automation systems, and IoT enabled sensors. We consume data in an integrated manner – from Edge to the centralised repository. Data generated from Edge is consumed by models built to optimise operations, improve throughput and predict asset availability. During FY 2021-22, we completed several excellent projects such as implementing ICT in manufacturing, Dynachem, Dynamix and Ferro Alloy Optimisation among others.

At Vijayanagar, we introduced virtual reality (VR)-based fire-safety training, which provides realistic simulation that replaces the need for actual fire-based training scenarios; this makes for an effective learning experience, combining high fidelity virtual fire environments with real-time physical interfaces to deliver the 'feel real' virtual training experience at any place, and time in a safe, cost-effective manner, helping prepare emergency personnel for mitigating fire hazards.

Integrated Control Tower: ICT has been developed as an integrated dashboard for Dolvi, Vijayanagar and Salem plants. Data from multiple source systems is fetched and stored in centralised MS SQL database. A dashboard is built using Qlik Sense. This is aimed at bringing transparency across the organisation by automating data-capturing centrally and providing visualisations.

Dynachem, Salem: Ferro alloys are added in the hot metal for manufacturing different grades of alloy steel as per customers’ requirements. This addition is an iterative process and currently a historical average model is used. By using machine learning and optimisation techniques, the number of iterations has been reduced and the combination of alloys suggested has the least cost for every batch. Tools such as MATLAB web app, Microsoft SQL server, prediction models and solver were used for the complete implementation of the project, leading to an estimated annual savings of ₹10 crore.
Project Sampark to optimise logistics

The project is set to optimise logistics cost by leveraging technology and, in the process, improve resource utilisation, accommodate supply/demand variations without impacting delivery and provide best-in-class OTIF (on-time-in-full) through real-time coordination between functions. This will deliver the desired results for the business by combining processes, integrating with IT and OT systems, creating new digital interventions to capture last mile data, creating man-less weighbridge automation and giving a powerful App to all stakeholders.

Logistics roadmap

1. Overall vision and key issues and complexities that plague the logistics set up
2. End-to-end interventions across incoming as well as outbound logistics (across rail, road, sea) – aiming towards a smart logistics system
3. Required tech landscape to enable the interventions and set up a smart logistics system
4. Key KPIs to monitor through the Logistics Control Tower

Digital Logistics Management System (DLMS) at JSW Odisha Mines

The project was set up to optimise inbound as well as outbound logistics of the mines. The benefits include real-time monitoring and control, reduced TAT, no blind navigation, paperless and errorless system, optimisation of manpower and minimised pilferage among others.
Project Samarth

The project was conceived to drive process and technology transformation in the finance process for JSW Steel in Procure to Pay, contract compliance, Record to Report, Direct Tax, Indirect Tax and Treasury. The programme aims to improve productivity, efficiency and accuracy and measure Key Performance Indices across the process areas through the following ways:

01. Drive end-to-end finance digital transformation across all JSW Steel plants and locations

02. Drive standardisation and automation across finance processes and enable processes to become intelligent, productive and touchless

Near-term outlook

- **Improve efficiency and boost safety through yard management automation**
  Eliminating human dependence on cranes operations at coil yards through the use of digital and man-less cranes, thus preventing operational delays and safety incidents

- **Project SAMPARK - Paperless technology powered logistics**
  Real-time visibility to the plant management, supply chain team as well as external stakeholders; Identification of operational improvement opportunities

- **Digitally-enabled finance function**
  Use cases such as touchless invoice processing, cash management dashboard, cost forecasting, inventory optimisation, intelligent tax engine, etc., prioritised based on value and implementation velocity

- **Analytics to optimise Vijayanagar SMS process time and energy burden**
  IoT enabled, system integrated, and machine learning driven optimisation models reduce arcing time. Thereby, improving production efficiency and reducing power consumption

Long-term outlook

- **Target to achieve and sustain 1st 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**
- **Sustainability KPIs, data analysis and management led by digitalisation across smart power consumption management, intelligent water control and quality management to reduce water blowdown, and manufacturing control tower to manage stack emissions**

Case Study

- **Project SAMARTH - Paperless technology powered logistics**
  Real-time visibility to the plant management, supply chain team as well as external stakeholders; Identification of operational improvement opportunities

- **Project SAMPARK - Paperless technology powered logistics**
  Real-time visibility to the plant management, supply chain team as well as external stakeholders; Identification of operational improvement opportunities

Digital ideas

- **Horizontally deployable projects**
- **170**
- **30**
Prudent financial management

Our prudent financial and treasury management, optimal capital allocation, and access to global sources of funding have consistently strengthened our balance sheet. Thus, we have been able to pursue our strategies of capacity expansion and acquisition with highly competitive cost of capital. A strong financial profile, with comfortably serviceable debt levels, improved credit ratings and a robust liquidity position set us up well for an accelerated growth path.

Key trends
› Tightening monetary policy

Material issues
› Business ethics
› Economic performance

Key risks
› Rupee foreign exchange and interest rate fluctuations

KPIs

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt to equity</td>
<td>₹17,390 crore</td>
</tr>
<tr>
<td>Net debt to EBITDA</td>
<td>₹17,390 crore</td>
</tr>
</tbody>
</table>

Net debt to equity

17,390 crore

Cash and cash equivalents

Credit rating

- International
  - Moody’s: Ba2 (Positive outlook)
  - Fitch: BB (Stable outlook)

- Domestic
  - ICRA: AA (Stable outlook)
  - IndRa: AA (Stable outlook)
  - CARE: AA (Stable outlook)
Debt profile

At JSW Steel, we maintain high levels of engagement with domestic and international banks and financial institutions, which vest their capital with us. We consider it our fiduciary responsibility to ensure consistent financial returns and deliver value to retain their confidence in us.

<table>
<thead>
<tr>
<th>Source of debt (%)</th>
<th>Type of debt (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>INR Debt</td>
<td>61</td>
</tr>
<tr>
<td>Foreign Currency Debt</td>
<td>39</td>
</tr>
<tr>
<td>Bonds and Debentures</td>
<td>51</td>
</tr>
<tr>
<td>Loans and Others</td>
<td>49</td>
</tr>
</tbody>
</table>

During the year, we have spent $14.1 billion on capex projects, aligning to our capacity expansion strategy. Further, the year also witnessed the completion of the BPSL acquisition. Considering these two significant outlays, our debt has only increased by $4.03 billion during the year.

Net debt to equity trend

<table>
<thead>
<tr>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.38</td>
<td>1.34x</td>
<td>1.48x</td>
<td>1.37x</td>
</tr>
</tbody>
</table>

* Net Gearing (ND/Equity) well under the stated cap of 1.75x

Net debt to EBITDA trend

<table>
<thead>
<tr>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.60x</td>
<td>2.40x</td>
<td>2.61x</td>
<td>1.45x</td>
</tr>
</tbody>
</table>

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

Hedging risks

We follow a strategic hedging policy for forex, interest rates and commodities, so that we mitigate any risk to our financial or operational profile. For international trade, we planned exports as per business plan and hedge actual imports using forwards and options. For long-term debt and capital account cash flow, hedging is undertaken for up to 12 months’ rolling repayments either through forwards or options. Further, depending on market conditions, longer tenor hedges may also be undertaken from time to time.

On the commodities front, we endeavour to hedge all input commodities (where risk mitigation avenues exist) linked to physical supplies up to 25% of total consumption based on certain price ranges that are acceptable. However, depending on the market supply conditions, we may choose to hedge the entire exposure in a particular commodity.

Raising funds for a responsible tomorrow

In September 2021, we became the first steel company globally to raise Sustainability Linked Bonds. We have raised $1 billion via bonds issuance in the overseas market through a Reg S/144A issuance. We raised two tranches of bonds with a tenure of 5.5 and 10.5 years respectively. The proceeds of the issue will be used to fund capex plans as well as to refinance debt. The 10.5-year tranche was issued as a Sustainability Linked Bond (SLB) where the company has committed to a target of achieving ≤1.95 tonnes of CO2 per tonne of crude steel produced, by March 2030.

We have chosen to measure our performance against the Sustainability Performance Target (SPT) through CO2 emissions intensity as our KPI, calculated as tonnes CO2 per tonne of crude steel produced. This will cover our Scope 1 and Scope 2 emissions from the three integrated steel plants in India. We will assess our sustainability performance against SPT for the period 2020 to 2030, providing a target towards reducing the CO2 emission intensity from our three integrated steel plants in India. We aim to reduce our emissions by ~23% by 2030 to a level ≤1.95 tCO2/tcs.

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

Restatement of information
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. We plan 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. We have developed a sustainability framework based on 17 key areas across various ESG domains. All our sustainability interventions broadly fall under these focus areas. Our sustainability strategy is based on the following key elements:

- Leadership
- Stakeholder engagement
- Communication
- Planning
- Improvement
- Monitoring
- Reporting

CapitalS deployed

- Financial Capital
- Intellectual Capital
- Manufactured Capital
- Social & Relationship Capital
- Natural Capital
- Human Capital

CapitalS enhanced

JSW Group joins the World Business Council for Sustainable Development

JSW Group, one of India’s leading business houses, has joined over 200 forward-thinking companies as the newest member of the World Business Council for Sustainable Development (WBCSD). With efficient integrated operations and a clear vision for the future, we are executing our strategic growth plan in line with the growing steel demand.

Our Group has set ambitious sustainability targets, in which at JSW Steel, we have set a target of reducing our specific CO2 emissions by 42% by 2030, aligning the target with the Sustainable Development Scenario (SDS) of the International Energy Agency (IEA).

As a major steel player, we look forward to driving change across the industry, leveraging opportunities to shape a more sustainable world.
We are making active strides in delivering on our ESG priorities, including climate action, circular economy, adopting BAT, offering sustainability linked bonds, and creating lasting social impact.
Greener and cleaner, every day

As a responsible corporate citizen, we are aware of the importance of a safe and clean environment to protect the unique ecosystems that sustain us. We have proactively harnessed innovation, adopted technologies and implemented process changes to reduce long-term environmental impact and risks. We have established a robust Environmental Management System (EMS). A recognised sustainability champion, we are constantly striving to reduce emissions, manage water and waste and progress along the decarbonisation pathway with set targets.

ISO certifications

- ISO 45001:2018
- ISO 14001:2015
- ISO 50001:2018

Vijayanagar operations is also SA 8000:2014 certified

Details on certifications are available at: https://www.jsw.in/groups/jsw-steel-limited-certifications-steel

Performance table

<table>
<thead>
<tr>
<th>Focus areas</th>
<th>KPIs</th>
<th>Units</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>FY 2019-20</th>
<th>FY 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate change</td>
<td>Emissions (Scope 1 and 2)</td>
<td>'000 tCO₂</td>
<td>44,211.31</td>
<td>37,523.07</td>
<td>40,522.31</td>
<td>45,848.31</td>
</tr>
<tr>
<td></td>
<td>GHG emission intensity (Scope 1 and 2)</td>
<td>tCO₂/tcs</td>
<td>2.50</td>
<td>2.49</td>
<td>2.52</td>
<td>2.75</td>
</tr>
<tr>
<td>Energy</td>
<td>Specific energy consumption</td>
<td>GJ/tcs</td>
<td>25.30</td>
<td>26.69</td>
<td>27.47</td>
<td>26.14</td>
</tr>
<tr>
<td></td>
<td>Energy consumption within the organisation</td>
<td>million GJ</td>
<td>446.78</td>
<td>402.53</td>
<td>441.15</td>
<td>436.3</td>
</tr>
<tr>
<td>Resources</td>
<td>Specific iron ore consumption</td>
<td>t/tcs</td>
<td>1.82</td>
<td>1.68</td>
<td>1.59</td>
<td>1.57</td>
</tr>
<tr>
<td></td>
<td>Specific coal consumption</td>
<td>t/tcs</td>
<td>0.67</td>
<td>0.69</td>
<td>0.73</td>
<td>0.55</td>
</tr>
<tr>
<td>Water resources</td>
<td>Specific freshwater consumption (For steel production)</td>
<td>m³/tcs</td>
<td>2.45</td>
<td>2.41</td>
<td>2.60</td>
<td>N/A</td>
</tr>
<tr>
<td>Waste</td>
<td>Non-hazardous waste generated</td>
<td>'000 tonne</td>
<td>13,157.15</td>
<td>11,968.06</td>
<td>14,650.8</td>
<td>13,616.75</td>
</tr>
<tr>
<td></td>
<td>Hazardous waste generated</td>
<td>'000 tonne</td>
<td>122.91</td>
<td>84.62</td>
<td>118.27</td>
<td>129.72</td>
</tr>
<tr>
<td></td>
<td>Waste recycled</td>
<td>%</td>
<td>100</td>
<td>92.67</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Waste water</td>
<td>Wastewater recycled</td>
<td>'000 m³</td>
<td>16,539</td>
<td>16,050</td>
<td>16,313</td>
<td>19,181</td>
</tr>
<tr>
<td>Air emissions</td>
<td>Particulate matter</td>
<td>kg/tcs</td>
<td>0.488</td>
<td>0.48</td>
<td>0.98</td>
<td>0.94</td>
</tr>
<tr>
<td></td>
<td>SOx</td>
<td>kg/tcs</td>
<td>1.895</td>
<td>2.05</td>
<td>1.88</td>
<td>1.74</td>
</tr>
<tr>
<td></td>
<td>NOx</td>
<td>kg/tcs</td>
<td>1.26</td>
<td>1.52</td>
<td>1.36</td>
<td>1.29</td>
</tr>
<tr>
<td>Biodiversity</td>
<td>Mangroves planted</td>
<td>Nos.</td>
<td>3,50,000</td>
<td>1,50,000</td>
<td>3,48,970</td>
<td>3,08,842</td>
</tr>
</tbody>
</table>

Focus areas are supported with 2030 targets

1 Waste FY 2020-21 and FY 2021-22 data excludes tailings
2 Non-hazardous waste diverted from disposal = 13,658.51 ('000 tonne) and hazardous waste diverted from disposal = 121.24 ('000 tonne)
3 Data for Air emissions for FY 2020-21 and FY 2021-22 are from process stacks.
Climate change

Focus area

At JSW Steel, we take full cognisance of climate change, its impact on our business and stakeholders, and the imminent need for environmental conservation. Considering the rapid developments related to climate change with respect to technology, regulations, taxation and stakeholders’ growing expectations, we have constituted a Climate Action Group (CAG) with cross-functional expertise to drive our climate mitigation strategy.

Climate Action Group at JSW Steel

We have established a robust Climate Change Policy which commits to the prevention of the causes of climate change, mitigation of and adaptation to the impacts of climate change and building overall resilience to climate change. Our Climate Action Group (CAG) helps us think and formulate ways in which we can enhance our decarbonisation efforts. The CAG meets on a monthly basis to monitor the progress across sustainability parameters. The policy also aims at promoting the mitigation of climate change across all our suppliers and business partners including logistics providers.

CDP leadership

During FY2021-22, we yet again received a Leadership rating (A- band) for our transparent disclosure and leadership actions towards climate change.

Scope 3 Emissions

We monitor our Scope 3 emissions, which help us keep track of the overall GHG impact on our supply chain. During the reporting period, we had a credit due to avoided emissions of about 374.71 (000'tCO2) as per the guidance of worldsteel.

Purchased goods and services, upstream transportation and distribution, waste generated in operation, business travel, employee commute, downstream transportation and distribution from all three ISPs contributed around 1.09 million tCO2 emissions. The Scope 3 emissions of all applicable categories were conducted in accordance with "Technical Guidance for calculating Scope 3 as issued by GHG Protocol".

Target

We are committed to reducing specific GHG emissions from our three ISPs to less than 1.95 tCO2/tcs by 2030 and achieve carbon neutrality at JSW Steel Coated Products within the same period.

Dolvi

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioned Coke Dry Quenching System (CDQ)</td>
<td>Reduction in steam generation from fuel-fired boiler and decrease in coke moisture leading to lesser coke rate, thus resulting in decrease in energy and carbon emissions</td>
</tr>
<tr>
<td>Commissioning of Dry Gas Cleaning Plant (GCP) in BF#2</td>
<td>40% increase in power generation from TRT</td>
</tr>
<tr>
<td>Commissioning of LD converter waste heat recovery boiler</td>
<td>Waste heat recovery steam generation to the tune of 45 TPH, resulting in less requirement of fuel for steam generation</td>
</tr>
<tr>
<td>Maximising COG consumption in Sponge Iron Plant and conversion of Caster from natural gas (NG) to COG</td>
<td>Replacement of purchased fuel (NG) by in-house generated COG, leading to lesser CO2 emissions</td>
</tr>
</tbody>
</table>

Vijayanagar

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installation of BTPH coal mill to increase the Pul- verised Coal Injection (PCI) rate and to reduce the total fuel rate</td>
<td>Fuel savings – Coke rate 3.8 kg/tth Reduction in CO2 emissions - 93,539 tCO2/year</td>
</tr>
<tr>
<td>Installation of CPP4 ADH condenser tube and high energy drains</td>
<td>Reduction in CO2 emissions - 25,923 tCO2/year</td>
</tr>
<tr>
<td>Cleaning of CPP3 condenser tube</td>
<td>Reduction in CO2 emissions – 7,781 tCO2/year</td>
</tr>
</tbody>
</table>

Salem

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing TNEB import power during STG#2 Shutdown</td>
<td>Power generation increased by 8.245 MW and has reached 59.9 MW</td>
</tr>
<tr>
<td>Enhancing BF gas boiler steam generation in CPP2</td>
<td>Steam generation enhanced in BF gas boiler in CPP2 from 32 TPH to 34 TPH</td>
</tr>
</tbody>
</table>
Energy
Focus area
The COVID-19 pandemic, the geopolitical turmoil and the ensuing turbulence in the energy market has once again shown how important it is for the world to transition from conventional to renewable energy sources.

At JSW Steel, we have been optimising our energy use by deploying technologies that reduce our overall energy consumption. At the same time, we have planned to systematically increase renewable energy in our energy mix, thus helping us conserve resources and cutting down on emissions.

Key actions in FY 2021-22

Vijayanagar

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installation of 80TPH coal mill to increase the Pulverised Coal Injection (PCI) rate and to reduce the total fuel rate</td>
<td>Fuel savings – Coke rate 3.8 kg/thm</td>
</tr>
<tr>
<td>Installation of CPP4 AOH condenser tube and high energy drains</td>
<td>Improving energy efficiency</td>
</tr>
<tr>
<td>Installation of CPP3 BFP RC valve actuator replacement BFP 3B</td>
<td>Improving energy efficiency</td>
</tr>
<tr>
<td>Cleaning of CPP3 condenser tube</td>
<td>Energy saving - 18529 Gcal/Year</td>
</tr>
</tbody>
</table>

Dolvi

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioned Coke Dry Quenching System (CDQ) Boiler 1, 2 &amp; 3 in CPP#1 &amp; 2</td>
<td>Reduction in steam generation from fuel-fired boiler and decrease in coke moisture leading to lesser coke rate of brownfield (BF), thus resulting in decrease in energy and carbon emissions</td>
</tr>
<tr>
<td>Commissioning of Dry Gas Cleaning Plant (DGP) in BF#2, leading to higher power generation from Top Pressure Recovery Turbine (TRT)</td>
<td>40% increase in power generation from TRT</td>
</tr>
<tr>
<td>Increase in PCI in Blast Furnace up to 190 kg/thm</td>
<td>Reduction in overall solid fuel rate in BF, leading to decrease in energy and CO2 emissions</td>
</tr>
<tr>
<td>Commissioning of LD converter waste heat recovery boiler</td>
<td>Waste heat recovery steam generation to the tune of 45 TPH, resulting in less requirement of fuel for steam generation</td>
</tr>
<tr>
<td>Model-based air fuel ratio optimisation at BF Boiler to reduce Specific coke oven gas (COG) consumption</td>
<td>Reduction in COG consumption per tonne of steam from 165 Nm3/t to 152 Nm3/t</td>
</tr>
<tr>
<td>Insulation repair and replacement of steam traps throughout steam network</td>
<td>Reduction in steam loss to the tune of 1.5 TPH</td>
</tr>
<tr>
<td>Maximising COG consumption in Sponge Iron Plant and conversion of Caster from natural gas (NG) to COG</td>
<td>Replacement of purchased fuel (NG) by in-house generated COG</td>
</tr>
</tbody>
</table>

Dolvi

Salem

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing TNEB import power during STG#2 Shutdown</td>
<td>Power generation increased by 8.249 MW and has reached 59.9 MW.</td>
</tr>
<tr>
<td>Enhancing bf gas boiler steam generation in CPP2</td>
<td>Steam generation enhanced in BF gas boiler in CPP2 from 32 TPH to 34 TPH</td>
</tr>
</tbody>
</table>

Target

We are committed to achieving energy target of 5.65 Gcal/tcs by 2030
We are targeting an RE consumption of ~1,000 MW by 2030

At JSW Steel Coated Products Ltd., we flagged off our first ever electric vehicle (EV) for material transfer in line with our objective to achieve carbon neutrality by 2030.

Performance

KPIs

<table>
<thead>
<tr>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>441.15</td>
<td>402.53</td>
<td>446.78</td>
</tr>
</tbody>
</table>

Specific energy consumption (GJ/tcs)

<table>
<thead>
<tr>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>27.47</td>
<td>26.09</td>
<td>25.30*</td>
</tr>
</tbody>
</table>

*Equivalent to 6.04 Gcal/tcs

Energy consumption within the organisation (million GJ)

<table>
<thead>
<tr>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>441.15</td>
<td>402.53</td>
<td>446.78</td>
</tr>
</tbody>
</table>

Energy consumption outside the organisation (million GJ)

<table>
<thead>
<tr>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.59</td>
<td>12.84</td>
<td>55.70</td>
</tr>
</tbody>
</table>
An automated solar power plant at Vijayanagar

JSW Group has been exploring all possibilities to generate and use green power. JSW Steel has started utilising solar power with the commissioning of 225 MW Renewable Solar power at Vijayanagar by JSW Renewable Energy Vijayanagar Limited, a subsidiary of JSW Energy Limited. Currently, JSW Steel Vijayanagar is utilising solar power for its operations resulting in reduction of steam coal consumption. The solar plant is situated at Thimalapura village, Bellary district, approximately 20 km from the JSW Steel Plant of Vijayanagar. This has enabled us to supply 400 KV through a dedicated transmission corridor. The plant at Thimalapura village is one of the largest captive solar power plants installed to supply power to any steel manufacturing unit in the country. The plant has been installed during FY 2021-22 on approximately 1,000 acres of land. The plant is well automated with the use of the Supervisory Control and Data Acquisition (SCADA) system and provides access to the power generated with control across multiple locations. The plant was set up in a safe manner, in compliance with all EHS norms of the JSW Group without any Loss Time Injury and also helped avoid emissions with the usage of 45 MW in steel operations.
As human population increases and economies develop, resources are being used up faster than nature can replenish them. This has resulted in intense competition for resources. Sustainable consumption and production are essential to lower risks to the environment, to industry and to larger society.

**Key actions in FY 2021-22**

**Vijayanagar**

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw material reused through micro pellet</td>
<td>Replaces natural resource/raw material, thereby avoiding the depletion of reserves Sludge utilised: 100%</td>
</tr>
<tr>
<td>and mill scale briquetting plant</td>
<td></td>
</tr>
</tbody>
</table>

**Dolvi**

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use of high-grade ore as raw material</td>
<td>Use of high-grade ore has reduced the generation of slag rates and increased the energy efficiency</td>
</tr>
<tr>
<td>Increase agglomeration input to above 85%</td>
<td>Hot metal production increased in the range from 14 to 56 Mt/day. Fuel rate reduced by 0.25 kg/thm for 1% increase in pellet</td>
</tr>
<tr>
<td>Reduction in fuel rate by introducing Direct Reduced Iron (DRI)</td>
<td>Fuel rate reduced by 3 kg/thm for every 1% increase in DRI Hot metal production increased by 20 Mt/day with 3% DRI</td>
</tr>
<tr>
<td>Increasing hot metal production by optimised burden distribution</td>
<td>Hot metal production improved by 50 Mt/day</td>
</tr>
</tbody>
</table>

**Salem**

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving the combustion efficiency by reducing furnace honeycomb hole size from 7.5x6.4 mm to 4.3x3.85 mm</td>
<td>BF gas consumption reduced from 408 Nm³/Mt to 390 Nm³/Mt</td>
</tr>
<tr>
<td>Reducing compressed air consumption in Bar &amp; Rod Mill with the installation of auto valves for FMDs, optimisation of flow for equipment cooling, replacement of air with other cooling media in guide rollers</td>
<td>Air consumption reduced from 5,327 Nm³/hr to 4,500 Nm³/hr</td>
</tr>
<tr>
<td>Reducing water consumption in Bar &amp; Rod Mill with the optimisation of Descaler timing and auto control of Descaler operation from HMI. Use of ICW water for vertical turbine pump bearing cooling in place of raw water and optimisation of backwash cycle</td>
<td>Water consumption reduced from 0.7 m³/Mt to 0.6 m³/Mt</td>
</tr>
<tr>
<td>Reduction in tap hole mass consumption</td>
<td>Tap hole mass consumption reduced from 54 MT/month to &lt;50 MT/month.</td>
</tr>
</tbody>
</table>

We are subject to geo-political risks associated with global supply chain, including foreign or domestic government fiscal, political and economic crises. We efficiently respond to changing geo-political dynamics, without impacting customers. We meet energy requirements through import of coal from Australia, Canada, USA, Russia, Indonesia, and South Africa. Risk of price volatility and supply-side shock might impact raw material supply. Recent Ukraine-Russia border conflict had major impact on global economy and exacerbated supply-demand tensions. As such we don’t have permanent establishment in Russia, and we don’t intend to set up operations in Russia, or export to Russia in the foreseeable future. However, we continue import, in compliance with legal and political requirements of respective geographies. This follows permit sanctions imposed globally on Russian entities. We are exploring alternative supply option to sufficiently safeguarded business from any such event in future.
At JSW Steel, we are strongly dependent on water for conducting our operations. We value this critical resource and have undertaken several measures to optimize our use of water and reduce our dependence on it. Around 50% of our plants function in water-stressed regions and it is imperative for us to build long-term water security for our local communities. As part of our water stewardship approach, we have implemented water efficient technologies that help us conserve, reuse and recycle water, enabling judicious use of the resource.

The CAG, CEO, Executive Committee, Board Sustainability Committee are responsible for developing and monitoring the water management strategy and performance. We are also evaluating and reviewing our water risks to disclose on CDP’s water security 2022.

### Water consumption at subsidiaries

<table>
<thead>
<tr>
<th>Subsidiary</th>
<th>Total water consumed ('000 m³)</th>
<th>Specific water consumption m³/t coke produced</th>
<th>Specific water consumption m³/million NM³</th>
<th>Specific water consumption m³/t</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2021-22</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW ARCL</td>
<td>3,016.59</td>
<td>3.34</td>
<td>0.04</td>
<td>8.04</td>
</tr>
<tr>
<td>JSW Industrial Gases</td>
<td>2,765.55</td>
<td>2.96</td>
<td>0.03</td>
<td>6.54</td>
</tr>
<tr>
<td>JSW Mines</td>
<td>2,797.95</td>
<td>2.55</td>
<td>0.03</td>
<td>4.15</td>
</tr>
<tr>
<td>JSW Sidco</td>
<td>927.53</td>
<td>657.73</td>
<td>0.04</td>
<td>0.54</td>
</tr>
<tr>
<td>JSW Steel Coated Products</td>
<td>731.9</td>
<td>551.13</td>
<td>0.03</td>
<td>0.76</td>
</tr>
</tbody>
</table>

### Key actions in FY 2021-22

#### Vijayanagar

- **Interventions:** Increased utilisation of recycled water; Capacity utilisation of RO plants - 84% utilisation

#### Dolvi

- **Interventions:** Installed dry systems such as Dry GCP at BF 2, CDQ at coke oven plant and Dry GCP at Steel Melting Shop 2

#### Salem

- **Interventions:** Reduction in raw water consumption

#### Performance

**Specific freshwater consumption (For steel production process) (m³/tonne):**

- FY20: 2.60
- FY21: 2.41
- FY22: 2.45

The increase in water consumption is primarily due to the commissioning of the Phase-2 at Dolvi plant.

### Executing a water study at Vijayanagar

Water is a core element of natural capital, underpinning many business activities. Water risks cut across most industry sectors. The risk continues to rise given the increasing demands and rising pressures. Safeguarding water and ensuring its availability in enough quantity and quality is therefore subject of vital interest to business. Conservation and reuse measures reduce exposure to rising demand and supply shortages. To evaluate the cost of water, looking at energy costs is also important. This is known as the energy/water nexus, which states that reduced water equal to reduced energy. Using less water reduces the amount of wastewater treatment costs also. With this objective, a detailed water study was initiated at our biggest steel plant at Vijayanagar by CII Triveni Water Institute. With the implementation of outcomes, we at JSW Steel envisage to set water strategy to optimize freshwater usage, enhance wastewater recycling and strategize actions to mitigate risks faced by the industry in terms of water availability as well as its social license to operate.
Waste

Focus area
With increasing population, urbanisation and unorganised development, waste generation has become a menace to society. Poor waste management creates sanitation and hygiene problems, hastens climate change and pollution and impacts societal health and wellbeing. Crucial to proper waste management is waste minimisation. Also, the promotion of a circular economy model, which involves reuse, recycling and responsible manufacture, could create jobs, increase the efficient use of natural resources and minimise environmental harm.

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

Key actions in FY 2021-22

**Vijayanagar**

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collection and reuse of solid waste, sludge, dust among others</td>
<td>Utilised 100% of iron-making slag, dust, sludge and mill scale</td>
</tr>
<tr>
<td>Commissioned LHF Briquetting plant of 300 TPD</td>
<td>Enabled increased utilisation of steel slag</td>
</tr>
<tr>
<td>Utilisation of slurry generated from Steel Melt Shop (SMS)</td>
<td>180 TPD slurry generated from SMS is being utilised through pellet plant</td>
</tr>
</tbody>
</table>

**Dolvi**

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installation of Filter Press in Hot Strip Mill for dewatering and de-oiling system of sludge</td>
<td>Dewatering of sludge for onward utilisation in sinter-making; better utilisation of solid wastes</td>
</tr>
<tr>
<td>Installation of Filter Press in Sponge Iron Plant for dewatering of sludge</td>
<td>Dewatering of sludge for onward utilisation in sinter plant and pellet plant; better utilisation of solid wastes</td>
</tr>
</tbody>
</table>
| Installation of steam box technology to improve the quality of slag generated from SMS 2 | ▶ Reduction in slag size due to controlled water quenching and pressurised steam treatment  
▶ Easy handling and reduced crushing during metal separation process  
▶ Reduction in free lime by steam treatment, resulting in ready-to-use material in construction, roads and cement manufacturing  
▶ Reduction in dust emissions and clean shop floor environment |

**Salem**

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scrap requirement to SMS</td>
<td>461 MT of scrap collected, cut and supplied to SMS to meet production requirement within the plant</td>
</tr>
<tr>
<td>Technical feasibility to utilise SMS crushed slag (especially LD slag) in the GGBFS facility</td>
<td>Study successful and utilisation to start once Ground granulated blast-furnace slag (GGBFS) becomes operational</td>
</tr>
</tbody>
</table>

Utilisation of waste plastic in coke ovens

Performance

<table>
<thead>
<tr>
<th>Indicator ('000 T)</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total co-product/waste generated (hazardous)</td>
<td>118.27</td>
<td>84.62</td>
<td>122.91</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Indicator ('000 tonnes)</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-hazardous</td>
<td>14,650.80</td>
<td>11,968.06</td>
<td>13,157.15</td>
</tr>
</tbody>
</table>

Waste at subsidiaries

<table>
<thead>
<tr>
<th>JSW ARCL</th>
<th>JSW Industrial Saws</th>
<th>JSW Mines</th>
<th>JSW Salav</th>
<th>JSW Steel Coated Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>FY20-21</td>
<td>FY20-21</td>
<td>FY20-20</td>
<td>FY20-21</td>
</tr>
<tr>
<td>Non-hazardous (100 tonnes)</td>
<td>27.77</td>
<td>21.98</td>
<td>32.72</td>
<td>2.304.14</td>
</tr>
<tr>
<td>Hazardous (100 tonnes)</td>
<td>0.05</td>
<td>0.05</td>
<td>0.02</td>
<td>0.08</td>
</tr>
</tbody>
</table>
Enabling circularity at our operations

Steel slag to sand: Generating economic value from waste

At JSW Steel, we have devised an ingenious way to convert slag to sand. Steelmaking generates two types of slags—iron making slag from blast furnaces and steelmaking slag from basic oxygen furnace. Of the two, the first finds its way into cement manufacture and construction. The second, given its metal content and peculiar composition, has been a matter of concern for steelmakers as it finds no immediate use and ends up in landfills. In alignment with our environmental and sustainability goals, the R&D team at JSW Vijayanagar has developed a process to convert this slag into a fine aggregate sand that can be used in civil construction. This new steel slag sand is an eco-friendly alternative to riverbed sand.

In this patented process circuit, crushed slag is treated through a vertical shaft impactor and a classifier after metallic separation. An 80 TPH plant has been commissioned at JSW Vijayanagar Works, which will be the world’s first steel slag-to-sand plant. This newly-developed sand has been tested and approved by IISc Bangalore, the National Council for Cement and Building Research, New Delhi and Central Road Research Institute, New Delhi.

The sand meets all specifications of IS-383 and can be used in all construction activities. The concrete strength achieved by using this sand is higher than that achieved with river sand and manufactured sand (M-sand). This economically viable and environmentally acceptable alternative material can replace river sand and M-sand in road and civil constructions. Its use reduces the need for virgin material, energy consumption and emissions generated during the mining/crushing, processing and transportation of that material. Effective utilisation of this sand will help conserve natural resources, enable circularity and create economic value from a by-product.

Plastic recycling at Vijayanagar, enabling circularity of operations

Given the nature of our business, we currently collect about 0.80-1.0 tonne/day of plastic within our Vijayanagar plant. In order to avoid dumping of the waste, we have embarked on a plastic waste recycling project and established the system to shred and recycle waste in the EAF and coke oven. The plastic waste is shredded at the MSW (municipal solid waste) plant, and the shredded plastic is blended with coal fines and charged in the coke oven. The plastic charging system has the capacity to recycle ~3 tonnes of plastics every day.

Currently, we recycle around 500 kg/day of plastic in the previous year alone, we shredded 145 tonnes of waste plastic. Plastic recycling helps us reduce dumping of waste and CO2 emissions. It also enables us to contribute to circularity of operations and helps us manage our resources better.

Plastic reduction drive to minimise waste

At JSW Steel, we have undertaken measure to reduce the amount of plastic used to reduce waste generation. In alignment with the government’s plan to phase out the use of single-use plastic, and to the growing political pressures and emerging legislative mechanisms to minimise the use of and, where possible, eliminate SUPs across all facets of society, JSW Steel Coated Products Limited (JSWSCPL) is actively minimising plastic usage for its product packaging purposes.

As part of our waste minimisation journey, we consulted expert groups and stakeholders, and thoroughly studied plastics to find alternatives for the packaging material. Materials such as met wrap and flute boards, used for shock absorption, were considered as substitutes, with waterproof boards to deal with the moisture content.

In order to replace the Volatile Corrosion Inhibitor (VCI), an alternate material was developed which consists of a VCI paper layer laminated with HDPE woven fabric. We also replaced the Tenax straps used to seal the packaged products with the high tensile steel strap, thereby reducing plastic usage in packaging to the least extent possible.

Through this initiative, we have reduced our plastic usage in packaging by 50% to 200 g/tonne of steel from 400 g/tonne of steel.
Wastewater

Focus area

Disposing industrial waste and effluents without treatment contaminates the environment and exposes communities to serious harm. Industrial water usage makes up around 22% of global water usage. Thus, reduction of water wastage and disposal of treated discharge is a significant issue for industries. Wastewater is also a potential source for energy, reusable water, biosolids, and other resources, such as nutrients. So, the adoption of circular economy principles in wastewater processing could lead to substantial economic and financial benefits.

Key actions in FY 2021-22

Vijayanagar

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioned Rapid Clarifier #2 at SMS1</td>
<td>This will reduce specific fresh-water consumption of 600 m³/day in SMS1</td>
</tr>
<tr>
<td>Water audit carried out</td>
<td>13% water saving can be achieved</td>
</tr>
<tr>
<td>Commissioned WRM2 RO plant</td>
<td>800 m³/day of fresh water can be saved</td>
</tr>
<tr>
<td>Installed CCTV cameras to monitor effluent discharge</td>
<td>Will ensure compliance</td>
</tr>
</tbody>
</table>

Dolvi

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installation of dry gas cleaning plants at Blast Furnace 2 and Steel Melting Shop 2</td>
<td>To reduce specific water consumption and avoid wastewater generation, and thus reduce water footprint</td>
</tr>
<tr>
<td>Installation of coke dry quenching (CDQ) system (3 Nos.) to recover the sensible heat of red-hot coke, reduce energy consumption and pollution, and improve the quality of coke</td>
<td>Each CDQ will reduce water consumption by 1,920 m³/day and energy of 70 MW will be recovered, which will reduce CO₂ emissions and reduce water footprint</td>
</tr>
</tbody>
</table>

Salem

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing raw water consumption in BF2</td>
<td>Water saving 100 KLD</td>
</tr>
<tr>
<td>Reduction on raw water Consumption in coke oven plant</td>
<td>Water saving 90 KLD</td>
</tr>
<tr>
<td>Eliminating tertiary sump blow down water wastage in CCM#3</td>
<td>Water saving 30 KLD</td>
</tr>
<tr>
<td>Reduction of boiler feed water wastage in Steam Turbine Generator (STG)#3 BFp discharge line</td>
<td>Water saving 5 KLD</td>
</tr>
<tr>
<td>Reduction in wastewater generation from SM plant</td>
<td>Water saving 3 KLD</td>
</tr>
<tr>
<td>Reducing in raw water consumption in GCP#2 Poly Dosing</td>
<td>Water saving 2.7 KLD</td>
</tr>
<tr>
<td>Minimising raw water consumption in BF2</td>
<td>Water saving 2 KLD</td>
</tr>
<tr>
<td>Reduction in process wastewater consumption in GCP</td>
<td>Wastewater consumption has been reduced from 380 m³/day to 336 m³/day</td>
</tr>
<tr>
<td>Reduction in raw water consumption in BRM Scale Pit vertical pump bearing cooling</td>
<td>Water saving 80 KLD</td>
</tr>
<tr>
<td>Reduction of water overflow issue in Vacuum Degassing (VD) hot well tank</td>
<td>Reduce wastewater generation enabling water savings</td>
</tr>
<tr>
<td>Eliminating spillage of water at line-3 Ultra Solid Test (UT) machine</td>
<td>Reduce wastewater generation enabling water savings</td>
</tr>
<tr>
<td>Reduced wastage of water in Leco chiller system</td>
<td>Reduce wastewater generation enabling water savings</td>
</tr>
<tr>
<td>Eliminating blow down water wastage in CCM#3 secondary settling tank</td>
<td>Reduce wastewater generation enabling water savings</td>
</tr>
</tbody>
</table>

Performance

<table>
<thead>
<tr>
<th>Wastewater recycled (‘000 m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
</tr>
<tr>
<td>16,313</td>
</tr>
</tbody>
</table>
Air emissions

Focus area

Industrial processes are responsible for emitting large amounts of particulate matter, SOx and NOx. These pollutants have detrimental impact on local ecosystems, air quality, and habitats, contributing to global warming and public health concerns. As a responsible organisation, we are committed to preventing and mitigating air pollution, and to reducing emissions by making our operations more efficient. We strictly adhere to emission norms and control our emissions within statutory limits and further thrive to go much beyond that. We also recognise that our responsibility towards our communities entail us to do more.

Target

- We are committed to reducing Specific dust emissions to 0.26 kg/tcs
- Specific emissions of oxides of sulphur to 0.82 kg/tcs
- Specific emissions of oxides of nitrogen to 0.91 kg/tcs by 2030

Key actions in FY 2021-22

**Vijayanagar**

**Interventions** | **Outcomes**
---|---
Commissioned a dedusting system of 1,00,000 m³/h capacity at Raw Material Handling System - SAT I/NITB, covering around 11 dust sources | Reduced work zone emissions
Commissioned a dedusting system of 1,20,000 m³/h capacity at Pellet Plant-3, product storage building, covering around 20 dust sources | Reduced work zone emissions
Commissioned a dedusting system of 90,000 m³/h capacity at HLS Building, covering around 15 dust sources | Reduced work zone emissions

**Dolvi**

**Interventions** | **Outcomes**
---|---
Installation of new de-dusting system (bag houses) 2 Nos. with higher capacity (1.5 lakh Nm³/hr) to reduce fugitive emissions in Stock House of Blast Furnace 1 | Reduction in fugitive emissions near Stock area in Blast Furnace 1.
Steel Melting Shop 1: Modifi- cation of gas Clearing Plant III for Shell 3 with change of roof with Elbow; enhancement of volume of Combustion Chamber, Hot Tower Quenching, Bag House and ID fan capacity | Controlled rooftops emissions, fugitive emissions, raw material spillages
Steel Melting Shop 1: Installed booster fans (10 Nos.) for raw material handling section and connected to Gas Clearing Plant 5 | To avoid secondary emissions from SMS-1 roof top; presently there is no secondary emission
Steel Melting Shop 1: 2 Nos. new ID fans installed in DRI route with dry cyclone systems | Collecting Dry DRI dust, which is being reused in sinter plant (approximate 3 tonnes/day collected)
Construction of covered sheds at raw material handling areas (4 Nos.) for storage of coal, iron ore, flux and pellets | To control fugitive emissions and avoid water contamination during monsoon

Air emissions at subsidiaries

**Performance**

<table>
<thead>
<tr>
<th>Indicator (kg/tcs)</th>
<th>PM</th>
<th>SOx</th>
<th>NOx</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>0.98</td>
<td>1.88</td>
<td>1.36</td>
</tr>
<tr>
<td>FY21</td>
<td>0.48</td>
<td>2.05</td>
<td>1.52</td>
</tr>
<tr>
<td>FY22</td>
<td>0.488</td>
<td>1.895</td>
<td>1.26</td>
</tr>
</tbody>
</table>

Data for FY 2020-21 and FY 2021-22 are from process stacks

<table>
<thead>
<tr>
<th>JSW ARCL</th>
<th>JSW Industrial Gases*</th>
<th>JSW Mines</th>
<th>JSW Salav</th>
<th>JSW Steel Coated Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>PM (kg/tonne of product)</td>
<td>0.340</td>
<td>0.360</td>
<td>0.24</td>
<td>0.023</td>
</tr>
<tr>
<td>SOx (kg/tonne of product)</td>
<td>1.010</td>
<td>1.578</td>
<td>0.567</td>
<td>0.171</td>
</tr>
<tr>
<td>NOx (kg/tonne of product)</td>
<td>1.053</td>
<td>0.768</td>
<td>0.699</td>
<td>0.206</td>
</tr>
</tbody>
</table>

* Units of JSW Industrial Gases will be kg/million Nm³

---

JSW STEEL LIMITED | INTEGRATED REPORT 2021-22
Given our extensive operations in mining and manufacturing, biodiversity preservation has always been a constant focus for us. We are aligned to National Biodiversity Targets and we systematically study and measure our impact on the natural environment. We have also been taking preventive measures that are scalable to reduce biodiversity loss.

**Key actions in FY 2021-22**

**Vijayanagar**

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tree plantation for improving overall biodiversity index</td>
<td>Planted 17.76 lakh trees till March 2022 in 2,250 acre area</td>
</tr>
<tr>
<td>Developed greenery in degraded forests</td>
<td>Improved overall biodiversity across 432 acres</td>
</tr>
<tr>
<td>Conducted study to determine the impact on flora and fauna of core area and assess the carbon sequestration potential</td>
<td>Gained understanding on how to improve biodiversity in an area</td>
</tr>
</tbody>
</table>

**Dolvi**

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plantation of mangroves under CSR activity; around 3.5 lakh mangroves planted in 70 Ha</td>
<td>Mangrove development will stabilise the coastline by reducing soil erosion caused by surges, waves and tides, reduce saline ingestion and prevent flooding; mangroves also provide shelter to a range of wildlife species including birds and benefit the local community</td>
</tr>
<tr>
<td>Repairing of Kharbund in nearby villages</td>
<td>Reduce ingestion of salty water into agricultural land, which shall also benefit the local community</td>
</tr>
</tbody>
</table>

**Committing to IBBI**

In compliance with the declaration of India Business and Biodiversity Initiative (IBBI) declaration, an initiative of the Confederation of Indian Industry (CII) in partnership with the Ministry of Environment, Forest & Climate Change, we have mapped biodiversity interfaces with business operations. We have been designated a 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 IBBI. We are committed to not operate in World Heritage areas.

**Performance**

Mangroves saplings planted

- **3.5 Lakhs**
  - In FY 2021-22

- **15.5 Lakhs**
  - Cumulative saplings planted over the years

**Area covered by mangrove plantation**

- **70 Hectares**
  - In FY 2021-22

- **310 Hectares**
  - Cumulative area restored over the years
Sustainable mining

Focus area

Sustainable mining is essential to ensure that present needs are met without compromising the interests of future generations. This means greater awareness about resource consumption, reduction of pollution, land disturbance as well as effective closure and reclamation of exhausted mine lands.

At JSW Steel, we operate across 13 mines to support our raw material requirements and we are extremely conscious of the environmental footprint of our mining operations. We maintain strict adherence to existing regulations under the Forest Conservation Act, 1980 and the Compensatory Afforestation Fund Act, 2014, and have effective mine closure plans in alignment with guidelines and approval of the Indian Bureau of Mines. We also adhere to the guidelines laid down under the National Rehabilitation and Resettlement policy, 2007.

At our mines, we ensure air quality through effective management with wet drilling and dust extraction system, helping achieve improved air quality. We have also installed comprehensive surface water management structures through which we have saved 1,752.04 KL of water each year.

We have undertaken a comprehensive study by the Central Research Institute for Dryland Agriculture (CRIDA), under the Indian Council of Agricultural Research (ICAR), for soil conservation. Through this, we ensure protection and conservation of soil. Moreover, through our robust wildlife management plan, we help safeguard wildlife.

Mining process at JSW Mines

Mining of iron ore for steelmaking is underpinned by a various stages. We follow several stages in the mining life cycle. The stages followed in India are enumerated below.

1. Feasibility study
   It is an evaluation of the proposed mining project to determine whether the mineral resource can be mined economically.

   The mines have been existing for decades and were transferred to JSW Steel through the e-auction process conducted by the Government of Karnataka, which provided data from the exploration carried out by M/s Mineral Exploration Corporation Limited (MECL), a Government of India Enterprise, to assess the status of mineral reserves in different mines.

2. Implementation
   Once the data on geological resource and reserve is established, the mining plan, i.e., the five-year scheme, is prepared and approved by the Indian Bureau of Mines, in accordance with applicable government laws, translating into a year-wise production and development plan.

   Most of our captive mines are C-category mines. Hence, implementation of the Reclamation & Rehabilitation (R&R) measures (as per R&R plan prepared by the Indian Council of Forestry Research and Education (ICFRE) and approved by Central Empowered Committee (CEC)) is mandatory before commencing mining operations. The feasible production limit is fixed by the CEC based on the reserves, proposed dump capacity, infrastructure and environment clearance. Further, the mining plan was prepared and approved as per the feasible production limit set by the CEC.

3. Operations
   It mostly includes the stages of mine development, drilling, blasting, extraction, crushing and screening at a mine among others.

   As the mines have been in operation since decades, they have already been developed in terms of open pits, access roads, network of internal roads, site facilities, waste dump and C&S plant among others. The entire operations are fully mechanised through the use of heavy earth moving machinery.

   Overall, the mining operations include excavation, loading, C&S and haulage of overburden to waste dumps. The ROM (Run of Mines) are excavated, loaded, processed in the crushing and screening (C&S) plant. The waste is stored at the designated place as per approved mining plan.

4. Mine Closure
   The process is of two types - Progressive Mine Closure Plan (PMCP) and a Final Mine Closure Plan (FMCP).
   
   PMCP includes various land use activities which are continuously and sequentially carried out during the entire period of the mining operations.
   
   FMCP includes activities that would begin towards the end of mine life and may continue even after the reserves are exhausted and/or mining is discontinued till the mining area is restored to an acceptable level.

   PMCP: A yearly report, as specified by the Indian Bureau of Mines, is submitted every year, setting forth the extent of protective and rehabilitative work carried out as envisaged in the approved mine plan.

   FMCP: As per Rule 24, MCDR 2017, the holder of a mining lease shall submit a final mine closure plan to the competent authority for approval two years prior to the proposed closure of the mine.

   All our working mines are in the operation stage. Hence, we haven’t carried out this stage yet. At our Vijayanagar Mines, plan was prepared and approved as per the feasible production limit set by the CEC.
Local considerations

Focus area
Being a heavy manufacturing activity, steelmaking involves a variety of processes across its value chain that generates a lot of noise, oburs, smoke, fumes, dust, etc., that can disturb communities in and around the plant. Complaints, if any, have to be resolved promptly to prevent them from snowballing in legal complications or a breakdown of relationships with local communities.

At JSW Steel, we take our social responsibilities seriously, and ensure that our operations do not cause any disruptions to life around our sites. We use a four-pronged strategy – identification, prevention, feedback and monitoring – to tackle issues critical to our stakeholders.

Key actions in FY 2021-22
Dolvi

<table>
<thead>
<tr>
<th>Interventions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Foundation has implemented various programmes in neighbouring communities as part of CSR</td>
<td>Increased awareness of programmes and initiatives</td>
</tr>
<tr>
<td>Implementation of water conservation and drinking water supply projects, wherein drinking water pipe lines were installed in villages</td>
<td>Water conservation projects benefited over 5,000 families; 8 villages are now tanker-free and they are getting drinking water at their doorsteps</td>
</tr>
<tr>
<td>Project Aspire, which is a quality education programme, implemented in 12 villages</td>
<td>This programme is designed to improve learning abilities through various innovative methods; 4,500 children have been benefited</td>
</tr>
<tr>
<td>Employment for local people</td>
<td>Creation of multiple job opportunities for local communities</td>
</tr>
<tr>
<td>Pipe conveyor for transportation of materials</td>
<td>Benefits local communities by saving them from dust, pollution and safety incidents.</td>
</tr>
</tbody>
</table>

On-farm demonstrations for better techniques with ICRISAT in Karnataka.

Case Study
Tailings Management
The tailings management area at JSW Steel is located on the eastern boundary of the Vijayanagar plant. The tailings pond, from the beneficiation plant, is a well-managed facility into which the tailings from the ore beneficiation plant is pumped. The rejected material from the beneficiation plant is primarily low-grade iron ore, which is transported in slurry form through the pipeline and stored in the lined tailings pond. The supernatant excess water is pumped back to the beneficiation plant.

There are three ponds – Pond 1, Pond 2 and Pond 3. The ponds were constructed in a geosyncline, which has a hard impervious rock bottom. Various reputed institutes and companies such as MECON, Richardson and Cruddas have conducted geophysical, hydrogeological and TCLP Toxicity Characteristic Leaching Procedure tests along with an Environment Impact Assessment (EIA) to assess and confirm the safety and health of the project site.

Bunds have been constructed in collaboration with specialists, using pre-engineered design coupled with water recovery facilities. The bottom of the bund is High Density Polyethylene (HDPE), which ensures no seepage from the pond.

Currently, we are retrieving the material collected in Pond 1 using a dredger and the thickened paste obtained is sent to the Slime Recover Plant (SRP). More than 45% Fe bearing material is recovered and sent to the JSW Pellet Plant for pelletisation and the tailings with <45% Fe from SRP are sent to Pond 2. Pond 3 receives tailings from the ore beneficiation. The tailings are thickened for paste transportation and the dewatering is done to increase the stability of the bund.

In compliance with the order of the Hon'ble Supreme Court, we at our Vijayanagar mines, have rehabilitated the encroached dumps of erstwhile lessees (as per the approved R&R plan) before commencement of the mining operations. Under the dump management plan, we have constructed toe walls and garland drains all along the dump to control runoff and siltation. In addition, we have also put coir mats on the unstable/encroached dumps and undertaken extensive plantation to further stabilise it.
Nurturing our biggest strength

We are a people-centric organisation and the well-being of our people is of utmost importance to us. Their dedication and relentless efforts have been our core drivers of growth. We promote a culture of excellence and invest time and resources to build up requisite skills in our people, helping them grow as individuals as well as professionals. An enabling work environment and industry-best practices make us a preferred employer.

11.05%
Workforce represented through employee association(s) under the provision of collective bargaining

1,176
New permanent employees joined in FY 2021-22

100%
Eligible employees receiving regular performance and career development reviews
Diversity and inclusion

We are an equal opportunity employer, irrespective of gender, age, cast, religion or colour. Our recruitment policy ensures that we have a diverse workforce that brings together people from various areas of expertise, cultures, age groups and so on. We have devised a robust roadmap that allows us to build an inclusive workforce with greater participation of women and minority groups.

Inclusive workplace

- Unconscious bias workshops
- Sammaan (POSH) Workshops
- 24x7 Samman Helpline

Community

- Women Network Forum for all location levels
- Mentoring for women leadership programme

Development

- Springboard IIMB Journey
- PT programme

Careers

- Increase in women count in mid-senior mgmt levels (through identified roles)
- 33% hiring in trainee programs for women GET & MT level
- Women Network Forum for all Location (Nos)
- Mentoring for women leadership programme

Launched fully women-run CTL-8 UNIT at Vijayanagar

Entrusting, Enriching and Empowering JSW Women-Force on International Women’s Day

During the year on March 8, 2022, we celebrated International Women’s Day, articulating the new theme of "gender equality today for a sustainable tomorrow", with a fresh call to action through #BreakTheBias.

Despite the progress made towards achieving gender equality, it is witnessed that the gender equality gap is not completely closed. Given this backdrop, we at JSW Steel, took a significant plunge in our business from setting public commitments to taking actionable measures. An effort to further our diversity and inclusivity interventions against gender inequality, we launched India’s best fully women-run Cut-To-Length (CTL) unit, operational at Hot Strip Mill-2; on this International Women’s Day. This inclusive achievement is one of the stepping stones to break out of business-as-usual scenarios to drive concrete action toward achieving gender equality.

The CTL line deploys heavy equipment such as un-coiler, straightener, brushing machine, trimmer, leveler, flying shear, and stacker which will be run by a strong team of 61 women across three shifts, comprising on-roll, associates, and outsourced employees.

“At JSW, we are delighted to inaugurate India’s best CTL-8 Line powered entirely by women. Through this unit, we aim to skill and empower more women, which will result in a gender-diverse & inclusive workforce at our shop floors as well”

Mr. PK Murugan

Enhancing gender diversity at JSW SPCL, Vasind

The JSW Group lays emphasis in providing equal opportunities for women to excel in various fields and levels. Women are provided with opportunities and are encouraged to work across various posts. Mr. Sajjan Jindal envisioned to bring about a cultural change across the Group, and this vision was underpinned with the gender diversity strategy, driven by our leadership team led by Ms. Sangita Jindal who has spearheaded the idea of including a diverse workforce in our organisation.

At JSW SPCL, Vasind, women with Diploma and BSc are trained and given an opportunity to operate a complete line across three shifts at CGL 3. The line is successfully running with a focused approach and a strong vision of the JSW on roll women Diploma engineers (DETs). We have additionally hired 67 women employees at Vasind, taking our total women employee count to 84. This pilot project has resulted in enhancing the gender diversity from 2% to 12.5% at Vasind. Once this model is stabilized, we have plans to replicate it at Tarapur and Kalmeshwar Works in a phased manner.
Awareness trainings

We undertook various gender awareness sessions, which include the following:

**Sessions with men as gender advocates**
- To increase awareness on gender-based unconscious bias
- To understand the barriers men face in supporting gender diversity
- Commitment towards a gender-fair workplace

6 • at Vasind and Dolvi plants

**Gender sensitisation session**
- To understand gender-related issues and challenges
- Showcase advantages of gender-balanced teams
- Overcome stereotypes and manage biases

2 • at Vasind and Dolvi plants

**POSH:**
- Awareness on what is considered sexual harassment at work
- Employees coming under the purview of sexual harassment at the workplace
- Different types of sexual harassment
- Steps on how to approach the situation

4 • For committee members: 1

---

**Capability development**

**JSW Springboard – IIM Bangalore women leadership journey**

Our flagship ‘Springboard’ diversity initiative continues, with the IIM Bangalore Women Leadership Journey into its third batch now. Under this initiative, every year, a group of 21 high-performing women are selected to go through a development journey designed and delivered by IIM Bangalore to enhance their capability of becoming future leaders. The programme addresses needs highlighted by the Development Centre while focusing on the broad themes of JSW’s Potential Framework.

The study modules include topics ranging from Self Awareness, Career Management, Personal Branding to strategic topics such as Macro Economics, Industry Analysis and Digitalisation. The programme also focuses on leadership skills, with studies on Influence Tactics and Skills to Lead Change. The participants are required to go through a structured Individual Development Plan as well as Action Learning Projects to implement their learnings.

**JSW women network forum – Vibe**

We have launched an all new JSW Women Network, an online networking forum for women employees of the JSW Group where they get a chance to network and share their learnings, develop and grow together. The forum is updated regularly with posts to keep the engagement up, facilitating peer learning. The platform, hosted on the myJSW platform, enables easy access and is proving to be a sustainable addition to the forum.

70%

Trust index score achieved with JSW Voice Survey

---

**Employee engagement and wellbeing**

**Focus area**

**JSW We Care**

During the reporting period, we conducted three wellbeing and wellness workshops on the topics of Resilience, Emerging Stronger and Recharge for Action.

Through the JSW We Care platform, in association with a leading counselling platform, we made counselling services and self-help tools available 24/7 to JSW employees and their family members. Today, the helpline is the most sought-after self-help tool because of its ease of access and confidential nature.

Counselling services, across telephone, email, video and online, through these platforms have proved to be an effective people management strategy that have helped employees manage stress, personal issues or work-related problems. Over 4,500+ employees and 200+ family members are registered on the platform and access the assessments and other tools available to self-manage stress and related issues. Through the Manager Support service, all managers can avail assistance if necessary.

**Other counselling support provided**
- Themed weekly communication and special days’ celebrations
- Curated Stress Management Learning journeys
- Wellness and wellbeing workshops
- Mental Leath Worth Campaign
- Onsite counselling support

**JSW Spotlight**

Launched in 2020, JSW Spotlight is our recognition and rewards platform through which we conducted various awareness sessions on site and virtually during the year; 2,000-2,500 employees are currently active on the platform. We also launched the Marketplace Contest, Take Note Contest, JSW Spotlight Awards-Diversity Edition to enhance the platform.

**Certified ‘Great Place to Work’**

98.78%

On roll employees and associates fully vaccinated

89.23%

Project contract workmen fully vaccinated

95%

Users are satisfied with the JSW Care Platform
Employee benefits

At JSW Steel, we offer employees several benefits to ensure a better work-life balance, including a voluntary pension programme.

Group Personal Accident Insurance
Insurance coverage for dependent family members of employees in case of disability while in service; all on-roll employees of the JSW Group companies in the grades L01-L19, including trainees and probationers, are eligible

Group Term Life Insurance
Financial assistance to the family of the employee in the event of accident or natural death, while in service; all employees on the rolls of JSW Group companies in the grades L01-L19, including trainees and probationers are eligible

Electric Vehicle Incentive
To encourage our employees to shift from fossil fuel-powered IC engine vehicles to EVs, we are incentivising employees in Grade L10-L118 to acquire EVs under the existing Car Lease Policy of the Company; eligible employees who opt for EV under the Car Lease Policy will be granted an incentive of ₹5,000 per month up to a maximum of 60 months or till the lease period, whichever is earlier.

Awards and recognition
to celebrate service in the Company, learning or performance

Townships/gyms
and other facilities at some locations

Other benefits
Other non monetary benefits include work from home, robust maternity and paternity benefits, post retirement benefits and day care facilities.

Talent management
Building a talent pipeline gives us access to people who are ready to take on demanding roles in the organisation and equipped with the right skills and expertise for these roles. We have a three-pronged approach to build a talented workforce.

Key drivers
› Visibility of talent pipeline with an assessment of unique strengths and blind spots
› Shared view on emerging talent in the organisation
› Talent mapping by gauging leadership preferences and capabilities to determine best fit vis-à-vis future roles
› 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

For the individual:
› Clearer understanding of personal capabilities
› Motivating and engaging themselves and their organisation/teams

Diversifying our operations with women at work
Our hardworking all-women teams are managing our factory units at Tarapur and Vijayanagar. These women are busting long-held myths about factory jobs to demonstrate that women can do it all.

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

Future Fit Leaders
Our flagship talent development programme, Future Fit Leaders (FFL), was launched virtually on a cloud-based platform in FY 2021-22 owing to the pandemic.

FY 2021-22 highlights
› The year’s talent identification strategy was anchored on the 3A construct of Agility, Ability and Aspiration, which helped us view talent holistically
› 1,044 high performers across businesses underwent cognitive ability assessments as part of Phase-I
› 271 employees made through the threshold and moved to Phase-II i.e., Virtual Development Centre
› Successfully ran 26 Virtual Development Centres across bands from January 20 to February 16, 2022
› Identified 55 FFLs across bands and will now take the talent through the development journeys

Moreover, we have customised learning journeys for our employees, formulated Individual Development Plans (IDPs), Action Learning projects and Know Your talented programmes, among other such programmes to propel the career growth of our employees.

Programmes developed in FY 2021-22
Senior leadership development programme
Custom-designed a strategic leadership programme in collaboration with Brown University, US, which focuses on an individual development plan

JSW executive coaching journey
Launched an executive coaching journey in partnership with the Coaching Foundation of India (CFI) to ensure that leaders in current and transitioning roles are effective, successful and ready for future growth

360 at JSW
The programme launched to measure talent effectiveness across the organisation; the programme entails a core succession planning framework, that helps identify key strengths and areas of development for an individual to help the talent make informed career decisions.

Other programmes
Launched various summer internships and graduate rotation programmes aimed at nurturing young talent.
Employee learning and development

We lay a lot of emphasis on our employees’ career development by providing them with opportunities to learn and grow. During the pandemic, we hosted various programmes on the JSW Virtual Academy. In FY 2021-22, we re-started classroom sessions on topics such as Situational Leadership, Developing Coaching, Acumen & Skills, and Team Building and Collaboration, among others. Our programmes are specially curated for professionals who are navigating the dynamic external environment.

2,15,317

Employee learning hours
(Classroom and e-learning)

Each employee at JSW goes through the anti-corruption training; every employee undertakes an annual affirmation of the Code of Conduct and discipline, conflict of interest, POSH and Whistleblower Policy.

Education courses available

At JSW Steel, we support higher education programmes, which include full-time courses, certifications and training programmes such as the following:

- **Full-time courses**
  - Bachelor’s programme in Manufacturing/Process Technology from BITS-Pilani: To provide our employees an opportunity to enhance their technical knowledge, upgrade their qualification and keep pace with organisation’s technology growth; Made available for Diploma Entries (L07T Entry)
  - Master’s programme at IIT Bombay – For Graduates Entries (L08T Entry)
  - Sponsorship for Graduate Rotation programme entries for full-time MBA in national or international institutes

- **Certifications:** Executive Leadership Development programmes and certification – Future Fit talent programmes, Spring Board (Women Leadership programme), SHRM for HR capability building; various digital certification programmes and online certifications are also available under our Learning Management System (Percipio and HMM Spark)

- **Training programmes:** The respective manufacturing locations take care of job-specific development training programmes and provide access to various virtual learning platforms available.

Employee performance reviews

The professional and personal career development of our employees is significant to their growth and of our business. Hence, we provide our employees with an effective development journey with leading global universities to enhance their skill sets and capacity building through customised and best-in-class curriculum.

Our objective is to create measurable career development outcomes. These initiatives are supported by the internal stakeholders and/or the line manager and assisted by an external coach. The key elements of the Individual Development Plan (IDP) is to be aligned to the career goals and organisational objectives. There are frequent check-ins that are enabled in the IDP journey to ensure enough traction and progression towards career goals.

Technical Leaders Programme

We are all set to launch the new ‘JSW Steel Technical Leaders Programme’ in FY 2022-23. The objective is to identify and develop technical domain experts to meet the talent need of the organisation, in keeping with our ambitious growth plans. Through the programme, we, as specialists, also aim to provide career path options to employees to help realise their aspirations.

Programme plan

<table>
<thead>
<tr>
<th>Step 1 (completed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-nomination by taking cognitive test</td>
</tr>
<tr>
<td>Eligible participation will get a link of Cognitive Assessment - which will be part of Self Nomination.</td>
</tr>
</tbody>
</table>

| Step 2 |
| Assessment phase |
| Qualities from Phase 1 shall go through a detailed Technical Assessment Centre to be conducted |

| Step 3 |
| Announcement of technical leaders |
| Based on the benchmark scores criteria set the names of employees who qualify shall be announced as JSW Technical Leaders for each cohort |

| Step 4 |
| Development Journey |
| The selected technical leaders will undergo a development journey to hone their skills |

Digital initiatives

During the year, we overhauled our HR processes, standardised HR service delivery, removed process redundancies, and simplified approval mechanisms for streamlining the business to deliver faster and better every day.

Aligning with the JSW Group strategy on digitalisation to improve productivity and process efficiency, our HR team embarked on an exhaustive transformative journey to make JSW Steel a new-age, data-driven organisation powered by Digital HR.

This vision was achieved by migrating all the updated HR processes to a cloud-based SaaS HR platform, Darwinbox. This enables a mobile-first employee experience and increases technology penetration across the organisation, thus speeding up the digital transformation.

Our myJSW brought our employee centricity to centre-stage, providing our employees with a better experience with consolidated employee data, approvals, and hire to retire transactions at one place.

With myJSW, we achieved the following:

- Mobile-optimised applications: Enabling a mobile-first, anytime anywhere approach to truly empower employees with access on-the-go
- Better employee experience: Smooth, in one place, simple consumer grade user interface that enables collaboration for multi-functional teams – such as HR, GBS, IT, and Finance – by bringing them on the same platform
- Manager enablement – Helping managers access necessary information about their team real time, using their handheld device and thus, saving time and effort
- Single Source of Truth – myJSW is JSW’s ‘single source of truth pertaining to all employee data, thereby increasing data accuracy and standardisation to drive data-based people insights
- Simplified HR processes – Elimination of redundant HR processes, paper-based documentation, thereby making work simpler

**Key HR processes which are currently active on myJSW are:**

- Recruitment and onboarding
- Employee lifecycle processes – Confirmation, employee movements and separation
- Attendance and leave management
- Learning management systems – Harvard and SkillSoft Developmental Programmes
- Performance and Rewards, including the PMS and Annual Salary Revision (ASR) processes
- Diversity and Inclusion (D&I) portal for female employees

**ESOP plan**

Our vision to be better everyday is driven by our dedicated employees. To give back to our employees, we launched the Shri OP Jindal ESOP Plan 2021 and Shri OP Jindal Samrudhi Plan 2021, whereby we have given stock options to all eligible employees of JSW Steel. This is one of the largest ESOP schemes launched by an Indian company and will contribute significantly to building long-term wealth for our employees.
Our CSR Vision

While we move towards transforming India at the grassroots level, we are shifting from 'giving back' to 'working together' with our communities. We are focusing on strengthening communities' capability to assess, design and execute their aspirations. We believe we are catalysts of change and growth enablers.

To execute our vision, JSW Foundation's interventions are oriented towards achieving better outcomes in the local context by adopting the SAMMS approach – Strategic, Aligned, Multi-stakeholder, Measurable, Sustainable.

CSR objectives

Through our interventions, we aim to initiate a self-sustaining ecosystem for our communities. We leverage our longstanding trust and engagement with the communities to achieve this. During FY 2021-22, we have driven meaningful impact across all the eight focus areas of intervention.

Our Policy on Social Development and Community Involvement acts as a guiding principle for community consultation. As a part of community consultation, we engage with stakeholders regularly and aim to gain a full and detailed understanding of the communities of which we are a part, our impacts upon them, and how we interact with them. Our stakeholder engagement plan involves the development of social investment and development programmes for each site, based on our engagement activities and responding to national and local development priorities. We monitor our community involvement activities and their impacts on social development to report the progress to our stakeholders and keep them informed of any major activity that may impact them. We also have a structured stakeholder grievance redressal mechanism through which stakeholders can freely share their concerns and grievances.

Driving Meaningful Change

Change that enables. Change that transforms.

In alignment with our Group philosophy of 'Better Everyday', we continue to deliver on our responsibilities towards our communities with utmost sincerity. We evaluate our business success not merely through financial parameters but also on the basis of changes we effect on the ground – by contributing to the local economy, by creating life-changing opportunities through education, skill development, greater livelihood options and promoting social equity. Through JSW Foundation, we strive to bring meaningful and sustainable change in the lives of communities residing within and outside our direct impact zones. While our initiatives are centred towards holistic development in and around our communities, they are aligned towards national and global sustainability goals.

Participatory, deliberative and stakeholder-led intervention

We follow a ground-up approach in 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 seen as an imperative at every stage of assessment, aspiration-setting, planning, and implementation. This also contributes to clear expectations management, where we are seen as an equal partner rather than a philanthropic entity.

Greater community involvement also helps our programmes to be led and sustained by the communities. In this regard, we 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 management information system (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 is executed by independent third parties.

Our CSR focus areas

- Water, Environment and Sanitation
- Skill Development and Livelihoods
- Health and Nutrition
- Education and Learning
- Agri-Livelihoods
- Art, Culture and Heritage
- Waste Management
- Sports Promotion

Through our interventions, we aim to initiate a self-sustaining ecosystem for our communities. We leverage our longstanding trust and engagement with the communities to achieve this. During FY 2021-22, we have driven meaningful impact across all the eight focus areas of intervention.

JSW Foundation becomes the first CSR Foundation in India to be compliant with ISO 26000:2010 framework

JSW Foundation becomes a member of the United Nations Global Compact
Inspiring collective climate action in India

JSW Foundation is a founding member of the India Climate Collaborative and has strengthened its foundation through three-pronged actions over the last 18 months in the following ways:

- **Inspire**: Creating a sense of urgency and call-to-action by crafting a compelling India-centric climate story
- **Connect**: Building customised and collaborative networks that provide a platform and amplify diverse voices on climate action
- **Empower**: Untapping bold thinking and informed action by mobilising resources and expertise

- Developing Miyawaki* forest and biodiversity parks:
  - In collaboration with the Tarapur MIDC, JSW Foundation has transformed a two-acre plot into a bio-diversity park from a dump yard. This park was formally inaugurated on May 28, 2022, which was completed in a span of 2 years. The Park will have a far-reaching positive impact on the water table which hosts 8,000+ indigenous tree species.
  - In Salem, JSW Foundation has established ‘Mahavanam’, a dense forest spread across 8,300 sq.ft. with 3,000 species of 27-star plants planted.

*Miyawaki is a technique pioneered by Japanese botanist Akira Miyawaki, that helps build dense, native forests. The approach is supposed to ensure that plant growth is 10 times faster and the resulting plantation is 30 times denser than usual.

Skill Development and Livelihoods

Continuous enhancement of skills and knowledge are the drivers of progress and economic growth. According to the 2020 Human Development Report, one in five Indians in the labour force is ‘skilled’. To leverage India’s unique demographic advantage of having 65% youth population, there is a dire need to impart industry-relevant skills to improve employability. In tandem with the government’s efforts to promote skill training among the youth, we are providing vocational training to youths and women in rural areas to increase their employability and encourage their sense of enterprise so that they can set up their own ventures.

- Livelihood enhancement through skill upgradation
- Supporting and strengthening micro-enterprises and rural institutions such as Self-Help Groups
- Scaling operations through market linkage
- Completion of skill gap assessments across four locations
- Launched a new programme to develop micro-entrepreneurs, farmer producer organisations (FPOs): youth skill training programme in partnership with the Deshpande Foundation

25,640 Total beneficiaries

Health and Nutrition

Undernourishment continues to pose a challenge to equitable development in the country, especially given the limited access to healthcare services among children and women. It is imperative for us to change this situation and ensure that our communities are protected and receive the care they need to lead healthy, dignified lives. JSW Foundation continues with its efforts to improve health and nutrition levels in the community through its services in healthcare. Further, they are increasing awareness on health and nutrition, contributing to infrastructure development, and encouraging community engagement to support the government’s efforts in healthcare.

- Undernourishment continues to pose a challenge to equitable development in the country, especially given the limited access to healthcare services among children and women. It is imperative for us to change this situation and ensure that our communities are protected and receive the care they need to lead healthy, dignified lives. JSW Foundation continues with its efforts to improve health and nutrition levels in the community through its services in healthcare. Further, they are increasing awareness on health and nutrition, contributing to infrastructure development, and encouraging community engagement to support the government’s efforts in healthcare.

- Undernourishment continues to pose a challenge to equitable development in the country, especially given the limited access to healthcare services among children and women. It is imperative for us to change this situation and ensure that our communities are protected and receive the care they need to lead healthy, dignified lives. JSW Foundation continues with its efforts to improve health and nutrition levels in the community through its services in healthcare. Further, they are increasing awareness on health and nutrition, contributing to infrastructure development, and encouraging community engagement to support the government’s efforts in healthcare.

**Key Statistics**

- **25,000+** Undernourished children underwent health check-ups and profiling
- **10,000+** Undernourished children underwent vision screening and correction procedures
- **2,000+** Adolescents benefited from reproductive and sexual health outreach
- **300+** Children received acute malnutrition support in partnership with ICDS
- **7** Government facilities upgraded for COVID-19 support
- **7** Schools furnished with sanitary vending machines and incinerators
- **3,03,256** Total beneficiaries
**Education**

JSW Foundation continues to run sustained initiatives to enhance the quality of education and improve access to education within and beyond its direct impact zones. We work with children in anganwadis to young graduates in association with non-profit organisations and partners across India while lending support through the Jindal Educational Trust. Our education programmes include the construction and maintenance of school infrastructure, interventions in early childhood education, e-learning, scholarships, teacher training, remedial classes, additional teacher support, career guidance, exposure to Science and Math and provision science labs and libraries in schools.

The following activities were undertaken during the year:

- Anganwadis were refurbished to accelerate our commitment to early childhood care and education
- Providing educational kits for children
- Upskilling and building capacities of Anganwadi Sevikas
- Enabling safe drinking water and electricity supply
- Upgrading overall education infrastructure
- A new programme was launched during the year to enhance learning outcomes in Mathematics and English; the programme is set to cover 28,000 teachers and 14,00,000 children over the next four years in Maharashtra
- ASPIRE: Our Adolescent School Program to Inspire, Relate and Enrich (ASPIRE) is expanding its reach and enabling literacy, numeracy, and life skills to more adolescents. We had launched the programme in 2018, imparting critical life skills to 5,000 children to help them grow into resilient and confident individuals; during FY 2021-22, we expanded our reach to 17,000+ children across 6 locations.
- Through JSW Udaan, scholarship for students wanting to pursue higher education, and JSW Umeed, scholarship for students who lost their earning family member due to COVID, we have granted 1,703 scholarships.

<table>
<thead>
<tr>
<th>Anganwadis refurbished</th>
<th>75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anganwadis ISO 9001: 2015 certified</td>
<td>18</td>
</tr>
<tr>
<td>Total beneficiaries</td>
<td>1,02,420</td>
</tr>
</tbody>
</table>

**Agri-Livelihoods**

With 15 agro-climatic zones (according to ICAR), India is witness to different weather conditions and soil types that help it grow a variety of crops. However, the majority of India’s farmers continue to battle poverty and challenges arising from poor produce. We are working to provide support to farming communities, skilling them in both farm and non-farm activities while protecting the environment. Our inclusive agri-livelihood model lays emphasis on strengthening the entire value chain.

- We are working to promote sustainable agricultural practices through multiple demonstration farms, training and grassroots capacity building in order to enhance household incomes. We are also collaborating with leading technical institutions to provide value-added services to farmers to help them increase farm productivity.
- Our interventions are sensitive to local climatic conditions and are tailored to meet local requirements so that climate-smart agricultural practices can help produce better yields. Over time, these interventions have successfully contributed to crop diversification. Through Farmer Producer Organisations (FPOs), we are facilitating strong market linkages that facilitate incremental income for farmers.

16,200+ Farmers benefited across 66 villages

**Aiming to double farmers’ income in Karnataka**

JSW Foundation has launched an inclusive agri-livelihood model in Karnataka, which is working towards improving improving on-farm livelihoods. The programme intends to strengthen FPOs through institution building, leveraging government schemes and collaborating with stakeholders across the value chain to enhance incomes. Approximately, 1,00,000 farmers will be benefited directly by the programme over a period of five years.

154 155

**Art, Culture and Heritage**

Art, culture and heritage create a sense of identity, pride and belonging. Through the JSW Foundation, we have been contributing to the preservation and restoration of the country’s cultural heritage. In collaboration with organisations and institutions, we are establishing art precincts and preserving and restoring heritage structures.

- Reconstructing the David Sassoon Library and Reading Room, Mumbai
- Implementing conservation work in Kashmir’s Shalimar Bagh and Nishat Bagh
Waste Management

Rapid urbanisation, industrialisation and a growing population are leading to the increased generation of household and industrial waste, and thus adversely impacting the environment and people’s health. The challenges are more poignant in India’s towns and villages that lack adequate technology and knowhow of waste management. The JSW Foundation is aligned with the government’s Swachh Bharat Mission and is focusing on reducing and eliminating mixed waste from its townships and DIZ villages.

- Alliance with the Government of India on Clean India Mission
- Innovative plastic injecting systems

<table>
<thead>
<tr>
<th>30,900+</th>
<th>100+</th>
<th>8,800 tCO₂e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households involved</td>
<td>Members in the Rastogi’s Association</td>
<td>Emissions mitigated</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3 lakhs+</th>
<th>1,100 tonnes</th>
<th>1,14,944</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-layered packages collected</td>
<td>Waste collected</td>
<td>Total beneficiaries</td>
</tr>
</tbody>
</table>

Waste management through the plastic injecting system

We have deployed an innovative plastic injecting system at our Vijayanagar plant that reduces burden on landfills through the incineration method. We currently treat and process one tonne of plastic waste at the plant. We have plans to ramp it up to 3 tonnes a day.

CSR Impact stories

India’s first ‘Skill Impact Bond’ that can launch the future of 50,000 youth

India is unlikely to reap its demographic advantage of having one of the youngest populations in the world unless its youths are trained in skills relevant for modern industries and agriculture. Already working intensely with the National Skill Development Corporation (NSDC), JSW Foundation has joined a consortium with HRH Prince Charles’s British Asian Trust, the Michael & Susan Dell Foundation, The Children’s Investment Fund Foundation, HSBC India, and Dubai Cares.

The target group includes 60% women and girls, who we intend to equip with necessary skills through vocational training that will enable them to seek jobs in sectors such as retail, apparel, healthcare, and logistics, which are recovering from the COVID-19 pandemic. The collaboration amongst global partners will enrich the technical and vocational education imparted through knowledge exchange and implementation of best practices. The stakeholders will work towards promoting effective interventions, supporting research and development and enhancing the impact of the programme.

The JSW Foundation has joined the consortium as an outcome funder with a strong focus on improving the ground realities for the communities.

$14.4 million

Fund for Skill Impact Bond

50,000 youth

To be benefited from the collaborative programme (Includes 60% women)

Restoring the Mughal gardens in Kashmir

Preservation of the ecology and cultural heritage and balancing it with industrial growth is a hallmark of sustainable development. In keeping with this ethos, the JSW Foundation has signed an memorandum of understanding with the Jammu and Kashmir government by which it will provide both technical and financial support for the conservation, restoration and maintenance of two Mughal gardens in Kashmir – Shalimar Bagh and Nishat Bagh. The initiative is being hailed as a new beginning in the conservation of Jammu and Kashmir’s rich cultural legacy.

Building a shelter home for vulnerable cancer patients

Reaching primary and advanced care to those who cannot afford it has been a prime focus of our work in promoting better healthcare. Cancer care is often beyond the reach of vulnerable communities. To further the nation’s fight against cancer, JSW Foundation has signed an MoU with Jagannath Cancer Aid Foundation. Through this partnership, we seek to provide non-medical assistance to underprivileged cancer patients. The one-of-a-kind shelter home which will be built as an outcome of this partnership will be equipped with amenities needed for the urgent care of these people.

Restoring the iconic David Sassoon Library

JSW Foundation has signed an MoU for the restoration and conservation of the David Sassoon Library and Reading Room at Kala Ghoda in Mumbai. The Foundation will extend technical and financial support towards the cause and has joined hands with Hermes, the Kala Ghoda Association, the Consulate General of Israel in Mumbai and others, to raise funds for this restoration project. This restoration effort is our way to give this iconic library its due as a primary institution of learning at the heart of Mumbai’s art and heritage precinct.

JSW Sanjeevani Multi-Speciality Hospital at Dolvi, Raigad

Facilitating communities’ access to advanced healthcare is part of our CSR objectives. JSW Foundation inaugurated the new JSW Sanjeevani Multi-Speciality Hospital in Dolvi, Maharashtra in 2021. Spread across 4.5 acres, this hospital is set to provide easy access to a wide range of healthcare services under a single roof for patients across 200 villages surrounding the Raigad district in Maharashtra.
Navigating the pandemic

Through the JSW Foundation, we extended our support to our communities during the two critical periods of the pandemic surge last year. We provided food and medical support by leveraging our reach and facilities.

During the first wave of the pandemic in FY 2020-21, we actively distributed masks, sanitisers, gloves among other essentials to support our communities across India. During the second wave, the JSW Foundation collaborated with organisations, individuals and the government to provide a range of relief measures and support to communities. Some of them are enumerated below.

Medical oxygen supply

01 Liquid medical oxygen provided by our Vijayanagar, Dolvi, Salem, Jharsugda locations amounting to 35,000 MT, with an average of 1,150 MT per day

02 4 km and 3.5 km oxygen gas pipelines laid, connecting Vijayanagar and Dolvi respectively to nearby COVID-19 facilities

03 500 oxygen concentrators provided to various hospitals in different districts

04 16 ventilators provided

05 5,00,000 masks and 5,000 sanitiser bottles distributed

Testing and vaccination

01 RTPCR testing undertaken for communities

02 RTPCR testing and vaccination drive for employees, their dependants and other associates with the Company

03 200 community-based volunteers who worked 24X7 at Vijayanagar and Dolvi locations

04 Referral tie-up with hospitals like Apollo, Narayana Hrudalaya, etc.

Infrastructure

01 100-bed COVID-19 hospital at Bengaluru with Narayana Hrudalaya

02 100-bed hospitals at Dolvi, Karnataka and 150-bed hospital at Vijaynagar, Karnataka

Commitments for the future

01 Strengthen the healthcare system by nurturing health service institutions

02 Focus on capacity building of health workers with special emphasis on vaccinations

03 Mother and child care

04 Elevate agriculture as the preferred profession for rural youth

05 Strengthening communities’ capability to assess, design and execute their aspirations

CSR outlook for FY 2022-23

JSW Steel looks towards enhancing and accelerating its efforts in the existing programmes to sustain and deepen their impact. The motto for FY 2022-23 shall be ‘Scale, Innovate, Diversify for a better tomorrow!’

We look forward to bringing more innovations in this space in collaboration with start-ups, local, state and national-level organisations who can bring value-additions and nurture youths through innovative training models.

For the long-term sustainability of the programmes, we are building the capacities of rural and social institutions such as FPOs, SHGs, micro-enterprises, local governing bodies, and forming our own special committees across our programmes.

In addition to our alignment and commitment to the United Nations Sustainable Development Goals, we are working towards strengthening the national agenda for development, be it through our support for the National Education Policy of 2020, or the Swachh Bharat Mission and other such national programmes.
Before entering into a partnership, we ensure that our suppliers are compliant with all legal, behavioural, health and safety, and other norms. We have a robust Supplier Code of Conduct (SoCC) that our suppliers need to follow at all points of time.

The key principles of SoCC include:

**Compliance management**
- including aspects of statutory compliance, 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

Supply chain management initiatives FY 2021-22

- Launched two new stockyards at Talloja and Navkar, near Mumbai to enhance the infrastructure and increase customer reach in the Mumbai region; they are also intended to improve cost effectiveness and add to storage capacity. Besides, they act as an extension to our Dolvi plant, which has limited storage capacities to accommodate surplus production
- Began operation of a new Private Freight Terminal (PFT) at Palogix Ghaziabad and DLI Bangalore, which has helped in streamlining and expediting material handling and delivery from these locations
- Embedding technologies with vehicle tracking across all stockyards and service centres along with implementation of the digital signature system for invoicing from all stockyards; these initiatives form part of our Industry 4.0 digital operations, aimed at increasing customer visibility and satisfaction
- Uploaded various operational cost components in the SAP system for stockyard handling, railway handling and onward freight charges

Through these initiatives we have increased our customer outreach, embedded digitalisation across our operations, and enhanced availability of quality infrastructure across India. Moreover, we will keep up this momentum of adding new stockyards in Tier 1 cities by 2025.

Supply chain sustainability enhancements

One of our partners has also adopted clean energy. The use of solar energy at the plant is helping the organisation reduce carbon emissions.

3,682

MSME vendors

Our SoCC is available at [https://www.jsw.in/sites/default/files/assets/downloads/steel/IR/Corporate%20Governance/Code%20of%20Conduct/CONDUCT%20SUPPLIER%20%20%20202021.pdf](https://www.jsw.in/sites/default/files/assets/downloads/steel/IR/Corporate%20Governance/Code%20of%20Conduct/CONDUCT%20SUPPLIER%20%20%20202021.pdf)

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](https://www.jsw.in/groups/sustainability-policies)
Guided by values. Powered by vision.

We have devised a robust governance framework which rests on the twin pillars of transparency and integrity. We are led by a distinguished and experienced Board. Together with the senior management, peopled by expert professionals, the Board upholds our values and principles as custodians of our governance system.
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 and recommends to the Board whether a specific external auditor should be elected or re-elected. We have established stringent criteria 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, open and effective communication and coordination with the Audit Committee, Corporate Auditing, and the 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.

Ethics and integrity

Focus area
We are committed to undertaking business ethically, and in doing so, improve consumer perception, reduce costs, and enhance employee satisfaction, among other long-term business goals. Our policies on business conduct show our commitment to embedding sound governance and transparency in our operations while tackling corruption and managing risks. Our board of Directors oversees our Code of conduct and corporate behaviour. 100% of our employees are committed to Code of Conduct.

Human rights

Focus area
We strongly advocate against any discrimination and stand with our team in the event of any violation. We involve our employees in upholding and sustaining the SA8000 policy. We are committed to ensuring a workplace that adheres to international guidelines and conventions such as ILO. We recognise that every individual brings a different and unique set of perspectives and capabilities to the team. We are committed to employing people solely based on their skills, ensuring no discrimination based on race, colour, age, gender, sexual orientation, gender identity and expression, ethnicity, religion, disability, family status, or social origin, among others.

Contributions to institutions, bodies and political parties

During FY 2021-22, we contributed around INR 10 crores towards memberships of organisations such as World Steel, Indian Steel Association, ASSOCHAM and FICCI. Direct monetary contributions were not given to the political parties. Tax details are present in Form AOC which is a 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 we even serve as fora for cross-pollination of ideas and thoughts. We strive to regularly participate in discussions conducted by these bodies, helping us keep a pulse on industry trends at both the global and regional levels.

Stakeholder grievance mechanism

We have policies to govern business conduct which apply 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 2021-22, we received 683 shareholder complaints. All of them were looked into and satisfactorily resolved.

Whistleblower policy

We have a Whistleblower Policy in place so that our people can report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or Ethics Policy. We have launched a dedicated ‘Ethics Helpline’ to discuss the concerns of our stakeholders, including employees, Directors, vendors and suppliers. Our helpline is managed by independent consultants. During FY 2021-22, there have been 5 whistle blower cases and 4 have been resolved, with one case under investigation.

Executive pay is linked to sustainability performance

<table>
<thead>
<tr>
<th>Independent Directors on Board*</th>
<th>Women Directors*</th>
</tr>
</thead>
<tbody>
<tr>
<td>06</td>
<td>03</td>
</tr>
</tbody>
</table>

*As on May 27, 2022 (Q4 FY 2021-22 Board meeting)

106.5 Months
Average tenure of Independent Directors
95%
Average Board meeting attendance

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 Institute of Metals
- United Nations Global Compact (UNGC)
- 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)
- World Business Council for Sustainable Development (WWSCD)
- Bengal Chamber of Commerce & Industry
- All India Induction Furnaces Association (AIIFA)
- Alloy Steel Producers Association (ASPA)
- Indian Tin Manufacturers Association (ITMA)
- Federation of Indian Mineral Industries (FIMI)
- Confederation of Indian Industry (CII)
- Global Reporting Initiative (GRI)
- Bengaluru Chamber of Industry & Commerce, Karnataka Iron & Steel Manufacturing Association
- American Institute of Mining, Metallurgical & Petroleum Engineers (AIME)
- International Chamber of Commerce (ICC)
- American Society for Quality (ASQ)
- World Business Council for Sustainable Development (WBCSD)
- Global Reporting Initiative (GRI)
- ResponsibleSteel

Policies

We have set up several internal systems and policies to establish a robust corporate culture while ensuring seamless business operations. These include policies on key domains such as corporate governance, sustainability and CSR among many others. To read more on our policies please refer to our website. https://www.jswsteel.in/investors/jsw-steel-governance-and-regulatory-information-policies-0
Board of Directors

We have devised a robust governance framework which rests on the twin pillars of transparency and integrity. We are led by a distinguished and experienced Board. Together with the senior management, peopled by expert professionals, the Board upholds our values and principles as custodians of our governance system.

Mr. Sajjan Jindal
Chairman and Managing Director, Non-Independent Executive Director

Areas of expertise
- Projects
- Finance
- Law
- Marketing experience
- IT and Digital outreach
- Public relations
- Risk management systems
- Human resources management
- Strategy development and implementation
- Global management

Board Tenure
28 years

Mr. Seshagiri Rao M.V.S.
Joint Managing Director & Group CFO, Non-Independent Executive Director

Areas of expertise
- Accounting
- Finance
- Law
- Marketing experience
- IT and Digital outreach
- Public relations
- Sustainability areas: Climate Change, Water and Biodiversity
- Risk management systems
- Human resources management
- Strategy development and implementation

Board Tenure
23 years

Mr. Jayant Acharya
Deputy Managing Director

Areas of expertise
- Finance
- Marketing experience
- IT and Digital outreach
- Public relations
- Risk management systems
- Sustainability areas: Climate Change, Water and Biodiversity

Board Tenure
13 years

Dr. Vinod Nowal (Superannuated)
Executive Director

Areas of expertise
- Projects
- Law
- Marketing experience
- IT and Digital outreach
- Public relations
- Risk management systems
- Human resources management
- Strategy development and implementation
- Operations management

Board Tenure
15 years

Mrs. Savitri Devi Jindal
Chairperson Emeritus

Mr. Hiroyuki Ogawa
Nominee Director, JFE Steel Corpn, Japan

Areas of expertise
- Nominee Director, JFE Steel Corpn, Japan
- Projects
- Accounting
- Finance
- IT and Digital outreach
- Global management

Board Tenure
5 years

Dr. M.R. Ravi, IAS
Nominee Director, KSIIDC

Areas of expertise
- Projects
- Law
- IT and Digital outreach
- Public relations
- Human resource management
- Strategy development and implementation

Board Tenure
8 months
Board committees

Audit committee
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: 10

Nomination and 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 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

Stakeholders 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.
Number of meetings held: 3

Risk management committee
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: 2

Other major committees

Project review committee
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

Business responsibility/Sustainability reporting committee
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, water and biodiversity and guides required actions for these sustainability practices.
Number of meetings held: 3

Corporate social responsibility committee
To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate a list of CSR projects or programmes which a Company plans to undertake while also recommending the amount of expenditure to be incurred on each of the activities and to monitor the CSR policy of the Company from time to time.
Number of meetings held: 2

Hedging policy committee
To take protective measures to hedge forex losses and to decide on all matters related to commodities hedging and to take measures to hedge commodity price fluctuations.
Number of meetings held: 3

Finance committee
To approve availing of credit/financial facilities. To open new Branch Offices of the Company. To make loans to Individuals/Bodies Corporate and/or to place deposits with other Companies/ firms. To open Current Account(s), Collection Account(s), Operation Account(s), or any other Account(s) with Banks and to authorize personnel to sign excise, import and export documents, execute Customs House Documents.
Number of meetings held: Need based – several meetings (20)

JSW Steel ESOP committee
To determine the terms and conditions of grant, issue, re-issue, cancellation and withdrawal of Employee Stock Options from time to time. To 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. To issue any direction to the trustees of the JSW Steel Employees Welfare Trust. To make necessary amendments to the JSW Steel Employees Welfare Trust Deed, if need be. To lay down the procedure for making a fair and reasonable adjustment. To lay down the method for satisfaction of any tax obligation arising in connection with the Options or such Shares and to lay down the procedure for cashless exercise of Options.
Number of meetings held: 1

JSW Steel Code of conduct implementation committee meeting
Number of meetings held: 3
This report has been prepared in accordance with the GRI Standards (Core) option.

<table>
<thead>
<tr>
<th>GRI STANDARD</th>
<th>DISCLOSURE</th>
<th>DESCRIPTION</th>
<th>PAGE NUMBER / REFERENCE LINK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ORGANISATIONAL PROFILE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-1</td>
<td>Name of the organisation</td>
<td>Cover, 10, Back cover</td>
<td></td>
</tr>
<tr>
<td>102-2</td>
<td>Activities, brands, products, and services</td>
<td>14-15</td>
<td></td>
</tr>
<tr>
<td>102-3</td>
<td>Location of headquarters</td>
<td>Back cover</td>
<td></td>
</tr>
<tr>
<td>102-4</td>
<td>Location of operations</td>
<td>11-13</td>
<td></td>
</tr>
<tr>
<td>102-5</td>
<td>Ownership and legal form</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>102-6</td>
<td>Markets served</td>
<td>1, 14-15</td>
<td></td>
</tr>
<tr>
<td>102-7</td>
<td>Scale of the organisation</td>
<td>1-2</td>
<td></td>
</tr>
<tr>
<td>102-8</td>
<td>Information on employees and other workers</td>
<td>140-147</td>
<td></td>
</tr>
<tr>
<td>102-9</td>
<td>Supply chain</td>
<td>52, 160-161</td>
<td></td>
</tr>
<tr>
<td>102-10</td>
<td>Significant changes to the organisation and its supply chain</td>
<td>72-81</td>
<td></td>
</tr>
<tr>
<td>102-11</td>
<td>Precautionary Principle or approach</td>
<td>05</td>
<td></td>
</tr>
<tr>
<td>102-12</td>
<td>External initiatives</td>
<td>04, 164-165</td>
<td></td>
</tr>
<tr>
<td>102-13</td>
<td>Membership of associations</td>
<td>165</td>
<td></td>
</tr>
<tr>
<td><strong>STRATEGY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-14</td>
<td>Statement from senior decision-maker</td>
<td>24-29</td>
<td></td>
</tr>
<tr>
<td>102-15</td>
<td>Key impacts, risks, and opportunities</td>
<td>46-51, 58-65</td>
<td></td>
</tr>
<tr>
<td><strong>ETHICS AND INTEGRITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-16</td>
<td>Values, principles, standards, and norms of behaviour</td>
<td>10, 164</td>
<td></td>
</tr>
<tr>
<td>102-17</td>
<td>Mechanisms for advice and concerns about ethics</td>
<td>164</td>
<td></td>
</tr>
<tr>
<td>102-19</td>
<td>Delegating authority</td>
<td>166-167, 170-171</td>
<td></td>
</tr>
<tr>
<td>102-20</td>
<td>Executive-level responsibility for economic, environmental, and social topics</td>
<td>42-43, 170-171</td>
<td></td>
</tr>
<tr>
<td>102-21</td>
<td>Consulting stakeholders on economic, environmental, and social topics</td>
<td>54-55, 56</td>
<td></td>
</tr>
<tr>
<td>102-22</td>
<td>Composition of the highest governance body and its committees</td>
<td>166-171</td>
<td></td>
</tr>
<tr>
<td>102-23</td>
<td>Chair of the highest governance body</td>
<td>166</td>
<td></td>
</tr>
<tr>
<td>102-24</td>
<td>Nominating and selecting the highest governance body</td>
<td>170</td>
<td></td>
</tr>
<tr>
<td>102-25</td>
<td>Conflicts of interest</td>
<td>247-248, 328</td>
<td></td>
</tr>
<tr>
<td><strong>GOVERNANCE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-26</td>
<td>Role of highest governance body in setting purpose, values, and strategy</td>
<td>166</td>
<td></td>
</tr>
<tr>
<td>102-28</td>
<td>Evaluating the highest governance body’s performance</td>
<td>319</td>
<td></td>
</tr>
<tr>
<td>102-29</td>
<td>Identifying and managing economic, environmental, and social impacts</td>
<td>56, 324-325</td>
<td></td>
</tr>
<tr>
<td>102-30</td>
<td>Effectiveness of risk management processes</td>
<td>42-43, 58, 170</td>
<td></td>
</tr>
<tr>
<td>102-31</td>
<td>Review of economic, environmental, and social topics</td>
<td>42-43, 163, 171, 324-325</td>
<td></td>
</tr>
<tr>
<td>102-32</td>
<td>Highest governance body’s role in sustainability reporting</td>
<td>324-325</td>
<td></td>
</tr>
<tr>
<td>102-35</td>
<td>Remuneration policies</td>
<td>320-322</td>
<td></td>
</tr>
<tr>
<td>102-36</td>
<td>Process for determining remuneration</td>
<td>320-322</td>
<td></td>
</tr>
<tr>
<td>GRI STANDARD</td>
<td>DISCLOSURE</td>
<td>DESCRIPTION</td>
<td>PAGE NUMBER / REFERENCE LINK</td>
</tr>
<tr>
<td>--------------</td>
<td>------------</td>
<td>-------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>GRI 204: PROCUREMENT PRACTICES 2016</td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>92-95</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>92-95</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>92-95</td>
</tr>
<tr>
<td>GRI 205: ANTI-CORRUPTION 2016</td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>164-165</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>164-165</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>164-165</td>
</tr>
<tr>
<td>205-3</td>
<td>Confirmed incidents of corruption and actions taken</td>
<td>247</td>
<td></td>
</tr>
<tr>
<td>GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016</td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>164</td>
</tr>
<tr>
<td>GRI 207 TAX 2019</td>
<td>103-1</td>
<td>Approach to tax</td>
<td>481-482, 526-528</td>
</tr>
<tr>
<td></td>
<td>207-2</td>
<td>Tax governance, control, and risk management</td>
<td>348, 368, 378-379, 524-526</td>
</tr>
<tr>
<td></td>
<td>207-3</td>
<td>Stakeholder engagement and management of concerns</td>
<td>352-353, 412</td>
</tr>
<tr>
<td></td>
<td>207-4</td>
<td>Country-by-country reporting</td>
<td>224, 226, 268, 481-482, 492</td>
</tr>
<tr>
<td>GRI 300: ENVIRONMENT PERFORMANCE</td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>122-123</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>122-123</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>122-123</td>
</tr>
<tr>
<td>GRI 301: MATERIAL 2016</td>
<td>301-1</td>
<td>Materials used by weight or volume</td>
<td>122-123</td>
</tr>
<tr>
<td></td>
<td>301-2</td>
<td>Recycled input materials</td>
<td>126-129</td>
</tr>
<tr>
<td>GRI 302: ENERGY 2016</td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>118-121</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>118-121</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>118-121</td>
</tr>
<tr>
<td></td>
<td>302-1</td>
<td>Energy consumption within the organisation</td>
<td>119</td>
</tr>
<tr>
<td></td>
<td>302-2</td>
<td>Energy consumption outside of the organisation</td>
<td>119</td>
</tr>
<tr>
<td></td>
<td>302-3</td>
<td>Energy intensity</td>
<td>119</td>
</tr>
<tr>
<td></td>
<td>302-4</td>
<td>Reduction of energy consumption</td>
<td>118-119</td>
</tr>
<tr>
<td>GRI 303: WATER AND EFFLUENTS 2018</td>
<td>303-1</td>
<td>Interactions with water as a shared resource</td>
<td>124-125, 130-131</td>
</tr>
<tr>
<td></td>
<td>303-2</td>
<td>Management of water discharge-related impacts</td>
<td>124-125, 130-131</td>
</tr>
<tr>
<td></td>
<td>303-3</td>
<td>Water withdrawal</td>
<td>52, 124-125, 130-131, 258</td>
</tr>
<tr>
<td></td>
<td>303-4</td>
<td>Water discharge</td>
<td>130-131, 261</td>
</tr>
<tr>
<td></td>
<td>303-5</td>
<td>Water consumption</td>
<td>19, 124-125, 130-131, 258</td>
</tr>
<tr>
<td>GRI 304: BIODIVERSITY 2016</td>
<td>304-1</td>
<td>Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas</td>
<td>134-135</td>
</tr>
<tr>
<td></td>
<td>304-2</td>
<td>Significant impacts of activities, products, and services on biodiversity</td>
<td>134-135</td>
</tr>
<tr>
<td></td>
<td>304-3</td>
<td>Habitats protected or restored</td>
<td>134-135</td>
</tr>
<tr>
<td></td>
<td>304-4</td>
<td>IUCN Red List species and national conservation list species with habitats in areas affected by operations</td>
<td>262-263</td>
</tr>
<tr>
<td>GRI 305: EMISSIONS 2016</td>
<td>305-1</td>
<td>Direct (Scope 1) GHG emissions</td>
<td>117</td>
</tr>
<tr>
<td></td>
<td>305-2</td>
<td>Energy indirect (Scope 2) GHG emissions</td>
<td>117</td>
</tr>
<tr>
<td></td>
<td>305-3</td>
<td>Other indirect (Scope 3) GHG emissions</td>
<td>116, 262</td>
</tr>
<tr>
<td></td>
<td>305-4</td>
<td>GHG emissions intensity</td>
<td>117</td>
</tr>
<tr>
<td></td>
<td>305-5</td>
<td>Reduction of GHG emissions</td>
<td>117</td>
</tr>
<tr>
<td></td>
<td>305-6</td>
<td>Emissions of ozone-depleting substances (ODS)</td>
<td>117</td>
</tr>
<tr>
<td></td>
<td>305-7</td>
<td>Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions</td>
<td>133</td>
</tr>
</tbody>
</table>
**GRI CONTENT INDEX**

<table>
<thead>
<tr>
<th>GRI STANDARD</th>
<th>DISCLOSURE</th>
<th>DESCRIPTION</th>
<th>PAGE NUMBER / REFERENCE LINK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GRI 306: WASTE 2020</strong></td>
<td>306-1</td>
<td>Waste generation and significant waste-related impacts</td>
<td>126-127, 130-131</td>
</tr>
<tr>
<td></td>
<td>306-2</td>
<td>Management of significant waste-related impacts</td>
<td>127, 130-131</td>
</tr>
<tr>
<td></td>
<td>306-3</td>
<td>Waste Generated</td>
<td>127, 260</td>
</tr>
<tr>
<td></td>
<td>306-4</td>
<td>Waste Diverted from Disposal</td>
<td>260</td>
</tr>
<tr>
<td></td>
<td>306-5</td>
<td>Waste Diverted to Disposal</td>
<td>260</td>
</tr>
<tr>
<td><strong>GRI 307: ENVIRONMENTAL COMPLIANCE 2016</strong></td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>114-115</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>114-115</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>114-115</td>
</tr>
<tr>
<td></td>
<td>307-1</td>
<td>Non-compliance with environmental laws and regulations</td>
<td>260-263</td>
</tr>
<tr>
<td><strong>GRI 400: SOCIAL DIMENSION</strong></td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>140-141</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>140-141</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>140-141</td>
</tr>
<tr>
<td></td>
<td>401-1</td>
<td>New employee hires and employee turnover</td>
<td>53, 140-141</td>
</tr>
<tr>
<td></td>
<td>403-1</td>
<td>Occupational health and safety management system</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>403-2</td>
<td>Hazard identification, risk assessment, and incident investigation</td>
<td>33-34</td>
</tr>
<tr>
<td></td>
<td>403-4</td>
<td>Worker participation, consultation, and communication on occupational health and safety</td>
<td>33, 52</td>
</tr>
<tr>
<td></td>
<td>403-5</td>
<td>Worker training on occupational health and safety</td>
<td>33-34, 52, 252-253</td>
</tr>
<tr>
<td></td>
<td>403-6</td>
<td>Promotion of worker health</td>
<td>33-35, 252-253</td>
</tr>
<tr>
<td></td>
<td>403-7</td>
<td>Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</td>
<td>27, 32-35, 64</td>
</tr>
<tr>
<td></td>
<td>403-9</td>
<td>Work-related injuries</td>
<td>32, 252-253</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GRI STANDARD</th>
<th>DISCLOSURE</th>
<th>DESCRIPTION</th>
<th>PAGE NUMBER / REFERENCE LINK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GRI 401: EMPLOYMENT 2016</strong></td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>141-142</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>141-142</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>141-142</td>
</tr>
<tr>
<td></td>
<td>404-1</td>
<td>Average hours of training per year per employee</td>
<td>52</td>
</tr>
<tr>
<td></td>
<td>404-2</td>
<td>Programs for upgrading employee skills and transition assistance programs</td>
<td>148</td>
</tr>
<tr>
<td></td>
<td>404-3</td>
<td>Percentage of employees receiving regular performance</td>
<td>141, 148</td>
</tr>
<tr>
<td><strong>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016</strong></td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>405-1</td>
<td>Diversity of governance bodies and employees</td>
<td>141-142, 164, 241</td>
</tr>
<tr>
<td><strong>GRI 406: NON-DISCRIMINATION 2016</strong></td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>406-1</td>
<td>Incidents of discrimination and corrective actions taken</td>
<td>256-258</td>
</tr>
<tr>
<td><strong>GRI 411: Rights of Indigenous Peoples 2016</strong></td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>161</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>161</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>161</td>
</tr>
<tr>
<td><strong>GRI 412: HUMAN RIGHTS ASSESSMENT 2016</strong></td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>164</td>
</tr>
<tr>
<td><strong>GRI 413: LOCAL COMMUNITIES 2016</strong></td>
<td>103-1</td>
<td>Explanation of the material topic and its Boundary</td>
<td>139, 150-151</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>139, 150-151</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>139, 150-151</td>
</tr>
<tr>
<td></td>
<td>413-1</td>
<td>Operations with local community engagement, impact assessments, and development programmes</td>
<td>139, 150-159</td>
</tr>
<tr>
<td><strong>GRI 415: Public Policy</strong></td>
<td>415-1</td>
<td>Political contributions</td>
<td>164</td>
</tr>
</tbody>
</table>
### Mapping with the United Nations Sustainable Development Goals (UN SDGs)

<table>
<thead>
<tr>
<th>SDG</th>
<th>Location(s)</th>
<th>Page number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. End poverty in all its forms everywhere.</td>
<td>Communities</td>
<td>150-159</td>
</tr>
<tr>
<td>2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.</td>
<td>Communities</td>
<td>150-159</td>
</tr>
<tr>
<td>3. Ensure healthy lives and promote well-being for all at all ages.</td>
<td>Communities</td>
<td>150-159</td>
</tr>
<tr>
<td>4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</td>
<td>Communities</td>
<td>150-159</td>
</tr>
<tr>
<td>5. Achieve gender equality and empower all women and girls.</td>
<td>People, Communities</td>
<td>142-144, 150-159</td>
</tr>
<tr>
<td>6. Ensure availability and sustainable management of water and sanitation for all.</td>
<td>Water resources, Waste water</td>
<td>126-131</td>
</tr>
<tr>
<td>7. Ensure access to affordable, reliable, sustainable and modern energy for all.</td>
<td>Energy</td>
<td>118-121</td>
</tr>
<tr>
<td>8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</td>
<td>Strategic growth, Diversification of product profile and customer base, People, Social sustainability, Human rights</td>
<td>72-91, 140-161, 164</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SDG</th>
<th>Location(s)</th>
<th>Page number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation.</td>
<td>Strategic growth, Diversification of product profile and customer base, Setting benchmarks in sustainable mining, Focus on resource optimisation</td>
<td>72-105, 138-139</td>
</tr>
<tr>
<td>Reduce income inequality within and among countries.</td>
<td>Communities, Governance</td>
<td>150-159, 162-171</td>
</tr>
<tr>
<td>Make cities and human settlements inclusive, safe, resilient, and sustainable.</td>
<td>Water resources, Waste, Air emissions</td>
<td>124-133</td>
</tr>
<tr>
<td>Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy.</td>
<td>Climate change, Energy</td>
<td>116-121</td>
</tr>
<tr>
<td>Conserve and sustainably use the oceans, seas and marine resources for sustainable development.</td>
<td>Wastewater, Biodiversity</td>
<td>124-125, 130-131, 134-135</td>
</tr>
<tr>
<td>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.</td>
<td>Biodiversity</td>
<td>134-135</td>
</tr>
</tbody>
</table>
INDEPENDENT ASSURANCE STATEMENT

To,

The Management of JSW Steel Limited
Banakia Hale Complex, Near NH 44A Grounds, Banka 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 sustainability disclosures presented in the Integrated Report of the Company for the period covering 1st April 2021 to 31st March 2022 ("the Report"). Our responsibility was to provide a limited assurance on the Report covered as described in the Scope, Boundary and Limitations below.

Reporting Criteria

The Company has applied following reporting criteria for developing the Report:

- The International ISAE Framework (January 2021).
- Global Reporting Initiative (GRI) Standards.
- World Steel Association’s environmental performance indicator for greenhouse gas emissions.

Assurance Standards Used

We conducted our assurance in accordance with:

- Reviews of Historical Financial Information (March 2018).
- Under this standard, we have reviewed the information presented in the Report against the characteristics of relevance, completeness, reliability, neutrality and understandability.
- Limited assurance contains primarily of evidential procedures and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and degree and are less in extent than for a reasonable assurance engagement.


A limited assurance engagement in accordance with ISAE 3010 involves performing procedures to obtain evidence about the calculation of GHG emissions and related information in the Report.

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 operating units:
  - JSW Steel Limited’s integrated steel plants at Vijayanagar, Dandi, Bokaro, Direct Reduced Iron (DRI) plant at Salaiy and operational mines at Vijayanagar.
  - JSW Steel Company Limited’s JSW SCPL operations at Kalmeshwar, Tarapur and Valsad.
  - Ambari River Coke Limited’s (ARCL) operations at Dosi.
  - JSW Industrial Group Private Limited’s (IGPL) operations at Vijayanagar.
- The review of sustainability performance data was limited to the above locations.

| GRI Standards 2016: Universal Standard |
| Management Approach, 102-1 to 102-5 |
| GRI Standards 2014: Topic Specific Standards |
| Environmental |
| - World Steel Association: Environmental Performance |
| - Greenhouse Gas Emissions |

The data reported for the Scope 2 GHG emissions is related to purchased electricity (wind and solar) and purchased transportation (road and rail), waste transportation, employee commuting and business travel (air and rail).

The GHG emissions of the Eighty Four Steel Operations cover GRI Standards 301-4, 302-4 and 303-4. The greenhouse gas emissions in the World Steel Association's (WSPA) data collection tool are in terms of CO2e. The Scope 1 emissions are reported to the Environmental & Social New Zealand's (ESNZ) Carbon Emissions Register. The Scope 2 emissions are reported to the Environmental & Social New Zealand's (ESNZ) Carbon Emissions Register.

Limitations

The assurance scope excludes the following:

- Data related to Company's financial performance.
- Data and information outside the defined reporting period from 1st April 2021 to 31st March 2022.
- The Company's statements that disclose information about opinion, belief, aspiration, expectation, future intention promulgated by the Company and statements related to intellectual property rights and other competitive issues.
- Strategy and other related indicators expressed in the Report.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.
- Disclosures related to regulatory compliance.
- Aspects of the Report other than those mentioned under the scope above.
INDEPENDENT ASSURANCE STATEMENT

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 risk of material misstatement of the selected sustainability disclosures. We used risk assessment procedures to identify the components of the Integrated Report that are most critical and relevant to the assurance engagement.

Our assurance procedures included:

- Assessment of JSW Steel Limited’s reporting procedures regarding their consistency and relevance with the application of GRI Standards.
- Reviewing the JSW Steel Limited’s internal control system and noting the consistency with the World Steel Association’s environmental performance indicator for greenhouse gas emissions.
- Evaluating the reliability and appropriateness of the quantification methods used to arrive at the sustainability disclosures presented in the Report.
- Review of systems and procedures, from the perspective of completeness, used for quantification, calculation, and analysis of sustainability disclosures, including assumptions disclosed in the Report.
- Understanding the appropriateness of various assumptions, estimates, and materiality thresholds used by the Company for data analysis.
- Discussions with the personnel at the corporate and business unit level responsible for the data and information presented in the Report.
- Assessment of data reliability and accuracy.
- Review of sustainability performance data was carried out through visits to JSW Steel Limited’s operations at Vishnupuri, Dolvi., Sakalsara, and Vekeru.
- Review of sustainability performance data was carried out remotely through screen sharing tools for JSW Steel Limited’s mines at Vishnupuri, and JSW Steel Coated Products Limited’s operations at Kusumapar.
- Appropriate documentary evidence were obtained from the relevant management personnel at respective sites and at corporate office to support our conclusions on the information and data reviewed.

Where such documentary evidence could not be collected due to sensitivity nature of the information, our team reviewed the same with the relevant management personnel at respective sites and at corporate office.

Conclusions
We have reviewed selected non-financial sustainability disclosures in the Integrated Report of JSW Steel Limited for the reporting period from 1st April 2021 to 31st March 2022.

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 is 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 ISQC 1000 (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 procedures in place to monitor compliance with the Code and to prevent conflicts of independence. The team 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 evaluation 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 assurance 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 responsibility for any decision or action on the part of the Company, or any third party, based on this assurance statement. Our report is released in JSW Steel Limited on the basis that it shall not be copied, reprinted, disclosed, in whole or in part, without our prior written consent.

Praphul Raichura
Partner
KPMG Assurance and Consulting Services LLP
Date: 27 July, 2022
Over the years, JSW Steel has grown into one of the leading steel producers in India, and a globally-recognised leader in cost efficiency, operational excellence and sustainability.
Organisational overview

JSW Steel, the flagship business of the diversified conglomerate JSW Group, is a leading integrated steel manufacturer in India with a proven track record of operational excellence, cost efficiency, sustainable practices and high-quality steelmaking. The Company has grown from a single manufacturing unit to 14 manufacturing units in India, with a current domestic crude steel capacity of 27 million tonnes per annum (MTPA).

27 MTPA

Domestic installed capacity (including BPSL and JISPL)

JSW Steel's integrated operations span mining, raw material processing units such as beneficiation plants, pelletisation and sinter plants, steel manufacturing facilities to downstream value addition capabilities such as production of cold rolled, galvanised and galvalume, colour-coated, electrical and tin plate products. With a total domestic downstream capacity of ~12.6 MTPA, the Company is progressively adding competitive edge to its market presence.

~12.6 MTPA*

Domestic downstream capacity

*Includes JSW Coated Products Ltd., ACCIL, JSWVTPL, VIL and BPSL.

The Company manufactures and offers an extensive portfolio of flat and long products, comprising hot rolled coils, sheets and plates, cold rolled coils and sheets, galvanised and galvalume products, tinplate, non-grain oriented electrical steel, pre-painted galvanised and galvalume products, thermo-mechanically treated (TMT) bars, wire rods, nails, grinding balls and special steel bars. JSW Steel is one of the leading producers and exporters of coated flat steel products in India. The Company has been steadily increasing its share of exports of value-added products.

Ramping up capacity to meet India’s growing steel appetite

As outlined in the National Steel Policy 2017, India has set an ambitious target of achieving 300 MTPA of steel production capacity by 2030. The Government of India’s mega infrastructure push to support economic growth and thrust on affordable housing bode well for domestic steel demand. Further, per capita steel consumption in India remains well below the global average. JSW Steel is expanding its manufacturing capacity, in line with the nation’s aspirations, and setting up world-class steelmaking processes that are environment-friendly as well. The Company targets to increase its domestic steel capacity to 37 MTPA by FY 2024-25 from 27 MTPA at present.

Near-term growth in JSW Steel’s India steel capacity

(Units: MMTPA)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>FY23E</th>
<th>FY24E</th>
<th>FY25E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>27.0</td>
<td>27.5</td>
<td>30.5</td>
</tr>
<tr>
<td>Expansion 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expansion 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expansion 3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: JSW Steel’s ownership in JSW Ispat Special Products Ltd. (JSIPL) is 23.0%; announced merger with JISPL in May 2022.

In November 2021, JSW Steel was ranked 12th among the top 34 world-class steelmakers, according to the ‘World-Class Steelmaker Rankings’ by World Steel Dynamics (WSD), based on a variety of factors. In particular, JSW Steel achieved the highest rating (10 out of 10) on the following criteria: expanding capacity, location in high-growth markets and labour costs. On cost cutting efforts, the Company achieved 8 out of 10, putting JSW Steel ahead of all other steelmakers based in India and resulted in a ranking of fifth among Asian steelmakers.

Diversification of product portfolio

Rising consumer aspirations and the inevitable growth in infrastructure spending are significant macro trends in India. JSW Steel believes that these trends will lead to an increase in demand for steel. The Company has moved quickly to create a portfolio of relevant value-added product capacities in anticipation of this change. JSW Steel further intends to increase the proportion of high margin value-added products in the product mix so as to improve resilience to withstand steel price volatility, and offer a broad-based suite of products to meet the growing requirements of customers and facilitate import substitution. The share of value-added and special product (VASP) sale was 60% of consolidated sales volume as on March 31, 2022, which contributed to the increase in margins.

Share of VASP in total sales mix (%) -

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY23E</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>FY24E</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>FY25E</td>
<td>60</td>
<td>60</td>
</tr>
</tbody>
</table>

Several downstream capacity expansion projects are also underway, which will bolster the Company’s value-added portfolio by adding to its colour coating and tin-plate capacities significantly. Of these, the modernisation and capacity enhancement projects at Vasind and Tarapur have been commissioned.
Backward integration leads to lower cost of conversion

Over the years, JSW Steel has reduced its dependence on iron ore procurement by acquiring mines in Karnataka and Odisha, to insulate its operations from the consistent availability of raw material. Currently, JSW Steel owns 13 iron ore mines (nine in Karnataka and four in Odisha), with aggregate reserves of 1.35 billion tonnes. In FY 2021-22, the Company met 43% of its total iron ore requirements from captive mines.

43%
Share of captive iron ore in total requirement

Further, most of JSW Steel’s power requirements in domestic production are met through captive plants. Of the 1,029 MW, aggregate captive power capacity, Vijayanagar Works has an installed captive generation capacity of 865 MW, Dolvi Works has 67 MW as well as long-term power purchase arrangements with JSW Energy; and Salem Works has 97 MW. The Company also has tie-ups for utilities and industrial gases partially with its wholly owned subsidiary JSW Industrial Gases Private Limited, as well as strategic partnership for coil coatings with JSW Paints Limited.

Additionally, the Company’s manufacturing plants are strategically located in areas that are well-connected by rail, road, and port networks, which makes it easy and cost-effective to move materials. These factors, along with operational excellence, high people productivity and state-of-the-art manufacturing facilities, enable JSW Steel to record one of the lowest conversion costs among Indian steelmakers.

Moving up the steel value chain

Over the last few years, there has been an increasing demand for specialty steel across user industries like renewable power, automobile and capital goods industries, among others. India has largely relied on imports to meet domestic demand. To drive import substitution and achieve self-reliance, the Government of India has announced the Production Linked Incentive (PLI) scheme for manufacturing specialty steel. However, specialty steelmaking requires enhanced level of precision and capabilities.

JSW Steel is building stronger competencies in its Cold Rolled (CR) products. Vijayanagar Works’ CRM-2 is the only mill in India with the capability to produce some of the Advanced High Strength Automotive Steel (AHSS) grades for use in automobile. JSW Steel has also launched a first-of-its-kind Automotive Steel R&D lab at Vijayanagar to develop next-generation AHSS. The Company received approvals for 25 different grades of AHSS from auto OEMs in FY 2021-22, including high-strength structural steel for passenger and commercial vehicle applications and special alloy steel grade with better specific steel purity qualities.

Setting benchmarks in sustainability

JSW Steel integrates broader national and global sustainable development goals into its business strategy. In line with India’s Nationally Determined Contributions (NDCs) to address climate change, The Company targets to bring down GHG emissions by 42% (from the base year 2005 levels) to 1.95 tonnes of CO2 per tonne of crude steel (tcs) by 2030. To achieve the target, the Company will focus on replacing thermal power with renewable power, higher usage of steel scrap in its operations and increase beneficiation of low and medium grade iron ore. JSW Steel has entered into a solar and wind power purchase agreement through SPVs set up by JSW Energy Limited. JSW Steel will acquire 26% stake in each of those SPVs, which will set up renewable power facilities with an aggregate capacity of 958 MW, of which 225 MW was commissioned in April 2022.

In FY 2021-22, JSW Steel became the first steel company globally to issue a US$500 million Sustainability Linked Bond (SLB). The Company raised a cumulative of US$1 billion bond in two tranches of US$500 million each, with tenures of 5.5 years and 10.5 years. The 10.5-year tranche was linked to the Company’s GHG emission target.

US$500 million
1st sustainability-linked US dollar bond in global steel sector

JSW Steel has been driving product sustainability as a business imperative and product eco-labelling is one such area. In FY 2021-22, the Company obtained Environmental Product Declarations (EPD) – Type III eco-labelling for all finished long and flat products from its three integrated steel plants.

During the year, JSW Steel entered the S&P Dow Jones Sustainability Index for Emerging Markets, becoming one of the 15 companies from India and one of the three steel companies from Emerging Markets to do so, among the 108 companies comprising the Index.

JSW Group joins 200 forward-thinking companies as the newest member of the World Business Council for Sustainable Development (WBCSD)

JSW Steel maintains A- (Leadership band) rating in CDP Climate Change assessment

JSW Steel issues a USD-denominated Sustainability Linked Bond, the first in the steel sector globally

JSW Steel recognised as worldsteel Sustainability Champion for the fourth consecutive year

All finished flat and long products from the three integrated plants received Type III eco-labelling

JSW Steel issues a USD-denominated Sustainability Linked Bond, the first in the steel sector globally
FY 2021-22: Fortifying the promise of a 'Better Everyday'

Resilient performance
During the year, the Company achieved 89% capacity utilisation and reported the highest-ever annual consolidated crude steel production of 19.51 MnT, a growth of 23% y-o-y. The sales volume reached 18.18 MnT, improving by 21% y-o-y, driven by ramped up production and increase in overall steel demand. The Company ramped up mining operations at Odisha and Karnataka, contributing to 43% of the total iron ore requirements.

The Company's consolidated revenue from operations increased by 83% to ₹1,14,371 crore due to growth in volumes and elevated prices.

Highest-ever consolidated operating EBITDA

Diversified product portfolio
As a continuing commitment to delivering high quality and innovative products to the customers, the Company enhanced its focus on R&D initiatives and developed 58 new grades during the year. The sales margins have also improved considerably as value-added and special products (VASP) accounted for 60% of total sales volumes for the year.

JSW Steel has established many strong brands over the years which enjoy considerable market share; in FY 2021-22 branded products sales stood at 47% of total retail sales. The coated steel business generated an EBITDA of ₹3,082 crore, registering a growth of 87% y-o-y. The US operations recorded a turnaround with an operating EBITDA of US$200 million. JSW Ispat & Energy Limited has upgraded the Company’s rating for Long Term Bank Facilities and Non-Convertible Debentures to ‘CARE AA’ Stable Outlook. ICRA Limited has upgraded the Company’s rating for Long Term Bank Facilities and Non-Convertible Debentures to ‘ICRA’ AA Stable Outlook.

In sync with India’s growth story
JSW Steel doubled its crude steel capacity in Dolvi to 10 MTPA, with integrated steel operations being commenced at the 5 MTPA brownfield expansion. The Company is on track to completing the capacity expansion at Vijayanagar’s CRM-1 complex and the commissioning of the 0.3 MTPA colour coating line.

The modernisation and enhancement of downstream capacities at Vasintha and Tarapur have also been completed. The Company is making continued progress on all capacity enhancement projects across downstream facilities.

Robust financial profile
The Company improved on its leverage ratios considerably during the year. The consolidated net gearing (Net Debt to Equity) stood at 0.83x at the end of the year (vs. 1.27x at the end of FY 2020-21) and Net Debt to EBITDA stood at 1.45x (vs. 2.83x at the end of FY 2020-21). The weighted average interest rate improved to 5.87% at the end of March 31, 2022 vs 6.83% at the end of March 31, 2021. Keeping in with the Company’s continued focus on optimal capital allocation, the debt increased by only ₹4,036 crore post a capital expenditure spend of ₹14,998 crore and BPSL acquisition debt of ₹10,278 crore.

Fitch upgraded JSW Steel’s credit rating to BB stable from BB negative. CARE Ratings Ltd. has upgraded the Company’s rating for Long Term Bank Facilities and Non-Convertible Debentures to ‘CARE AA’ Stable Outlook. ICRA Limited has upgraded the Company’s rating for Long Term Bank Facilities and Non-Convertible Debentures to ‘ICRA’ AA Stable Outlook.

During the year, JSW Steel completed the acquisition process of BPSL and turned around operations at BPSL, recording an EBITDA of ₹6,423 crore during the year.

The coated steel business generated an EBITDA of ₹3,082 crore, registering a growth of 87% y-o-y. The US operations recorded a turnaround with an operating EBITDA of US$200 million. JSW Ispat Special Products Limited recorded a turnaround of the business operations, generating an operating EBITDA of ₹472 crore during the year.

A future-ready steel company
JSW Steel, as one of the leading steel manufacturing companies, remains committed to growing responsibly, with minimal impact on the environment. The Company is cognisant that its operations are energy intensive, and has thus set several Environmental, Sustainability and Governance (ESG) targets to ensure optimum utilisation of resources, preservation of environment and continued value creation for its stakeholders. The operations have also been sufficiently embedded with digitalisation and technology to optimise processes and ensure more efficiency. Some of the end-to-end digitalisation and Industry 4.0 projects are nearing completion, resulting in benefits across operations.

In FY 2021-22, JSW Steel became the first-ever Company in the global steel sector to issue US$500 million Sustainability Linked Loan (SLL) bonds. The Company also obtained Environmental Product Declarations (EPD)— Type III eco-labeling for all finished products from its three integrated steel plants and flagged off its first-ever electric vehicle (EV) for material transfer. JSW Steel received an A-band from CDP for the number of best practices the Company is implementing to mitigate climate change.

The Company remains focused on transitioning to renewable power usage with the commissioning of the 225 MW of solar capacity in Vijayanagar, in collaboration with JSW Energy Limited.
2.0 Economic overview

2.1 Global economy

The global economy staged a strong rebound at the start of CY 2021 driven by accelerated vaccination and opening of economies. It was short-lived, though, as rising infections and reimposition of lockdowns damped sentiments in the second quarter. Governments and central banks in major economies continued to extend policy support to stabilise the economy and boost private investments and consumption. However, supply chain disruptions leading to commodity inflation, energy price volatility coupled with rising freight and shipping costs, enhanced the risk of inflation. The Baltic Dry Index—a gauge for international shipping costs—rose to its multi-year highs in September 2021.

In the last quarter of CY 2021, the world economy started weakening once again while inflation rose much sharply than anticipated due to doubling of energy prices over the year, localised wage pressures, rising food prices and lingering supply constraints. Further, a resurgence in COVID-19 cases in Europe and Japan held back a broader recovery. In China, fresh COVID-19 outbreaks, weak real estate investments, and a faster-than-expected withdrawal of fiscal emergency measures played spoil sport. On the positive side, international trade made strong gains and services activity surprised on the upside. According to the International Monetary Fund’s (IMF) World Economic Outlook (WEO) April 2022, global economic output grew 6.1% in CY 2021, following a 3.1% contraction in CY 2020.

The weakness in the fourth quarter spilled over into CY 2022, as new virus variants emerged and localised mobility restrictions were imposed. Further, rising energy prices, supply side disruptions, higher and broad-based inflation, withdrawal of the ‘Build Back Better’ package in the US, drawn out refrenchment in China’s real estate sector, tightening of monetary policy globally and weak recovery in private consumption have limited growth in CY 2022, as new virus variants emerged and localised economic activities. As rising COVID-19 cases in Europe and Japan held back a broader recovery. In China, fresh COVID-19 outbreaks, weak real estate investments, and a faster-than-expected withdrawal of fiscal emergency measures played spoil sport. On the positive side, international trade made strong gains and services activity surprised on the upside. According to the International Monetary Fund’s (IMF) World Economic Outlook (WEO) April 2022, global economic output grew 6.1% in CY 2021, following a 3.1% contraction in CY 2020.

The weakness in the fourth quarter spilled over into CY 2022, as new virus variants emerged and localised mobility restrictions were imposed. Further, rising energy prices, supply side disruptions, higher and broad-based inflation, withdrawal of the ‘Build Back Better’ package in the US, drawn out refrenchment in China’s real estate sector, tightening of monetary policy globally and weak recovery in private consumption have limited growth in CY 2022, as new virus variants emerged and localised economic activities. As rising COVID-19 cases in Europe and Japan held back a broader recovery. In China, fresh COVID-19 outbreaks, weak real estate investments, and a faster-than-expected withdrawal of fiscal emergency measures played spoil sport. On the positive side, international trade made strong gains and services activity surprised on the upside. According to the International Monetary Fund’s (IMF) World Economic Outlook (WEO) April 2022, global economic output grew 6.1% in CY 2021, following a 3.1% contraction in CY 2020.

The Global Output and Advanced Economies grew 6.6% in CY 2021, driven by strong China growth and rising exports, as rising COVID-19 cases in Europe and Japan held back a broader recovery. In China, rising COVID-19 outbreaks, weak real estate investments, and a faster-than-expected withdrawal of fiscal emergency measures played spoil sport. On the positive side, international trade made strong gains and services activity surprised on the upside. According to the International Monetary Fund’s (IMF) World Economic Outlook (WEO) April 2022, global economic output grew 6.1% in CY 2021, following a 3.1% contraction in CY 2020.

In CY 2021, inflationary pressures persisted in emerging markets and developing economies, due to their larger dependence on oil and gas imports in some economies and continued supply chain disruptions. However, stable consumption trends and continued fiscal support helped sustain growth, estimated at 6.8%. China is likely to have grown by 8.1% on the back of rising exports and record trade surplus, partially offset by its stringent zero-COVID strategy, supply chain bottlenecks and structural issues within its housing sector.

Outlook

The IMF has moderated its CY 2022 global economy growth forecast by 80 bps to 3.6%, from the estimated 4.4 growth forecast published in January 22, due to the Russia–Ukraine conflict, inflation and monetary policy tightening and supply bottlenecks.

Although the probability of a full-blown geopolitical crisis is low, the world remains on tenterhooks as it closely watches the evolving scenario. Inflation is expected to rise more than anticipated, demanding more aggressive policy responses. The IMF sees downside risks to the growth estimates owing to the possibility of the emergence of new COVID-19 variants, renewed economic disruptions, supply chain instability, energy price volatility, and localised wage pressures. Moreover, the economic sanctions imposed by developed economies on Russia following the war with Ukraine, are likely to lead to realigning of trade relations, thereby impacting the global supply chain.

In the United States, the excess savings, strong household balance sheet and robust labour markets are positive for near-term consumption. Despite the ongoing healthy economic recovery, high inflation and aggressive monetary policy tightening by the Federal Reserve is expected to impact growth. The Fed raised interest rates in March 2022, its first hike since December 2018, and announced faster tapering of its asset purchases. However, employment gains are likely as the economy gathers steam, leading to healthier household balance sheets and improved consumer confidence.

The European Union has been more severely impacted by supply chain disruptions and higher energy costs emanating from the Russia–Ukraine crisis. This along with possible rate hikes by European Central Bank as early as July 2022, will impact growth. In the UK, the Bank of England continued with monetary policy tightening, raising its policy rate for the third time in March 2022. This coupled with the disruptions in energy supplies from Russia is expected to lead to moderate growth for Europe in CY 2022.

Japan continued with its economic recovery, with downside risks due to global headwinds. The Bank of Japan remains accommodative despite uptick in inflation.

The Zero COVID Strategy adopted by China has led to severe lockdowns and has impacted economic activity since March 2022. As the Chinese economy witnesses decline in consumption and industrial production, business sentiment remains weak. The recent easing by the People’s Bank of China (PBoC) is a positive, with further fiscal and monetary stimulus expected going forward, to stimulate the economy.

Emerging and developing Europe, including Russia, is expected to decline by 2.9% in CY 2022. Developing Asia is likely to witness the unwinding of emergency measures and a gradual shift to fiscal consolidation.

The global economy continues to face headwinds due to rising inflationary pressures and geopolitical tensions. Moreover, conflict between Russia and Ukraine has led to many countries announcing trade sanctions, thereby resulting in a reconfiguration of trade relations across the globe. Even as the aforementioned has led to uncertainty across financial and commodity markets, it also provides newer avenues for many emerging economies to build trade relations. Besides, better healthcare measures and more widespread vaccinations should help stabilise activity across economies.
2.0

2.2 Indian economy

Steady growth: inflation a short-term drag

As India prepared to leave the worst of the pandemic behind, a more intense second wave of COVID-19 emerged in the first quarter of FY 2021-22, overwhelming the nation’s health infrastructure and prompting lockdowns, albeit locally. However, with learnings from navigating the first wave, the government and policymakers were much better prepared and the economy demonstrated its structural strength once again. The Government of India rightly accelerated the world’s largest vaccination drive to beat back the pandemic and restore normalcy earlier than anticipated. Till June 23, 2022, over 1.98 billion vaccination doses have been administered.

With the lifting of restrictions in the second quarter, the economy staged a sharp rebound. The government significantly increased capital expenditure on infrastructure projects, which boosted domestic demand and investment sentiment. Despite facing multiple headwinds, key economic indicators pointed towards a broad-based recovery.

The Indian economy grew 8.7% in FY 2021-22, despite a significant moderation during the fourth quarter, on account of the pandemic-led disruptions, rising domestic inflation, and the ongoing Russia-Ukraine conflict. Gross value added (GVA) at basic prices increased 8.1%. Industrial production, as indicated by the IIP, grew by 11.3%, staying in the positive territory since March 2021. Gross Fixed Capital Formation (GFCF), a proxy for investments, expanded 15.8%, as the government focused on ‘crowding in’ private capex through its mega expenditure push. Private consumption, which has the highest contribution to GDP, increased 7.9%.

% change of Indian GDP over fiscal years

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>FY22</th>
<th>FY21</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>% change</td>
<td>8.7</td>
<td>4.2</td>
<td>(6.6)</td>
</tr>
</tbody>
</table>

Robust export growth of both value-added and raw material products

India’s merchandise exports were at US$42.2 billion in March 2022, registered a growth of ~20% on a y-o-y basis. Merchandise exports for the fiscal stood at US$419.6 billion, up 43.8% y-o-y and above the US$400 billion target set for FY 2021-22.

Spurt in direct and indirect tax revenues

Gross fiscal deficit for FY 2021-22 stood at 6.7% of GDP, an improvement over the revised budget estimate of 6.9%, owing to buoyant tax collections. In the last fiscal ended March 31, 2022, India’s net direct tax collections (income tax and corporate tax) reached an all-time high of ₹14.09 lakh crore in financial year 2021-22 against ₹9.45 lakh crore collections in FY 2020-21.

Monthly GST revenue

Trend in GST collection

<table>
<thead>
<tr>
<th>Month</th>
<th>GST Collection in FY22</th>
<th>GST Collection in FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAR</td>
<td>1,42,095</td>
<td>1,23,902</td>
</tr>
<tr>
<td>FEB</td>
<td>1,33,026</td>
<td>1,13,142</td>
</tr>
<tr>
<td>JAN</td>
<td>1,40,086</td>
<td>1,31,526</td>
</tr>
<tr>
<td>FEB</td>
<td>1,29,780</td>
<td>1,15,174</td>
</tr>
<tr>
<td>DEC</td>
<td>1,31,526</td>
<td>1,04,963</td>
</tr>
<tr>
<td>NOV</td>
<td>1,30,127</td>
<td>1,05,155</td>
</tr>
<tr>
<td>OCT</td>
<td>1,17,010</td>
<td>95,480</td>
</tr>
<tr>
<td>SEP</td>
<td>1,12,020</td>
<td>88,449</td>
</tr>
<tr>
<td>JUL</td>
<td>1,16,393</td>
<td>87,422</td>
</tr>
<tr>
<td>JUN</td>
<td>1,19,875</td>
<td>92,800</td>
</tr>
<tr>
<td>MAY</td>
<td>1,15,174</td>
<td>97,821</td>
</tr>
<tr>
<td>APR</td>
<td>1,39,708</td>
<td>92,800</td>
</tr>
</tbody>
</table>

Sources: Ministry of Statistics and Programme Implementation (Mospi)

Inflation worries persist

Though economic indicators improved, rising inflation remains a consistent worry. India’s Consumer Price Index (CPI) jumped to a 17-month high of 6.9% in March 2022 from 6.07% in February 2022, breaching the central bank’s comfort level at 4% (with a margin of +/-2%). This prompted the Reserve Bank of India (RBI) to resort to an off-cycle hike in policy rate by 40 bps in April 2022. The apex bank’s action, its first rate hike since the onset of the pandemic in March 2020, was a clear indicator that inflation moderation has returned at the top of its policy agenda.

In March 2022, GST collections rose 15% y-o-y to reach an all-time high of ₹1,42,00,000 crore, which was 46% higher than the pre-COVID level of March 2020. GST collections increased sequentially during the year on the back of economic recovery, anti-evasion activities as well as continued rate rationalisation.

Sources: Income Tax Department
### Economic overview

#### 2.0 Economic overview

#### 2.1 Policy impetus

The Government of India has its sights squarely set on using infrastructure as the force multiplier to drive economic growth. In line with this strategy, the Government announced a series of programmes during FY 2021-22, which outlines a clear roadmap until 2047 to make India one of the top three economies globally, when the nation celebrates the centenary of its independence.

**Continuing high outlays in infrastructure**

<table>
<thead>
<tr>
<th>Year</th>
<th>Outlay (₹ lakh crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>3.36</td>
</tr>
<tr>
<td>FY21</td>
<td>4.39</td>
</tr>
<tr>
<td>FY22</td>
<td>5.54</td>
</tr>
<tr>
<td>FY23</td>
<td>7.58</td>
</tr>
</tbody>
</table>

The PM GatiShakti National Master Plan for multi-modal connectivity envisions to reduce logistics costs, thereby improving India’s overall competitiveness. As a digital platform, GatiShakti will lead to integrated planning and coordinated implementation of infrastructure connectivity projects including roads, railways, airports, ports, mass transport, waterways and logistics. The project, to be completed in phases, will entail an expenditure of ₹100 lakh crore.

The government announced a four-year National Monetisation Pipeline (NMP) worth ₹6 lakh crore across 12 key sectors to unlock capital for investing in infrastructure projects under the National Infrastructure Pipeline (NIP). The NIP, which will be implemented over 2020-25, acts as an enabler for India’s infrastructure development, with a projected investment of ₹111 lakh crore, and targets an annual investment between ₹20-22 lakh crore. In its first year, assets worth ₹96,000 crore were monetised under NMP, ahead of target, while the target for FY 2022-23 is set at ₹1.62 lakh crore through asset monetisation.

The Vande Bharat train project expansion is on the cards, with a possible investment of ₹50,000 crore over the next three years. The National Highways network is proposed to be expanded by 25,000 kms, which is nearly double the cumulative length achieved in the past five years. The proposed spend on urban infrastructure, housing and ports was maintained at FY 2021-22 levels, with additional outlay for the creation of water infrastructure. On the affordable housing front, 80 lakh houses are to be completed under the PM Awas Yojana in FY 2022-23, covering both rural and urban families and receiving a ₹48,000 crore budgetary allocation.

The targeted scale of India’s infrastructure development has the potential to create a high multiplier effect on economic growth, and in turn, on the standards of living of millions of Indians. And steel is integral to ushering in this transformational change, building an enduring and sustainable future.

#### 2.2.1 Policy impetus

Continuing high outlays in infrastructure

<table>
<thead>
<tr>
<th>Year</th>
<th>Outlay (₹ lakh crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>3.36</td>
</tr>
<tr>
<td>FY21</td>
<td>4.39</td>
</tr>
<tr>
<td>FY22</td>
<td>5.54</td>
</tr>
<tr>
<td>FY23</td>
<td>7.58</td>
</tr>
</tbody>
</table>

2.2.2 Outlook

The headwinds notwithstanding, India is likely to remain the fastest growing major economy, with the expansion of economic output pegged at 7.2% (Source: RBI). Withdrawal of COVID-19 restrictions and normalisation of the economy has led to a broad-based recovery across sectors. Most sectors, excluding services, are now at pre-COVID levels.

Infrastructure and manufacturing initiatives by the government are supportive of growth, and healthy tax collections provide the government with enhanced flexibility. Realignment of global supply chains will continue to provide opportunities to grow exports. Outlook for auto sales, especially Passenger Vehicles, remains healthy with the easing of the chip shortage, and the production of Medium and Heavy Commercial Vehicles is expected to be healthy, driven by infrastructure spending and mining. The real estate market remains strong despite rising interest rates. Healthy power consumption growth is expected to aid the addition of renewable energy capacities.

The vaccination programme has covered the majority of the population, massive infrastructure spending, benefits of supply-side reforms, easing of regulations, robust exports and the availability of fiscal space to ramp up spending across several key sectors, provides a platform for witnessing higher economic growth.

However, a prolonged Russia-Ukraine conflict, higher energy costs, elevated commodity prices resulting in higher inflation and rate hikes by the Reserve Bank of India (RBI), will be dampeners to growth.

The Government has consistently focused on curbing inflation with various fiscal policy measures. In May, the Centre announced a steep cut in excise duty on fuel which effectively brought down petrol prices by ₹8.5 per litre and diesel prices by ₹7 per litre. In May, the Finance Ministry also imposed export duty on 11 iron and steel intermediates and lowered import duty on three key raw materials for steel production and on three inputs for making plastic items. In order to reduce the cost of domestic steel production, the Finance Ministry reduced import duty on coking coal and anthracite and also coke and semi-coke. To ensure local availability of iron ore and concentrates, export duty was raised to 50% and in the case of iron ore pellets, export duty of 45% was imposed. In the case of nine other classes of iron ore and steel intermediates, a 15% export duty has been imposed. This includes flat-rolled products of iron or non-alloy steel. The duty revision on iron and steel and their raw materials was initiated to tame prices.

As the announcement of imposition of export duty on steel, made by the Finance Ministry, came in the backdrop of spiralling inflation in the country, the move is expected to be temporary and the industry is hopeful of its withdrawal at the earliest.
How is JSW Steel responding to this opportunity:

With the redefinition of global trade in the wake of the Russia-Ukraine conflict, many developing economies have an opportunity to fill the trading void for many categories of commodities, which also includes high-quality finished steel and semis. Moreover, China’s economy continues to show vulnerability, dragged down by the impact of widespread COVID-19 infections, which has led to the imposition of lockdowns across many regions. With uncertainty surrounding the revival of economic activity and environmental goals of the country, business sentiment is expected to be subdued through the year. This may impact steel manufacturing output and may also drive down consumption estimates. Thus, Indian steelmakers have a boosted avenue to cater to the global steel consuming markets like Europe and the US.

Even as the global economy is witnessing headwinds arising out of inflationary pressure and global geopolitical developments, India is expected to grow at a moderated pace, supported by a gradual recovery in private consumption, steady rise in exports and the government’s continued investments.

The IMF World Economic Outlook, April 2022 projects India to be the fastest growing major economy at 8.2% in CY 2022 and at 6.9% in CY 2023. India’s high frequency indicators have recorded a robust performance at the start of the financial year. The monthly value of merchandise export in May 2022 was around US$67.29 billion, an increase of 15.46% over US$53.20 billion in May 2021. India’s merchandise export in April-May 2022-23 was US$77.08 billion with an increase of 22.26% over US$63.05 billion in April-May 2021-22. The growth in overseas shipments was driven by petroleum products, electronic goods and readymade garments (RMG). Export of steel and steel containing goods can contribute significantly as witnessed in the last two years to the growth momentum of India’s exports once the imposition of export duty is withdrawn.

JSW Steel is in sync with the domestic economy’s growth possibilities and is focused on contributing towards its overall growth. The Company’s capacity expansion plans are on track and are aligned with the anticipated growth in India’s steel consumption.

Moreover, GoI’s initiatives to promote manufacturing and import substitution is driving growth of steel sector. These include PLI scheme for specialty steels, which provides impetus to steelmakers to create high-quality products for the global market. The Government’s vehicle scrappage policy will enable an ecosystem of steel scrap collection and recycling, giving a fillip to environment-friendly EAF-based steel production.

How is JSW Steel responding to this opportunity:

37 MTPA
Projected domestic steel capacity in FY 2024-25

60%
Share of VASP sales in FY 2021-22

₹48,852 crore
Total planned CAPEX over next three years
3.0 Industry overview

3.1 Global steel industry

Moderating growth with pockets of demand surge

The global steel industry witnessed a recovery in demand in the first half of CY 2021, leading to a double-digit rate increase in production. The steel consumption witnessed a strong revival owing to widespread vaccination programmes across developed economies. The global steel industry was supported by an uptick in economic activity and improved business sentiment. As the year progressed, demand weakened with the slowdown witnessed in China and elsewhere, due to supply chain disruptions, increasing energy prices and Omicron-related curbs.

According to worldsteel’s Short Range Outlook for April 2022, global steel demand for CY 2021 stood at roughly 1,833.7 MnT, up 2.7% from CY 2020. In CY 2021, total crude steel production stood at 1,911 MnT, up 3.6% y-o-y. The global steel production weakened towards the end of CY 2021, as the world’s largest steel producer China recorded a 3% y-o-y decline in production, partly offset by higher production in the other top steel producing countries, excluding Iran. China’s steel production schedules were affected by fiscal tightening, poor demand, uncertainties in its property sector and surging coal prices.

Steel demand in the US grew 21.3% y-o-y, as a solid rebound in demand led to higher capacity utilisation.

The European Union (EU) too witnessed a sharp increase in steel demand at 16.8% y-o-y, as industrial activities rebounded. In Asia ex-China and Oceania, steel output remained flat even as the key steel producers, India, Japan and South Korea, ramped up production. Meanwhile, steel prices maintained the uptrend that began in 2020 before reaching a tipping point in the December 2021 quarter, as the demand-supply dynamics turned unfavourable. More importantly, input costs remained elevated in 2021, as coking coal and iron ore prices hit an all time high during CY 2021.

3.1.1 Input prices

At the beginning of the year, iron ore prices increased owing to pent up demand driving business sentiments. Around August 2021, the prices came under pressure following China’s real estate crisis. In the second half of the year, the prices continued to be volatile. Iron ore prices closed the year on a decline as the Chinese government’s carbon emission policy directing steel plants to slash output, weighed heavily on trade sentiments.

Faster than expected recovery in global demand and tight supply drove Australian coking coal prices to extremely high levels in September 2021. With supply tightness easing in Q4 of CY 2021, especially in China, prices gradually slid from record highs. However, prices remained on the higher side through the year. Even as China had announced an informal import restriction on Australian coal, the commodity recorded staggering demand from markets like India, Japan, South Korea and the EU.

<table>
<thead>
<tr>
<th>Top 10 steel-producing countries (MnT)</th>
<th>2020</th>
<th>2021</th>
<th>% Change from 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>1064.7</td>
<td>1,032.8</td>
<td>(3.0)</td>
</tr>
<tr>
<td>India</td>
<td>100.3</td>
<td>118.1</td>
<td>17.8</td>
</tr>
<tr>
<td>Japan</td>
<td>83.8</td>
<td>96.3</td>
<td>14.9</td>
</tr>
<tr>
<td>United States</td>
<td>72.7</td>
<td>86.0</td>
<td>18.3</td>
</tr>
<tr>
<td>Russia</td>
<td>71.6</td>
<td>76.0</td>
<td>6.1</td>
</tr>
<tr>
<td>South Korea</td>
<td>67.1</td>
<td>70.6</td>
<td>5.2</td>
</tr>
<tr>
<td>Turkey</td>
<td>35.8</td>
<td>40.4</td>
<td>12.7</td>
</tr>
<tr>
<td>Germany</td>
<td>35.7</td>
<td>40.1</td>
<td>12.3</td>
</tr>
<tr>
<td>Brazil</td>
<td>31.4</td>
<td>36.0</td>
<td>14.7</td>
</tr>
<tr>
<td>Iran</td>
<td>29.0</td>
<td>28.5</td>
<td>(1.8)</td>
</tr>
</tbody>
</table>

Source: worldsteel (all figures for period January-December 2021 & January-December 2020)
3.0

3.1.1 Outlook

Global steel output and demand to remain stable

Global steel demand for CY 2022 is expected to stay flat at 1,840.2 MnT, and expected to grow moderately by 2.2% to reach 1,881.4 MnT in CY 2023. Worldsteel stated that the latest forecast is made against the backdrop of the Russia-Ukraine conflict. Energy and commodity prices are likely to remain volatile, especially for nations with direct trade and financial exposure to the sparring countries.

World steel demand excluding China is expected to drive the demand, by recording a growth of 0.7% (~6.5 MnT) in CY 2022. On the other hand, China's steel demand is expected to remain flat in CY 2022, owing to the Chinese government's environmental policies, continuing disruptions due to COVID-19 infections and other structural issues in its real estate sector.

In CY 2022, steel demand growth in US is expected to rise by 2.8% driven by pent-up demand and the US$1 trillion Infrastructure Bill. In the EU recovery in CY 2022 is expected to be impacted heavily by the ongoing Russia-Ukraine war and steel demand is estimated to contract by 1.3%. As European economies pass sanctions closing trade relations with Russia, the resultant supply side shortage, liquidity tightening and market volatility may act as downward risks and weigh on investment sentiments.

High backlog orders combined with a rebuilding of inventories and further progress in vaccinations in developing countries, will drive steel demand in CY 2022. However, rising inflation, and further growth deceleration in China, owing to recent Coronavirus lockdowns, can pose risks to forecasts.

### Demand outlook for consumption sectors

#### Automotive

In CY 2021, the global automotive sector witnessed lower than expected growth. The pent up demand and increased household savings did help drive some volumes, however, the semi-conductor shortage led to a short-term downturn. Going forward, with the geopolitical tensions and the trade sanctions announced by some economies, supply chain is expected to be impacted. Hence, global automotive industry may witness some headwinds to recovery.

On the other hand, many economies are increasingly expecting some headwinds to recovery.

#### Construction and infrastructure

Global construction sector recovered during CY 2021 and witnessed a growth of 3.4%, despite the slowdown in China's real estate sector. The growth was driven by infrastructural spends announced by economies across the globe.

The sector is expected to contribute to global steel demand, as several countries, including the US, have announced massive investments in infrastructure projects. However, continued supply chain disruptions and rising inflation may pose downside risks to the sector.

#### Capital goods

With improved business sentiment and steady consumption growth, capital goods sector witnessed a firm revival in CY 2021. With incremental focus on increasing the domestic production across most economies, capital machinery is expected to drive demand for steel, going forward.

The additional demand from renewable sector as part of energy transition initiative and expected higher outlays on defense spending by Europe in the context of the ongoing war between Ukraine and Russia will supplement the growth in steel demand globally.

### Particulars

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Demand (MnT)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2022 (f)</td>
</tr>
<tr>
<td>World</td>
<td>1,833.7</td>
<td>1,840.2</td>
</tr>
<tr>
<td>China</td>
<td>952.0</td>
<td>952.0</td>
</tr>
<tr>
<td>World (Excl.China)</td>
<td>881.7</td>
<td>888.2</td>
</tr>
<tr>
<td>India</td>
<td>106.1</td>
<td>114.1</td>
</tr>
<tr>
<td>European Union</td>
<td>163.6</td>
<td>161.5</td>
</tr>
<tr>
<td>Russia &amp; other CIS countries + Ukraine</td>
<td>58.5</td>
<td>44.6</td>
</tr>
<tr>
<td>US</td>
<td>97.1</td>
<td>99.8</td>
</tr>
<tr>
<td>Japan</td>
<td>57.5</td>
<td>58.2</td>
</tr>
<tr>
<td>Korea</td>
<td>55.6</td>
<td>56.2</td>
</tr>
</tbody>
</table>

Source: worldsteel Short Range Outlook - April 2022, f-forecast

In developed economies, demand growth is expected to moderate due to continued disruptions in the global supply chain, which may undermine demand from these sectors. In developing economies, demand growth is expected to be muted, supported by global trade and government infrastructure programmes. Global steel prices are expected to progress moderately in CY 2022 on account of slower growth in industrial production, softening input prices and slight easing in supply tightness.

High input costs for steel production and continued supply chain disruptions is expected to keep costs elevated for the global steel industry. Furthermore, financial market volatility and heightened uncertainty along with increasing ESG considerations will undermine investment, especially in developed economies.

In CY 2022, steel demand growth in US is expected to rise by 2.8% driven by pent-up demand and the US$1 trillion Infrastructure Bill. In the EU recovery in CY 2022 is expected to be impacted heavily by the ongoing Russia-Ukraine war and steel demand is estimated to contract by 1.3%. As European economies pass sanctions closing trade relations with Russia, the resultant supply side shortage, liquidity tightening and market volatility may act as downward risks and weigh on investment sentiments.

High backlog orders combined with a rebuilding of inventories and further progress in vaccinations in developing countries, will drive steel demand in CY 2022. However, rising inflation, and further growth deceleration in China, owing to recent Coronavirus lockdowns, can pose risks to forecasts.
3.0 Indian steel industry

All-round positive growth as core sector demand picks up momentum

Steel is a champion industry with growing domestic demand and an opportunity to leverage the space vacated by Russia and Ukraine in the global market through exports. India remained a net importer of steel for several years. However, starting 2017, fuelled by large-scale capex projects and the National Steel Policy, the country started contributing to the global steel markets more than ever, with nearly 18 MnT steel exported in FY 2021-22. India is now racing to build steel capacities that meet the domestic demand and at the same time can supply to the global markets. India is thus, on its path to becoming an integral part of the global supply chain. In response to PLI Scheme announced by Government of India for speciality steel, the steel industry is geared up to create capacity in this space.

The Indian steel industry recorded crude steel production of 120.01 MnT in FY 2021-22, despite pandemic-induced disruptions in Q1 FY 2021-22. Led by a sharp recovery in demand, domestic consumption crossed pre-pandemic levels and added 6.6 MnT to the 2020-21 base, contributing to the robust growth in finished steel production. Production during April 2021-February 2022 period was 17.4 MnT, up 11% y-o-y and 16% over FY 2020-21.

Finished steel production rose 18% y-o-y to touch 113.6 MnT. Finished steel consumption stood at 105.8 MnT, up 11% y-o-y, driven by the government’s infrastructure spending and the resumption of projects stalled due to the pandemic.

India steel production trend in FY 2021-22

Crude Steel Production (in MnT)

\[\text{FY21} = 103.5 \quad \text{FY22} = 120.0\]

\[\text{Growth} = 16\% \text{ y-o-y}\]

Finished Steel Production (in MnT)

\[\text{FY21} = 96.2 \quad \text{FY22} = 113.6\]

\[\text{Growth} = 18\% \text{ y-o-y}\]

India steel consumption trend in FY 2021-22

Finished Steel Consumption (in MnT)

\[\text{FY21} = 94.9 \quad \text{FY22} = 105.8\]

\[\text{Growth} = 11\% \text{ y-o-y}\]

Finished Steel Consumption Break Up (in MnT)

Flat Steel

\[\text{FY21} = 51.3 \quad \text{FY22} = 57.1\]

\[\text{Growth} = 11\% \text{ y-o-y}\]

Long Steel

\[\text{FY21} = 43.5 \quad \text{FY22} = 48.7\]

\[\text{Growth} = 11\% \text{ y-o-y}\]

India steel exports and imports

Exports

A swift recovery in demand from developed countries and fall in exports from traditional steel exporting countries contributed to growth in India’s finished steel exports, which were up 25% y-o-y in FY 2021-22. Steel firms increased their share of exports leveraging the opportunity in export market while ensuring the availability of steel in the local market. Semis exports declined by 26% due to base effect as steel manufacturers exported slabs following the onset of the pandemic in India.

India steel exports trend in FY 2021-22

Finished Steel Exports (in MnT)

\[\text{FY21} = 4.6 \quad \text{FY22} = 6.6\]

\[\text{Growth} = 43\% \text{ y-o-y}\]

Semi Exports (in MnT)

\[\text{FY21} = 10.8 \quad \text{FY22} = 13.5\]

\[\text{Growth} = 25\% \text{ y-o-y}\]

Imports

Finished steel imports stood at 4.87 MnT in FY 2021-22 versus 4.75 MnT in FY 2020-21. The fall in imports is due to greater import substitution and development of comparable indigenous production lines in response to the government’s call for building a self-reliant India. Imports are projected to decline even further as steel mills take advantage of the PLI scheme for specialty steel.

Industry Overview

Sectoral demand trends

Construction and infrastructure

- Real estate was a key contributor in demand revival.
- Even during the pandemic, housing demand benefited from record low interest rates, stable property prices and reduction in stamp duties. As higher demand reduced the inventory overhang, new project launches gathered momentum.
- Infrastructure projects too picked up pace at the start of the second half.
- India added 10 GW of solar capacity in CY 2021, reflecting a 210% rise y-o-y. A significant portion of the solar projects were moved from 2020 to 2021 as the nationwide lockdowns disrupted normal operations.
- This led to a rise in the number of installations done in CY 2021. India is likely to add 1.5 GW of renewable energy4 in FY 2021-22 as compared to 1.4 GW added in FY 2020-21.
- This has contributed to the demand in special steel.

Automotive

- Major Passenger Vehicle (PV) OEMs cut back on their production schedules in FY 2021-22 primarily due to semi-conductor shortages. Production of PVs was up by 21% (in April 2021-February 2022 period) on a y-o-y basis, though still below the production levels recorded in the pre-COVID period.
- The two-wheeler segment saw a challenging FY 2021-22, with demand remaining subdued due to high cost of ownership and weak rural and semi-urban demand.
- Production during April 2021-February 2022 period was down by 1.5% y-o-y.
- The CV segment showed signs of recovery, with both production and sales recovering on a y-o-y basis. Fleet utilisation improved during the year led by a pick-up in real estate demand and vigorous infrastructure construction activities across the country. This added demand recovery for the Medium and Heavy Commercial Vehicle (M&HCV) segment. Rapid growth in the e-commerce sector, originating from movement restrictions caused by pandemic-related lockdowns, helped create demand for goods carrier vehicles used for last mile connectivity. As a result, demand picked up within the light commercial vehicles (LCV) segment.

Engineering and capital goods

The demand from the engineering and capital goods segment remained robust backed by a healthy order book at ~₹2.3 lakh crore (1.7 times of FY 2020-21 revenues). Orders from sectors like industrial goods, infrastructure, railways, construction and mining equipment are rising, while those from the power and heavy electrical sectors remained sluggish.

India added 10 GW of solar capacity in CY 2021, reflecting a 210% rise y-o-y. A significant portion of the solar projects were moved from 2020 to 2021 as the nationwide lockdowns disrupted normal operations. This led to a rise in the number of installations done in CY 2021. India is likely to add 1.5 GW of renewable energy in FY 2021-22 as compared to 1.4 GW added in FY 2020-21. This has contributed to the demand in special steel.

The CV segment showed signs of recovery, with both production and sales recovering on a y-o-y basis. Fleet utilisation improved during the year led by a pick-up in real estate demand and vigorous infrastructure construction activities across the country. This added demand recovery for the Medium and Heavy Commercial Vehicle (M&HCV) segment. Rapid growth in the e-commerce sector, originating from movement restrictions caused by pandemic-related lockdowns, helped create demand for goods carrier vehicles used for last mile connectivity. As a result, demand picked up within the light commercial vehicles (LCV) segment.

The demand from the engineering and capital goods segment remained robust backed by a healthy order book at ~₹2.3 lakh crore (1.7 times of FY 2020-21 revenues). Orders from sectors like industrial goods, infrastructure, railways, construction and mining equipment are rising, while those from the power and heavy electrical sectors remained sluggish.

\(^{4}\text{Source: Mercom}\)

\(^{5}\text{Source: IIRA}\)
Key sectors driving steel demand

Steel demand by sector in India in FY 2022-23 (in MnT)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Demand (MnT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction &amp; Infrastructure</td>
<td>25.4</td>
</tr>
<tr>
<td>Auto</td>
<td>7.3</td>
</tr>
<tr>
<td>Manufacturing / Capital Goods</td>
<td>8.4</td>
</tr>
<tr>
<td>Others**</td>
<td>73.1</td>
</tr>
</tbody>
</table>

*FY 2021-22 data

Outlook

India has consistently witnessed steel imports declining, and exports and consumption increasing, and steel capacities being created. The industry is getting increasingly competitive and catering to an ever-evolving global user industry. The future looks bright for India’s steel industry, with incremental growth expected across the core sectors and multiplier impact likely to be triggered across subsidiary industries. Domestic consumption will continue to be robust, and apparent consumption of steel will continue to grow. With the government’s increased investments on public infrastructure, the real demand is also expected to be steady. Sectors such as appliances, housing and government projects are expected to contribute towards 7-8% growth in steel demand in FY 2022-23.

India’s consumption is expected to increase to 114 MnT in FY 2022-23, up 7% from a year ago. This growth will be driven largely by the government’s enabling policy initiatives and supplemented by a very healthy revival in the country’s domestic demand. Strong positive trends are noticeable across real estate, infrastructure, automobiles, white goods and engineering goods, and the solar energy sector. Domestic demand will see further increase as more and more industries leverage the economic incentives offered under the PLI scheme to reduce the country’s imports.

Export demand is also likely to be robust, both in the short-term and in the long run, as India benefits from the spillover impact of the Russia-Ukraine crisis and moves up the steel value chain. China’s diminishing steel production and the burgeoning China +1 policies adopted by many in the developed world present strong growth opportunities, if tariff and other trade restrictions are well negotiated.

The PLI scheme for solar module manufacturing will fast-track India’s capabilities for manufacturing the necessary infrastructure indigenously, to meet the goal of 280 GW of installed solar capacity by 2030. The solar module manufacturing scheme carries an outlay of ₹19,500 crore.

Renewable energy

With a large project pipeline of 55 GW, the outlook for renewable energy capacity addition looks strong. It is estimated that India will add 16 GW of capacity in FY 2022-23. The push towards capacity creation in renewable energy is in line with India’s announcement at COP26 of increasing non-fossil fuel power capacity to 500 GW and meeting 50% of the country’s energy capacity from renewable sources by 2030.

Automobile

Strong orderbook, new model launches and a shift in customer preference towards SUVs auger well for PV demand. The semi-conductor shortage is expected to gradually ease, which will help OEMs increase production. The CV segment is expected to be the best performing segment on the back of revival in real estate demand, increased infrastructure spending and mining activities. Factors such as improving cashflows of fleet operators, and easy availability of finance are aiding the recovery. The passenger carrier segment will see a revival in demand, as offices and schools reopen with the pandemic significantly waning. Overseas demand also looks strong as key export markets including Bangladesh, Nepal and the Middle East remain less affected by the COVID-19 pandemic.

The PLI scheme for the automobile sector is expected to bring in new investments, further boosting steel demand, as it establishes India as the leading exporter of auto components. The two-wheeler segment is going through several transformational changes, as there is a move towards electric mobility. Going forward, this segment will recover slower than other auto segments.

Consumer durables

The semi-conductor shortage and high input costs are key concerns for the industry heading into FY 2022-23, even as the industry hopes to record double digit sales growth for this financial year. Extension of PLI benefits for consumer durables companies will remain the key enabler for this sector in the near term.

Budget announcements

The outlay for capital expenditure in the Union Budget has been stepped up sharply by an enormous 35.4%. In rupee terms, the allocation has gone up from ₹6.54 lakh crore in 2021-22 to ₹7.50 lakh crore in 2022-23.

- Har Ghar Nal Se Jal initiative— As part of the Clean Drinking Water mission, an allocation of ₹60,000 crore has been made with the target of reaching 3.8 crore households in FY 2022-23.
- Housing for All— In FY 2022-23, ₹48,000 crore has been allocated for a total of 80 lakh houses under PM Awaas Yojana.
- Expansion of the National highway network— ₹20,000 crore has been allocated for the planned expansion of 25000 kms in FY 2022-23.

Government initiatives

In addition to the capital outlays announced in Budget 2022-23, several large-scale infrastructure initiatives have also been unveiled, which carry the prospects of multi-year, multi-crore investments in creating national infrastructure. The PM Gati Shakti National Masterplan was launched in October 2021 with the aim of faster and synchronised execution of key projects covering roads, railways, airports, ports, mass transport, waterways and logistics infrastructure.

Construction & infrastructure

Indian steel producers in a sweet spot

Indian steel producers have seen improved demand across the board in the recent past. The domestic market continues to be strong, with demand growth expected across the core sectors and multiplier impact likely to be triggered across subsidiary industries. Domestic consumption will continue to be robust, and apparent consumption of steel will continue to grow. With the government’s increased investments on public infrastructure, the real demand is also expected to be steady. Sectors such as appliances, housing and government projects are expected to contribute towards 7-8% growth in steel demand in FY 2022-23. This growth is in line with India’s announcement at COP26 of increasing non-fossil fuel power capacity to 500 GW and meeting 50% of the country’s energy capacity from renewable sources by 2030.

The PLI scheme for solar module manufacturing will fast-track India’s capabilities for manufacturing the necessary infrastructure indigenously, to meet the goal of 280 GW of installed solar capacity by 2030. The solar module manufacturing scheme carries an outlay of ₹19,500 crore.

Renewable energy

With a large project pipeline of 55 GW, the outlook for renewable energy capacity addition looks strong. It is estimated that India will add 16 GW of capacity in FY 2022-23. The push towards capacity creation in renewable energy is in line with India’s announcement at COP26 of increasing non-fossil fuel power capacity to 500 GW and meeting 50% of the country’s energy capacity from renewable sources by 2030.

Automobile

Strong orderbook, new model launches and a shift in customer preference towards SUVs auger well for PV demand. The semi-conductor shortage is expected to gradually ease, which will help OEMs increase production. The CV segment is expected to be the best performing segment on the back of revival in real estate demand, increased infrastructure spending and mining activities. Factors such as improving cashflows of fleet operators, and easy availability of finance are aiding the recovery. The passenger carrier segment will see a revival in demand, as offices and schools reopen with the pandemic significantly waning. Overseas demand also looks strong as key export markets including Bangladesh, Nepal and the Middle East remain less affected by the COVID-19 pandemic.

The PLI scheme for the automobile sector is expected to bring in new investments, further boosting steel demand, as it establishes India as the leading exporter of auto components. The two-wheeler segment is going through several transformational changes, as there is a move towards electric mobility. Going forward, this segment will recover slower than other auto segments.

Consumer durables

The semi-conductor shortage and high input costs are key concerns for the industry heading into FY 2022-23, even as the industry hopes to record double digit sales growth for this financial year. Extension of PLI benefits for consumer durables companies will remain the key enabler for this sector in the near term.

Budget announcements

The outlay for capital expenditure in the Union Budget has been stepped up sharply by an enormous 35.4%. In rupee terms, the allocation has gone up from ₹6.54 lakh crore in 2021-22 to ₹7.50 lakh crore in 2022-23.

- Har Ghar Nal Se Jal initiative— As part of the Clean Drinking Water mission, an allocation of ₹60,000 crore has been made with the target of reaching 3.8 crore households in FY 2022-23.
- Housing for All— In FY 2022-23, ₹48,000 crore has been allocated for a total of 80 lakh houses under PM Awaas Yojana.
- Expansion of the National highway network— ₹20,000 crore has been allocated for the planned expansion of 25000 kms in FY 2022-23.

Government initiatives

In addition to the capital outlays announced in Budget 2022-23, several large-scale infrastructure initiatives have also been unveiled, which carry the prospects of multi-year, multi-crore investments in creating national infrastructure. The PM Gati Shakti National Masterplan was launched in October 2021 with the aim of faster and synchronised execution of key projects covering roads, railways, airports, ports, mass transport, waterways and logistics infrastructure.

JSW Steel's view

Indian steel producers in a sweet spot

Global steel production in the first quarter of CY 2022 has trended below last year’s comparable period level by 6.9%. The decline is primarily due to lower production in China, the largest steel producing country in the world, as well as lower production in Europe. The Russia-Ukraine conflict is expected to reduce the supply of steel in global trade by ~40-50 MnT in the short-to-mid-term. This will likely create supply chain disruptions, especially in Europe. At the same time, production in China is expected to remain subdued and decline by ~50 MnT, which may create demand-supply imbalances.

Global steel consumption is expected to remain relatively unchanged and increase marginally in CY 2022 and grow in low-single digits in CY 2023. Therefore, the production shortfall from China and the ongoing Russia-Ukraine crisis has created an opportunity for steel producing countries like India, to tap deeper into export markets, in geographies like Europe, the Middle East and the US.
4.0 Business review

Multi-segment sales, share of value-added products forges new highs

JSW Steel strives for excellence by leveraging its strengths and capabilities, which includes its differentiated product mix, state-of-the-art manufacturing facilities, and a successful track record of executing large, capital-intensive and technically complex product solutions. The Company is progressing across all processes with innovation, digitalisation and sustainability as its key anchors. With efficient integrated operations and a clear vision for the future, JSW Steel is executing its strategic growth plan in line with the growing steel demand and supported by a strong steel cycle.

Key business highlights FY 2021-22

- 60% 32%  
  Highest ever VASP sales  Share of retail in domestic sales
- 33% (y-o-y) 23% (y-o-y)  
  Highest ever growth in Coated steel sales  Growth in automotive sales
- 39% (y-o-y) 104% (y-o-y)  
  Growth in appliance sales  Growth in sales to solar segment

Steel supplied to solar projects of 9.1 GW

Steel supplied to wind projects of 620 MW

4.1 Product performance

JSW Steel strategically focuses on strengthening its market share in the Value-added and Special Products (VASP) segment and invests in continuous product upgrades. The share of VASP in the overall sales mix was at 60% in FY 2021-22. This performance was driven by increased domestic sales in the automotive, solar and appliance segments.

Product mix change

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic sales</td>
<td>10.71 MnT</td>
<td>11.77 MnT</td>
</tr>
<tr>
<td>Sales mix</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OEM/Industrial</td>
<td>14</td>
<td>16</td>
</tr>
<tr>
<td>Retail</td>
<td>31</td>
<td>32</td>
</tr>
<tr>
<td>Auto</td>
<td>55</td>
<td>52</td>
</tr>
</tbody>
</table>

Exports performance

- Development & Homologation of Auto Steel Business with EU auto giants (Ford – Italy & Audi- Germany, Peugeot- France) for Skin panel material. Homologation for supply of SUP 9 for stabiliser bar for Toyota Innova
- New model for Indonesian market completed
- Hot Rolled (HR)
- Hot Rolled products constituted 33% share of the total product mix.

Manufactured in the Company’s state-of-the-art hot strip mills at Vijayanagar and Dolvi, JSW Steel’s HR coils, plates and sheets are of the highest quality, delivered using the latest technology. The Vijayanagar plant uses sizing presses and an automatic line inspection facility, while the Dolvi unit uses a combination of advanced Conarc process and thin slab casting technology to produce HR coils. As a result, these HR products have thinner gauges and a finer surface quality. HR products are always used in situations where welding and construction is involved and has traditionally fulfilled material requirements for infrastructure projects of national importance.

Growing market reach

- Initiation of HR Plates business from Anjar Works with first supplies to Italy & Sri Lanka.
- Revived Key Customer Accounts.
- New Load Ports in India opened up to decongest existing ones – New Mangalore, Ennore, Mundra
- Total 9 Load Ports have now been developed to handle Bulk cargo (4 on west coast & 5 on east coast)
- New Border in Nepal opened up with first ever rake shipment to Nuwara
- Introduced HR Coils to six to seven destinations for the first time in order to develop new avenues keeping in view the upcoming capacity expansion at Dolvi & also derisk ourselves with reduced dependency on EU countries.

Cold Rolled (CR)
The Vijayanagar plant has the widest cold rolling mill in India where the CR closed annealed sheets and coils are manufactured. Cold rolled products make up 17% of its product mix driven by the increased automotive requirement and localisation of grades. During the year, the highest ever Hot Rolled Pickled and Oiled (HRPO) sales was achieved in the domestic market, with a 20% y-o-y increase.

29% (y-o-y)

Sales growth

Cold Rolled Close Annealed (CRCa)
The cold rolled close annealed (CRCA) category makes up a robust part of the total share of flat product sales. In FY 2021-22, demand driven by the PV segment enabled the CRCA category to sell its highest ever volumes. JSW Steel has taken an early lead in collaborating with auto majors to develop new grades of steel. The Company has developed the HSLA and AHSS , which are specialty steel grades that go into impact resistance and light weighting. These new grades enable auto OEMs to respond to customer demand for eco-friendly vehicles by using lightweight steel that increases fuel efficiency.

38% (y-o-y)

Sales growth

Growth in sales to auto sector
MANAGEMENT DISCUSSION & ANALYSIS > Business review

4.0

Electrical steel

The electrical steel products portfolio comprising Cold Rolled Non-oriented (CRNO) and semi-processed varieties continue to support the Atmanirbhar Bharat mission, for the manufacturing of industrial motors, fractional horsepwer motors, generators, pumps, domestic appliances and small transformers. Continuous development and customisation of products and services make JSW Steel a preferred partner to support the growth ambitions of valued customers. JSW Steel is the only ISP in India supplying high-quality, thin gauge, low loss electrical steel for two and three wheeler EV traction motors supporting Atmanirbhar Bharat initiative in achieving Carbon Neutrality targets.

13% (y-o-y)

Sales growth

New grades were developed during the year in response to the dual needs of import substitution and specialised sectoral demand. These include:

› A high permeability grade that is suitable for wind generators with higher energy efficiency. The grade will also help to substitute imports and support the Government of India initiative of rapid growth in clean renewable energy.
› Specially designed CRNO product line with superior lamination factor, consistent Energy Efficiency and welding performance, required for the mass production of small motors.

Colour Coated

JSW Steel is the market leader in colour coated product offerings and has been steadily gaining market share. The Company has taken a differentiated growth strategy for this segment continuously offering new products and solutions to the industry.

48% (y-o-y)

Sales growth

The Company has been focusing on:

In collaboration with JSW Paints new coating variants like Anti-Dust, Hi Gloss and cool Roof have been launched. Keeping sustainability in mind, Cool-Roof paint system has been developed which due to better heat reflectivity ensures reduced temperature inside buildings thereby resulting in less heat load on AC systems. Anti-Dust variant has been developed for public infrastructure projects to ensure long and better aesthetics even in tough environment. Anti-Dust variant has been supplied to recently commissioned lines of Mumbai Metro. Maintaining a strong focus & its leadership in the appliance business the company has offered a variety of new colours and coating combinations to its customers. Company is expanding its products in line with the expansion plans of its customers through Early Vendor Involvement process. JSW Steel is working with its Multi-national customers to start supplies to their Global operations.

Working on developing grades that help in import substitution, enhance domestic demand and also support the ‘Make in India’ initiative. Collaborating with customers to locally source high-quality material for their various end-use applications and have also undertaken specific localisation projects to help clients.

JSW Steel continues to supplying colour coated products for some of the prestigious projects of national and international importance.

Delivering on the auto opportunity

JSW Steel continues to maintain its focus and leadership position in the automotive segment through value added product offerings and continuous product upgrades across flat and long products for critical automotive applications, fulfilling requirements of import substitution & specialised sectoral demand.

JSW Steel’s automotive products offer entire range of steel grades from its state of the art hot rolling, cold rolling, coated steel manufacturing facilities at Vijayanagar Works and special alloy steel grades from its Salem Works.

Investments in advanced technology and product development capabilities with a clear vision for the future has enabled JSW Steel to become one of the largest and preferred supplier of High Strength (HSS) and Advanced High Strength steel (AHSS) grades in hot rolled, cold rolled and coated (galvannealed, galvanised) products. Galvanised and galvananeled combined grew by 72% y-o-y in FY 2021-22.

The tighter emission policies, transition from internal combustion engine (ICE) to electrical and demand for fuel efficient vehicles with better crash worthiness, have driven the trend change in product mix towards enhanced usage of HSS & AHSS steel grades. Most of the new launches of PV have passed the 5 star safety rating with the HSS and AHSS offering by JSW steel.

JSW Steel worked closely with Indian automakers in offering the desired value added products and setting up of state-of-the-art service centers with capabilities to cater to the dynamic requirements of automotive segment.

Participated in New vehicles grade approval, localisation and increased share of business in five-star safety rating for various auto majors

Galvanised and Galvalume

Galvanised and galvalume products constituted 14% share of the total product mix.

Galvanised and galvalume products constituted 14% share of the total product mix. The category has seen an increase in domestic sales by 27% y-o-y. Keeping in mind sustainability, the company has been continuously working with its customers to promote Galvalume products. Due to superior corrosion resistance & heat reflectivity, Galvalume, with same coating weight offers a much longer life. JSW Steel is country’s largest producer of Galvalume products which has been contributing to sustainability by ensuring higher life of its products. Constant R&D is done to keep extending the usability and functionality for end-use customers. JSW offers unparalleled range of Galvalume products. Due to superior properties Galvalume is finding preference in Roofing & cladding end uses.

The solar segment continues to see a considerable surge in demand over the years, and new grades are being developed to answer emerging needs as the sector sales growth broadens its customer base. The JSW Galvam brand address the needs that solar panel installations have to comply face, where the structures are embedded in the ground and need to withstand harsh outdoor conditions. Galvos is specially equipped to withstand challenging alkaline and corrosive environments in conjunction with epoxy/PU layer and has been doing well in this segment.

During the year, new grades that have been developed in response to the multiple needs of import substitution, specialised sectoral demand and international demand. To address needs of Solar trackers, as an industry first, few HSLA grades have been developed for making torque tubes for Indian and exports markets. These HSLA grades have been approved by major global solar players for their installations in India and Abroad. JSW steel is working with Global Developers to offer these solutions across the globe.

Tinplate

Tinplate recorded an incremental growth of 11% y-o-y.

Tinplate is a sustainable packing material and has immense potential as it is infinitely recyclable. Its eco-friendly credentials are far superior than a host of other competing materials. It is one of the highest value-added downstream products in the flat steel segment. JSW Steel envisages global demand for this category to steadily grow due to increased demand for sustainable packaging materials worldwide.

JSW Steel has expanded its capacities to ensure zero dependence on imports for all kinds of tinplate and tin-free steel. Domestic demand has been improving steadily due to growing urbanisation, changing food habits favouring packaged food and increasing options in food retail. Strong demand for the Company’s tinplate brand, JSW Platina, contributed to a healthy share in the overall sales of value-added products. Tinplate from JSW Steel’s state of the art facility at Tarapur has been exported to discerning customers throughout the developed markets. Post commissioning of the second tinplate line of 0.25 MnT at Tarapur (likely by July 2022), JSW steel will have the largest tinplate capacity in India. Tinplate constituted 1% share of the total product mix in FY 2021-22.

MANAGEMENT DISCUSSION & ANALYSIS > Business review

INTEGRATED REPORT

INTEGRATED REPORT | MANAGEMENT DISCUSSION AND ANALYSIS | STATUTORY REPORTS | FINANCIAL STATEMENTS
4.1.2 Longs

JSW Steel's long products segment has grown from strength to strength in the last fiscal. The product caters to fast-growing sector of construction and infrastructure. In FY 2021-22, JSW Steel sold 3.84 MnT of long products with an overall growth rate of 22% y-o-y.

TMT (OEM/Industrial)

Long products are input materials for large-scale infrastructure projects, with the major end segments being road constructions, laying of metro and rail infrastructure, bridges, power and nuclear plants. During the year, the Company has supplied steel to landmark projects across the country, such as:

- Railway Freight Corridors: Mumbai-Haryana WDFC & Ludhiana-West Bengal EDFC.
- High Speed Rail: Mumbai - Ahmedabad.
- Expressways and Highways: Over 1,145km of roads. Over 121km of expressways (Dwarka, Purvanchal & Mumbai-Nagpur Samruddhi).
- Sealinks and Bridges: Over 219 km of major projects (Trans-Harbour Nhava Seva LinkMumbai, Zuari river eight lane bridge- Goa & Nadia Bridge- West Bengal).
- Water Pipelines: c.916 km of water pipelines.
- Oil & Gas Pipelines: c.1,020 km of pipelines.

JSW Steel is supplying its TMT products to more than 571 ongoing projects of national importance.

Wire Rods

Wire rods recorded an overall sales growth of 63% y-o-y.

Production of wire rods surged significantly during the year on the back of a rebounding economy. Wire rods have a very wide applicability and are used across categories like automobiles, general engineering, cold drawing, cold forming, spring applications, welding, machining and bearings, to name a few.

Alloy Steel

Sales of alloy longs grew by 33% during the year.

During the year, a special alloy steel for bearing applications and Oil/Gas application was developed to fulfill customer demand as an import substitute. The PLI scheme by the government to promote import substitution of specialty steel products is expected to boost this category in terms of product development and faster prototyping, with applications now being accepted. Customer demand already exists for different grades of alloy steel and JSW is looking at fulfilling that. Different grades of alloy steel are manufactured at the Salem plant which includes round bars, round-cornered squares in straight bars, round and hexagonal wire rods as coils, hexagonal and flat sections, straight bars, and bright bars. The key end-markets for alloy steel are auto, railways, agriculture, defense, oil and gas and general engineering.
4.2 Branding initiatives

JSW Steel’s marketing strategy underpins its organisational strategy of becoming a premier producer of specialised, valued-added and branded products with high customer engagement and recall.

Our ability to build strong brands that have a meaningful presence in consumer’s lives has led us to be announced as one of the ‘The Economic Times Best Brands 2021’. This recognition is a testament to our efforts on building the JSW Steel Brand on strong differentiating platforms of technology and innovation.

Ensuring high brand recall

Through differentiated and meaningful marketing actions, JSW Steel has built brands that command mind awareness, instant recall, popularity and benefit of instant association.

01

The Indian cricketer Rishabh Pant continued as the Company’s celebrity endorser, helping to launch new marketing campaigns for 'JSW Neosteel' — pure TMT bars range and 'JSW Colouron+4' — premium colour coated roofing sheets range. The campaign was aired during both legs of IPL 2021.

02

A 360-degree marketing campaign was carried out during the IPL season with high-visibility ads across a variety of media including in-stadium display, social media and commercials on TV and OTT platforms.

03

The high-impact campaigns for JSW Neosteel and JSW Colouron+ reached 78 million and 88 million people, respectively, and performing well on target parameters.

Customer centricity through new product launch and delivering enhanced benefits

New products

JSW Silveron+

Galvanised roofing sheets provide a cost-effective solution to the customer that is both strong and durable. JSW Steel's customer research indicated a need gap for more resilient, weather-proof sheets. Thus, the Company’s subsidiary, JSW Steel Coated Products, launched Silveron+, a premium category roofing sheet with Al-Zn coating that offers enhanced corrosion resistance, better heat reflectivity and longer life. The product comes with a 7-year warranty which will further build the consumer’s trust in the brand.

Enhanced customer benefit

JSW Colouron+ variants and warranty

With an objective to widen consumer choice and to meet performance expectations, three new variants of Colouron+ (High Gloss & Anti Dust, Cool Roof, High Gloss) were launched in the market. To provide consumers a complete peace of mind based on our strong product features, a warranty of 10 years has been announced on Colouron+.

Retail initiatives

JSW Steel's retail marketing strategy aims to engage strongly with the retail network and influencers to ensure a great buying experience for the consumers. The Company has one of the largest retailing and distribution networks in the country encompassing more than 16,000 exclusive and non-exclusive retail outlets, 376 distributors, spread across more than 602 districts and more than 1400 towns in India.

Maintaining a high customer connect at the retail level

The Company launched two new retail initiatives to deepen the connect with customers.

01

In a first, JSW Steel launched the country’s only digitally enabled experience centre at Coimbatore, offering a brand immersive experience to its customer. Such centres provide a good platform for establishing the Company’s large brand presence across categories and will be taken forward selectively.

02

The JSW Mitra store format targets customers in Tier II and Tier III towns and also covers smaller stores in the larger cities. Over the year, 60 stores have been brought under this initiative. Through this route, the Company hopes to touch a wider segment of retail customers. JSW Shoppe and JSW Shoppe Connect Branded format stores aims to widen the customer base and provides a better retail experience to the customers. JSW Steel continued to expand their branded footprint with 500+ new stores launched during the year, taking the total to 1300+ stores across 470 towns in the country.

Building relationships with the influencer community

In the retail segment, low customer awareness and minimal engagement with branded steel products is common. This leads to the influencer community of masons, fabricators and contractors playing a significant role in terms of conversions and brand building.

JSW Privilege Club, the Influencer Connect programme, addresses this segment and was further expanded in FY 2021-22. ~15,000 influencers were added during the year, taking the total count to 32,000+ across the country. The engagement programme enlists masons, fabricators and contractors with appropriate training, skill development and reward programmes, as well as personal care initiatives like providing free medical insurance, loss of wage coverage during hospitalisation and scholarship schemes for their children.

The depth of the work done by JSW Steel with influencers on their well-being and upskilling is appreciated across industries and we were honoured as the Best Channel Loyalty Program award.
Operational review

Vijayanagar Works

Vijayanagar Works is JSW Steel's flagship plant with a capacity of 12 MTPA and is one of the largest steel plants globally. Constantly evolving to stay ahead of the curve, Vijayanagar has embraced a host of new technologies across functional areas – from production process improvements to 100% waste utilisation. It has successfully turned these innovation-led optimisations to its competitive advantage and emerged as one of the lowest cost steel producers in India. Given the long-term demand for carbon-light steel, Vijayanagar is already augmenting capacities for green steelmaking.

Competitive strengths

- Strategically positioned in the iron ore-rich Bellary-Hospet belt in Karnataka, the facility is well-connected to both Goa and Chennai ports.
- India's largest beneficiation plant with 20 MTPA capacity, equipped with state-of-the-art facilities for treating low and medium grade iron ores.
- Company’s flagship plant and uses the Corex process as well as the conventional blast furnace route to achieve efficiency in conversion cost.
- Wide range of automotive steels and electrical steels, supporting import substitution with a capacity of 4.4 MTPA.
- Only steel plant in India with pair cross technology and twin-stand reversible cold rolling mill.
- Flexible operations allow for product mix as per market requirements.
- Pipe conveyor system with a capacity of 20 MTPA.
- World's first multifunctional remote for locomotive operations enabling functions like locomotive movement, auto signal/siren, route setting, boom barrier operations and coupling/decoupling torpedo.
- Achieved 100% process waste utilisation.
- Maximum recycling of steel-waste in steelmaking in the country.

Year in review

- Share of value-added products increased to 55% of the total dispatch in FY 2021-22, as against 42% in FY 2020-21.
- 6.12 Mln of iron ore requirement met through Karnataka captive mines.
- Stabilisation and ramped up of Zero Power Furnace and 1.4 MTPA billet caster, along with associated facilities at SMS-3 enhancing the steelmaking capacity to 13.4 MTPA.
- Commissioned of the 20th CGL line and 0.3 MTPA line for Colour coated products thereby completing the CRM-1 expansion project of enhancing capacity to 1.8 MTPA.
- Developed 42 new grades including eight import substitution grades and nine grades belonging to the advanced high strength category.
- Commissioned and stabilised 8 MTPA pellet plant (PP-3), thereby reducing the Vijayanagar facilities requirement of expensive lump ore resulting in reduction in the cost of production.
- The construction of the Coke Oven Battery of 1.5 MTPA is currently under progress and is expected to be commissioned in phases starting from Q2 of FY 2022-23. This would eliminate the purchase of high-priced coke and its logistics cost leading to savings in the cost of coke.
- Usage of corex fines in Blast Furnaces as a replacement of PCI coal leading to cost savings, as the PCI coal cost has increased during the year.
- Usage of DRI in Blast Furnaces resulting in savings in coke fuel rate in Blast Furnaces.
- Debitonising of existing plant to increase capacity by 1 MTPA through expansion of Hot Metal facilities. The project is expected to be completed by FY 2023-24.
- Setting up of 5 MTPA brownfield integrated steel plant under JSW Vijayanagar Metallics Limited, a wholly owned subsidiary of JSW Steel Ltd. The project is expected to be completed by FY 2023-24.
- Capacity upgradeation of blast furnace (BF-3) from 3.0 MTPA to 4.5 MTPA, along with the associated auxiliary units. The project is expected to be commissioned by FY 2024-25.

Quality management initiatives

- Implemented 378+ Kaizens and 164 improvement projects under Total Quality Management.
- Successfully completed Post Prize Review for three consecutive years after winning the prestigious Deming Prize.
- Completed the second and third Surveillance audit of SABD3001, an international certification standard that encourages organisations to develop, maintain and apply socially acceptable practices in the workplace.

Cost reduction projects

- Use of Efficient Training Accelerator (ETA) co-optimisation model in BF-3 and 4 have led to better fuel usage, resulting in cost savings.
- Automated operation of the Barrel Reclaimer has improved performance and facilitated better stockyard management.
- Installed hot metal level sensors in SMS 1 which aids in maintaining the right heat, facilitating quality output.
- Fully automated operation of 120 tonne coil transfer car in CRM-1, enabling excellent quality and maximum productivity.

Digitalisation initiatives

The fourth wave of digitalisation is underway at Vijayanagar Works. The suite of Industry 4.0 technologies has been used to automate activities like raw material handling. This is being done by digitising the actions of shop simulators and schedulers and other equipment. Real-time and dynamic control across the plant’s equipment gives a slew of benefits like lowering costs, value-addition of grades, improved advanced planning for logistics operations and mining activities. Some of the key digital initiatives during the year were:
- Developed Digital Project Management System portal to track all digital projects.
- Completed SIPS Digital Kaizens to error-proof processes through the use of digital tools.
- Use of Efficient Training Accelerator (ETA) co-optimisation model in BF-3 and 4 have led to better fuel usage, resulting in cost savings.
- Automated operation of the Barrel Reclaimer has improved performance and facilitated better stockyard management.
- Installed hot metal level sensors in SMS 1 which aids in maintaining the right heat, facilitating quality output.
- Fully automated operation of 120 tonne coil transfer car in CRM-1, enabling excellent quality and maximum productivity.

Future roadmap for the digitalisation of Vijayanagar Works

Rollout of the Integrated Control Tower (ICT) is on the anvil, with the first phase to be launched in the second phase of the ICT rollout, sustainability and energy management data will also be mapped. The safety function will be digitalised with tools like augmented realty/virtual reality. Other features to be included are digital trackers, geo-fencing, improved man-machine interfaces. The sustainability-related digital projects will cover online tracking and monitoring of water, gases emitted and by-products generated; carbon emissions and will also help with water conservation and management.
Environmental initiatives

Reducing environmental impact is a continuing priority for JSW Steel. In FY 2021-22, Vijayanagar Works continued its efforts towards sustainable development through conservation of natural resources, reduced emissions, achieved and sustained zero discharge, and efficiently recycled and reused solid waste to reduce its impact on the environment and preserve the biodiversity across its operations.

- Utilised 100% of solid waste generated.
- 65 MW of gross power generation through Coke Oven Coke Dry Quenching by using the steam generated through the quenching process.
- 16 MW of power generation using the Blast Furnace Top gas recovery.
- Reduced fresh water consumption through the use of waste water for dust suppression.
- Implementation of de-dusting systems to reduce dust emissions.

Health and safety

During the year, Vijayanagar Works launched several new initiatives to achieve health and safety goals of the Company. These include:

- JSW Safety Heroes Programme on World Steel Safety Day.
- ‘Zero Alarm Month’ campaign with the aim of keeping the safety awareness momentum high and resolving to have a safe 2022.
- Fire X-Track App to facilitate mapping of extinguishers, and maintain a precise digital record of fire-extinguishers’ inspection schedules, consumption of spares, defects-list along with their geo-location.
- ‘Raakshak Haazir’ programme to ensure regular availability of rakshaks across all the shifts.

Strategic initiatives for FY 2022-23

Vijayanagar Works has placed sustainable growth at the core of its future outlook and strategy for expansion. It is actively working on decarbonising its largest production facility through various initiatives which inter alia includes increasing share of renewable energy. The plant will focus on completion of its capacity debottlenecking project as well as progress on its plan to increase its capacity to 19.5 MTPA by FY 2024-25.

Enhancing safety using virtual reality

The impact of digitalisation on the Safety function is demonstrated by the use of virtual reality (VR) to train plant workers in handling complicated fire management equipment. Fire is a major hazard in built environments, even more so in a hazardous process environment like a steel plant. The safety team in Vijayanagar Works always felt the strong need to build preparedness among shop floor employees so that response was immediate and on-target. But the training is costly, requires a lot of space and causes significant CO2 emissions. These were proving to be a barrier.

The smart Virtual Reality (VR) training solution for firefighting used VR within an experiential immersive learning environment to recreate a broad range of fire emergencies, so that the trainees could respond in real time and with authentic spatial understanding of the danger at hand.

The desired outcome was achieved at low cost, with no injury, no additional space and zero emissions.

The VR enhanced module made training possible anywhere, anytime, without any requirement for travel or location change.

Dolvi Works

JSW Dolvi Works is a 10 MTPA integrated steel plant, located strategically on the west coast of Maharashtra. The facility is connected to a jetty with an annual cargo handling capability of up to 30 MnT and caters to sectors ranging from automotive and industrial to consumer durables. Dolvi Works is the first plant in India to adopt a combination of Conarc technology for steelmaking and compact strip production for producing hot rolled coils, providing the unit with flexibility to use a combination of solid charge and liquid hot metal.

Competitive advantage

- Strategically located – Dolvi Works is well connected via rail, road and sea given its close proximity to Mumbai and its coastal location. The jetty provides it outbound and inbound logistical advantages.
- Raw material security – The unit meets majority of its iron ore requirements from the Company’s Odisha mines.
- Diverse competencies – The plant has capabilities to manufacture diverse set of products catering to several industries including automotive, infrastructure, construction, machinery, LPG cylinder-manufacturers cold rollers, the oil and gas sectors and consumer durables.

Year in review

- The unit doubled its steelmaking capacity to 10 MTPA with the start of integrated operations at the new 5 MTPA capacity during the year in October 2021.
- Achieved the highest ever jetty discharge of 17.2 MnT as compared to 12.9 MnT a year ago.
- Achieved best ever crude steel production on account of improved performance at existing facilities as well as production at newly commissioned BF and SMS.

Cost reduction projects

- The cost of production from the newly expanded capacity is expected to be lower by 74,500 per tonne due to better operating efficiencies, lower fuel rate at Blast Furnace 2, lower operating costs at SMS 2 and lower power costs, as the power is generated by harnessing the waste heat.
- 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 Coke Dry Quenching (CDQ). These power plants would cater to the power requirements of the Phase II expansion to 10 MTPA. These power plants are expected to be commissioned during the first half FY 2021-22. These power plants use the waste gases and heat generated from operations, an environmentally friendly and cost efficient source.
Environmental initiatives

In FY 2021-22, Dolvi unit implemented several initiatives to improve its environmental performance. It commissioned a Dry Gas Cleaning Plant and an LD Converter waste heat recovery boiler to improve waste heat recovery and implemented Coke Dry Quenching to reduce specific water consumption and water footprint. Waste management efforts have led to better utilisation of solid wastes. To improve air quality, measures were undertaken to reduce dust emissions for a clean shop floor environment and to control fugitive emissions.

During the year, the unit continued with mangrove development in Dolvi to stabilise the coastline by reducing soil erosion caused by surges, waves and tides, and to also reduce saline ingress and prevent flooding. Furthermore, this initiative will provide shelter to a range of wildlife species including birds, as well as benefit the local community.

Health and safety

JSW Dolvi Works launched many initiatives during the fiscal year, in line with the Company’s Health and Safety goals.

› Revised and introduced several SOPs for improving the safety culture.
› An external industrial hygiene survey was conducted to address issues related to noise, ventilation, heat stress, respirable dust etc. to improve the quality of workplace conditions.

JSW Steel's Salem plant is its largest specialty steel plant in India, with a production capacity of 1.0 MTPA. JSW Salem plant has created a unique market for its products. The plant has rigorously kept in step with the technological upgradations made by its key customers and their demand for specialised grades. This has helped to create a high-value niche for JSW Steel and a strong market position within the sector.

Competitive advantage

› Located in the rich mineral belt of Southern India and well-connected via road and rail linkages.
› Serves the auto manufacturing units located in the southern and western regions of India.
› The largest special alloy steel plant for long products in the country.
› Market leader in the special grade steels used for the bearings, cold heading quality wires and forging segments.
› Manufactures as many as 850 special grades and supplies to all major Indian automotive original equipment manufacturers (OEMs).

Year in review

During the year, Salem Works achieved several marquee production milestones.

› For the first time since inception, the plant touched the benchmark figure of 1 MnT of crude steel production.
› Achieved all time highest production in coke oven, blast furnace and rolling mills.
› Achieved the lowest ever LTIFR of 0.05.

Health and Safety

During the year, Salem Works won recognition for its uncompromising efforts at keeping health and safety standards consistently high and in compliance with all mandated protocols. Key highlights:

› Became the first integrated steel plant in the world to be given a Five Star Rating by the British Safety Council, measured against the most contemporary 2021 specifications.
› Bagged the Award of Honour for HSE Best practises and implementation from the National Safety Council, Tamil Nadu chapter.

Several safety initiatives are ongoing at the plant and consistent progress has been made towards achieving their objectives.
Key priorities for FY 2022-23

The facility's key priorities are to increase market share in various value-added product segments, focus on the requirements of the non-auto sector and expand customer base. Specific priorities pertaining to production processes include enhancing capacity for auto inspection lines and preparing to achieve the ISO 50001 Energy Management certification.

The plant will also focus on establishing long-term contracts with index pricing for consistent supplies of raw materials to mitigate price and market volatility. Over the longer term, a diversified product and client portfolio will provide greater agility and hedge against market volatility.

Environmental initiatives

The Salem plant continued with various environmental protection initiatives during the year, including better water and waste management, reducing water use and controlling emissions, along with energy and biodiversity management. The plant reduced its water consumption in Blast Furnace-2 where the aggregate water saving was 100 m³/day. In the coke oven plant water savings of 90 m³/day was recorded. Several measures have been taken like the stoppage of CPP-1 power generation plant to reduce the emission of SPM, SO₂ and NOₓ, installation of mobile-type de-dusting, tripper conveyors and cowcatchers, in areas of raw material movement, BF pit slag cutting occurs.

100 m³/day
Water saved in Blast Furnace-2

90 m³/day
Water saved in coke oven plant

Five stars for safety

The Salem steel plant has won the exceptionally rare honour of becoming the world’s first integrated steel plant to be awarded a FIVE STAR rating for Occupational Health and Safety (OHS) by the British Safety Council. This demonstrates the company’s relentless commitment to upholding the highest standards of health, safety and environmental management. The rating has evaluated the plant against six best practice categories, that go well beyond the current OHS standard requirements like ISO 45001. The categories that have been tracked and audited are:

01 Leadership
02 Stakeholder engagement
03 Risk management
04 OHS culture inculcated within the company and more specifically, within the plant
05 Processes for continuous monitoring, evaluation and improvement
06 Worker wellbeing

The Salem plant continues to address its ESG goals through 100% waste utilisation, wastewater management and the control and reduction of toxic gas production by continuously upgrading to greener production technologies and processes. In this way, the highest standards of health and safety are maintained and the five-star rating is an endorsement of that achievement.
Financial performance

6.1 Standalone

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22 (₹ in crore)</th>
<th>FY 2020-21 (₹ in crore)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from operations</td>
<td>1,18,820</td>
<td>70,727</td>
<td>68%</td>
</tr>
<tr>
<td>Other income</td>
<td>1,829</td>
<td>659</td>
<td>188%</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>31,868</td>
<td>19,259</td>
<td>65%</td>
</tr>
<tr>
<td>EBITDA margin (%)</td>
<td>27%</td>
<td>27%</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>4,911</td>
<td>3,781</td>
<td>9%</td>
</tr>
<tr>
<td>Finance costs</td>
<td>3,649</td>
<td>3,565</td>
<td>8%</td>
</tr>
<tr>
<td>Profit before Exceptional Items</td>
<td>25,437</td>
<td>12,582</td>
<td>102%</td>
</tr>
<tr>
<td>Exceptional Items</td>
<td>722</td>
<td>386</td>
<td>102%</td>
</tr>
<tr>
<td>Tax expense/(Credit)</td>
<td>8,013</td>
<td>3,803</td>
<td>102%</td>
</tr>
<tr>
<td>PAT</td>
<td>16,702</td>
<td>8,393</td>
<td>99%</td>
</tr>
<tr>
<td>Earnings per share (diluted (₹))</td>
<td>69.10</td>
<td>34.72</td>
<td>99%</td>
</tr>
</tbody>
</table>

In FY 2021-22 the global economy witnessed volatility arising out of the resurgence of COVID-19 variants, geopolitical tensions between Russia and Ukraine and continued supply chain disruptions. The aforementioned led to widespread volatility in the commodities market and also intensified inflationary pressures across the globe, thereby leading to the probability of liquidity tightening. Despite these uncertainties, the Indian economy continued to grow steadily during the year, driven by strong revival in consumption, nationwide vaccination roll-outs, growth in investment and increased government spending on public infrastructure.

6.1.1 Production and sales

In FY 2021-22 the Company achieved a record capacity utilisation of 85% across all plant locations leading to growth in production volumes. The Company doubled its crude steel capacity in Dolvi to 10 million tons per annum, with integrated steel operations commencing at the 5 MTPA brownfield expansion during the year. This record capacity utilisation and production from the expanded 5 MTPA facility at Dolvi, resulted in the Company achieving highest ever crude steel production of 17.62 million tonnes, a growth of 17% y-o-y.

The Company achieved its highest-ever annual operating EBITDA of ₹31,868 crore, up by 65% y-o-y with an EBITDA margin of 26.8%, led by enhanced realisation and favourable product mix. This was partly offset by higher prices of iron ore, which increased by around 47% in view of the increase in iron ore prices and shortage of iron ore in the domestic market, increase in coking coal prices by ~75%, increase in natural gas prices, energy costs and other raw materials and inputs.

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. Captive mines constituted 43% of iron ore requirements of the Company as against 28% in the previous year. This ramp-up in the mine production ensured production continuity at the plants 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 by commissioning of coke dry quenching facility, reduction in coke purchases due to commissioning of the coke oven facility, better utilisation of pipe conveyor system for the transport of iron ore from mines to reduce supply chain costs and digitisation initiatives have helped the Company bring down costs on 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.
Revenue analysis

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22 (₹ in crore)</th>
<th>FY 2020-21 (₹ in crore)</th>
<th>Growth (%)</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic turnover</td>
<td>92,229</td>
<td>54,732</td>
<td>37,496</td>
<td>69</td>
</tr>
<tr>
<td>Export turnover</td>
<td>24,699</td>
<td>14,726</td>
<td>9,973</td>
<td>68</td>
</tr>
<tr>
<td>Total Turnover</td>
<td>1,16,928</td>
<td>69,458</td>
<td>47,470</td>
<td>68</td>
</tr>
<tr>
<td>Other operating revenues</td>
<td>1,892</td>
<td>1,268</td>
<td>623</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td>1,18,820</td>
<td>70,727</td>
<td>48,092</td>
<td>68</td>
</tr>
</tbody>
</table>

Domestic steel demand during the year remained robust driven by growth in overall consumption and the government’s consistent investments in the infrastructure sector. Moreover, supply fluctuations in the commodity market drove the input prices higher, further resulting in price support for finished steel across most markets. This resulted in better sales realisation. In the first two quarters, JSW Steel strategically focused on exports, which enabled it to stay resilient and in the second-half the Company focused on improving market share in the domestic markets.

The revenue from operations went up from ₹69,458 crore to ₹116,928 crore, an increase of 68% primarily due to 11% increase in volume owing to higher capacity utilisation and volumes from the expanded capacity at Dolvi and a increase in realisation by 53% driven by higher steel prices in the domestic and export markets.

6.1.2.3 Other operating income

Overall other operating revenue was higher by ₹623 crore, largely due to the higher Government grant recognised due to higher sales volume in the State of Karnataka and Maharashtra and increase in realisation of ₹651 crore and higher Export Promotion Capital Goods (EPCG) grant income of ₹223 crore due to higher exports during the year under review. However, this increase in other income was partially offset by lower exports incentive of ₹122 crore due to withdrawal of export incentive related to Merchandise Export Incentive Schemes.

6.1.3 Other income

The other income for the year includes an amount of ₹702 crore representing fair valuation gain on re-measurement of optionally fully convertible debentures held by the Company in one of its joint ventures. Further, the other income rose due to higher interest income from loans extended to subsidiaries, which were not recognised until previous year.

6.1.4 Materials

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22 (₹ in crore)</th>
<th>FY 2020-21 (₹ in crore)</th>
<th>Change (₹ in crore)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of materials consumed</td>
<td>48,579</td>
<td>28,070</td>
<td>20,509</td>
<td>73</td>
</tr>
<tr>
<td>Mining premium and royalties</td>
<td>13,894</td>
<td>6,972</td>
<td>6,922</td>
<td>99</td>
</tr>
<tr>
<td>Total</td>
<td>62,473</td>
<td>35,042</td>
<td>27,431</td>
<td>78</td>
</tr>
</tbody>
</table>

The expenditure on material consumption increased by 73% y-o-y to ₹48,579 crore and the mining premium and royalties increased to ₹13,894 crore. This was primarily on account of increase in production volumes and increase in iron ore prices. The mining premium and royalties were higher by 99% due to elevated iron ore price. The material consumption was higher mainly due to increase in coking coal prices by ~75% driven by supply side constraints, structural changes in China’s global coal sourcing strategy and supply disruptions due to weather and COVID-19 related issues.

6.1.5 Employee benefits expenses

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22 (₹ in crore)</th>
<th>FY 2020-21 (₹ in crore)</th>
<th>Change (₹ in crore)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees remuneration and benefits</td>
<td>1,870</td>
<td>1,501</td>
<td>369</td>
<td>25</td>
</tr>
</tbody>
</table>

Employee benefits expenses were higher in FY 2021-22 due to annual increments, ESOP charge due to new ESOP plan 2021 and a one-time special bonus extended to the employees. The overall headcount increased to 13,474, as on March 31, 2022 vis-à-vis 13,128 as on March 31, 2021.

6.1.6 Manufacturing and other expenses

Manufacturing and other expenses increased 51% y-o-y to ₹72,609 crore primarily due to the rise in production by 17% and higher power and fuel and freight expenses due to additional volumes and increase in ocean freight for exports.

Stores and spares consumption increased 32%, due to increased in prices of electrodes and refractories, and increased consumption of spares and consumables due to commissioning of the 5 MTPA expansion at Dolvi and other facilities like coke oven plant, pellet plants at Vijayanagar in FY 2021-22.

Power and fuel costs increased by 71% primarily due to increase in production volumes, increase in steam coal prices by around 64% y-o-y owing to supply constraints, higher power purchases and higher natural gas prices.

Freight expenses increased by ~47% primarily due to increase in sales volume by 11%, higher domestic freight costs due to increase in fuel costs and increase in ocean freight costs.

6.1.7 Finance cost

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22 (₹ in crore)</th>
<th>FY 2020-21 (₹ in crore)</th>
<th>Change (₹ in crore)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance cost</td>
<td>3,849</td>
<td>3,565</td>
<td>284</td>
<td>8</td>
</tr>
</tbody>
</table>

The finance cost increased 8% y-o-y to ₹3,849 crore primarily due to increases attributable to the capitalisation of expansion projects in Maharashtra and Karnataka and cost saving projects and impact of forex fluctuations as the rupee depreciated by 3.1% during the year, as compared to the rupee depreciation during the previous year.
6.1.8 Depreciation and amortisation

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation and amortisation</td>
<td>₹4,511</td>
<td>₹3,781</td>
<td>₹730</td>
<td>19%</td>
</tr>
</tbody>
</table>

Depreciation and amortisation increased 19% y-o-y to ₹4,511 crore primarily due to depreciation charged on asset capitalisation for expansion growth projects, cost saving projects and sustenance capital expenditure.

6.1.9 Tax expense/credit

The tax expense for the year was ₹8,013 crore in FY 2021-22, compared to ₹3,803 crore in FY 2020-21. The effective tax rate marginally increased to 32.4% in FY 2021-22 as against 31.2% in the previous year.

6.1.10 Exceptional items

Subsequent to the year end, a subsidiary company in USA received a final arbitration order on its dispute with the lessors of coking coal mining lease and plant lease and a consequential notice of termination of lease. Accordingly, an impairment provision of ₹722 crore is recorded towards the value of the loans given to overseas subsidiary.

6.1.11 Property, Plant and equipment

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible assets</td>
<td>₹65,862</td>
<td>₹46,167</td>
<td>₹19,696</td>
<td>43%</td>
</tr>
<tr>
<td>Capital work-in-progress</td>
<td>₹12,459</td>
<td>₹28,914</td>
<td>(₹16,455)</td>
<td>-57%</td>
</tr>
<tr>
<td>Right to use asset</td>
<td>₹3,905</td>
<td>₹4,161</td>
<td>(₹256)</td>
<td>-6%</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>₹1,879</td>
<td>₹1,614</td>
<td>₹265</td>
<td>16%</td>
</tr>
<tr>
<td>Intangible assets under development</td>
<td>₹140</td>
<td>₹128</td>
<td>₹12</td>
<td>9%</td>
</tr>
<tr>
<td>Total</td>
<td>₹84,246</td>
<td>₹80,984</td>
<td>₹3,263</td>
<td>4%</td>
</tr>
</tbody>
</table>

Net block of property, plant and equipment increased by ₹3,263 crore primarily on account of capital expenditure incurred aggregating to ₹7,798 crore for capacity expansion from 5 MTPA to 10 MTPA at Dolvi and Cold Rolling Mill expansion at Vijayanagar, cost saving projects like setting up of coke oven plant at Vijayanagar, other capacity augmentation projects and sustenance capital expenditure.

6.1.12 Investments

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments in subsidiaries, associates and joint ventures</td>
<td>₹13,522</td>
<td>₹6,676</td>
<td>₹6,846</td>
<td>103%</td>
</tr>
<tr>
<td>Other Investments</td>
<td>₹4,506</td>
<td>₹5,782</td>
<td>(₹1,276)</td>
<td>-22%</td>
</tr>
<tr>
<td>Total</td>
<td>₹18,028</td>
<td>₹12,457</td>
<td>₹5,570</td>
<td>45%</td>
</tr>
</tbody>
</table>

Investment increased primarily due to additional investment of ₹5,570 crore, primarily in equity investments in JSW Vijayanagar Metallics Limited for setting up the 5 MTPA steel project at Vijayanagar, JSW Paints Private Limited and the purchase of Creixent Special Steel Limited Non-convertible Debentures. Further, the increase in investments is also attributable to share price appreciation of JSW Energy Limited, fair value remeasurement of optionally fully convertible debentures held by the Company in one of its joint ventures and fair value increase on investments made in JSW Paints Private Limited.

6.1.13 Loans and advances

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term loans and advances</td>
<td>₹5,763</td>
<td>₹4,872</td>
<td>₹891</td>
<td>18%</td>
</tr>
<tr>
<td>Short-term loans and advances</td>
<td>₹265</td>
<td>₹602</td>
<td>(₹337)</td>
<td>-56%</td>
</tr>
</tbody>
</table>

Short-term loans and advances decreased primarily due to the repayment of loans by certain overseas subsidiaries.

6.1.14 Other financial assets

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other non-current Financial Assets</td>
<td>₹3,534</td>
<td>₹2,481</td>
<td>₹1,053</td>
<td>42%</td>
</tr>
<tr>
<td>Other Current Assets</td>
<td>₹1,151</td>
<td>₹1,479</td>
<td>(₹328)</td>
<td>-22%</td>
</tr>
</tbody>
</table>

Increase in other financial assets was primarily due to increase in the GST incentive receivable and additional placement of security deposit for the Company’s service contracts. The decrease in other assets was primarily due to the receipt of interest income from certain overseas subsidiaries.

6.1.15 Other Non-Financial Assets

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Non current Assets</td>
<td>₹3,473</td>
<td>₹2,394</td>
<td>₹1,080</td>
<td>45%</td>
</tr>
<tr>
<td>Other Current Assets</td>
<td>₹2,965</td>
<td>₹1,765</td>
<td>₹1,200</td>
<td>68%</td>
</tr>
</tbody>
</table>

Increase in other non-financial assets was primarily due to accumulation of GST input credit receivable at certain locations due to inverted duty structure and increase in advance to suppliers for raw materials and other supplies due to increase in iron ore costs and increase in commodity prices.
6.1.16 Inventories

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw Materials</td>
<td>10,848</td>
<td>4,372</td>
<td>6,475</td>
<td>148</td>
</tr>
<tr>
<td>Work-in-Progress</td>
<td>578</td>
<td>539</td>
<td>38</td>
<td>7</td>
</tr>
<tr>
<td>Semi Finished/Finished Goods</td>
<td>7,185</td>
<td>4,112</td>
<td>3,074</td>
<td>75</td>
</tr>
<tr>
<td>Production Consumables and Stores &amp; Spares</td>
<td>2,416</td>
<td>1,668</td>
<td>748</td>
<td>45</td>
</tr>
<tr>
<td>Others</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21,028</strong></td>
<td><strong>10,692</strong></td>
<td><strong>10,336</strong></td>
<td><strong>97</strong></td>
</tr>
</tbody>
</table>

Increase in inventory is primarily due to increase in coal inventory by ₹6,500 crore as the coal prices increased by 170% to ₹27,964 per tonne and increase in semi-finished and finished goods inventory by ₹3,074 crore due to accumulation of inventory.

Average Raw Materials inventory (including own mines, iron ore) holding as on March 31, 2022 increased to 79 days compared to 69 days in FY 2020-21 primarily due to replenishment of iron ore inventory. Average Finished goods inventory holding increased to 18 days for FY 2021-22, compared to 12 days in FY 2020-21 on account of accumulation of inventory and replenishment of inventory that was liquidated in the previous year.

6.1.17 Trade receivables

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Debtors</td>
<td>6,364</td>
<td>3,525</td>
<td>2,839</td>
<td>81</td>
</tr>
<tr>
<td>Less: Provision for Doubtful debts</td>
<td>(218)</td>
<td>(192)</td>
<td>(26)</td>
<td>13</td>
</tr>
<tr>
<td><strong>Trade Receivables</strong></td>
<td><strong>6,146</strong></td>
<td><strong>3,333</strong></td>
<td><strong>2,813</strong></td>
<td><strong>84</strong></td>
</tr>
</tbody>
</table>

The trade receivables increased to ₹6,146 crore primarily due to higher steel prices. However, the average collection period as on March 31, 2022 was 15 days compared to 17 days as on March 31, 2021, primarily on account of improved market sentiments.

6.1.18 Cash and bank balances

To meet short-term cash commitments and repayment obligations, the Company parks surplus funds in short-term and highly liquid instruments which represent cash and cash equivalents and other bank balances.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>7,670</td>
<td>11,121</td>
<td>(3,452)</td>
<td>-31</td>
</tr>
<tr>
<td>Bank &amp; Bank Balances</td>
<td>7,857</td>
<td>625</td>
<td>7,232</td>
<td>1107</td>
</tr>
</tbody>
</table>

6.1.19 Borrowings

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term Borrowings</td>
<td>49,714</td>
<td>46,470</td>
<td>3,244</td>
<td>7</td>
</tr>
<tr>
<td>Short-term Borrowings</td>
<td>721</td>
<td>5,164</td>
<td>4,433</td>
<td>-86</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acceptances</td>
<td>14,137</td>
<td>7,137</td>
<td>7,000</td>
<td>98</td>
</tr>
<tr>
<td>Other than acceptances</td>
<td>10,191</td>
<td>5,013</td>
<td>5,178</td>
<td>103</td>
</tr>
<tr>
<td>Total Trade payables</td>
<td>24,328</td>
<td>12,150</td>
<td>12,178</td>
<td>100</td>
</tr>
</tbody>
</table>

Trade payables increased by ₹12,178 crore primarily due to increase in acceptances and increase in material in transit of coking coal owing to increased coal prices.

6.1.21 Other financial liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other non-current Financial Liabilities</td>
<td>1,035</td>
<td>1,310</td>
<td>(275)</td>
<td>-21</td>
</tr>
<tr>
<td>Lease Liabilities</td>
<td>2,751</td>
<td>3,338</td>
<td>(587)</td>
<td>-18</td>
</tr>
<tr>
<td>Other current Financial Liabilities</td>
<td>6,693</td>
<td>7,761</td>
<td>(1,068)</td>
<td>-14</td>
</tr>
</tbody>
</table>

Other current financial liabilities decreased by ₹727 crore mainly due to decrease in allowances for financial guarantees. The lease liabilities were lower at ₹2,761 crore due to repayment of principal. The other current financial liabilities decreased to ₹6,693 crore due to payment of liabilities towards bid premium/royalties for own mines and payments made for the Plate Coil Manufacturing Division acquisition from Welspun Corp Limited.

6.1.21 Other liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other non-current Liabilities</td>
<td>1,023</td>
<td>2,036</td>
<td>(1,014)</td>
<td>-50</td>
</tr>
<tr>
<td>Other current Liabilities</td>
<td>4,153</td>
<td>3,254</td>
<td>899</td>
<td>28</td>
</tr>
</tbody>
</table>

Other non-current liabilities decreased to ₹1,023 crore mainly due to reduction in customer advance on account completion of the required Advance Purchase Sales Agreement (APSA) exports sales during the period. The other current liabilities increased to ₹4,153 crore due to increase in statutory liabilities.
6.1.22 Deferred tax liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22 (₹ in crore)</th>
<th>FY 2020-21 (₹ in crore)</th>
<th>Change</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred tax liabilities</td>
<td>7,359</td>
<td>5,631</td>
<td>1,728</td>
<td>31</td>
</tr>
<tr>
<td>MAT Credit</td>
<td>(424)</td>
<td>(2,536)</td>
<td>2,112</td>
<td>-83</td>
</tr>
</tbody>
</table>

The MAT credit entitlement reduced to ₹7242 crore during the year as the Company utilised it towards payment of income tax as the taxable normal profits were higher compared to the MAT taxable profits. Deferred tax liabilities increased to ₹7,359 crore higher due additional deferred tax liabilities created on account of capitalisation of expansion projects, cost saving projects and sustenance capex and fair value adjustments on investments.

6.1.23 Own funds

Total capital employed increased 64% y-o-y to ₹26,441 crore in FY 2021-22 primarily due to the capitalisation at Dolvi Works. Return on average capital employed was 32.6% from 23.4% due to increased profitability.

6.1.25 Other key financial indicators

JSW Steel’s net worth increased from ₹262.70 as on March 31, 2021, to ₹262.70 as on March 31, 2022. The book value per share was ₹146,371 crore. Operating EBITDA was recorded at ₹146,371 crore. The improvement in Debt Equity Ratio was primarily due to better performance from the overseas business and better operating margins from the downstream business.

6.1 Consolidated

In FY 2021-22, the Company’s consolidated revenue from operations increased by a staggering 83% and was at ₹146,371 crore. Operating EBITDA was recorded at ₹139,007 crore. The operating EBITDA increased primarily due to better performance from the overseas business and better operating margins from the downstream business.

Subsidiaries

1. JSW Steel (Netherlands) B.V.
2. JSW Steel Italy S.r.l.
3. JSW Steel Italy Piombino S.p.A. (formerly known as Aferpi S.p.A.)
5. GSI Lucchini S.p.A.
6. Periama Holdings, LLC
7. JSW Steel (USA) Inc.
8. Purest Energy, LLC
9. Meadow Creek Minerals, LLC
10. Hutchinson Minerals, LLC
11. R.C. Minerals, LLC (merged with Purest Energy, LLC), (w.e.f 2 December 2021)
12. Keenan Minerals, LLC (merged with Purest Energy, LLC), (w.e.f 3 December 2021)
13. Peace Leasing, LLC (merged with Purest Energy, LLC), (w.e.f 2 December 2021)
14. Prime Coal, LLC (merged with Periama Holdings, LLC), (w.e.f 3 December 2021)
15. Planck Holdings, LLC
16. Rolling S Augiering, LLC (merged with Planck Holdings, LLC), (w.e.f 2 December 2021)
17. Periama Handling, LLC (merged with Planck Holdings, LLC), (w.e.f 2 December 2021)
18. Lower Hutchinson Minerals, LLC
19. Caretta Minerals, LLC
20. Acero Junction Holdings, Inc
21. JSW Steel (USA) Ohio, Inc.
22. JSW Panama Holdings Corporation
23. Inversiones Eurouich Limiteda
24. Santa Fe Mining Ltd.
25. Santa Fe Puerto S.A.
26. JSW Natural Resources Limited
27. JSW Natural Resources Mozambique Limiteda
28. JSW ADMS Carvo Limiteda
29. JSW Steel (UK) Limited
30. JSW Steel Global Trade Pte Limited (w.e.f 27 January 2022)
31. Nippon Isapat Singapore (PTE) Limited
32. Erebus Limited, (liquidated w.e.f 15 March 2022)
33. Arna Holdings Limited, (liquidated w.e.f 15 March 2022)
34. Lakeland Securities Limited, (liquidated w.e.f 15 March 2022)
35. JSW Steel Coated Products Limited
36. Hasaud Steel Limited
37. Asian Color Coated Isapat Limited (w.e.f 27 October 2020)
38. Vardhaman Industries Limited
39. JSW Vallabhi Tin Plate Private Limited
40. Amba River Coke Limited
41. JSW Industrial Gases Private Limited
42. JSW Vijayanagar Metallics Limited
43. JSW Bengal Steel Limited
44. JSW Natural Resources India Limited
45. JSW Energy (Bengal) Limited
46. JSW Natural Resources Bengal Limited
47. JSW Jharkhand Steel Limited
48. Peddar Realty Private Limited
49. JSW Realty & Infrastructure Private Limited
50. JSW Uttal Steel Limited
51. JSW One Platforms Limited (formerly known as JSW Retail Limited) (upto 31 January 2022)
52. JSW One Distribution Limited (w.e.f 22 November 2021 and upto 31 January 2022)
53. Piombino Steel Limited (upto 26 March 2021 and w.e.f 1 October 2021)
54. Bhushan Power and Steel Limited (w.e.f 1 October 2021)
55. Neotrex Steel Private Limited (w.e.f 1 October 2021)
56. JSW Retail and Distribution Limited (w.e.f 15 March 2021)
57. West Waves Maritime & Allied Services Private Limited (w.e.f 24 November 2021) (merged with Piombino Steel Limited, w.e.f 1 December 2021)

Jointly controlled entities

1. JSW Severfield Structures Limited
2. JSW Structural Metal Decking Limited
3. Rohne Coal Company Private Limited
4. JSW MI Steel Service Center Private Limited
5. JSW MI Chennai Steel Service Center Private Limited (w.e.f -24 May 2021)
6. Vijayanagar Minerals Private Limited
7. Gourangdih Coal Limited
8. Crexent Special Steels Limited
9. JSW Isapat Special Products Limited
10. Piombino Steel Limited
11. Bhushan Power & Steel Limited (w.e.f 27 March 2021 and upto 30 September 2021)
12. JSW One Platforms Limited (formerly known as JSW Retail Limited) (w.e.f 1 February 2022)
13. JSW One Distribution Limited (w.e.f 1 January 2022)
Digitalisation

Digital steel plants and gains across the entire production value chain

JSW Steel's Industry 4.0 initiative aims at digitalising the entire production value chain across all its steel plants spread across different locations. A complex web of interrelated functions are connected and optimised with the help of a portfolio of targeted technologies such as artificial intelligence, geospatial tracking, Internet of Things, advanced robotics, simulation, machine learning, cloud computing and process automation. The primary focus area for JSW Steel's digital vision is to provide end-to-end solutions for mining, manufacturing, supply chain, finance and sales marketing. The objective underlying digitalisation has been to achieve impact across functions and to seamlessly automate control so that from inventory to despatch, from the manufacturing shop floor to sales input-output flows are real-time, situation-derived and minutely optimised.

The digitalisation programme is now entering its fourth wave, which will extend from 2022 to 2024. Its chief priority will be to scale the digital wins for best-in-class outcomes. Functions that will see a wider level of digitalisation in the fourth wave include HR, finance, logistics and commercial.

Key digitisation projects during FY 2021-22

01  Auto positioning of battery machines at coke ovens in Vijayanagar for higher safety and operational efficiency.
02  Dynamic production optimisation model in SMS 1, Dolvi to maximise the overall profitability.
03  Advanced analytics-driven slab bulging effect reduction for standardisation and optimisation of the casting speed across scenarios, and to ensure maximum throughput.
04  Foot Print Analysis Module for Detecting and Predicting Equipment Anomalies to monitor system anomalies with very high accuracy and improve equipment reliability and reduce downtime.
05  Bringing efficiency to iterative systems in manufacturing of alloy steel using machine learning and optimisation techniques.

Outlook for FY 2022-23

In the concluding phase of digitalisation, the focus will be on maximising impact across multiple touchpoints. The exercise will involve more than 170 ideas, which will be deployed across 30+ projects in multiple domains. The high priority initiatives will be:

- Yard Management Automation to improve safety and efficiency.
- Rolling out tech-powered, real-time logistics that provides a multi-stakeholder view, is seamless and paperless.
- Digitally enabling the Finance function.
- Using analytics to optimise SMS process time and energy use at Vijayanagar.
- Introducing a digital transformation agenda that will work through targeted interventions that answer to both organisational and employee needs.
8.0 Human resources

The cornerstone of JSW Steel’s ambitions for becoming a bigger, better and more efficient steel producer rests on the drive and ability of its people. Talent management is a critical function for JSW Steel and an integral part of its business planning. The Company offers employee-friendly policies, industry benchmarked compensation, training and career growth opportunities, and empathetic health and safety initiatives so that employees feel motivated to perform at their best.

Developing talent that makes strategic vision a reality

JSW Steel takes a multi-pronged approach to talent, from developing talent for leadership roles to equipping workforce in ways that keep them in-step with the latest technologies and industry-relevant skills.

Future Fit Leaders

Under this programme, employees are assessed on parameters like ability, agility, engagement and aspiration, mapping them to current and emerging roles that have an impact on JSW Steel’s future. Talent development is the next phase and this is a graded journey, where individuals with differing potentials get earmarked for different kinds of training. The talent pool is segmented further into high performers, second-level talent and Future Fit Leaders (FFL).

The senior leadership development programmes aim at developing holistic views on business with themes like corporate parent strategy, business unit level KPIs and finance, global and local economic and industry forces, along with legislative and competitive environment. Senior leadership development exercises are done in collaboration with Ivy League institutes like Cornell University, at the international level, while at the domestic level, top-notch business schools like Hyderabad-based Indian School of Business, Indian Institutes of Management and XLRI are partners.

Inducting talented young people is another major priority and JSW Steel recruits from the best college campuses in the country. Under JSW Summer Internship Programme, fresh interns work on defined projects that require imaginative solutions and their performance is assessed against certain parameters, based on which they are given final offers of work. Under the JSW Graduate Rotation Programme, fresh recruits are rotated across two departments over a period of 20 months and their performance is evaluated against KRAs.

Digital learning and the JSW Learning Academy

The JSW Learning Academy provides a digital platform for a wide variety of learning and knowledge building activities. An immersive online learning experience platform is also available with 700 different learning paths offered. A number of additional online learning initiatives were launched during the year, the most notable of which are – the Harvard Business Review (HBR) updates and the HBR Big idea series. Young Leaders Management Series and JSWSE Leads, a learning and upskilling programme specially designed for women.

JSW Technical Leaders Programme

Building a strong pool of technical leaders is critical for JSW Steel’s ambitious growth plans, as technological changes are becoming more frequent in the steelmaking domain. Secondly, the growth path of technical leaders is often different from general management roles, and therefore needs to be managed differently. To map potential leaders to roles, a detailed technical family-wise competency framework has been designed. The selection process at the initial level is self-determined, with individual employees taking a cognitive assessment and upon qualification, going through further rounds of evaluation for the final selection as a potential technical leader and becoming eligible for focused training.

Diversity and inclusion

JSW Steel’s diversity and inclusion agenda is a dynamic one and has been steadily increasing in scope over the years. The Company’s ongoing programmes targeted at building the senior leadership pipeline also includes women professionals, getting covered under the Future Fit Leaders framework has been designed. The selection process at the initial level is self-determined, with individual employees taking a cognitive assessment and upon qualification, going through further rounds of evaluation for the final selection as a potential technical leader and becoming eligible for focused training.

High performing HR through digitalisation

Digitalisation of HR processes has been a key part of the overall digitalisation mandate for JSW Steel. This systemic change has led to an overhaul of HR processes, standardisation of HR service delivery, removal of process redundancies and simplification of several time-taking approval mechanisms. HR processes are now being run on a cloud-based SaaS HR platform. Key aspects of JSW Steel’s digitalised HR organisation are:

01 Mobile-optimised applications— Enabling a mobile first, anytime-anywhere access that truly empowers employees.

02 Employee experience— Seamless, integrated User Interface that supports collaboration between multi-functional teams like Human Resources, Global Business Solutions (GBS), IT and Finance, and provides a seamless employee experience.

03 Manager enablement— myJSW helps Managers access necessary information on their hand-held devices, optimising both time and effort.

04 Single source of truth— myJSW is JSW’s single source of truth pertaining to all employee data, thus increasing data accuracy and standardisation.

05 Simplified HR processes— myJSW eliminates redundant, duplicative processes, and has replaced paper-based documentation, thereby speeding up processes.
Corporate social responsibility

The organisational philosophy of Better Everyday inspires and guides JSW Steel in its community and social outreach programmes. The Company passionately believes that India’s social inequality is the result of lack of opportunities, not of potential, and much can be done to change this imbalance. JSW’s Corporate Social Responsibility (CSR) initiatives work on certain principles – multiple stakeholder engagements; localised involvement; grassroot-level, bottoms-up stakeholder participation and finally; scalability, replication and sustainability. The Group’s social arm, JSW Foundation (JSWF) is working on the following focus areas:

Water, environment and sanitation: JSWF is a founding member of the India Climate Collaborative, a first-of-its-kind collaborative platform that engages stakeholders across disciplines to design, finance and implement pathbreaking climate solutions with a special India-focused investment guide. The ICC has a dual motive of encouraging the financing of Nature Based Solutions (NBS) to mitigate India’s climate challenges. Further, it encourages entrepreneurship and management models amongst grassroot-level communities.

Skill development and livelihoods: India has one of the youngest populations in the world, and skill development is crucial for the country’s economic development. JSWF works with entrepreneurship micro-incubators such as Deshpande Foundation to seed entrepreneurship through skill development among rural youth. Based on skill gap assessments, skill upgradation initiatives are rolled out. The Company also promotes JSW Shakti, a rural BPO that trains and guides JSW Steel in its community and social outreach programmes. The Company passionately believes that India’s inability to fully meet its social development goals affects the quality of its human development. JSWF aims to remedy this by creating a system of internal controls that are integrated into business processes and give an understanding of the potential upside and downside of all those factors that can affect the organisation. The central objective is to add maximum sustainable value to all activities of the organisation and to various stakeholders.

JSWF places a lot of importance on identifying emerging and identified risks so they can be effectively managed and mitigated to:

- Protect its shareholders and other stakeholders’ interests;
- Keep the organisation on track to achieve its business objectives;
- Enable sustainable growth.

Pursuant to the requirements 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 this risk management framework in place. As part of its oversight and mitigation mechanism, the Company has constituted a management framework in place. As part of its oversight and mitigation mechanism, the Company has constituted a management framework in place. As part of its oversight and mitigation mechanism, the Company has constituted a management framework in place.

Risk Management

JSW Steel adheres to the globally accepted ‘COSO’ framework of Enterprise Risk Management (ERM). ERM helps to establish a system of internal controls that are integrated into business processes and give an understanding of the potential upside and downside of all those factors that can affect the organisation. The central objective is to add maximum sustainable value to all activities of the organisation and to various stakeholders.

JSW Steel places a lot of importance on identifying emerging and identified risks so they can be effectively managed and mitigated to:

- Protect its shareholders and other stakeholders’ interests;
- Keep the organisation on track to achieve its business objectives;
- Enable sustainable growth.

The work done by JSWF touches the lives of communities in JSW Steel’s direct impact zones as well as, in indirect impact zones. Apart from these initiatives several other activities are undertaken with the aim to create a cumulative impact and effect holistic social transformation, aligned to the United Nations Sustainable Development Goals (UN SDGs).

- Implementing conservation work in Kashmir’s Shalimar and Nishat Baghs.
- Reconstructing the David Sassoon Library and Reading Room in Mumbai.
- Protecting agri-livelihoods: Depleting water levels, large-scale degradation of soil quality and fertile land turning into wasteland due to excessive use of pesticides and fertilisers, are common problems threatening food security and livelihoods. JSWF works with communities, farmers and the larger agricultural sector to propagate natural farming, and climate-smart crops and agri-practices. So far, the Foundation has reached 16,200+ farmers in 66 villages across 3 states and created incremental income of INR 112.4 million for farmers.
- Health and nutrition: India’s inability to fully meet its social development goals affects the quality of its human development. JSWF aims to remedy this by creating a system of internal controls that are integrated into business processes and give an understanding of the potential upside and downside of all those factors that can affect the organisation. The central objective is to add maximum sustainable value to all activities of the organisation and to various stakeholders.

JSWF has developed a long-term policy for the preservation and restoration of India’s extremely rich national heritage, and actively collaborates with organisations that are involved in establishing art precincts, restoring heritage structures, and preserving its history. Current interventions include:

- Reconstructing the David Sassoon Library and Reading Room in Mumbai.
- Implementing conservation work in Kashmir’s Shalimar and Nishat Baghs.
- The work done by JSWF touches the lives of communities in JSW Steel’s direct impact zones as well as, in indirect impact zones. Apart from these initiatives several other activities are undertaken with the aim to create a cumulative impact and effect holistic social transformation, aligned to the United Nations Sustainable Development Goals (UN SDGs).

Skill development and livelihoods: India has one of the youngest populations in the world, and skill development is crucial for the country’s economic development. JSWF works with entrepreneurship micro-incubators such as Deshpande Foundation to seed entrepreneurship through skill development among rural youth. Based on skill gap assessments, skill upgradation initiatives are rolled out. The Company also promotes JSW Shakti, a rural BPO that trains and guides JSW Steel in its community and social outreach programmes. The Company passionately believes that India’s inability to fully meet its social development goals affects the quality of its human development. JSWF aims to remedy this by creating a system of internal controls that are integrated into business processes and give an understanding of the potential upside and downside of all those factors that can affect the organisation. The central objective is to add maximum sustainable value to all activities of the organisation and to various stakeholders.

JSWF places a lot of importance on identifying emerging and identified risks so they can be effectively managed and mitigated to:

- Protect its shareholders and other stakeholders’ interests;
- Keep the organisation on track to achieve its business objectives;
- Enable sustainable growth.

Pursuant to the requirements 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 this risk management framework in place. As part of its oversight and mitigation mechanism, the Company has constituted a management framework in place. As part of its oversight and mitigation mechanism, the Company has constituted a management framework in place.
Business Responsibility and Sustainability Report 2021-22

Section A: General Disclosure

1. Corporate Identity Number (CIN) of the Listed Entity - L27102MH1994PLC152925
2. Name of the Listed Entity – JSW STEEL LTD
3. Year of incorporation – 1994
4. Registered office address – JSW Centre, Bandra-Kurla Complex, Bandra East, Mumbai- 400 051. Maharashtra India. Tel: +91 22 4286 1000 Fax: +91 22 4286 3000
5. Corporate address – JSW Centre, Bandra-Kurla Complex, Bandra East, Mumbai- 400 051. Maharashtra India. Tel: +91 22 4286 1000 Fax: +91 22 4286 3000
6. E-mail – jsww investor@jsw.in
7. Telephone – 022 4286 1000
8. Website – www.jsw.in
9. Financial year for which reporting is being done – 2021-22
10. Name of the Stock Exchange(s) where shares are listed – BSE Limited , National Stock Exchange of India Limited
11. Paid-up Capital – 2417220440
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report
   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
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). - The disclosures in this report are prepared on a standalone basis. which includes three integrated steel plants at Vijyanagar, Dolvi, Salem and Corporate office.
14. Details of business activities (accounting for 90% of the turnover):

<table>
<thead>
<tr>
<th>S. No</th>
<th>Description of Main Activity</th>
<th>Description of Business Activity</th>
<th>% of Turnover of the entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Manufacture of Iron and Steel</td>
<td>Manufacturing</td>
<td>100</td>
</tr>
</tbody>
</table>

15. Products/Services sold by the entity (accounting for 90% of the entity’s Turnover)

<table>
<thead>
<tr>
<th>S. No</th>
<th>Product/Service</th>
<th>NIC Code</th>
<th>% of total Turnover contribute</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mining of iron ores</td>
<td>71</td>
<td>100%</td>
</tr>
<tr>
<td>2</td>
<td>Manufacture of basic iron and steel</td>
<td>241</td>
<td>100%</td>
</tr>
<tr>
<td>3</td>
<td>Casting of metals</td>
<td>243</td>
<td>100%</td>
</tr>
<tr>
<td>4</td>
<td>Manufacture of other fabricated metal products metal working service activities</td>
<td>259</td>
<td>100%</td>
</tr>
</tbody>
</table>

16. Number of locations where plants and/or operations/offices of the entity are situated

<table>
<thead>
<tr>
<th>Location</th>
<th>Number of plants</th>
<th>Number of offices</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>3 (Integrated Steel Plants at Vijayanagar, Dolvi and Salem)</td>
<td>1 (Mumbai Office)</td>
<td>4</td>
</tr>
</tbody>
</table>

17. Markets served by the entity:
   a. Number of locations

<table>
<thead>
<tr>
<th>Locations</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>JSW serves all the states in India as per the demand requirement. JSW exports variety of products to a number of countries globally.</td>
</tr>
<tr>
<td>International</td>
<td>No. of Countries</td>
</tr>
</tbody>
</table>

b. What is the contribution of exports as a percentage of the total turnover of the entity?
   ~ 28%

c. A brief on types of customers
   The steel produced finds applications in sectors like automobile, general engineering, machinery, projects and construction and our customers are spread across these sectors for use of steel in various applications. More details on our products and their applications are available at: https://www.jswsteel.in/products.
   Apart from the above, JSW Steel has supplied its Neosteel product to several noteworthy projects through retail distributors during the year which have gone in applications like Infrastructure, Commercial, Residential, Religious and educational centres.

18. Details as at the end of Financial Year: a. Employees and workers (including differently-abled):

<table>
<thead>
<tr>
<th>Category</th>
<th>Total (A)</th>
<th>No. and percentage of Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>11732</td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>666</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>12398</td>
<td>16.67</td>
</tr>
</tbody>
</table>

Differently-abled employees are 28 in FY 2021-22.

19. Participation/Inclusion/Representation of women

<table>
<thead>
<tr>
<th>Paritculars</th>
<th>Total (A)</th>
<th>No. and percentage of Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Directors</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>Key Management Personnel</td>
<td>5</td>
<td>0</td>
</tr>
</tbody>
</table>

20. Turnover rate for permanent employees and workers
   Employee attrition rate in FY 22 is 8.05% and in FY 21 was 5.76%.
21. (a) Names of holding / subsidiary / associate companies / joint ventures

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of the holding / subsidiary / associate company / joint venture</th>
<th>Indicate whether holding/ Subsidiary/ Associate/ Joint Venture</th>
<th>% of shares held by listed entity</th>
<th>Does the entity indicated at column A, participate in the business responsibility initiatives of the listed entity? (Yes/No)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>JSW Ispat Special Products Limited (Formerly known as Monelit Ispat &amp; Energy Limited)</td>
<td>JV 23.10%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Crecent Special Steels Limited</td>
<td>JV 48%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Vijayanagaram Minerals Private Limited</td>
<td>JV 40%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Roline Coal Company Private Limited</td>
<td>JV 49%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>JSW Safedelli Structures Limited</td>
<td>JV 50%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>JSW Structural Metal Decking Limited</td>
<td>JV 33.33%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Gurangiti Coal Limited</td>
<td>JV 50%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>JSW Mi Steel Service Center Limited</td>
<td>JV 50%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>JSW One Platforms Limited</td>
<td>JV 75%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>JSW One Distribution Limited</td>
<td>JV 75%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>JSW Mi Chennan Steel Service Centre Private Limited</td>
<td>JV 50%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>JSW Steel Ltd Limited</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>JSW Natural Resources Limited, Mauritius</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>JSW Natural Resources Mozambique Ltd</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>JSW ARMS Cannes Limited</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>JSW Steel (Netherlands) B.V.</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Periama Holdings, LLC</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>JSW Steel (USA) Inc</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Purex Energy LLC</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Planck Holdings, LLC</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Casetta Minerals, LLC</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Lower Hutchinson Minerals, LLC</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Meadow Creek Minerals, LLC</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Hutchinson Minerals, LLC</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>JSW Panama Holding Corporation</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Inversiones Eurosh Limitada</td>
<td>Subsidiary 94.9%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Santa Fe Mining</td>
<td>JV 75%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Santa Fe Puerto S.A.</td>
<td>JV 99.9%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Acero Junction Holdings Inc</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>JSW Lima USA Ohio</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>JSW Jharkhand Steel Limited</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>JSW Bengal Steel Limited</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>JSW Natural Resources India Limited</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>JSW Energy (Bengal) Limited</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>JSW Steel Coated Products Limited</td>
<td>Subsidiary 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>JSW Ispat India Co Limited</td>
<td>Subsidiary 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>Peddar Realty Pvt Limited</td>
<td>Subsidiary 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>38</td>
<td>Arma Holdings Ltd.</td>
<td>Subsidiary 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>39</td>
<td>Satara Resources Ltd.</td>
<td>Subsidiary 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>Enibis Limited</td>
<td>Subsidiary 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>41</td>
<td>Nippon Ispat Singapore (Pte) Ltd.</td>
<td>Subsidiary 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>42</td>
<td>JSW Natural Resource Bengal Limited</td>
<td>JV 98.68%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>43</td>
<td>JSW Industrial Gases Private Limited</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>JSW Steel Rs.L</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>45</td>
<td>JSW Sambilio</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>46</td>
<td>Piombino Logistica SpA(SP)</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>47</td>
<td>Bt Gucchin (SpA targets)</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>48</td>
<td>JSW UK Ltd</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>49</td>
<td>Hasaud Steel Limited</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>50</td>
<td>Vaishan Industries</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>51</td>
<td>JSW Vanahat Tinplate Pvt Ltd</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>52</td>
<td>Piombino Steel limited</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>53</td>
<td>JSW Vijayanagaram Melticals Ltd</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>54</td>
<td>Asian Inox Limited Ispat Limited</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>55</td>
<td>JSW Realty &amp; Infrastructure Pvt Ltd</td>
<td>Subsidiary 100%</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>56</td>
<td>JSW Retail and Distribution Limited</td>
<td>Subsidiary 100%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>57</td>
<td>Bhushan Power and Steel Limited</td>
<td>JV 83.38%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>58</td>
<td>Nodestex Steel Private Limited</td>
<td>JV 80%</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>59</td>
<td>JSW Steel Global Trade Pte Limited.</td>
<td>JV 100%</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) – Yes (ii) Turnover (in ₹) - consolidated gross turnover: ₹143,829 crore, Standalone Gross Turner: ₹116,928 crore (iii) Net worth (in ₹) - The consolidated net worth is ₹68,535 crore, standalone net worth ₹63,501 crore

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Stakeholder group from which complaint is received</th>
<th>Grievance Mechanism in Place (Yes/No)</th>
<th>Number of complaints filed during the year</th>
<th>Number of complaints pending resolution at close of the year</th>
<th>Remarks</th>
<th>Number of complaints filed during the year</th>
<th>Number of complaints pending resolution at close of the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Communities</td>
<td>Yes</td>
<td>Nil</td>
<td>Nil</td>
<td>NA</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>2</td>
<td>Investors (other than shareholders)</td>
<td>Yes</td>
<td>Nil</td>
<td>Nil</td>
<td>NA</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>3</td>
<td>Shareholders</td>
<td>Yes</td>
<td>663</td>
<td>Nil</td>
<td>NA</td>
<td>402</td>
<td>Nil</td>
</tr>
<tr>
<td>4</td>
<td>Employees and workers</td>
<td>Yes</td>
<td>379</td>
<td>30</td>
<td>The balance pending are under resolution process</td>
<td>350</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>Customers</td>
<td>Yes</td>
<td>Nil</td>
<td>Nil</td>
<td>NA</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>6</td>
<td>Value Chain Partners</td>
<td>Yes</td>
<td>Nil</td>
<td>Nil</td>
<td>NA</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>7</td>
<td>Other (please specify)</td>
<td>Yes</td>
<td>Nil</td>
<td>Nil</td>
<td>NA</td>
<td>Nil</td>
<td>Nil</td>
</tr>
</tbody>
</table>

24. Overview of the entity's material responsible business conduct issues

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Material issue identified</th>
<th>Indicate whether risk or opportunity (IO)</th>
<th>Rationale for identifying the risk / opportunity (IO)</th>
<th>In case of risk, approach to adopt or mitigate (IO)</th>
<th>Financial implications of the risk or opportunity (IO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Air emission</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>2</td>
<td>Biodiversity</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>3</td>
<td>Business ethics</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>4</td>
<td>Climate change</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>5</td>
<td>Corporate governance, transparency and disclosures</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>6</td>
<td>Cultural Heritage</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>7</td>
<td>Economic performance</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>8</td>
<td>Employee health, safety and well being</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>9</td>
<td>Energy</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>10</td>
<td>Human rights</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>11</td>
<td>Local Considerations &amp; Indigenous People</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>12</td>
<td>Resources</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>13</td>
<td>Social Sustainability</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>14</td>
<td>Supply chain sustainability</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>15</td>
<td>Sustainable Mining</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>16</td>
<td>Technology, product and process innovation</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>17</td>
<td>Waste</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>18</td>
<td>Water resources</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
</tbody>
</table>

Section B: Management and Process Disclosures

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Disclosure Question</th>
<th>P1</th>
<th>P2</th>
<th>P3</th>
<th>P4</th>
<th>P5</th>
<th>P6</th>
<th>P7</th>
<th>P8</th>
<th>P9</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Whether your entity's policy/policies cover each principle and its core elements of the NGRI, (Yes/No)</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>2</td>
<td>Whether the entity has translated the policy into procedures. (Yes / No)</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
</tbody>
</table>
3. Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If you provide details.

10. Details of Review of NGBCs by the Company:

Subject for Review | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
--- | --- | ---
P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9

Performance against above policies and follow up action | The board sustainability committee meets twice in a year to discuss the progress against sustainability parameters of the company and review the policies. The board guide actions to be taken and reviews the progress against each parameters in the next meeting. | Half yearly

Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances | No major non-compliance. Operational issues are being addressed on an ‘ongoing basis’ as and when identified |
11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Principles

<table>
<thead>
<tr>
<th></th>
<th>P1</th>
<th>P2</th>
<th>P3</th>
<th>P4</th>
<th>P5</th>
<th>P6</th>
<th>P7</th>
<th>P8</th>
<th>P9</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The processes and compliances, however, may be subject to scrutiny by internal auditors and regulatory compliances, as applicable. From a best practices perspective as well as from a risk perspective, policies are periodically evaluated and updated by various department heads, business heads and approved by the management or board. An internal assessment of the workings of the BR policies has been done. All financial and non-financial performance including policies are subject to annual third party verifications/audits that independently evaluate the results.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions

<table>
<thead>
<tr>
<th></th>
<th>P1</th>
<th>P2</th>
<th>P3</th>
<th>P4</th>
<th>P5</th>
<th>P6</th>
<th>P7</th>
<th>P8</th>
<th>P9</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The entity does not consider the Principles material to its business (Yes/No)

The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)

The entity does not have the financial/human and technical resources available for the task (Yes/No)

It is planned to be done in the next financial year (Yes/No)

Any other reason (please specify) Not Applicable

SECTION C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership.” While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

<table>
<thead>
<tr>
<th>Segment</th>
<th>Total number of training and awareness programmes held</th>
<th>Topics / principles covered under the training and its impact</th>
<th>%age of persons in respective category covered by the awareness programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Directors</td>
<td>2</td>
<td>The topics covered include the Committee Meetings which have discussions on all principles of BSR including climate change, biodiversity, water, Sustainability Key Performance Indicators, Global Trends on sustainability and best practices in industry, external ratings and disclosures, stakeholder engagement and materiality, climate change risks and opportunities, etc.</td>
<td>100</td>
</tr>
<tr>
<td>Key Managerial Personnel</td>
<td>2</td>
<td>The topics pertaining to integrity and ethics, core values, code of conduct, and sustainability covered enabling KMPs to drive company’s values, purpose and strategy in the business.</td>
<td>100</td>
</tr>
<tr>
<td>Employees other than BoD and KMPs</td>
<td>2</td>
<td>Topics covering code of conduct, adaptive leadership programmes, and effective coaching. Awareness by way of periodical internal communication - delivering value from ESG, Sustainability Initiatives at locations, Actions &amp; Initiatives of JSW Foundation, Environment Initiatives at locations, Life Cycle Assessment &amp; Product Sustainability, Biodiversity &amp; its importance in Business, Social Interventions for Sustainable World &amp; Safety Management</td>
<td>≈40%</td>
</tr>
<tr>
<td>Workers</td>
<td>On continual basis</td>
<td>Safety Management</td>
<td>100</td>
</tr>
</tbody>
</table>

2. Details of fines / penalties / punishment / award/ compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

<table>
<thead>
<tr>
<th>Monetary Penalty Principle</th>
<th>Name of the regulatory/ enforcement agencies/ judicial institutions</th>
<th>Amount (in INR)</th>
<th>Brief of the Case</th>
<th>Has an appeal been preferred? (Yes/No)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NI</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

<table>
<thead>
<tr>
<th>Case Details</th>
<th>Name of the regulatory/ enforcement agencies/ judicial institutions</th>
<th>Amount (In INR)</th>
<th>Brief of the Case</th>
<th>Has an appeal been preferred? (Yes/No)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NI</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.


5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

<table>
<thead>
<tr>
<th>PRINCIPLE</th>
<th>FY 21 (Current Financial Year)</th>
<th>FY 21 (Previous Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directors</td>
<td>NI</td>
<td>NI</td>
</tr>
<tr>
<td>KMPs</td>
<td>NI</td>
<td>NI</td>
</tr>
<tr>
<td>Employees</td>
<td>NI</td>
<td>NI</td>
</tr>
<tr>
<td>Workers</td>
<td>NI</td>
<td>NI</td>
</tr>
</tbody>
</table>

6. Details of complaints with regard to conflict of interest

<table>
<thead>
<tr>
<th>PRINCIPLE</th>
<th>FY 22 (Current Financial Year)</th>
<th>FY 21 (Previous Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>Remark</td>
<td>Number</td>
</tr>
<tr>
<td>Number</td>
<td>Remark</td>
<td>Number</td>
</tr>
<tr>
<td>NI</td>
<td>NA</td>
<td>NI</td>
</tr>
<tr>
<td>NI</td>
<td>NA</td>
<td>NI</td>
</tr>
</tbody>
</table>

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest

Not Applicable
Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year: The Company has formulated a supplier code of conduct which is provided to all suppliers along with the general terms and conditions emphasising on integrity aspects.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? Yes. https://www.jsw.in/sites/default/files/assets/industry/Sustainability/23%20Code%20of%20Conduct%20for%20Board%20Members%20%26%20Senior%20Management.pdf

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year: The leadership Indicators

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? Yes. https://www.jsw.in/sites/default/files/assets/industry/Sustainability/23%20Code%20of%20Conduct%20for%20Board%20Members%20%26%20Senior%20Management.pdf

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT 2021-22

JSW STEEL LIMITED | INTEGRATED REPORT 2021-22
4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

<table>
<thead>
<tr>
<th>Plastics (including packaging)</th>
<th>FY 22 Current Financial Year</th>
<th>FY 21Previous Financial Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re-Used</td>
<td>Recycled</td>
<td>Safety Disposed</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

<table>
<thead>
<tr>
<th>Category</th>
<th>Reclaimed products and packaging materials as % of total products sold in respective category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Applicable</td>
<td></td>
</tr>
</tbody>
</table>

**PRINCIPLE 3:** Businesses should respect and promote the well-being of all employees, including those in their value chains

**Essential Indicators**

1. a. Details of measures for the well-being of employees:

<table>
<thead>
<tr>
<th>% of employees covered by</th>
<th>Health Insurance</th>
<th>Accident Insurance</th>
<th>Maternity benefits</th>
<th>Paternity Benefits</th>
<th>Day Care facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
<td>Total (A)</td>
<td>Number (B)</td>
<td>% (B/A)</td>
<td>Number (C)</td>
<td>% (C/A)</td>
</tr>
<tr>
<td>Permanent employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>11732</td>
<td>11732</td>
<td>100</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Female</td>
<td>666</td>
<td>666</td>
<td>100</td>
<td>666</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>12398</td>
<td>12398</td>
<td>100</td>
<td>666</td>
<td>100</td>
</tr>
</tbody>
</table>

Numbers are for Vijaynagar, Dolvi, Salem and Corporate office.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

<table>
<thead>
<tr>
<th>Benefits</th>
<th>FY 22 Current Financial Year</th>
<th>FY 21Previous Financial Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of employees covered as a % of total employees</td>
<td>No. of workers covered as a % of total workers</td>
</tr>
<tr>
<td>PF</td>
<td>100%</td>
<td>100</td>
</tr>
<tr>
<td>Gratuity</td>
<td>100%</td>
<td>100</td>
</tr>
<tr>
<td>ES and Others</td>
<td>As per applicable norms</td>
<td></td>
</tr>
</tbody>
</table>

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our Main offices and where ever such employees are located are having required facilities for access for differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.


5. Return to work and Retention rates of permanent employees and workers that took parental leave.

<table>
<thead>
<tr>
<th>Gender</th>
<th>Permanent employees</th>
<th>Permanent workers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Return to work rate</td>
<td>Retention rate</td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td></td>
<td>-100%</td>
<td>-100%</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td>99.3%</td>
<td>100%</td>
</tr>
</tbody>
</table>

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

We have SAMOON & SAMAPARK communication forum in place, the program will be conducted every month along with their department HOD’s: Q&A session to capture their concerns. The concerns which can be provided with immediate solution with panel member discussion will be resolved on spot, and for major concerns a MOM is prepared and circulated to respective department HOD/HRBP’s to address the concern within specific timeframe for the closure and further to any major concerns we seek for management approval which is proposed or approved with some feasibility study done by experts. Apart from this, admin related grievances such as Canteen, Housing, Transport facilities & Pandemic issues are handled separately.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity

11.06% of workforce represented through employee association(s) under the provision of collective bargaining.

8. Details of training given to employees and workers:

**Average Training hours per employee**

- Permanent Employees – 17.37
- Other than Permanent Employees

Details of some of the awareness trainings imparted during the year –

- Sessions with men as gender advocates
- Gender sensitisation session
- POISS
- JSW Springboard – IIM Bangalore Women Leadership Journey
- JSW Women Network Forum – Vibe

9. Details of performance and career development reviews of employees and worker:

**Employees**

<table>
<thead>
<tr>
<th>FY 22 Current Financial Year</th>
<th>FY 21 Previous Financial Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).

If yes, the coverage such system?

Yes, ISO 45001:2018 standards requirements are implemented.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
   1. Hazardous Identification and Risk Assessment (HIRA)
   2. Job Safety Analysis
   3. Hazop Study
   4. Quantitative Risk Assessment
   5. MAC tool using RAPP assessment
   6. Hazardous Area Classification study
   7. Pre-Startup Safety Review (PSSR)
   8. Management of Change (MOC)

Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N) Yes

Do the employees / workers have access to non-occupational medical and healthcare services (Y/N) Yes

Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N) Yes

11. Details of Safety related incidents, in the following format:

<table>
<thead>
<tr>
<th>Safety Incident/Number</th>
<th>FY Current Financial Year</th>
<th>FY Previous Financial Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lost Time Injury Frequency Rate (LTIFR) (per one million person hours worked)</td>
<td>0.32</td>
<td>0.26</td>
</tr>
<tr>
<td>Total recordable work-related injuries</td>
<td>193</td>
<td>146</td>
</tr>
<tr>
<td>No. of fatalities</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>

12. Describe the measures taken by the entity to ensure a safe and healthy work place.
   • OH&S Management system is implemented at our plants is complying with ISO 45001:2018. Safety Observation (SO), Empowerment of Safety officer, Incident reporting & Investigation, High risk standards implementation, Contractor safety management systems, Implementing Best Safety practices and Benchmarking, Internal Audits and External audits, Legal and Statutory compliance etc., Technology interventions in Hazard Identification is being promoted extensively through use of smart cameras, Geo fencing, Sensors in Men-Machine interface etc., Safety Hero Program was launched to recognise safety conscious persons amongst shop floor workmen and employees.
   • JSW Critical Safety Rules was developed based on the criticality and past history of accidents. This was cascaded through development of a 3 D animated video.
   • British safety council Audits were initiated at our plants. Salem unit become the first ISP in the world to be recognised with 5 Star rating.
   • Process Safety Management was strengthened with engagement of Dupont Sustainable solutions for development of Centre of Excellence in the process
   • JSW has developed a robust online safety training module which familiarise the employees with HS&E requirements. 54 e-learning modules were added in FY 22
   • AR/VR tools have been successfully tested and are being used at our Vijayanagar plant for emergency response training to our employees.

13. Number of Complaints on the following made by employees and workers:

<table>
<thead>
<tr>
<th>FY (Current Financial Year)</th>
<th>FY (Previous Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Filed during the year</td>
<td>Filed during the year</td>
</tr>
<tr>
<td>Pending</td>
<td>Pending</td>
</tr>
<tr>
<td>Remarks</td>
<td>Remarks</td>
</tr>
<tr>
<td>Working Conditions</td>
<td>Working Conditions</td>
</tr>
<tr>
<td>NI</td>
<td>NI</td>
</tr>
<tr>
<td>FI</td>
<td>FI</td>
</tr>
<tr>
<td>Health &amp; Safety</td>
<td>Health &amp; Safety</td>
</tr>
<tr>
<td>NI</td>
<td>NI</td>
</tr>
<tr>
<td>NI</td>
<td>NI</td>
</tr>
</tbody>
</table>

Inputs are received from contractors and employees through Perception surveys and other feedback mechanism like Safety Kaizen etc, not like a complaint system but as a constructive feedback.

14. Assessments for the year:

<table>
<thead>
<tr>
<th>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</th>
<th>Working Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and safety practices</td>
<td>100%</td>
</tr>
<tr>
<td>Working Conditions</td>
<td>100%</td>
</tr>
</tbody>
</table>

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

NIL. Based on the Internal / External Audits, we have introduced technology interventions for accident prevention in all our ISP, like smart cameras, Geo fencing etc.,

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N) Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. This is checked during the Pre-qualification process of the contractors and other stakeholders as a due diligence process

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated or deposited in the event of death of (A) Employees (Y/N) (B) Workers (Y/N) Yes

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) Yes
Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics if or when consultation is delegated, how is feedback from such consultations provided to the Board.

2. Our current communications with the minority shareholders are mainly through the annual integrated reporting, websites and AGMs. 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 the GRI RBC from our investors and lenders till date. Rather we have had very constructive discussions on the plans, performances and strategy. 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.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

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. The stakeholder consultations and materiality assessment exercises have been instrumental in the identification of the 17 environmental, social and governance priorities at JSW Steel, and in maintaining a track on the key performance indicators under these priorities.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups. 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 prioritizing 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.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

   - Majority of our employees are provided with human rights awareness. There is a policy on Human Rights of the company available on intranet and website of the company. For all new employees who are onboarded, Human Rights awareness is part of the induction session. For worker category, face to face/ classroom session on the code of conduct is done which includes aspects of Human Rights.

2. Details of minimum wages paid to employees and workers:

   - As both Central and State Government have authorised over fixing the wages, the State Governments fix their own scheduled minimum wages and further release the rates of Minimum Wage along with the VDA (Variable Dearness Allowance). Wage boards are set up to review and fix minimum wage rates, along with the VDA (Variable Dearness Allowance). The State Government sanctions the Minimum Wages through the VDA and issues the orders on the basis of the recommendations of the Wage Boards or the VDA. The rates of Minimum Wages are subject to review and revision from time to time. The rates of Minimum Wages are fixed for different categories of workers and for different states/tTerritories and, from time to time, are revised to reflect changes in the cost of living. Minimum wages are paid and adhered to by the Company as per applicable regulations.
3. Details of remuneration/salary/wages, in the following format:

<table>
<thead>
<tr>
<th>Category</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remuneration/salary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monthly</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Numbers</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. Human Rights is a sensitive issue and JSW Steel has zero tolerance to Human Rights violations. Human Rights is one of the 17 key focus areas for the company. For any Human Rights violation, wherever reported shall be investigated by a special committee nominated for the purpose by the Senior Leadership.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues. At JSW, we have a moral obligation to do all that we can to actively involve ourselves in the protection and enhancement of human rights in areas that are within our direct control and to work with others to protect every individual’s rights and freedom. We are fully committed to promoting inclusivity and equality, prohibiting any discrimination and safeguarding the human rights of all our teams.

We are cognisant of the fact that every individual brings a different and unique set of perspectives and 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 believe that every human being has the right to equality and non-discrimination. We respect human rights, including non-discrimination, protection and enhancement of human rights in areas that are within our direct control and to work with others to protect every individual’s rights and freedom. We are fully committed to promoting inclusivity and equality, prohibiting any discrimination and safeguarding the human rights of all our teams.

6. Number of Complaints on the following made by employees and workers:

<table>
<thead>
<tr>
<th>Category</th>
<th>Filed during the year</th>
<th>Pending at the end of the year</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sexual Harassment</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Discrimination at workplace</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Child Labour</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Forced Labour/Involuntary Labour</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Wages</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Other human rights issues</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

The Company believes in promoting diversity & inclusion as a culture which allows all employees to bring their authentic selves to work and contribute wholly with their skills, experience and perspective for creating unmatched value for all stakeholders. It provides a rules-based policy framework that is non-discriminatory and provides equal opportunity for all individuals irrespective of their gender, religion, caste, race, age, community, physical ability or gender orientation. JSW endeavors to ensure a safe, secure and congenial work environment, so that employees can deliver their best without inhibition.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. The business agreements and contracts do include Company’s expectations to promote sustainability, fair competition and respect for human rights.

9. Assessments for the year:

<table>
<thead>
<tr>
<th>Category</th>
<th>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child labour</td>
<td>100% of all our plants and offices are assessed internally for any issues related to the parameters.</td>
</tr>
<tr>
<td>Forced/ involuntary labour</td>
<td>100% of all our plants and offices are assessed internally for any issues related to the parameters.</td>
</tr>
<tr>
<td>Wages</td>
<td>Others - please specify</td>
</tr>
</tbody>
</table>

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above:

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.

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. Company has 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. There were no grievances related to Human Rights received by the company.

Leadership Indicators:

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints:

As there were no complaints in the FY22, no business process was modified/introduced due to this.
2. Details of the scope and coverage of any human rights due-diligence conducted.
We propose to carry out the assessment in the near future.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
Yes

4. Details on assessment of value chain partners:

<table>
<thead>
<tr>
<th>% of value chain partners (by value of business done with such partners) that were assessed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child labour</td>
</tr>
<tr>
<td>Forced/ involuntary labour</td>
</tr>
<tr>
<td>Sexual harassment</td>
</tr>
<tr>
<td>Discrimination at workplace</td>
</tr>
<tr>
<td>Wages</td>
</tr>
<tr>
<td>Others – please specify</td>
</tr>
</tbody>
</table>

Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators
1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>FY 22 (Current Financial Year)</th>
<th>FY 21 (Previous Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total electricity consumption (A)</td>
<td>11703082.63</td>
<td>8275323.63</td>
</tr>
<tr>
<td>Total fuel consumption (B)</td>
<td>43507932.63</td>
<td>39427063.63</td>
</tr>
<tr>
<td>Energy consumption through other sources (C)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total energy consumption (A+B+C)</td>
<td>44878474.66</td>
<td>40253397.83</td>
</tr>
</tbody>
</table>

Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)
If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. JSW Steel Vijayanagar - PAT Cycle-II- FY19- Target Achieved

JSW Steel Salem- PAT Cycle-III- FY20- Target Achieved as per the 3rd party verification. Results awaited from BEE

JSW Steel Dolvi- PAT Cycle-II- FY19. Following remedial actions were taken for the Dolvi plant to achieve targets.

1. Installation of various WHRS in Iron & Steel making processes.
2. Improvement in raw material quality.
3. Installation of BATs such as TRT in blast furnace, CDQ in coke oven.
4. Replacement of partial RLNG consumption with process off gases.
5. Installation of BATs such as TRT in blast furnace, CDQ in coke oven.

3. Details on assessment of value chain partners:

<table>
<thead>
<tr>
<th>% of value chain partners (by value of business done with such partners) that were assessed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child labour</td>
</tr>
<tr>
<td>Forced/ involuntary labour</td>
</tr>
<tr>
<td>Sexual harassment</td>
</tr>
<tr>
<td>Discrimination at workplace</td>
</tr>
<tr>
<td>Wages</td>
</tr>
<tr>
<td>Others – please specify</td>
</tr>
</tbody>
</table>

Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

4. We are also operating an EAF wherein waste plastic is injected. This has helped reduce GHG and also plastic menace.

3. We are operating a CCU of 100TPD capacity where CO2 is captured and refined for use in the food & beverage industry. The adoption of this technology at a very early stage gives us a head-start in our plans to scale up the utility of CCUS in conjunction with BF-BOF in operations.

4. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>FY 22 (Current Financial Year)</th>
<th>FY 21 (Previous Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
<td>1.260</td>
<td>1.5</td>
</tr>
<tr>
<td>SOx</td>
<td>1.895</td>
<td>2.05</td>
</tr>
<tr>
<td>Particulate matter (PM)</td>
<td>0.468</td>
<td>0.46</td>
</tr>
<tr>
<td>Persistent organic pollutants (POP)</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Volatile organic compounds (VOC)</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Hazardous air pollutants (HAP)</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Others – please specify</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency

5. We have set ourselves an ambitious CO2 emission reduction target of 42% reduction over a base year of 2005 till 2030. This will bring down the CO2 levels below 1.95tCO2/tcs. This target is aligned with the global sustainable development scenario (SDS) pathway.

6. We are also working on various technology and engineering companies to explore and evaluate various Carbon Capture Utilisation and Storage (CCUS) options and their applications.

5. Please provide details of air (other than GHG emissions) by the entity, in the following format:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>FY 22 (Current Financial Year)</th>
<th>FY 21 (Previous Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Scope 1 emissions (break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, M3, if available)</td>
<td>44211310</td>
<td>37523071</td>
</tr>
<tr>
<td>Total Scope 2 emissions (break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, M3, if available)</td>
<td>Metric tonnes of CO2 equivalent</td>
<td>Metric tonnes of CO2 equivalent</td>
</tr>
<tr>
<td>Total Scope 1 and Scope 2 emissions per rupee of turnover</td>
<td>0.039 kgCO2/tcs</td>
<td>0.049 kgCO2/tcs</td>
</tr>
<tr>
<td>Total scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity</td>
<td>2.56 tCO2/tcs</td>
<td>2.49 tCO2/tcs</td>
</tr>
</tbody>
</table>

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency

6. Please provide details of air (other than GHG emissions) by the entity, in the following format:

<table>
<thead>
<tr>
<th>Parameter (process stacks)</th>
<th>FY 22 (Current Financial Year)</th>
<th>FY 21 (Previous Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</td>
<td>82136833</td>
<td>66595498</td>
</tr>
</tbody>
</table>

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency

7. We are collaborating with various technology and engineering companies to explore and evaluate various Carbon Capture Utilisation and Storage (CCUS) options and their applications.
8. Provide details related to waste management by the entity, in the following format:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>FY 22 (Current Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Waste generated (in metric tonnes)</td>
<td>Summation of all categories</td>
</tr>
<tr>
<td>Plastic waste (A)</td>
<td>29.32</td>
</tr>
<tr>
<td>E-waste (B)</td>
<td>5.31</td>
</tr>
<tr>
<td>Bio-medical waste (C)</td>
<td>0.03</td>
</tr>
<tr>
<td>Construction and demolition waste (D)</td>
<td>0.0</td>
</tr>
<tr>
<td>Battery waste (E)</td>
<td>11.38</td>
</tr>
<tr>
<td>Radioactive waste (F)</td>
<td>0</td>
</tr>
<tr>
<td>Other Non-hazardous waste generated (H)</td>
<td>Summation of all categories</td>
</tr>
<tr>
<td>Total (A + B + C + D + E + F + G + H)</td>
<td>Summation of all categories</td>
</tr>
</tbody>
</table>

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes):

- Recycled: 13779746
- Re-used: 164738.73
- Other recovery operations: 122862.84

Total: 13779746

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Circular economy is the core of JSW Group. 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. The utilisation of blast furnace slag in JSW Cement operations is a classic example of material circularity which not only reduces the virgin material consumption but also helps in decarbonising another hard to abate sector.

JSW Steel is always at the forefront of innovation. Slag produced during steel-manufacturing in particular, have historically presented great challenges for the steel industry. As a solution to this, JSW Steel is utilising this slag as an alternative to river sand. Very recently, JSW Steel has started utilising the plastic waste through injection in Electric Arc Furnace which has led to the replacement of coke fines in the EAF. Thus, time and again, JSW Steel has been innovating to reduce waste generation as well as to increase the waste utilisation.

If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

All our integrated steel plant facilities are compliant with the environmental regulations.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

All the plants of JSW Steel ie. Vijayanagar, Dolvi and Salem are Zero Discharge Plants.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

<table>
<thead>
<tr>
<th>S. No</th>
<th>EIA Notification</th>
<th>Whether conducted by independent external agency</th>
<th>Results communicated in public domain</th>
<th>Relevant Web link</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>EIA Notification, 2006</td>
<td>Yes</td>
<td>Yes</td>
<td><a href="http://environmentclearance.nic.in/writereaddata/1149107263144499245146202.pdf">http://environmentclearance.nic.in/writereaddata/11491072631444499245146202.pdf</a></td>
</tr>
</tbody>
</table>

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

- Specify the law / regulation
- S. No | guidelines which was not complied with
- Provide details of the noncompliance
- Any fines / penalties / action taken by regulatory agencies such as pollution control. Corrective action taken, if any

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>FY 22 (Current Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>From renewable sources</td>
<td>nil</td>
</tr>
<tr>
<td>Total electricity consumption (A)</td>
<td>nil</td>
</tr>
<tr>
<td>Total fuel consumption (B)</td>
<td>nil</td>
</tr>
<tr>
<td>Energy consumption through other sources (C)</td>
<td>nil</td>
</tr>
<tr>
<td>Total energy consumption (A+B+C)</td>
<td>nil</td>
</tr>
<tr>
<td>From non renewable sources</td>
<td>nil</td>
</tr>
<tr>
<td>Total electricity consumption (D)</td>
<td>nil</td>
</tr>
<tr>
<td>Total fuel consumption (E)</td>
<td>nil</td>
</tr>
<tr>
<td>Energy consumption through other sources (F)</td>
<td>nil</td>
</tr>
<tr>
<td>Total energy consumption (D+E+F)</td>
<td>As per Essential Indicator 1</td>
</tr>
</tbody>
</table>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

2. Provide the following details related to water discharged:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>FY 22 (Current Financial Year)</th>
<th>FY 21 (Previous Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water discharge by destination and level of treatment (in kilolitres)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) To Surface water</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ii) To Ground water</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(iii) To Sewer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(iv) To third parties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(v) Others</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - Yes. KPMG Assurance and Consulting Services LLP

Relevant Web link

-EIA/07072021ap44aasgcmp4889524EIATextc1.pdf
3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): For each facility / plant located in areas of water stress, provide the following information: (i) Name of the area (ii) Nature of operations (iii) Water withdrawal, consumption and discharge in the following format

<table>
<thead>
<tr>
<th>Parameter</th>
<th>FY 21 (Current Financial Year)</th>
<th>FY 20 (Previous Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Surface water</td>
<td>1.05 million tonnes</td>
<td>1.09 million tonnes</td>
</tr>
<tr>
<td>(ii) Groundwater</td>
<td>0.00 million tonnes</td>
<td>0.05 million tonnes</td>
</tr>
<tr>
<td>(iii) Third party water</td>
<td>1.06 million tonnes</td>
<td>1.07 million tonnes</td>
</tr>
<tr>
<td>(iv) Seawater / desalinated water</td>
<td>0.00 million tonnes</td>
<td>0.00 million tonnes</td>
</tr>
<tr>
<td>(v) Others</td>
<td>0.00 million tonnes</td>
<td>0.00 million tonnes</td>
</tr>
</tbody>
</table>

Total water discharged (in kilolitres)

<table>
<thead>
<tr>
<th>Unit</th>
<th>Million tonnes</th>
<th>Tonne$</th>
</tr>
</thead>
<tbody>
<tr>
<td>(v) Others</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - Yes. KPMG Assurance and Consulting Services LLP

4. Please provide details of total Scope 3 emissions & its intensity, in the following format

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Unit</th>
<th>FY 22 (Current Financial Year)</th>
<th>FY 21 (Previous Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Scope 3 emissions (break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)</td>
<td>Million tonnes</td>
<td>1.09</td>
<td>1.05</td>
</tr>
<tr>
<td>Total Scope 3 emissions per rupee of turnover</td>
<td>Tonne$/ Rupee</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - Yes. KPMG Assurance and Consulting Services LLP

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

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. 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 CGI-CEO. 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.

JSW have taken up a Mangrove restoration project at Dolvi and planted more than a million saplings in the span of 4 years thereby bringing 240 hectares of land under forest cover which is estimated to have carbon capture, over a 25-year period, of approximately 185,000 tonnes. At JSW, it is our goal to achieve ‘no net loss’ of biodiversity at all our operating sites by 2030.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

<table>
<thead>
<tr>
<th>S. No Initiative undertaken</th>
<th>Details of the initiative (Web link, if any)</th>
<th>Outcome of the initiative</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  CCUS at Salav</td>
<td>Pls refer to Leadership Indicator 2</td>
<td></td>
</tr>
</tbody>
</table>

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link

The company and all the locations have a business continuity and a disaster management plan in place. The Company has a Business Continuity Policy duly approved by the Board. All major generation plants have formulated Business Continuity Plans (BCP). The main objective of BCP is to maintain business continuity under disruptive incidents with an aim to minimise impact on:

- Human life and other living beings
- Environment and related eco systems
- Economic losses
- All stakeholders (such as investors, employees)

To make this BCP more robust, Company plans training and awareness sessions across the Plant locations. Apart from training, BCP testing is done periodically to check its efficacy and improving it further based on the gaps observed during testing.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not Available

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. Although informal and formal awareness programmes are being conducted for the value chain partners, we are yet to collect and collate the data and information in the required format.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.
   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

   8. 11 World Business Council for Sustainable Development (WBCSD)
   9. 10 Iron and Steel Institute of Japan
   6. 9 PMS (Metal Society of USA)
   4. 8 Associated Chambers of Commerce and Industry of India (ASSOCHAM)
   3. 7 United Nations Global Compact (UNGC)
   2. 6 Indian Institute of Metals
   1. 5 Indian Steel Association
   3. 4 Associated Chambers of Commerce and Industry of India (ASSOCHAM)
   4. 3 Federation of Indian Chambers of Commerce & Industry (FICCI)
   5. 2 Confederation of Indian Industry (CII)
   6. 1 World Steel Association

INTEGRATED REPORT | MANAGEMENT DISCUSSION AND ANALYSIS | STATUTORY REPORTS | FINANCIAL STATEMENTS
2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities

<table>
<thead>
<tr>
<th>Name of authority</th>
<th>Brief of the case</th>
<th>Corrective action taken</th>
</tr>
</thead>
<tbody>
<tr>
<td>No adverse orders received from regulatory authorities for anti-competitive conduct.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Leadership Indicators

1. Details of public policy positions advocated by the entity:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Public policy advocated</th>
<th>Method resorted for such advocacy</th>
<th>Whether information available in public domain? (Yes/No)</th>
<th>Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)</th>
<th>Web link, if available</th>
</tr>
</thead>
</table>

JSW Steel works closely with industry/trade associations in evolving policies that govern the functioning and regulations of the Indian Steel sector. The company is a member of various working groups to support the government in the following areas -
- Governance and administration
- Economic Reforms
- Sustainable business principles
- Energy, water and other natural resources
- Social and community development
- Transparency in public disclosure

PRINCIPLE B Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year

Not Applicable, as there were no projects that require SIA as per law in the current year

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

<table>
<thead>
<tr>
<th>Name of Project for which R&amp;R is ongoing</th>
<th>State</th>
<th>District</th>
<th>No. of Project Affected Families (PAFs)</th>
<th>% of PAFs covered by R&amp;R in the FY (in %)</th>
<th>Amounts paid to PAFs in the FY (in INR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrated Steel Plant (ISP) project, Paradip</td>
<td>Odisha</td>
<td>Jagatsinghpur</td>
<td>5000</td>
<td>52</td>
<td>39.03 Cr</td>
</tr>
</tbody>
</table>

3. Describe the mechanisms to receive and redress grievances of the community.

Please refer to the Stakeholder Engagement section of our CSR Policy https://www.jsw.in/sites/default/files/assets/downloads/steel/IR/corporate_social_responsibilty/Corporate%20social%20responsibility%20policy_150322.pdf (Pg. 7 of 11) as already published on JSW website.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

<table>
<thead>
<tr>
<th>FY 22 (Current Financial Year)</th>
<th>FY 21 (Previous Financial Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directly sourced from MSMEs/ small producers</td>
<td>4%</td>
</tr>
<tr>
<td>Sourced directly from within the district and neighbouring districts</td>
<td>55% of 4%</td>
</tr>
</tbody>
</table>

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): Not Applicable, as there were no projects that require SIA as per law in the current year

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies

<table>
<thead>
<tr>
<th>S. No</th>
<th>State</th>
<th>Aspirational District</th>
<th>Amount spent (in INR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Jharkhand</td>
<td>Ranchi</td>
<td>13,20,991</td>
</tr>
</tbody>
</table>

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

Our procurement process is aligned with ISO 26000 and UNGC requirements. We have a Business Partner’s Code of Conduct available for internal purposes aligned with the aforementioned guidelines/standards. The policy has not special provisions for procurement from marginalised/vulnerable groups.

(b) From which marginalised/vulnerable groups do you procure - NA

(c) What percentage of total procurement (by value) does it constitute - NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

<table>
<thead>
<tr>
<th>S. No</th>
<th>Intellectual Property based on traditional knowledge</th>
<th>Owned/ Acquired (Yes/No)</th>
<th>Benefit shared (Yes / No)</th>
<th>Basis of calculating benefit share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Available</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

<table>
<thead>
<tr>
<th>Name of authority</th>
<th>Brief of the case</th>
<th>Corrective action taken</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Applicable</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
6. Details of beneficiaries of CSR Projects:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>CSR Project</th>
<th>No. of persons benefitted from CSR Projects</th>
<th>% of beneficiaries from vulnerable and marginalised group</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Health &amp; Nutrition: Focusing mother &amp; child health and well-being of the community</td>
<td>3,03,256</td>
<td>By virtue of working in areas with predominantly tribal communities, the programs by default reach out largely to the vulnerable and marginalised communities.</td>
</tr>
<tr>
<td>2</td>
<td>Education and Learning: Improving standards &amp; quality of delivery of education</td>
<td>1,02,420</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Agri initiatives: Aiming for sustainable prosperity of farming communities</td>
<td>19,500</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Livelihood: Empowering women, fueling growth</td>
<td>26,640</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Waste Management</td>
<td>1,14,944</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Water conservation and augmentation: Conserving for better tomorrow</td>
<td>56,175</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Margdarshak: Facilitating social entitlements</td>
<td>1,78,944</td>
<td></td>
</tr>
</tbody>
</table>

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

No concerns have been raised on adverse impacts of goods and services of the company. All information regarding goods and services can be accessed through the Company’s website [www.jsw.in/steel](http://www.jsw.in/steel) and in its periodic disclosures such as the annual report and the integrated report.

The sales and marketing team could be approached for any customer complaint and JSW is committed for resolution of all the issues.

2. Turnover of products and services as a percentage of turnover from all products/service that carry information about:

<table>
<thead>
<tr>
<th>Environmental and social parameters relevant to the product</th>
<th>As a percentage to total turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safe and responsible usage</td>
<td>100%</td>
</tr>
<tr>
<td>Recycling and/or safe disposal</td>
<td></td>
</tr>
</tbody>
</table>

3. Number of consumer complaints in respect of the following:

<table>
<thead>
<tr>
<th>Number of consumer complaints in respect of the following</th>
<th>FY 22 (Current Financial Year)</th>
<th>Remarks</th>
<th>FY 21 (Previous Financial Year)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Received during the year</td>
<td>Pending resolution at end of year</td>
<td>Received during the year</td>
<td>Remarks</td>
</tr>
<tr>
<td>3,009</td>
<td>4</td>
<td>961</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As on 31st March'22, 4 complaints were pending for salvaging

4. Details of instances of product recalls on account of safety issues:

<table>
<thead>
<tr>
<th>Voluntary recalls</th>
<th>Number</th>
<th>Reasons for recall</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIL</td>
<td>NA</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forced recalls</th>
<th>Number</th>
<th>Reasons for recall</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIL</td>
<td>NA</td>
<td></td>
</tr>
</tbody>
</table>

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The company has a formal policy on Information security Management and a manual of all the relevant policies is available in the company.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

**Leadership Indicator**

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)


[https://www.jsw.in/sustainability/transparency-customers](https://www.jsw.in/sustainability/transparency-customers)

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

[https://www.jsw.in/sustainability/transparency-customers](https://www.jsw.in/sustainability/transparency-customers)

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Issues that are bound to arise in any customer/supplier relationship, there is continual communication maintained with customers these help to identify problems before they become serious and allows both parties to work towards mutually beneficial solutions. The Company's teams focus on quality and customer service, continue to strengthen our relationship and position the company as a trusted partner and have ongoing communication on all aspects.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The company has carried out LCAs and EPDs for all finished 14 products of the company. The EDPs are available at [https://www.jsw.in/sustainability/transparency-customers](https://www.jsw.in/sustainability/transparency-customers)

5. Provide the following information relating to data breaches:

   a. Number of instances of data breaches along-with impact - Nil
   b. Percentage of data breaches involving personally identifiable information of customer - Nil
Directors’ Report

To the Members of JSW Steel Limited,

The Board of Directors are pleased to present the Fifth Integrated report along with the financial statements of the Company for the financial year ended March 31, 2022. A brief summary of the Company’s standalone and consolidated performance during the year ended March 31, 2022 is given below

COMPANY PERFORMANCE

1) Financial Results

Not only is the global steel industry challenged by fluctuating commodity prices, rising inflationary pressures, combined with continuing supply chain disruptions, but the recent surge in the number of COVID-19 infections has also impacted the steel industry. Despite the challenges, the Indian steel industry displayed its competitiveness and resilience in FY 2021-22.

2) FY 2021-22: A Review

Global economic growth remains volatile

The financial year 2021-22 started with volatility owing to widespread lockdowns across the globe induced by the second wave of COVID-19 infections and ended with rising geopolitical tensions between Russia and Ukraine. The FY 2021-22 began with the second wave hitting many parts of the world, which led to the global recovery losing pace. Impacted by the Delta variant, India’s growth was also temporarily dented in Q1 FY 2021-22. The severity of the second wave resulted in restrictions and steady vaccination ramp up, there was a strong bounce back in economic activity.

According to the International Monetary Fund’s April World Economic Outlook (WEO) global growth is severely. Moreover, use of sanctions by many developed economies has given rise to a medium-term downward drag on global trade. The FY 2021-22 began with the second wave hitting many parts of the world, which led to the global recovery losing pace. Impacted by the Delta variant, India’s growth was also temporarily dented in Q1 FY 2021-22. The severity of the second wave resulted in restrictions and steady vaccination ramp up, there was a strong bounce back in economic activity.

According to the International Monetary Fund’s April World Economic Outlook (WEO) global growth is predicted to reach 3.8% this year and imports were at 4.67 MnT, y-o-y decline of 1.7%.

Similarly, Indian economy also witnessed revival with moderate growth in consumption and stable macro-indicators backed by steady investment push from the Indian Government. In the third-quarter of FY 2021-22, with the Omicron variant outbreak and consequent imposition of restrictions, economic activity was impacted. This combined with continuing supply chain disruptions, rising commodity prices and inflationary pressures, dragged the growth prospects of many economies.

The Indian steel industry also witnessed some volatility as the start of FY 2021-22 as the domestic economic growth was temporarily dented in the second wave of COVID-19. However, in the second quarter, with easing of COVID-19 restrictions and steady vaccination ramp-up, there was a strong bounce-back in economic activity. Hence, domestic crude steel production was 31% higher in H1 FY 2021-22 compared to the same period in FY 2020-21.

Starting January 2022, even as the infections surged owing to new COVID-19 variant, economic activity was stable. The automotive sales of passenger and commercial vehicles were encouraging, and the construction and infrastructure sector witnessed steady investments owing to the government’s focus on public infrastructure. Hence, the domestic steel industry recorded consistent demand trend with steel prices remaining stable.

During the year, the Indian steel industry witnessed a 16% (y-o-y) rise in crude steel production. In FY 2021-22, finished steel consumption stood at 103.3 MnT, a growth of 25.1% over previous year. Imports were at 4.67 MnT, a y-o-y decline of 1.3%.

Despite the overall volatility arising out of new variants of COVID-19, inflationary pressures and geopolitical tensions, the Company improved its average capacity utilisation and recorded growth in steel production. The company sold 106.7 MnT of crude steel and 91.8 MnT of finished steel. The company’s commendable performance was backed by an astute focus on ensuring cost efficiency, robust capacity expansion and quality steel-making, grounded on the strong footing of sustainable business practices and a focus on nurturing growth for all stakeholders.
JSW Steel continued to grow in FY 2021-22 mostly supported by pent-up demand across the globe and healthy steel prices through the year. In FY 2021-22, the Company grew its operations, imbued digital process to improve efficiency, focused on resource optimisation, ensured overall well-being of its stakeholders and maintained and improved the financial health.

Some of the key highlights of the year were:

Robust performance

- Highest-ever annual consolidated crude steel production of 18.51 Mt a growth of 29% y-o-y, on the back of improved capacity utilisation and ramp-up of Dolvi expansion
- Record Sales volume of 18.18 MnT, improving by 21% y-o-y, driven by ramped up production and increase in overall steel demand.
- The Company’s consolidated revenue from operations increased by 83% to ₹1,16,371 crores due to better realisations and higher sales volume
- Highest ever consolidated operating EBITDA of ₹9,007 crores, a growth of 94% y-o-y.

Strong operational performance

- The Company achieved a capacity utilisation of 89% (93.6% excluding Dolvi Phase 2 expansion) on a standalone basis
- Ramp up of mining operations at Odisha and Karnataka, contributing to 43% of the total iron ore requirements

Enriched Product mix

- Sales of value added and special products (VASP) accounted for 60% of total sales volumes for the year.
- JSW Steel has established strong product brands over the years, and branded products sales stood accounted for 28% of total sales (figures excluding Ispat Limited (ACCIL), JSW Vallabh Tinplate Private Limited and Steel Limited (BPSL)).

Completion of expansion projects

- Doubled its crude steel capacity in Dolvi to 10 million tonnes per annum (MTPA), with the commencement of integrated steel operations at the 5 MTPA brownfield expansion
- On course to completing the capacity expansion at Vijayanagar’s CRM-1 complex with the commissioning of the 0.3 MTPA colour coating line.
- Modernisation and enhancement of downstream capabilities at Vasind and Tarapur have been completed.

- Continued progress on all capacity enhancements projects across downstream facilities

Healthy Subsidiary and Joint Venture performance

- JSW Steel completed the acquisition process of Bhushan Power and Steel Ltd. (BPSL) and turned around operations at BPSL recording an EBITDA of ₹ 6423 crores during the year.
- The coated steel business generated an EBITDA of ₹ 3082 crores, a growth of 97% y-o-y.
- Turnaround of the US operations at Ohio and Baytown, recording an operating EBITDA of $ 200 million.
- JSW Steel Italy operations pruned its losses and reported steady growth during the year. The operations are expected to perform better in the next fiscal
- JSW Ispat Special products Limited recorded a turnaround of the business operations generating an operating EBITDA of ₹ 472 crores during the year.

Strong Balance Sheet

- The Company’s consolidated net gearing (Net Debt to Equity) stood at 0.83x at the end of the year (vs. 1.27x at the end of FY 2020-21) and Net Debt to EBITDA stood at 1.45x (vs. 2.93x at the end of FY 2020-21).
- Net Debt increase of only ₹ 4,035 crores post a capital expenditure spend of ₹ 14,599 crores and BPSL acquisition debt of ₹ 10,278 crores
- The coated steel business generated an EBITDA of ₹ 3082 crores, a growth of 97% y-o-y.

- Strong liquidity of ₹ 17,390 crores as on March 31, 2022
- Improvement in the weighted average interest rate to 5.67% at the end of March 31, 2022 vs. 6.83% at the end of March 31, 2021.
- Net Debt increase of only ₹ 4,035 crores post a capital expenditure spend of ₹ 14,599 crores and BPSL acquisition debt of ₹ 10,278 crores
- The coated steel business generated an EBITDA of ₹ 3082 crores, a growth of 97% y-o-y.

3) Continued Strategic Growth

The Indian government has set an ambitious target of reaching 300 Mt steel production by 2030. As a leading steel manufacturing in the country, JSW Steel has embarked on extensive capacity expansion across its facilities. In FY 2021-22, the Company spent around ₹ 14,599 crores on capital expansion from the earmarked ₹ 18,240 crores. JSW Steel has made extensive progress in expanding its domestic crude steel capacity and is on track to reach a total production capacity of 37 Mt in India by FY 2024-25.

In FY 2021-22, with the operationalisation of Dolvi Works’ Phase II, the Company’s standalone crude steel capacity increased to 23 Mt from 18 Mt. With the long-term growth potential for steel consumption in the domestic market and also export opportunities, the Company continues to focus on additional capital expenditure to expand current capacities and also to modernise and expand current capacities of its downstream business.

Additionally, JSW Steel has from time-to-time entered into strategic joint ventures and acquired equity interests in various entities which have enabled it to add more value-added products and improve its market share. In FY 2021-22, newly acquired entities, Asian Colour Coated Ispat Ltd, Vallabh Tinplate Pvt. Ltd., Bhushan Power & Steel Ltd. and Plate and Coil Mill Division of Welspun Corp Ltd helped the Company consolidate its position as a value-added steel manufacturer.

Below are the details of the growth trajectory of the Company:

(A) Augmenting crude steel capacity at Vijayanagar, Dolvi and BPSL
- Crude steel capacity in Dolvi increased from 5 MTPA to 10 MTPA. The expanded Integrated Steel operations commenced in November 2021. The 5 MTPA steel-making expansion includes an 8 MTPA Pellet plant, two Phases of Coke Oven battery totaling to 3 MTPA capacity, Blast Furnace, Steel Melting Shop and 6 MTPA Hot Strip Mill.
- Expansion of Hot Metal facilities in Vijayanagar by improving operational practices such as increased Pellet usage, slag rate reduction, additional oxygen from Vaccum Pressure Swing Absorption (VPSA) and creating additional stock house with other initiatives to increase the capacity from 12 MTPA to 13 MTPA.
- Setting up 5 MTPA integrated Steel Plant with Blast Furnace, Steel Melting Shop, Hot Strip Mill along with auxiliaries by JSW Ispat Industries Bangladesh Limited, a wholly owned subsidiary of the Company to increase the capacity from 13 MTPA to 18 MTPA. The project is expected to be completed by FY 2024-25.
- The expansion at BPSL to 3.5 MTPA is progressing well and is expected to be completed in FY 2022-23.
- Long lead-time items have been ordered for the Phase-II expansion from 3.5 MTPA to 5 MTPA and the project is expected to be completed by FY 2023-24.

(B) Enriching product mix

- As part of the capacity expansion of CRM-1 complex at Vijayanagar to 1.8 MTPA, the second Continuous Galvanising Line (CSL) was commissioned in the fourth quarter of FY 2021-22. The Colour-coating line of 0.3 MTPA was commissioned in the month of March 2022.
- All expansions as a part of Vasind and Tarapur’s modernisation and capacity enhancement project have been commissioned with the commissioning of 0.45 MTPA Gir/Gal line at Vasind in October 2021 and commissioning of 0.25 MTPA Color Coating Line in May 2021.
- The 0.5 MTPA of new Continuous Annealing Line (CAL) at Vasind is expected to be commissioned by first quarter of FY 2022-23.
- 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.
- Installation of 0.25 MTPA new Color Coated Line at Rajpura in the state of Punjab is expected to be commissioned in second half of FY 2022-23.
- Setting up a 0.12 MTPA Colour Coating line in Jammu & Kashmir is progressing well for completion by the first quarter of FY 2023-24.

(C) Mergers & Acquisitions

FY 2021-22 was a year of consolidation from a mergers and acquisitions perspective. JSW Steel had undertaken strong inorganic growth in FY 2020-21 through acquisitions such as Bhushan Power and Steel Limited (BPSL), Asian Colour Coated Ispat Limited (ACCL), JSW Vallabh Tinplate Private Limited (VTP) and Valsad Carbide and Chemicals Limited (VCCL). The Company had also entered into strategic partnership with Energy Production Co. Ltd., a wholly owned subsidiary of the Company to increase the capacity from 12 MTPA to 13 MTPA.

- Setting up 5 MTPA integrated Steel Plant with Blast Furnace, Steel Melting Shop, Hot Strip Mill along with auxiliaries by JSW Ispat Industries Bangladesh Limited, a wholly owned subsidiary of the Company to increase the capacity from 13 MTPA to 18 MTPA. The project is expected to be completed by FY 2024-25.
- The expansion at BPSL to 3.5 MTPA is progressing well and is expected to be completed in FY 2022-23. Long lead-time items have been ordered for the Phase-II expansion from 3.5 MTPA to 5 MTPA and the project is expected to be completed by FY 2023-24.
The Company has planned a capital expenditure of Rs. 46,977 crores for its iron ore mines in Odisha. The Company will also implement digitalisation, and efficiencies. The initiatives will enhance mining and logistical operations.

The domestic steel industry has gone through a consolidation in the past few years, with successful resolution of most of the large distressed companies. This has been a positive for the steel industry as a whole. In order to pursue its strategic growth aspirations, JSW Steel continues to evaluate various acquisition opportunities which are value accretive, while retaining the focus on financial discipline.

The Company has successfully bid for thirteen iron ore mining rights at various auctions conducted in October 2016, October 2018 and FY 2019-20. These mines have an aggregate resource base of 1.3 billion tonnes. All the mines were operationalised in a phased manner in FY 2020-21.

The Company has a planned a capital expenditure of Rs. 4,450 crores for its iron ore mines in Odisha. The plan focuses on enhancing mining capacities and efficiencies. The initiatives will enhance mining infrastructure and reduce reliance on outsourced mining. The Company will also implement digitalisation, and set up grinding and washing facilities to improve the quality of the ore.

The captive iron ore mines contributed to around 43% of the total iron ore requirement in FY 2021-22, compared to 35% in the previous fiscal.

In FY 2021-22, the working environment was troubled with challenges owing to rising commodity prices. It was imperative that the Company undertakes medium-term and long-term process improvements to drive cost benefits. JSW Steel continued to focus on elevating the efficiency curve in order to protect margins. The Company also utilised technology and digitalisation to manage resource allocation adequately.

The Company's net worth stood at Rs. 23,501 crores as on March 31, 2021. Gearing (net debt-to-equity) was at 0.63x (as against 0.88x) and net debt to EBITDA stood at 1.25x (as against 2.40x).

The Company's net worth stood at Rs. 23,501 crores as on March 31, 2021. Gearing (net debt-to-equity) was at 0.63x (as against 0.88x) and net debt to EBITDA stood at 1.25x (as against 2.40x).

The Company’s net worth stood at Rs. 23,501 crores as on March 31, 2021. Gearing (net debt-to-equity) was at 0.63x (as against 0.88x) and net debt to EBITDA stood at 1.25x (as against 2.40x).
was partially offset by the increase in the input costs like Hot rolled coils, Aluminium & Zinc costs, paints and fuel. The revenue from operations and the net profit for the year under review was ₹26,497 crores and ₹1,366 crores respectively as against the revenue from operations of ₹14,863 crores and net profit of ₹735 crores for the year ended March 31, 2021.

2) JSW Vallabh Tiptlane Private Limited (JSWVTPL)
JSW Vallabh Tiptlane Private Limited (JSWVTPL) is a wholly-owned subsidiary of the Company. It produces tin plates and has a capacity of 1.2 lakh tonnes. With a production of 0.99 lakh tonnes during FY 2021-22, its EBITDA for the year was ₹370 crores compared to ₹47 crores the previous year. Its net profit after tax improved from ₹14 crores in FY 2020-21 to ₹116 crores in FY 2021-22.

3) Vardhman Industries Limited (VIL)
VIL manufactures colour-coating products with a capacity to produce 60,000 tonnes per annum and a service centre to cater to white goods customers in North India. The Company has a manufacturing unit at Farapa, Patiala in Punjab. VIL produced 42,807 tonnes in the year, but EBITDA was dragged down slightly owing to higher input costs. For the year, EBITDA stood at ₹113 crores compared to ₹148 crores in FY 2020-21. In FY 2021-22, its net profit after tax was ₹11 crores compared to ₹26 crores in the previous year.

4) Asian Colour Coated Ispat Limited (ACCL)
ACCL is a manufacturer of downstream steel products and has two manufacturing units located at Bawal, Haryana and Khopoli, Maharashtra. ACCL has a capacity of 1 MTPA, with 3.2 lakh tonnes of cold-rolled steel and colour-coated steel. In FY 2021-22, the EBITDA improved to ₹606 crores from ₹250 crores in the previous year. The increase is primarily due to the 12 months full operations for the FY 2021-22 as compared to the 5 months operations in FY 2020-21 as ACCL was acquired on October 26, 2020. From the date of acquisition to March 31, 2021. The total production was 2.55 lakh tonnes, which increased to 5.8 lakh tonnes in FY 2021-22. ACCL profit after tax improved to ₹74 crores versus ₹16 crores in FY 2020-21.

5) Amba River Coke Limited (ARCL)
Amba River Coke Limited (ARCL) is a wholly-owned subsidiary of the Company and has 1 MTPA coke oven plant and 4 MTPA pellet plant. In FY 2021-22, ARCL produced 0.9 MNT of coke and 3.44 MMT of pellet. The coke and pellets produced are primarily supplied to the Dolvi unit of the Company.

The operating EBITDA for the year under review was at ₹518 crores as against ₹467 crores in the previous year. Its profit after tax improved to ₹74 crores versus ₹168 crores in FY 2020-21.

6) Bhushan Power and Steel Limited (BPSL)
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. The Company had entered for the year was at ₹570 crores compared to ₹47 crores the previous year. Its profit after tax improved from ₹14 crores in FY 2020-21 to ₹116 crores in FY 2021-22.

7) JSW Industrial Gases Private Limited (JSIGPL)
JSW Industrial Gases Private Limited (JSIGPL) is a wholly-owned subsidiary of the Company. The Company sources oxygen, nitrogen and argon from JSIGPL for its Vasaiyogavar plant. The operating EBITDA for the year under review was at ₹75 crores as against ₹65 crores in the previous year. The profit after tax for the year has remained stable at ₹73 crores.

8) Other Projects Being Undertaken by Domestic Subsidiaries
The Company as part of 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 Salisbury project has been put on hold.

- JSW Jharkhand Steel Limited (JSJL) – JSJL was incorporated in relation to the setting up of a 10 MTPA steel plant in Jharkhand. The Company is currently in the process of obtaining approvals and clearances necessary for the project.

- JSW Utkal Steel Limited (JSUL) – JSUL, a wholly-owned subsidiary of JSW, has received the environmental clearance (EC) for setting up of a greenfield integrated Steel Plant (ISP) of 13.2 million tonnes per annum (MTPA) crude steel from the Union Ministry of Environment & Forest and Climate Change (MoEF&CC). The mega project is expected to generate huge employment opportunities in the region, which in turn will boost the economy of Odisha state. The capital expenditure for the modern, green and environment-friendly integrated steel plant (ISP) project is expected to be approx. ₹6,500 crores including associated facilities. The phase-wise work for the project is expected to start once the land is handed over to the company by the Government of Odisha. The project is
one of the largest in the manufacturing sector in the country and MoEF&CC accorded the EC after successful public hearings. JISL has earmarked budgets for social interventions under public health, education, skill development, social infrastructure, waste management, environment, drinking water, women empowerment and other interventions. Additionally, based on the environment impact assessment (EIA), the company has plans to incur expenditure for the environment protection and mitigation measures.

JISL is in the process of obtaining the necessary approvals and licences for the project.

(II) Overseas Subsidiaries

1) Periama 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) The Baytown facility has a 1.2 million net tonnes per annum (MTPA) plate mill and a 0.65 MTPA pipe mill. The facility is located near a port and in close proximity to key customers in the oil and gas industry. JSW Steel (USA) plate and pipe mill is in the process of modernising the existing facilities at Baytown, Texas.

The first phase of modernisation was completed and commissioned in the last fiscal year. The second phase of the modernisation of the plate mill is on track and expected to be completed in FY 2023-24. The unit produced 0.29 million tonnes of steel in FY 2022 and is expected to produce 0.39 million tonnes in FY 2023-24. The company has plans to increase its capacity utilisation to 31%.

b) JSW Steel (USA) Inc – Rolling S Augering LLC

The merger has been accounted for under the pooling of interest method. The operations and holding structure of the following subsidiaries has been merged with their immediate parent companies.

Name of Entity merged Parent Entity
Korean Minerals LLC Purex Energy LLC
S.C. Minerals LLC
Periama Handling LLC
Prime Coal LLC
Rolling S Augering LLC Mark Holdings LLC
Periama Holdings LLC

The merger has been accounted for under the pooling of interest method. The operations and holding structure of the following subsidiaries has been merged with their immediate parent companies.

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 MTPA electric arc furnace (EAF), 2.8 MTPA continuous slab caster and a 3.0 MTPA hot strip mill at Mingo Junction, Ohio in USA. In order to improve yields, enhance production, reduce operating costs, the Ohio unit was revamped and modernised at a cost of US$40 million. The unit has since restarted operations in March 2021.

JSWUO operated at a capacity utilisation of 42% during FY 2021-22 compared to the capacity utilisation of 6% in FY 2020-21 due to improved demand for slabs and Hot Rolled Coils in the US.

JSWSUO collaborated with third-party mills for manufacturing HRC in FY 2021-22 and reported an EBITDA of US$ 119.86 million (US$) compared to EBITDA loss of US$ 68.51 million (US$) last financial year. Profit after tax for FY 2021-22 was US$ 72.11 million (US$) compared to Loss after tax of US$ 116.09 million (US$) in the previous year.

JSWSUO operations turned around during the year due to better capacity utilisation and increase in realisations for slabs and Hot Rolled Coils offset by the higher scrap prices, increase in fuel costs and other inputs.

(III) Joint Venture Companies

1) JSW Ispat Special Steels Products Limited (JSIPL) (Formerly known as Monnet ISPAT & Energy Limited (MIEL))

In August 2016, Monnet Ispat & Energy Limited (MIEL), was acquired jointly by a consortium of Adani Investments Private Limited (AION) and the Company. Currently, JSW Steel directly and indirectly holds 23.1% of the equity shares of JSIPL.

JSIPL owns a 1 Mt integrated steel plant with the ability to scale up to 1.5 Mt, along with a 0.8 Mt sponge iron plant, 2.20 Mt pellet plant, a 0.96 Mt sinter plant and a 230 MW captive power plant in Chhattisgarh.

JSIPL since its acquisition have taken the following steps to revive and turnaround business operations:

- Restarted the pellet plant and incurred capex to improve capacity to 2.2 MTPA and revamping of the pellet plant by introduction of process, mixer and evacuation system.

3) JSW Steel Italy Piombino S.P.A. (JSW Piombino) (Formerly known as Aferpi S.P.A.), Piombino Logistics S.P.A. (PL) and GSI Lucchini S.P.A

JSW Piombino produces and distributes special long steel products. The Company 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 2021-22, operations generated an EBITDA loss of €6.42 million (€69 million) compared to EBITDA loss of €22.65 million (€191 million) last year. Loss after tax for the year amounted to €11.7 million (€76 million) against loss after tax of €30.1 million (€247 million) in FY 2020-21.

- Restarted the Blast Furnace and carried out process improvements to operate at rated capacity and improved efficiencies.

- Restart of the steel melt shop and upgradation to special steel by modernisation of caster and commissioning of vacuum de-gasifier and commissioning of slab caster and bloom caster to cater to the requirements of rail mills.

- Modernisation of the rolling mill to produce special bar rods and flat rolling.

These initiatives resulted in turnaround of JSIPL’s business operations and JSIPL recorded a consolidated operating EBITDA of €742 crores for FY 2021-22 as compared to EBITDA of €384 crores in the previous year. JSIPL reported a profit before tax of Rs 1 crore for FY 2021-22 as compared to loss before tax and exceptional items of Rs 106 crores in FY 2020-21.

The Board of Directors of JSW Steel Limited at its meeting held on May 27, 2022, on the recommendations of the audit committee and the independent directors, has considered and approved a composite scheme of arrangement amongst JSW Steel Limited (“JSWSL”), Ispat Special Steels Limited (“CSSL”) and JSW Ispat Special Products Limited (“JSIPL”) and their respective shareholders and creditors (“Scheme”) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Act”). The Appointed Date of the Scheme is April 1, 2022.

The Scheme provides, inter alia, for the amalgamation of CSSL and JSIPL with, and into JSWSL, dissolution of CSSL, consolidation of unpaid of CSSL and JSIPL; issuance and allotment of equity shares of JSW Steel Limited to the eligible equity shareholders of CSSL and JSIPL in the manner and in the share exchange ratio specified in the Scheme, i.e., JSWSL will issue 3 (three) fully paid up equity shares of Rs 1 each to the eligible equity shareholders of CSSL as on the record date for every 2 (two) fully paid up equity shares of Rs 10 each held by each eligible equity shareholder of CSSL and 1 (one) fully paid up equity share of Rs 1 each of JSWSL for every 21 (twenty-one) fully paid up equity shares of Rs 10 each held by eligible equity shareholders of JSIPL.
equity shareholders of JSPL and I (one) fully paid up equity share of ₹ 1 each of JSWSL for every 21 (twenty-one) compulsorily convertible preference shares of ₹ 10 each held by such holders of compulsorily convertible preference shares of JSPL.

The Scheme is subject to the necessary statutory and regulatory approvals of (i) the shareholders (ii) the creditors of the Transforee Company and other parties to the Scheme, as may be directed by the National Company Law Tribunal, Mumbai Bench, (iii) the BSE Limited and the National Stock Exchange of India Limited (iii) Securities and Exchange Board of India (iv) Competition Commission of India and (v) any other regulatory approvals, permissions, consents, sanctions, exemption as may be required under applicable laws, regulations, guidelines in relation to the Scheme.

2) JSW Severfield Structures Limited and its Subsidiary JSW Structural Metal Decking Limited (JSSSL)

JSW Severfield Structures Limited (JSSSL) 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. JSSSL produced 58,244 tonnes (including job work) during FY 2021-22. JSSSL’s EBITDA increased to ₹41 crores from ₹41 crores in FY 2020-21. MSSI JV earned a profit after tax of ₹26 crores during the year as compared to ₹18 crores during FY 2020-21.

(D) Dividend


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 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 of ₹1.75 per equity share on the 241,72,20,440 equity shares of ₹1 each of the Company, for the year ended March 31, 2022, subject to the approval of the Members at the ensuing Annual General Meeting. This dividend payout ratio works out to 18.5% of the consolidated net profit of the year ended March 31, 2022. The total outflow on account of equity dividend will be ₹1,494,166,48,614,421,151,571 crores paid for FY 2020-21.

3) JSW Ml Steel Service Centre Private Limited (MSSI 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 installed capacity in March 2015. MSSI JV has also commissioned its steel service centre in Palwali, Haryana, with MSSI JV 0.18 MTPA initial capacity. On May 24, 2021, MSSI JV acquired JSW Mi Chennai Steel Service Center Private Limited (formerly known as Mi Steel Processing India Private Limited) from Marubeni-Itochu Steel with processing capacity of 0.10 MTPA.

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. In FY 2021-22, EBITDA was ₹61 crores as compared to ₹41 crores in FY 2020-21. MSSI JV earned a profit after tax of ₹26 crores during the year as compared to ₹18 crores during FY 2020-21.

Mainstreaming Sustainability in Business Imperatives

1) Sustainability Governance

Maintaining and preserving the environment is a key business objective for the Company. The Company is aligned with the global steel industry’s focus on reducing its environmental impact and contributions to climate change. Over the years, JSW Steel has fortuitously preserved natural resources, reduced emissions and undertaken long-term initiatives like harnessing innovation, technology adoption and process change. The Company has developed a sustainability framework based on 17 key areas which embody the long-term Environmental, Social and Governance goals of the enterprise. The focus areas have been identified through an extensive process of studying the impact and the level of contribution required to be made. Furthermore, the Company has set targets and goals that will aid the creation of long-term value for all stakeholders.

JSW Steel has also established a Board-level Business Responsibility / Sustainability Reporting Committee which reviews the sustainability parameters every six months, in light of the rapid developments related to climate change viz. technology, regulations, taxation, investors’ growing expectations, disclosures and so on, the Company has constituted a Climate Action Group (DAG) with cross-functional expertise, encompassing R&D, strategy, operations, communications etc. Facilitated by the Corporate Sustainability Team, the DAG operates as a central think-tank to formulate and drive the climate change mitigation strategy and actions for the Company towards a low carbon roadmap. With a seamless mechanism in place to review stakeholder issues periodically, the Company has been undertaking extensive planning, process optimisation and investments in technology and innovation to limit environmental risks.

Key areas of sustainability

- Climate Change
- Energy
- Resources
- Water resources
- Waste
- Water waste
- Air Emissions
- Biodiversity
- Local considerations
- Human rights
- Indigenous people
- Cultural heritage
- Business ethics
- Employee wellbeing
- Supply chain sustainability
- Sustainable mining
- Social sustainability

During the year, the Company raised ₹1 billion through the issuance of bonds in the US bond markets through a Reg S / 144A issuance. The issuance comprised two tranches of 5.5 years and 10.5 years, each for an amount of ₹500 million.

2) Tackling Climate Change

As an industry leader, JSW Steel understands its responsibility to contribute towards creating a cleaner and sustainable planet for the future. The Company has developed a climate action plan to improve its carbon emission intensity beyond India’s Nationally Determined Contributions (NDC) and achieve more than 42% reduction by 2030 from the base year of 2005. JSW Steel aims to achieve this through:

- Improvement of input raw material quality through beneficiation
- Increased use of renewable energy and scrap
- Reducing coke in Blast Furnaces (BFs), increased Pulverised Coal Injection (PCI) and Natural Gas (NG) use in BF
- Energy efficiency and process efficiency improvements through best available technologies
- Continue efforts and collaborations towards development of deep decarbonisation technologies

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 which is being used in the food and beverage industry for use. The Company has earmarked ₹10,000 crore over the next few years to decarbonise, the initiatives include shifting to solar power for energy and increase the usage of scrap in the steel making operations.

3) Energy

With a view to relook at the energy minimisation and ensure energy efficient business processes, JSW Steel has been steadily transitioning to cleaner energy. The Company had set a target of consuming around 1,000 MW of renewable energy by 2030, and has progressed steadily towards achieving the same. JSW Steel has entered into a solar and wind power purchase agreement through SPVs set up by JSW Energy Limited. JSW Steel will acquire 26% stake in such SPVs, which will set up renewable power facilities with an aggregate capacity of 958 MW, of which 225 MW was commissioned in April 2022.

4) Product Sustainability

JSW Steel obtained Environmental Product Declarations (EPD’s) – Type II e-ecolabelling for all finished products of its three integrated steel plants. EPD’s will enable and support the organisation to clearly communicate the quantified environmental information to customers on
the life cycle of products in a credible, comparable, and understandable way.

5) Water Management
JSW Steel has set a target of achieving specific water consumption (in steel production) of 2.21 m³/tonnes by 2030. Currently, all the facilities follow Zero Liquid Discharge principles. The major steel producing facilities of the JSW Steel operate in water-stressed regions, and thus the Company consistently introduces process improvements to ensure better water conservation and harvesting. The plants have extensive water management plans in place which accelerate water conservation.

6) Air Emissions
The Company continues to upgrade and implement better pollution control systems while seeking expansion and improvement in its plans. JSW Steel commissioned a dedusting system of capacity expansion and improvement in its plans. JSW Steel has strived to deliver on its responsibilities towards its communities, people and society at large. JSW Steel is committed to providing a healthy and safe working environment.

7) Biodiversity
With an aim to protect the biodiversity where it operates, JSW Steel aims to practice prudent land use management. The Company also engages local environmental organisations and societies to study the biodiversity impact and improve local flora and fauna. Till date, JSW Steel Vijayanagar has planted around 18 lakh trees in an area of 2250 acres and plans to enhance the plantation to 24 lakh. The facility has also developed greenery in an expansive stretch of 432 acres of degraded forest land adjacent to JSW Steel Complex in association with Karnataka State Forest Department. The Company has carried out study to determine the impact on the core area. In the future, JSW Steel is planning to develop a Jubilee Park forest spread across 242 acres in Vijayanagar to enhance biodiversity.

8) Corporate Social Responsibility
In line with the Group’s philosophy of ‘Better Everyday’, JSW Steel has strived to deliver on its responsibilities towards its communities, people and society at large. The Company carries out its social and out of fence environmental initiatives through JSW Foundation. The main aim is to drive meaningful and sustainable change among communities (Direct Influence Zones & Indirect Influence Zones) across eight cause areas. JSW Foundation’s interventions are oriented towards achieving better outcomes in the local context by adopting SAMMS approach - Strategic, Aligned, Multi-stakeholder, Measurable, Sustainable. The interventions aim to leverage the long-standing trust and engagement with the communities to enable a self-sustaining ecosystem of well-being.

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 access 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 ₹53 crores in FY 2017-18 to ₹76.73 crores in FY 2020-21. During the current financial year, the Company has spent an amount of ₹200.34 crores towards CSR expenditure.

Envisioning and achieving progress across intervention areas

Education
The education programmes and initiatives focus on a spectrum of aspects, including the construction and maintenance school infrastructure, interventions in early childhood education, e-learning, scholarships, teacher training, remedial classes, additional teacher support, career guidance, exposure to science and math activities, the provision of science labs and libraries, and mid-day meals.

Health and nutrition
The efforts under this focus area aim to enhance health and nutrition services at all levels of the healthcare systems by increasing awareness, contributing to infrastructure development, and encouraging community engagement to support the nation’s efforts.

Skills and livelihoods
The Company focuses on ground realities to increase the employability of graduates and women in rural areas with innovative solutions and vocational trainings.

Water, environment and sanitation
The Company undertakes an integrated approach towards water, environment and sanitation by ensuring access to safe drinking water, implementing long-term plans for sustainable water resource management and enabling water security for domestic and agriculture usage in communities.

Waste Management
JSW Foundation is aligned to the government’s Swachh Bharat Mission and focuses on reducing and eliminating the practice of mixed waste from its townships and Direct Impact Zones (DIV) villages.

9) Health and Safety
JSW Steel has launched ten JSW critical safety rules, which were developed based on the criticality and past history of incidents. In order to create awareness on these rules, a 3D animated video was developed and was cascaded to all the sites for inclusion in the Safety Induction process.

In the year FY 2021-22, JSW Steel launched ‘Safety Hero Programme’ to recognise the employee and contract workers. The Safety Hero encourages safety behaviour and compliances with the set safety rules and procedures. Further, to strengthen the knowledge and exposure of safety team towards international requirements and best practices, JSW Steel has organised NEBOSH International General Certification training through British Safety Council for safety professionals. First batch comprising of 20 employees were selected from JSW Steel. For the forthcoming years, JSW Steel continues to select and train employees for the programme.

As a part of ensuring contractor safety, a six-step contractor safety management programme (CSM) has been established across all plants. In order to periodically assess and improve the contractor’s safety performance, a post assessment of contractor’s safety performance is carried out periodically (at least every 6 months) and rated for their safety performance.

JSW Steel has developed a robust set of online safety training modules which familiarise the employees with health and safety requirements. Using the reach and convenience of digital tools, the Company has launched a Safety App and portal, which is being used extensively across all sites. All safety processes have been digitised like near miss and incident reporting, audit and inspection, safety observation, contractor safety management and road safety.

10) Human Resources
JSW Steel takes immense pride in its organisational culture, one which has endured the uncertainty of the last two years and utilised it as a competitive advantage to enable continuous progress. Safety, diversity, inclusion, and overall employee growth are the important values of the organisational culture. In the last year, the Company focused on stringent adherence to safety norms and Covid regulations across all its facilities. In FY 2021-22, JSW Steel streamlined organisational structure, and introduced an initiative to revisiting the grades in line with the current employees, this component is called PIB (production incentive bonus) for some employees it is Variable Pay & for few employees it is categorised as Sales Incentive. Keeping in line with the focus to encourage diversity in the workforce, JSW Steel aims to enhance its gender diversity mix to 1:1 by FY 2021-22. In FY 2021-22, the Company has successfully established two units exclusively operated and managed by women employees. One of the coated products unit established at JSW Steel Vasind Works and finishing unit at JSW Vijayanagar Works are end-to-end managed by women employees.

JSW Steel has been on a phenomenal growth journey and plans to grow manifold in the coming decade.
With the strong belief in employee growth and well-being, the Company launched the Shri OP Jindal ESOP Plan 2021 and Shri OP Jindal Samruddhi Plan 2021. The initiative has provided Stock Options to all employees of JSW Steel right from the frontline workers to the top management. This is one of the largest ESOP Schemes launched by an Indian company and will contribute significantly to building long-term wealth for employees.

JSW Steel continued to focus on building, nurturing and retaining a talented workforce during the year. The Company believes in developing the skills of its workforce by providing educational and on-the-job training, in addition to safety and organisational policies’ training.

Aligning with the JSW Steel’s business strategy on Digitalisation, to improve productivity and process efficiency, the HR function embarked on an exhaustive HR Transformation journey. The aim is to transition seamlessly to a new age and data-driven HR organisation powered by digital tools and processes. HR processes were updated through cloud based SaaS HR platform, Darwinbox which ties in a mobile first employee experience and increases technology penetration across the organisation. The platform provides a wealth of employee experience that consolidates employee data, approvals, and hire to retire transactions at one place.

**Awards**

- Recognised as worldsteel Sustainability Champion for four years in a row for implementing significant sustainable measures.
- JSW Steel received the Steelie Award in Excellence in Life Cycle Assessment category for the project ‘Using LCA to evaluate the environmental performance of new product development and promotion’. 
- Certified as Great Place to Work, and recognised as an employee-first organization, continually evolving with innovative work culture practices.
- Recognised as Best Brand in 2021 by The Economic Times for commanding popularity, recall success and mind awareness and the benefit of instant association.
- Won Gold for Occupational Health & Safety Award 2021 with 4.5 star for overall Occupational Health & Safety Management system.
- Became a member of worldsteel Sustainability Charter.
- JSW Steel joined the World Business Council for Sustainable Development.
- Maintained its Leadership level ‘A’ in CDP Climate Change Ranking 2021 for implementing a number of best practices under climate change.

**Other Awards**

- Vijayanagar
  - Won IIM National Sustainability Award for best quality, registering highest product development, profit making, human resources management and environmental performances during the year.
  - Received IIM - TSL New Millennium Iron Award for outstanding and original contribution in the area of blast furnace based iron making.
  - Received Ispat Suraksha Puraskar - 2021 for no Fatal incidents during Calendar Year 2019 & 2020 at Steel Melting Shops and continuous cast plants.
  - Received the National Energy Efficiency Innovation Award 2021 for the project Plastic Injection in Electric Arc Furnace.
- Dolvi
  - Bestowed with the coveted CII-EXIM Bank Award for Business Excellence 2021.
  - Declared the winner of Golden Peacock Business Excellence Award for the year 2021 for business excellence & innovation.
  - Bestowed with the Commendation for Significant Achievement in Environment Management in the Steel plant category at the 16th CII-ITC Sustainability Awards 2021.
  - Received the 21st Annual Greentech Environment Award 2021 for outstanding achievements in environment protection.
  - Received Gold Occupational Health & Safety Award 2021 from DKSFSI Foundation.
  - Received Effective Safety Culture Award 2021 from Greentech Foundation for outstanding and exemplary initiatives and practices in the areas of developing effective safety culture.
  - Honoured with Platinum Award at the Third Occupational Health and Safety Award by Indian Chamber of Commerce as a recognition of the organisation’s best practices in the sphere of health & safety.
  - Won two Gold Awards from Grow Care India, one for Occupational Health & Safety and the other for Fire Safety.
  - Received Gold Award from Apex India Foundation, under Apex India Occupational Health & Safety Award-2021.
- Salem
  - 9 teams won par Excellence awards and 1 team won Excellence award in the 46th International Convention on Quality Control Circles (ICQCC)
  - 13 teams won Par Excellence awards in the 35th National Convention on Quality Concepts (NCQC).
  - Won 1st Runner Up Award in IMC Ramkrishna Bajaj National Quality -MQH Best Practice, as a recognition of the unit’s achievements in the field of quality.
  - Won the Par Excellence Award in 3rd National Conclave on S5 conducted by Quality Circle Forum of India (QCFI).
  - 24 teams won Gold award and 2 teams won Silver award in the Chapter Convention on Quality Concepts (NCQC) under the theme “Involving People through Quality concepts to Make India Global Leader”.
  - Two teams won 1st category award Rhodium and one team won second category award Platinum at 4th Poka –Yoke competition conducted by ABK- AOTS DODOKAI for implementing innovative Quality Control techniques.
  - Steel Melt Shop won Gold award for Kaizen and Bar Rod Mill won the Silver award for Kaizen in QCFI 5th Kaizen competition for implementing continuous improvement in the manufacturing process.
  - Received 5-star rating from British Safety Council for Excellence in Safety, for successfully benchmarking the safety management standards of the Salem Plant with British Safety Council 5-star audit criteria.
  - Bagged Award of honour for implementing best practices in the field of Health Safety and Environment from the National Safety Council.
  - Received Green Tech Safety Award 2021 for the outstanding achievement in OH&S practices and implementation.
  - Won Platinum Award from Grow Care India Business Conclave Safety Awards 2021 for best safety systems and procedures.
  - Bagged the IIM sustainability Award 2020-21 under Secondary Steel / Alloy steel category
  - Won Platinum Award from Grow care India for Environmental Excellence and Gold in Sustainability initiatives.
  - Won Environmental Excellence Award in 15th Indian Chamber of Commerce for displaying an excellent commitment towards environment management.

**Corporate governance**

1) **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, 2022.

2) **Prospects**

Management Discussion and Analysis, covering prospects, is provided as a separate section in the Annual Report.

3) **Management Discussion and Analysis**

Management Discussion and Analysis is provided as a separate section in the Annual Report

4) **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, integrated and aligned 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.

5) **Corporate Governance**

JSW Steel has compiled 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.jswesteel.in/investors/ jsw-steel-governance.

6) 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, 2018 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 (BRSR) 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. The Company will be presenting the BRSR to the stakeholders of the Company as part of this Annual Report.

As stated earlier in the Report, the current financial year marks the fifth year of the Company’s transition towards Integrated Reporting, focusing on the ‘capital’s approach’ of value creation. The fifth Integrated Report includes the Company’s performance as per the IR framework for the period April 1, 2021 to March 31, 2022. The Company has also provided the requisite mapping of principles of the National Guidelines on Responsible Business Conduct to fulfill the requirements of the BRSR as per SEBI’s directive. The Report which forms a part of the Annual Report, can along with the related policies, be viewed on the Company’s website https://www.jswesteel.in/investors/steel.

7) 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. Jayant Acharya (DIN 00046144), after close to four decades with the Group, superannuated at the age of 66 years from the services of the Company with effect from the close of business hours of 29th April 2022, upon completion of his tenure on the same day as a Whole-time Director, designated as Dy. Managing Director, having stepped down from the Board as a Director.

Following the superannuation of Dr. Vinod Nowal, the Board was appointed as a Wholly Director of the Company, designated as Director (Commercial & Marketing) of the Company, for a period of five years, i.e., from 03rd May, 2019 to 02nd May 2024, has been re-designated as Deputy Managing Director w.e.f. May 27, 2022, on account of change in his role and responsibilities, based on the recommendations of the Nomination and Remuneration Committee.

Mr. Suresh Kumar Gupta has been appointed as the Lead Independent Director in place of Mr. Malay Mukherjee w.e.f May 27, 2022.

Karnataka State Industrial Infrastructure and Development Corporation Limited (KSIIDC) has nominated Mr. K P Mohanraj, IAS (DIN 04265604) as its nominee on the Company’s Board with effect from 21st October, 2021 in place of Dr. Vineet Prasad Manohar, IAS (DIN 08079851) whose nomination was withdrawn w.e.f. 16th October, 2021. KSIIDC subsequently withdrew the nomination of Mr. K P Mohanraj and nominated in his place Mr. R. Ravi, IAS (DIN 08254276) as its nominee on the Company’s Board with effect from 21st January, 2022.

The Directors place on record their deep appreciation of the valuable services rendered by Dr. Vinod Nowal, Dr. V Ram Prasath Manohar, IAS and Mr. K P Mohanraj, IAS during their tenure on the Board of the Company.

DEEMING OF DIRECTOR:

With profound sadness and grief, the Directors report the sad demise of Mr. Malay Mukherjee, Independent Director, aged 74 years, on Saturday, January 29, 2022. Mr. Mukherjee who was appointed on the Board of the Company on 29th July 2015 as an Independent Director and as the Lead Independent Director had over 40 years of experience in a range of technical, commercial, and managerial roles in the mining and steel industry. The Company immensely benefited from his vision and leadership during his tenure being a Member of the Board of Directors and as a Member of Various Board Committees especially as Chairman of the Project Review Committee. His mentorship to senior colleagues in the organisation is irreplaceable and remains a source of inspiration for ever. Mr. Mukherjee’s passing away will be an irreparable loss to the Company and the entire steel fraternity. The Board conveys its deep sympathy, sorrow and condolences to his family and places on record. Its deep appreciation of the valuable services rendered by Mr. Malay Mukherjee during his tenure on the Board 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 as on the date of this Report and will undergo the online proficiency self-assessment test within the specified timeline unless exempted under the aforesaid Rules.

There were no changes in the Key Managerial Personnel of the Company during the year under review.

8) Particulars of Employees

DETAILED REPORT PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(4) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES) RULES, 2015:

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of Director/ KMP and Designation</th>
<th>Remuneration of Director/KMP for financial year 2021-22 (IN `)</th>
<th>% Increase/ Decrease in Remuneration in the Financial Year 2021-22</th>
<th>Ratio of remuneration of each Director/ KMP against median remuneration of employees</th>
<th>Comparison of the Remuneration of each Director/ KMP against the performance of the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Sajjan Jindal (Chairman &amp; Managing Director)</td>
<td>134.80</td>
<td>0%</td>
<td>169.91</td>
<td>87.1</td>
</tr>
<tr>
<td>2.</td>
<td>Seshagiri Rao MVS 6.28</td>
<td>0%</td>
<td>87.1</td>
<td>87.1</td>
<td>87.1</td>
</tr>
<tr>
<td>3.</td>
<td>Dr. Vinod Nowal 4.87</td>
<td>0%</td>
<td>67.1</td>
<td>67.1</td>
<td>67.1</td>
</tr>
<tr>
<td>4.</td>
<td>Jayant Acharya 4.63</td>
<td>0%</td>
<td>62.1</td>
<td>62.1</td>
<td>62.1</td>
</tr>
<tr>
<td>5.</td>
<td>Rajeev Pai 2.40</td>
<td>0%</td>
<td>N.A.</td>
<td>N.A.</td>
<td>N.A.</td>
</tr>
<tr>
<td>6.</td>
<td>Lancy Vargheese 0.91</td>
<td>0%</td>
<td>16.46</td>
<td>N.A.</td>
<td>N.A.</td>
</tr>
</tbody>
</table>

(ii) The median remuneration of employees of the Company during the financial year was INR 1,25 lakhs.

(iii) In the Financial year, there was an increase of 4.26% in the median remuneration of employees; and

(iv) There were 13,483 permanent employees on the rolls of Company as on March 31, 2022;

(v) Relation between average increased in remuneration and company performance: - The Profit before Tax (before exceptional items) for the financial year ended March 31, 2022 increased by 102% whereas the recommended remuneration in median remuneration was 4.26%. 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 72.31% from INR 29.25 crores to INR 75.79 crores which includes the profit linked commission to Chairman & Managing Director of INR 121.70 crores (Previous Year INR 60.42 crores).

Key Managerial Personnel remuneration excluding the profit linked commission to Chairman & Managing Director increased by 11.30% (from INR 28.83 crores in FY 2020-21 to INR 32.09 crores in FY 2021-22) increase of 11.30% is mainly
The Company has made initial public offer in the year 1995 for (vii) Average percentage increase made in the salaries (viii) The key parameter for the variable component

The current policy is to have a balanced mix of Directors, of which seven are non-executive, including its functions of governance and management. As at the competencies of the Board are the basis for the Company Secretary. in obtaining a copy of the same may write to the is open for inspection and any Member interested 

Personnel) Rules, 2014, is given in Annexure E to this (Appointment and Remuneration of Managerial the Act read with Rule 5(2) and 5(3) of the Companies (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors at its meeting held on 27th May, 2022 has recommended the appointment of M/s. S R B C & Co. LLP Chartered Accountants, as the Statutory Auditors of the Company for a second term of 5 years to hold office from the conclusion of the ensuing 28th AGM until the conclusion of the 33rd AGM of the Company to be held in the calendar year 2027. M/s. S R B C & Co. LLP have expressed their willingness to be re-appointed as Statutory Auditors of the Company. They have further confirmed that their appointment, if made, would be within the limits prescribed under Section 144(3)(g) of the Companies Act, 2013 and that they are not disqualified for appointment. Accordingly, the proposal for their re-appointment as the Statutory Auditors of the Company, from the conclusion of the ensuing 28th AGM until the conclusion of the 33rd AGM of the Company to be held in the calendar year 2027, in terms of Section 139(3) of the Companies Act, 2013, is placed for Shareholders approval. 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 for the year under review 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. The Audit Committee under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

The Board, at its meeting held on 27th May, 2022, has re-appointed M/s. S. Sinivasan & Co., as Secretarial Auditor, for conducting Secretarial Audit of the Company for FY 2022-23.

Secretarial Audit of Material Unlisted Indian Subsidiary

a) JSW Steel Coated Products Limited

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 has been disclosed in the Corporate Governance Report, which forms a part of this report.

10) 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.

11) Board Evaluation

The Board carried out an annual performance evaluation of its own performance, the performance of the Independent Directors individually as per the remuneration policy of the Company. 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 hereeto.

12) Auditors and Auditor’s Report

(A) STATUTORY AUDITORS’ AND AUDIT REPORT

The Board of Directors of 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 27th May, 2022 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 2022-23 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, 2022 is September 30, 2021 and the Cost Audit Report was filed in XBRL mode on August 17, 2021.

(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. Sinivasan & Co., a Firm of Secretaries in Practice, to undertake the Secretarial Audit of the Company for the FY 2021 – 22. 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 27th May, 2022, also required to get its cost accounting records as specified by the Central Government and enhancing the competencies of the Board and enhancing the independence of the Board and separate its functions of governance and management. As at March 31, 2022 the Board of Directors comprised of 11 members, of which seven are non-executive, including two women directors and two Nominee Directors. The number of Independent Directors is five. The current policy is to have a balanced mix of executive and non-executive Directors to maintain the independence of the Board and separate its functions of governance and management. As at March 31, 2022 the Board of Directors comprised of 11 members, of which seven are non-executive, including two women directors and two Nominee Directors. The number of Independent Directors is five.

on account of yearly salary increment, restoration of previous year salary moderation and one-time Chairman Bonus during the year. Profit before Tax except for exceptional items increased by 102% to ₹25,437 crores in FY 2021-22 (₹12,582 crores in FY 2020-21).

Remuneration of the Key Managerial Personnel as % of Profit before tax (before exceptional items) is 0.04 %.
13) Risk Management
The Company follows the globally recognised ‘COSS’ 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, regulatory, economic and credit risk are managed proactively
- Internal and independent reviews of decision and outcomes
- Ensuring reliability of financial information by deploying compliance tool to ensure compliance with laws, regulations and standards.

14) Internal Controls, Audit And Internal Financial Controls
The Company has a robust system of internal control, commensurate with the size and nature of its business and complexity of its operations.

Internal controls:
The system of internal control includes following significant features.

- Preparation of annual budgets and its regular monitoring.
- Control over transaction processing and ensuring integrity of accounting system by deployment of 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 company’s assets / resources to protect against any loss.
- A comprehensive Information Security Policy and continuous updation of IT systems.
- Over sight by Board appointed Audit Committee which comprises of independent Directors who are experts in their field.

The Audit Committee regularly reviews audit plans, significant audit findings, adequacy of internal controls and monitors implementation of audit recommendations.

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. Internal Audit Department consists of professionally qualified accountants and engineers. The Chief Internal Auditor reports directly to the Chairman of Audit Committee. The Department has successfully integrated the COSS 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, together with 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.

Audit plan and execution
At start of the year, 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 company uses services of external expert firms including reputed accounting firms to conduct audit of few critical areas.

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 had 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) for each of the processes.

The entity-level policies include antifraud 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 risk control matrix for each of its processes such as procurement to order to cash, hiring to retire, treasury, fixed assets, inventory, manufacturing operations, etc.

These internal controls are reviewed by Internal and Statutory Auditors every year. The Company has carried out self evaluation of design and effectiveness of these controls and noted no significant material weaknesses or deficiencies which can impact financial reports.

15) 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, 1986 and Companies (Accounts) Rules, 2014.

16) Share Capital
The Company’s Authorised Share capital during the financial year ended March 31, 2022, remained at `9,015,00,00,000 (Rupees Nine Thousand Fifteen crores only) consisting of `9,015,00,00,000 (Six Thousand Fifteen crores) shares of `1/- (Rupee One) each and 300,00,00,000 (Three Hundred crores) preference shares of `10/- (Rupees Ten) each.

The Company’s paid-up equity share capital remained at `2,74,72,40,440 comprising of 241,72,40,440 equity shares of `1/- (Rupee One) each whereas the paid-up preference share capital of the Company as at the financial year ended March 31, 2022 is Nil.

17) Foreign Currency Bonds
As on March 31, 2022, the outstanding Notes issued by the Company aggregate to US$ 2.4 billion and outstanding Notes issued by the Company’s subsidiary aggregate to US$ 790 million. All the outstanding Notes issued in the international market are listed on the Singapore Exchange Securities Trading Limited (the “SGX ST”).

18) Issuance of Non-Convertible Debentures
During the year under review, the Company issued and allotted 8.76% Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs) of `10 lacs each of the Company, aggregating to `1,00,00,000 (Rupees One Thousand crores) to investors on private placement basis.

As on March 31, 2022, the outstanding NCDs issued by the Company aggregate to `8,670 Crore and outstanding NCDs issued by the Company’s subsidiary aggregate to `2,500 crores. All the outstanding NCDs are listed on BSE Limited.

19) Credit Rating
In September 2021, Moody’s Investors Service has revised the outlook on the Company’s and Periama Holdings LLC’s ratings to positive from stable. Moody’s has also affirmed Ba2 Corporate Family Rating (CFR) and its Ba2 senior unsecured notes rating. At the same time, Moody’s has also affirmed the Ba2 guaranteed backed senior unsecured notes rating on Periama Holdings LLC and the Ba2 rating on the 540 million guaranteed revenue bonds issued by Jefferson County Port Authority.

In May 2022, Fitch Ratings has upgraded the Company’s Issuer Default Rating (IDR) to ‘BB’ from ‘BB-’. The Outlook is Stable. The agency has also upgraded the rating on the outstanding bonds of the Company and its subsidiary Periama Holdings, LLC to ‘BB’ from ‘BB-’.

In July 2021, CARE Ratings Ltd. has upgraded the Company’s Issuer Rating and rating for Long Term Bank Facilities and Non-Convertible Debentures to “CARE AA”, Stable Outlook from “CARE AA-”. Stable Outlook has also reaffirmed the ratings for the Short Term Bank facilities and Commercial Paper at “CARE A1+”.


In March 2022, India Ratings and Research has affirmed the Company’s Long-Term Issuer Rating at ‘IND Aa with Stable Outlook.

20) Employee Stock Ownership Plan
The Board of Directors of the Company, at its meetings held on January 29, 2016 and May 21, 2021, formulated the JSWLS Employees Stock Ownership Plan - 2016 ("ESOP 2016 Plan") and the Shri. OP Jindal Employees Stock Ownership Plan (JSWSL) – 2021 ("OPJ ESOP Plan") respectively, 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 an equity interest in the Company, which will reflect their efforts in building the growth and the profitability of the Company. These ESOP Plans involve acquisition of shares from the primary market.

ESOP 2016 Plan
A total of 2,86,87,000 (Two crores Eighty-Six Lakh 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 3,16,000 (Thirty-One Lakh Sixty 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 2016 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 Whole-time Directors of the Company is as given in the table below. The grant of ESOPs to the Whole-time Directors of the Company has been approved by the Nomination and Remuneration Committee and the Board.

<table>
<thead>
<tr>
<th>JSWSL ESOP Committee Meeting</th>
<th>Total No. of options granted</th>
<th>No. of options Granted to Whole-time Directors of the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 17, 2016 (1st Grant)</td>
<td>7,421,850</td>
<td>Mr. Seshagiri Rao M.V.S. (43,789)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Dr. Vinod Noval (87,841)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mr. Jayant Advani (20,711)</td>
</tr>
<tr>
<td>May 16, 2017 (2nd Grant)</td>
<td>5,179,977</td>
<td>1,27,968</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,19,436</td>
</tr>
<tr>
<td>May 15, 2018 (3rd Grant)</td>
<td>3,388,444</td>
<td>87,841</td>
</tr>
<tr>
<td></td>
<td></td>
<td>81,985</td>
</tr>
<tr>
<td>Total</td>
<td>15,94,471</td>
<td>3,95,639</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3,81,251</td>
</tr>
<tr>
<td>August 7, 2021 (1st Grant)</td>
<td>13,03,401</td>
<td>11,667</td>
</tr>
<tr>
<td></td>
<td></td>
<td>11,667</td>
</tr>
<tr>
<td>January 31, 2022 (1st Supplementary grant)</td>
<td>22,884</td>
<td>22,884</td>
</tr>
<tr>
<td>March 31, 2022 (2nd Supplementary grant)</td>
<td>22,884</td>
<td>22,884</td>
</tr>
<tr>
<td>Total</td>
<td>13,59,285</td>
<td>11,667</td>
</tr>
<tr>
<td></td>
<td></td>
<td>11,667</td>
</tr>
</tbody>
</table>

* ESOP 2016 Plan ** OPJ ESOP Plan

The applicable disclosures relating to ESOP plan of 2021, as stipulated under the ESOP Regulations, pertaining to the year ended 31 March, 2022, is posted on the Company’s website at http://www.jsw.in/investors/investor-relations-steel 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.

21) JSWSL Employees Samrudhi Plan 2019

The JSWSL Employees Samrudhi Plan 2019 (“Plan”) was approved by a special resolution passed by the shareholders of the Company by way of a postal ballot on May 12, 2019. The Plan, which was effective from April 1, 2019, was 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 (“ESOP Plan”) of 2016. The Indian subsidiary companies had 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, had implemented the Plan, wherein the Eligible Employee was eligible to acquire equity shares of face value ₹1 each directly 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 the Eligible Shares by the Eligible Employees under the Plan. The interest on the loan was serviced by the Company and the Eligible Employee in the ratio of 3:1 (the Company serviced 75% of the total interest liability owed to the Lending Agency and the balance 25% was serviced by the Eligible Employee).

The Plan was being administered through the existing JSW Steel Employees Welfare Trust in accordance with applicable laws. The number of equity shares that were 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, was 1,24,97,000 representing 0.51% of the issued equity share capital of the Company. As on March 31, 2021, the outstanding number of shares under the Plan stood at 66,98,000 shares subscribed by 6,638 employees.

The period of two years expired in FY 2021-22 and the Plan stands closed as on 31.03.2022. After expiry of the said period of two years and in terms of the Plan, the Eligible Employees who had participated in the Plan, have either repaid the entire loan amount, after which the equity shares would have become free of lien, or the Lending Agency has recovered the principal amount by selling the equity shares and transferred 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.

22) Shri OP Jindal Samrudhi Plan - 2021

JSWSL Shri O.P. JINDAL SAMRUDHI PLAN 2021 (“JSWSL OPJ Samrudhi Plan 2021 / Plan”) was approved by a special resolution passed by the shareholders of the Company on July 21, 2021. The Plan is a one-time scheme applicable only for permanent employees of the Company and its Indian Subsidiaries, working in India (excluding a probationer and a trainee) in the grade L01 to L15 (“Eligible Employee”), who are not covered under the Shri. OP Jindal Employees Stock Ownership Plan (JSWSL OPJ Samruddhi Plan 2021 / Plan). The Plan was being administered through the existing JSW Steel Employees Welfare Trust (“ESOT Trust”) and the JSW Steel Employees Welfare Foundation (“ESOF Foundation”) in India for the purpose of acquiring equity shares of the Company from the market for this purpose.

A total of 67,00,000 options would be available for grant to the eligible employees of the Company and a total of 13,00,000 options would be available for grant to the eligible employees of the Indian Subsidiaries of the Company, under the Plan.

Accordingly, 78,09,150 options have been granted during FY 2021-22 under this plan by the JSWSL ESOP Committee to the eligible employees of the Company and its Indian Subsidiaries.

23) 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:

a) In the preparation of the annual accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures.

b) Such accounting policies have been selected and applied consistently and judgments 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, 2022 and of the Company’s profit or loss for the year ended on that date.

The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm’s length basis. The amended Regulation 2(1)(zzc) of the SEBI Listing Regulations has also enhanced the definition of related party transactions which now includes a transaction involving a transfer of resources, services or any of its subsidiaries on one hand and a related party on the other hand, regardless of whether a price is charged or not.
Accordingly, RPTs of the Company and RPTs of the subsidiary entities exceeding the threshold of ₹1,000 crores shall require approval of the Shareholders of the Company with effect from April 1, 2022. The Board of Directors in its meeting held on May 27, 2022 approved a revised Related Party Transaction policy to incorporate the regulatory amendments to the SEBI Listing Regulations. The updated Policy can be accessed on the Company’s website as mentioned above.

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 RPTs, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All RPTs are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for RPTs that are of repetitive nature and / or entered in the ordinary course of business and are at arm's length. All RPTs 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 by the Company as set out in the accompanying financial statements, which sets out related party disclosures. Material Related Party transactions (MRPTs) to be disclosed under the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. There are no recommendations of the Audit Committee that have not been accepted by the Board.

The Company has in place an Anti-Sexual Harassment Policy to deal with instances of fraud and mismanagement, if any. Details of the same are given in the Corporate Governance Report.

The Directors take this opportunity to express their appreciation for the cooperation and assistance received from the Government of India, Republic of Chile, Mauritis, Mozambique, Italy, the US and the UK, the State Governments of Karnataka, Maharashtra, Tamil Nadu, Odisha, Gujarat, West Bengal and Jharkhand 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.
In FY 2021-22, in sync with JSW Steel’s sustainability vision and goals, the Company continued to focus on energy efficiency measures. The Company deployed several initiatives and technological interventions to conserve energy and use renewable sources of energy.

The Energy conservation function implements global best practices and carries out energy conservation benchmarking with the industry peers, in order to plan and implement some of the relevant best practices. The Company follows a three-pronged strategy for energy conservation:

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**
- Power generation of 16 MW from Top Pressure Recovery Turbine Plant at Blast Furnace.
- Commissioned a 33 TPH of steam through sinter cooler waste heat recovery boiler.
- Achieved 116 TPH process steam generation through by-product gas fired process boilers.
- Increased LD gas recovery at SMS BOF to 113 Nm³/tonne of liquid steel (Tls) through new gas line with control system to regulate process parameters.
- Installed pipeline connection from DRI top gas to mixed gas network of steel units by laying new gas line with control system to regulate process parameters.
- Installed online compressed air optimisation system, to determine the optimal conditions for the operation of compressors.
- Enhanced Steam generation by 1.47 TPH in BF gas fired boiler through process improvement.

**Salem**
- Installed online compressed air optimisation system, to determine the optimal conditions for the operation of compressors.
- Used polymer binder in LHF slag briquetting as an alternative to conventional binders, i.e., molasses and lime. The briquetting requires polymer binder with no impurities. These briquettes are being used as a replacement of synthetic slag in steel making.

**Steps taken by the company for utilising alternative sources of energy:**

**Vijayanagar**
- The Company has started utilizing solar power with the commissioning of 225 MW Renewable Solar power at Vijayanagar by JSW Renewable Energy Vijayanagar Limited, a subsidiary of JSW Energy Limited. Currently, JSW Steel Vijayanagar is utilizing solar power for its operation resulting in reduction of steam coal consumption.
- Reduced use of solid fuel in sinter by utilising micro pelot at around 60kg/tonne of sinter in sinter plants, resulting in 5-6kg/tonne of solid fuel reduction.
- Installed preheater sinter cooler preheater sinter cooler heat recovery boiler lead to 113 Nm³/tonne of liquid steel (Tls) through various process improvements.
- Supplied by-product gas to power plants to generate about 323 MW power generation.
- Increased PCI consumption in BF-1 and BF-2 by commissioning of additional BOP7 coal grinding mill.

**Dolvi**
- JSW Steel has signed a Power Purchase Agreement with a subsidiary of JSW Energy Limited for purchase of 30 MW of wind power. The Dolvi facility has used natural gas in Blast Furnace 1 & 2. JSW Steel is setting up 175 MW waste heat recovery boiler and a 60 MW captive power plant to harness flue gases and steam from Coke Dry Quenching. These power plants are expected to be commissioned in the first half of the FY 2022-23. Furthermore, Dolvi Works installed a 36 MW Top Pressure Recovery Turbine (TRT) in BF-2 along with a dry Gas Cleaning Plant (GCP).

**Expenditure on Energy Conservation Project**

- The Company incurred a cumulative capital expenditure of ₹74 crores during the year and achieved a reduction of 0.216 Gcal/TCS.

**B. Research and Development (R&D)**

**1. Specific areas in which R&D activities were carried out by the company**
- Research and Development (R&D) activities at JSW Steel 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:
  - Optimising of resource utilisation.
  - Quality & productivity improvements and cost optimization through process efficiency improvements.
  - Product development, customisation and new applications.
  - Recycling and reuse of process waste and conservation of natural resources.
  - Developing technology for treating low grade iron ores, dry beneficiation of iron ores, and process intensification and productivity.
- Development of a process for iron extraction from lean iron ore jointly with CSIR-CECRI Research Centre, Karaikudi. The process has been established at lab scale of 1 kg level. A combination of hydrometallurgy and electrometallurgy process was followed to recover iron as 98% pure iron.
- Developed mixed design for recycling 50-60 tonnes of Zero Power Furnace (ZPF) dust through Mill Scale Briquettes, which are being used as coolant in steel making.
- Developed a real-time prediction model for chemical property analysis and deployed through level-2 automation system at HSM-1. The process helps in quality assessment and faster coil clearances.

**Key Projects Completed**

- Developed a process for iron extraction from lean iron ore jointly with CSIR-CECRI Research Centre, Karaikudi. The process has been established at lab scale of 1 kg level. A combination of hydrometallurgy and electrometallurgy process was followed to recover iron as 98% pure iron.
- Developed mixed design for recycling 50-60 tonnes of Zero Power Furnace (ZPF) dust through Mill Scale Briquettes, which are being used as coolant in steel making.
- Developed a real-time prediction model for chemical property analysis and deployed through level-2 automation system at HSM-1. The process helps in quality assessment and faster coil clearances.
ix) Developed a machine learning based Tumble Index (TI) prediction model for real-time monitoring at Sinter Plant-3. The model has been deployed using a dynamically auto-updating web based dashboard, enabling real-time monitoring of critical process parameters.

x) Commissioned India’s first Ladle Heating Furnace (LHF) slag processing unit based on lab studies. A part of LHF slag is briquetted and used as replacement to synthetic slag in steel making and another part is used as raw mix in cinder making and used as a raw mix in cinder making and used as an addition in cement plant and as an addition in cement plant.

xi) Developed High Strength Bainitic Steel to meet weight reduction of automotive components. In the present study, three compositions of low and medium carbon-manganese steels with varying microalloying elements were studied.

New products developed & import substitution:
- Development of new generation high strength steels mainly for automotive and electrical applications have been the major focus at JSW Steel Vijayanagar works.
- The developments include incremental improvements in product properties to match the customer requirements and new grades for new applications.
- A total of 42 numbers of new steel grades have been developed including 8 import substitute grades and 8 grades in advanced high strength Steel (AHSI) category.

B) DOLVI

Key Projects Completed:

i) Developed a 3D computational fluid dynamics (CFD) model for the blast pipe-tuyere-raceway region to simulate pulverized coal and natural gas combustion in industrial-scale blast furnace operating conditions with an objective to reduce fuel consumption. The developed model is useful in calculating relative burnout for different blast furnace operating conditions and various coal types.

ii) Conducted study on effect of secondary fine addition on sinter and pellet quality. The results showed that solid wastes of overall ranges in granulometry norms of pellet feed can be directly used in pellet making. Study also concluded that individual solid waste show positive effect on sinter quality. The aforementioned findings will be helpful in effective utilisation of solid waste generated within the plant.

iii) Improved recovery of ferro-titanium in Ladle Furnace by conducting industrial plant trials

with variation of wire injection speed and differential bottom argon purging rate. The trails helped in optimisation of processing parameters to increase the recovery by 4% compared to the existing practice.

iv) Developed computational fluid dynamics modelling of fluid flow and mixing phenomena in argon stirred steelmaking ladles to study the effect of relative position of propellor in ladle furnace on open eye formation and mixing time. Simulation helps in calculating open eye area, full slag region area and the mixing time for varying processing conditions and porous plug configuration, thus helping in process optimisation for producing cleaner steel for automotive and critical applications.

v) Developed a model using machine learning for prediction of decarburisation rate through CoJet™ lance in CONARC®. The model can be used to dynamically predict the end point decarburisation of the molten bath, during the arcing stage and improve the efficiency of CO2ET lance during the refining process.

vi) Modelled a slag-refractory interaction using thermodynamic database in FactSage software to determine the effect of slag composition on refractory life in Ruffstahl Heraus (RH). The model predicts the extent of refractory wear for various combination of slag chemistry and refractory type at given temperature, which can be used for improving refractory and ladle life.

vii) Studied the influence of chemistry and initial grain size on the mechanical properties of deformed rebar. The study will help in formulating the alloy design and rolling process parameters for increasing ductility in higher diameter rebar produced through Quenching and Self Tempering (GST) process.

viii) Initiated studies for advanced characterisation of a heavy gauge strip (≥ 10 mm) rolled through compact strip process (CSP) mill for oil and gas pipelines. The study suggested methods to refine the austenite grain size of thin slab, before it enters the finishing mill. It would improve the uniformity of microstructure leading to consistency in product quality.

ix) Studied influence of process parameters on the formation of iron oxide scale of thin hot strips. In this project, oxide scales on hot strips were characterised to establish the relationship between processing conditions, scale characteristics in terms of scale formation and its adherence on substrate. The understanding will help in modifying the scale properties for easy pickling and minimising powderying of unpickled strip during subsequent processing at the customer’s end.

x) Studied the effect of austenite deformation on continuous cooling transformation behaviour of titanium (Ti) microalloyed HSLA steel processed through CSP route. The study suggested optimisation of cooling temperature for maximising the strength for a range of Ti content and thermomechanical processing.

xi) Studied austenite grain coarsening of low carbon steels during reheating in Hot Strip Mill-2 (HSM-2). The study aims at understanding the effect of chemical composition and reheating temperature on austenite grain coarsening behaviour. This study helps in designing the reheating process parameters for various alloy designs, ensuring uniform austenite grain size in slab and eventually consistent product quality in hot strips.

New products developed

During the year, six new products were developed and around 95 products were customised based on internal analysis and customer requirements. New HRC products include two for cold rolling and galvanizing application, one for export for cold rolled and continuous annealing application (CIRCA), grade for low cost high strength E350 grade, 1 for welded pipes and tubes application and 1 for high strength with galvanizing application.

C) SALEM

Key Projects Completed:

- Development of high carbon chrome-tungsten alloy steel for card clothing application
- Production of precipitated calcium carbonate from steel slag
- Prediction of tap oxygen in Energy optimizing Furnace
- Elimination of hydrogen Raking cracks in low carbon Cr-Mo-Ni grades
- Elimination of macro cracks in medium carbon steels

New products developed / customised

A total of four new grades have been developed for various applications like automotive, textile, machinery, general engineering etc.

3. Intellectual Property

3.1 Patents

VIJAYANAGAR

Patents filed - 13 Nos.


3. A method to identify damaged wheel of sinter pallet car online and replacement of the same.

4. Green pellets having surface coated with magnetite fines and limestone and a process of pelletisation using the same.


6. A process for beneficiation of fly ash by reducing its unburned carbon content.


9. A method to recover iron from dust in iron and steel plant.


11. A high silicon and very low carbon cold rolled steel composition suitable for deep drawing applications.
12. A method of producing briquettes involving CRM oily sludge by agglomerating with calcium rich process wastes to obtain micropellets.
13. Lean alloy steel composition and a process to produce third generation advanced high strength steel therefrom by austenite reverse transformation.

**Patents Granted - 7 Nos.**

1. A system for improving hot strip process in hot strip mills
2. A pellet induration system and a process for improving the induration of pellets involving the same
3. A process for stage-wise beneficiation of medium to high grade banded hematite quartzite
4. A process for continuous de-siliconisation and de-sulphurisation of hot metal
5. A system for controlled centering and alignment of submerged entry nozzle (SEN) in the mold in continuous caster and a method thereof
6. A system for controlling centering and alignment of submerged entry nozzle (SEN) in the mold in continuous caster and a method thereof
7. A method of producing briquettes involving CRM

**SALEM**

**Patents Filed -1**

1. A supersonic lance system adapted for improved availability and productivity of the energy optimising furnace

**Patents Granted - 2 Nos.**

1. A process for sinter production with improved coke reactivity index (CRI) and Coke Strength after Reaction (CSR) values by early catalytic devolatilisation.
2. A process for the manufacture of coke from coal with improved coke reactivity index (CRI) and Coke Strength after Reaction (CSR) values by early catalytic devolatilisation.

**3.2 Publication of Technical Papers**

VIJAYANAGAR

Total number of 21 technical papers have been published

DOLVI

Total number of 2 technical papers have been published

**3.3**

**SELECTION OF TECHNOLOGICAL INITIATIVES**

- **DOLVI**
  - New ramping of Stove-4 in Blast Furnace-1
  - Commissioning of new cyclone at Blast Furnace-1
  - 2250 TPD Oxygen Plant-8 (including 3 Nitrogen Compressors)
  - Hot Metal Transplantation Plant (5000 TPD)
  - Coke Dry Quenching (190 TPH) 2 Nos
  - Coke Oven Battery-C (0.75 MTPA)
  - Coke Oven Battery-D (0.75 MTPA)
  - Fatigue Testing Equipment
  - Thin Film XRF
  - 80 TPH coal grinding mill

- **SALEM**
  - 25 kg melting capacity Induction Furnace
  - Online size measurement device for bar products and Galvanized wire rod products
  - Commissioning of slag detection system in CCM 2
  - Slag raking system commissioned in ED2
  - Cord abrasive saw facility for blooming mill products
  - Online bloom size measurement system in CCM 3
  - Agitated briquette film dryer for picking plant efficient treatment
  - Slag raking system commissioned in LF
  - Automatic mold powder system in CCM 3
  - Upgraded Natural gas firing system for ladle and furnace preheating
  - Upgrade of Horizontal Tube Furnace at R&D Dept.
  - Installation of Simula 3D Experience platform at R&D Dept.
  - Down Hill Conveyor 1 (Devkota to Bhupalgarh)
  - Wire Rod Mill II
  - Continuous Galvanizing Line 2
  - PTCM Upgradation to 1.8 MTPA
  - Pellet Plant III
  - Zero Power Furnace (ZPF)
  - Roll Film XRF
  - Fatigue Testing Equipment
  - Induced dry belt magnetic separator
  - Ladle Waste Furnace at SMS#2
  - KR Unit at SMS#1
  - CTUB line
  - 0.30 MTPA Colour coating line
  - 8T HP coal grinding mill

- **VIJAYANAGAR**
  - Commissioning of maximum Emission Reduction of Sintering (MEROS) and Waste Gas Recirculation (WGR) system at Sinter Plant-4.
  - Upgradation of Continuous Picking Line No.2 at CRM-1
  - Commissioning of Hot Forming Press at R&D Dept.
  - Commissioning of Drop weight Tester at R&D Dept.
  - Commissioning of Horizontal Tube Furnace at R&D Dept.
  - Installation of Simula 3D Experience platform at R&D Dept.
  - Down Hill Conveyor 1 (Devkota to Bhupalgarh)

**FINANCIAL PERFORMANCE**

- **Foreign Exchange Earnings and Outgo:** Total Foreign exchange used and earned during the year:

<table>
<thead>
<tr>
<th>In crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2021-22</td>
</tr>
<tr>
<td>Foreign Exchange earned</td>
</tr>
<tr>
<td>Foreign Exchange used</td>
</tr>
</tbody>
</table>
Annexure – B to Directors’ Report

Form No. MR- 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2022
(Pursuant to section 204(3) of the Companies Act, 2013 and Rule No 3 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: L27102MH1999PLC152525 (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, 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 compiled with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, according to the provisions of:

i. The Companies Act, 2013, (the Act) and the rules made there under.
ii. The Securities Contracts (Regulation) Act, 1956, (‘SCRA’) and the rules made there under.

The provisions of the said regulations were not applicable to the Company during the year under review.

The Secretarial Standards issued and notified by the Institute of Company Secretaries of India, SS-1 & SS-2 has 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 are 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 based on 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 on the review of the compliance reports of Company Secretary/ Chief Financial Officer/ Whole-time Director or 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:

2. The Company redeemed 10.34% secured NCDs of `10,00,000 each aggregating to ` 3,30,00,00,000 on January 18, 2022.
3. The Company allotted 10,000 8.76% Secured, Listed, Redeemable Preference Shares of face value of `100,00,00,000 to Life Insurance Corporation of India on May 03, 2021.

4. The three overseas subsidiaries of the Company domiciled in the Republic of Mauritius, named below, have undergone wind up and have been liquidated w.e.f March 15, 2022:
   - Arima Holdings Limited, 42 Hotels Street, 3rd Floor, Gfin Tower, Cybercity, Ebene, Mauritius
   - Erebus Limited, 42 Hotels Street, 3rd Floor, Gfin Tower, Cybercity, Ebene, Mauritius
   - Lakeland Securities Limited, 42 Hotels Street, 3rd Floor, Gfin Tower, Cybercity, Ebene, Mauritius.
5. The Company had acquired the entire shareholding of West Waves Maritime & Allied Services Private Limited (WWMASPL) through the Company’s subsidiary Piombino Steel Limited (PSL) on November 24, 2021.
6. The following step-down subsidiary companies of the Company, operating at West Virginia, USA, have been merged with their respective holding Companies effective December 02, 2022:
   - Keenam Minerals, LLC, R.C. Minerals, LLC and Peace Leasing, LLC with its Holding Company Purest Energy, LLC
   - Primea Handling, LLC and Rolling S Augring, LLC with its Holding Company Planck Holdings, LLC
   - Prime Coal, LLC with its Holding Company Periama Holdings LLC
7. The Company had acquired from Everbest Consultancy Services Pvt Ltd. and its wholly owned subsidiary Neotex Steel Wire Steel Limited their entire holding (51%) in Neotext Steel Wire Private Limited (NSPL), both by way of Equity Shares and by way of zero coupon CCDs, at a value of ` 1,45,00,000. In addition to acquisition of holding in NSPL from Everbest Consultancy Services Pvt Ltd. and its wholly owned subsidiary Neotext Steel Wire Limited, the Company has also infused, a sum of ` 32,55,60,510 in Neotex Steel Wire Private Limited, which has also infused, a sum of ` 32,55,60,510 in NSPL towards subscription and for acquiring 80% shareholding control of NSPL.
8. The Company had subscribed to certain optionally fully convertible debentures (“OFCDs”) of Piombino Steel Limited (PSL). The Company had exercised the option of conversion of 410,00,00,000 OFCDs held by the Company in PSL into 410,00,00,000 equity shares of PSL of face value of `10/- each on 01.10.2021. Pursuant
to the conversion, the Company holds 83.28% equity in PSL and JSW Shipping & Logistics Private Limited (JSLPL) holds 16.72% equity in PSL. Thus, PSL became a Subsidiary of the Company.

9. Jefferson County Port Authority, a port authority and a body corporate and politic organized and existing under the laws of the State of Ohio ("Port Authority") has issued special, limited obligations bonds (the "Bonds"), the proceeds of which will be utilised for extending a loan (the "Loan") to JSW Steel USA Ohio, Inc., incorporated under the laws of Ohio (the "JSW Ohio"), a wholly owned indirect subsidiary of JSW Steel Limited (the "Company"). The Bonds issued are for an aggregate principal amount of $40,000,000 and have a coupon of 3.50% with a tenor of more than 30 years (maturity date of December 1, 2051).

10. The Company had allotted U.S.$1 billion of fixed-rate unsubordinated unsecured notes ("Notes"), in two series of U.S.$500 million each, (each series of notes being "Series 1" and "Series 2", respectively), in accordance with Rule 144A and Regulation S of the U.S. Securities Act, 1933, as amended and applicable Indian regulations. The Series 2 Notes are sustainability-linked notes.

For S. Srinivasan & Co.,
Company Secretaries

Sd/
S. Srinivasan
Practicing Company Secretary
Place: Mumbai
Date: 12.05.2022
UDIN: F002286000310506

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 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.
1. 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.
2. 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. 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
Place: Mumbai
Date: 12.05.2022
UDIN: F002286000310506
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)
UDIN numberF006210D000111997

FOR THE FINANCIAL YEAR 2021-22

Foreword
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 conduct/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 authorized 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 2022 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 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
(ii) The Companies (Secretarial Standards) Rules, 2015;
(iii) The Companies ( Incorporation and Other Debts) Act, 1957 and the Rules made thereunder;
(iv) The 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 (Listing of Debt Securities) Regulations, 2009;
(f) 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;
(ii) 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: -

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:

- Availed Rupee Term Loan of ₹ 500 crore from Axis Bank
- Inter Corporate Deposits aggregating ₹ 50 crores placed with JM Financial Asset Reconstruction Company.
- Inter Corporate Deposits aggregating ₹ 47 crores placed with Paisalo Digital Ltd.
- Approved the increase in project cost for Continuous Annealing Line at Vasind by ₹ 94 crores.
- Approved the increase in project cost for setting up new colour coating line in Rajpura, Ludhiana with project cost of ₹ 200 crores.
- Approved the increase in project cost for setting up new colour coating line in the Union Territory of Jammu & Kashmir at a project cost of ₹ 90 crores.
- Approved the increase in project cost for Continuous Annealing Line at Vasind by ₹ 94 crores.
- Approved the setting up of a new colour coating line in the Union Territory of Jammu & Kashmir at a project cost of ₹ 100 crores.
- Approved the increase in project cost for Residential township at Vasind by ₹ 43.95 crores.

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 Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
4. 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.
5. 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:

- Consequent to the resignation of Mr. Manish Mathur as CFO of the company, Mr. Gopikishnan Sarathy was appointed as the CFO w.e.f. September 1, 2021.
- Consequent to the resignation of Ms Deepthi Walawalkar as Company Secretary of the company, Mr. Mohammed Faisal Qureshi was appointed as Company Secretary w.e.f January 14, 2022.
- Availed Credit facilities upto ₹ 250 crore from RBL Bank
- Availed Rupee Term Loan of ₹ 500 crore from Axis Bank
- Inter Corporate Deposits aggregating ₹ 50 crores placed with JM Financial Asset Reconstruction Company.
- Inter Corporate Deposits aggregating ₹ 47 crores placed with Paisalo Digital Ltd.
- Approved the setting up of a new colour coating line in Rajpura, Ludhiana with project cost of ₹ 200 crores.
- Approved the increase in project cost for Continuous Annealing Line at Vasind by ₹ 94 crores.
- Approved the increase in project cost for setting up new colour coating line in the Union Territory of Jammu & Kashmir at a project cost of ₹ 100 crores.
- Approved the increase in project cost for Residential township at Vasind by ₹ 43.95 crores.
- Approved the setting up of a new colour coating line in Rajpura, Ludhiana with project cost of ₹ 200 crores.
- Approved the increase in project cost for Continuous Annealing Line at Vasind by ₹ 94 crores.
- Approved the setting up of a new colour coating line in the Union Territory of Jammu & Kashmir at a project cost of ₹ 100 crores.
- Approved the increase in project cost for Continuous Annealing Line at Vasind by ₹ 94 crores.
- Approved the setting up of a new colour coating line in the Union Territory of Jammu & Kashmir at a project cost of ₹ 100 crores.
- Approved the increase in project cost for Residential township at Vasind by ₹ 43.95 crores.
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:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of Director</th>
<th>Designation / Nature of Directorship</th>
<th>Number of meetings of CSR Committee held during the year</th>
<th>Number of meetings of CSR Committee attended during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Mrs. Nirupama Rao</td>
<td>Independent Director</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>02.</td>
<td>Mr. Seshagiri Rao</td>
<td>Jt. Managing Director &amp; Group CFO</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>03.</td>
<td>Dr. Vinod Nowal</td>
<td>Dy. Managing Director</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>04.</td>
<td>Mr. Jayant Acharya</td>
<td>Director (Commercial &amp; Marketing)</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>05.</td>
<td>Dr. Punita Kumar Sinha</td>
<td>Independent Director</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>06.</td>
<td>Dr. M.R. Ravi (IAS)</td>
<td>Nominee Director of KSIIDC</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

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 approved by the Board are disclosed on the website : 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.

Programs undertaken during FY 2021-22 are still under implementation and part of ongoing projects since the company has already been following a long term program approach. Details of impact assessments carried out during FY 2021-22 through independent third party agency are available on the website.

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:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Financial Year</th>
<th>Amount available for set-off from preceding financial years (in `)</th>
<th>Amount required to be set-off for the financial year, if any (in `)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2021–22</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>2</td>
<td>2020–21</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>3</td>
<td>2019–20</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

6. Average net profit of the company as per section 135(5) : `8,970.50 crores

7. (a) Two percent of average net profit of the company as per section 135(5) : `199.41 crores

   (a) Surplus arising out of the CSR projects or programs or activities of the previous financial years. NIL

   (b) Amount required to be set off for the financial year, if any : NIL

   (c) Total CSR obligation for the financial year (7a+7b-7c) : `199.41 crores

8. a) CSR amount spent or unspent for the financial year:

<table>
<thead>
<tr>
<th>CSR Amount Spent (in `)</th>
<th>Total Amount Spent for the Financial Year (in `)</th>
<th>Total Amount transferred to Unspent CSR Account as per section 135(B) (in `)</th>
<th>Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>200.34</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Details of CSR amount spent against ongoing projects for the financial year:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Project</th>
<th>Local area (Yes/No)</th>
<th>Location of the project.</th>
<th>Project duration</th>
<th>Amount allocated for the project (in `)</th>
<th>Amount spent in the current financial year (in `)</th>
<th>Amount transferred to Unspent CSR Account as per Section 135 (in `)</th>
<th>Mode of Implementation - Direct (Yes/No)</th>
<th>Made of Implementation - Through Implementing Agency</th>
<th>Name</th>
<th>CSR Registration number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Educational infrastructure &amp; systems strengthening</td>
<td>Yes</td>
<td>Jharkhand, Karnataka, Maharashtra, Tamil Nadu, Odisha, Andhra Pradesh</td>
<td>4 years</td>
<td>70.14</td>
<td>70.73</td>
<td>-</td>
<td>Both</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>General community infrastructure support &amp; welfare initiatives</td>
<td>Yes</td>
<td>Jharkhand, Karnataka, Maharashtra, Tamil Nadu, Odisha, Gujrat</td>
<td>4 years</td>
<td>23.89</td>
<td>23.83</td>
<td>-</td>
<td>Both</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>COVID-19 Support &amp; rehabilitation program</td>
<td>Yes</td>
<td>Maharashtra, Raigad</td>
<td>2 years</td>
<td>21.78</td>
<td>21.78</td>
<td>-</td>
<td>Both</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Public health infrastructure, capacity building &amp; support programs</td>
<td>Yes</td>
<td>Karnataka, Maharashtra, Tamil Nadu, Odisha</td>
<td>4 years</td>
<td>41.01</td>
<td>41.01</td>
<td>-</td>
<td>Both</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Integrated water resources management</td>
<td>Yes</td>
<td>Karnataka, Maharashtra, Tamil Nadu, Odiha</td>
<td>4 years</td>
<td>9.28</td>
<td>9.62</td>
<td>-</td>
<td>Both</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Enhance Skills &amp; rural livelihoods through nurturing of supportive ecosystems &amp; innovations</td>
<td>Yes</td>
<td>Karnataka, Maharashtra, Tamil Nadu, Odiha</td>
<td>4 years</td>
<td>8.20</td>
<td>8.20</td>
<td>-</td>
<td>No</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Sports promotion &amp; institution building</td>
<td>Yes</td>
<td>Karnataka, Maharashtra, Odisha, Harayana</td>
<td>4 years</td>
<td>6.98</td>
<td>6.98</td>
<td>-</td>
<td>No</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Waste management &amp; sanitation initiatives</td>
<td>Yes</td>
<td>Karnataka, Maharashtra, Tamil Nadu, Odiha</td>
<td>4 years</td>
<td>3.54</td>
<td>3.54</td>
<td>-</td>
<td>No</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Promotion &amp; preservation of art, culture &amp; heritage</td>
<td>Yes</td>
<td>Karnataka, Maharashtra, Tamil Nadu, Odiha, Jamnu &amp; Kashmir</td>
<td>4 years</td>
<td>3.59</td>
<td>3.59</td>
<td>-</td>
<td>No</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Nurturing aquatic &amp; terrestrial ecosystems for better environment &amp; reduced emissions</td>
<td>Yes</td>
<td>Karnataka, Maharashtra, Tamil Nadu, Odiha</td>
<td>4 years</td>
<td>1.81</td>
<td>1.81</td>
<td>-</td>
<td>No</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Nurture women entrepreneurship &amp; employability</td>
<td>Yes</td>
<td>Karnataka, Maharashtra</td>
<td>4 years</td>
<td>0.71</td>
<td>0.71</td>
<td>-</td>
<td>No</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Project Management Cost</td>
<td>Yes</td>
<td>8.78</td>
<td>8.78</td>
<td>-</td>
<td>Both</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>200.28</strong></td>
<td><strong>200.28</strong></td>
<td>-</td>
<td>Both</td>
<td>JSW Foundation</td>
<td>CSR00003978</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**ANNEXURE – C TO DIRECTORS’ REPORT**
(c) Details of CSR amount spent against other than ongoing projects for the financial year: NIL

d) Amount spent in Administrative Overheads: NIL

(f) Amount spent on Impact Assessment, if applicable:
0.06 crores.

(g) Total amount spent for the Financial Year (8b+8c+8d+8e): 200.34 crores.

(v) Excess amount for set off, if any

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particular</th>
<th>Amount (in ` crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td>Two percent of average net profit of the company as per section 135(5)</td>
<td>199.41</td>
</tr>
<tr>
<td>(ii)</td>
<td>Total amount spent for the Financial Year</td>
<td>200.34</td>
</tr>
<tr>
<td>(iii)</td>
<td>Excess amount spent for the financial year [8b-(ii)]</td>
<td>0.93</td>
</tr>
<tr>
<td>(iv)</td>
<td>Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any</td>
<td>NIL</td>
</tr>
<tr>
<td>(v)</td>
<td>Amount available for set off in succeeding financial years [8b-(iv)]</td>
<td>0.93</td>
</tr>
</tbody>
</table>

9. (a) Details of Unspent CSR amount for the preceding three financial years:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Preceding Financial Year</th>
<th>Amount transferred to Unspent CSR Account under section 135(6) (in ` crores)</th>
<th>Amount spent in the reporting Financial Year (in ` crores)</th>
<th>Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. (in ` crores)</th>
<th>Amount remaining to be spent in succeeding financial years (in ` crores)</th>
<th>Status of the project - Completed / Ongoing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2020-21</td>
<td>86.49</td>
<td>73.27</td>
<td></td>
<td>13.22</td>
<td>Completed / Ongoing</td>
</tr>
<tr>
<td>2</td>
<td>2019-20</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
<td>Ongoing</td>
</tr>
<tr>
<td>3</td>
<td>2018-19</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>86.49</td>
<td>73.27</td>
<td></td>
<td>13.22</td>
<td></td>
</tr>
</tbody>
</table>

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Project ID.</th>
<th>Name of the Project</th>
<th>Financial Year in which the project was commenced</th>
<th>Project duration</th>
<th>Total amount allocated for the project (in ` crores)</th>
<th>Amount spent on the project in the reporting Financial Year (in ` crores)</th>
<th>Cumulative amount spent at the end of reporting Financial Year (in ` crores)</th>
<th>Status of the project - Completed / Ongoing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>COVID 19 Support &amp; rehabilitation program</td>
<td>2020-21</td>
<td>2 years</td>
<td>57.81</td>
<td>26.69</td>
<td>44.60</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Educational infrastructure &amp; systems strengthening</td>
<td>2020-21</td>
<td>4 years</td>
<td>14.82</td>
<td>7.20</td>
<td>14.82</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Enhance Skills &amp; rural livelihoods through nurturing of supportive eco systems &amp; innovation</td>
<td>2020-21</td>
<td>4 years</td>
<td>5.84</td>
<td>2.03</td>
<td>5.84</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>General community infrastructure support &amp; welfare initiatives</td>
<td>2020-21</td>
<td>4 years</td>
<td>26.91</td>
<td>13.50</td>
<td>26.91</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Integrated water resources management</td>
<td>2020-21</td>
<td>4 years</td>
<td>10.68</td>
<td>0.68</td>
<td>10.68</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Nurture women entrepreneurship &amp; employability</td>
<td>2020-21</td>
<td>4 years</td>
<td>1.31</td>
<td>0.23</td>
<td>1.31</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Nutrizing aquatic &amp; terrestrial ecosystems for better environment &amp; reduced emissions</td>
<td>2020-21</td>
<td>4 years</td>
<td>11.08</td>
<td>7.61</td>
<td>11.08</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Project Management Cost</td>
<td>2020-21</td>
<td>4 years</td>
<td>3.99</td>
<td>0.07</td>
<td>3.99</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Public health infrastructure, capacity building &amp; support program</td>
<td>2020-21</td>
<td>4 years</td>
<td>19.87</td>
<td>5.16</td>
<td>19.87</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Sports promotion &amp; institution building</td>
<td>2020-21</td>
<td>4 years</td>
<td>7.04</td>
<td>1.56</td>
<td>7.04</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Waste management &amp; sanitation initiatives</td>
<td>2020-21</td>
<td>4 years</td>
<td>5.26</td>
<td>3.56</td>
<td>5.26</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>164.61</td>
<td>73.27</td>
<td>151.39</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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 (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).
(b) Amount of CSR spent for creation or acquisition of capital asset.
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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).
Not Applicable

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/-
SAILJAN JINDAL
CHAIRMAN & MANAGING DIRECTOR

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:

<table>
<thead>
<tr>
<th>(a) Name(s) of the related party and nature of relationship</th>
<th>(b) Nature of contracts / arrangements/transactions</th>
<th>(c) Duration of the contracts / arrangements/transactions</th>
<th>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</th>
<th>(e) Justification for entering into such contracts or arrangements or transactions</th>
<th>(f) Date(s) of approval by the Board</th>
<th>(g) Amount paid as advances, if any</th>
<th>(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Coated Products Limited (JSW Coated) and JSW International Tradecorp Pte. Limited (JITPL)</td>
<td>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.</td>
<td>April 2021 to March 2022</td>
<td>Value of transactions with JSW Coated amounted to ₹2,363 crores and procured raw material from JITPL amounted to ₹ 28,176 crores during FY 2021-22</td>
<td>For JITPL – The Board of Directors approved transactions with JITPL on May 25, 2019 and shareholders also approved these transactions in the Annual General Meeting held on July 25, 2019; For JSW Coated – The transactions with JSW Coated do 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.</td>
<td>For JITPL – NIL; For JSW Coated – As per the terms and conditions of the contract</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 2. Details of material contracts or arrangement or transactions at arm’s length basis:

<table>
<thead>
<tr>
<th>(a) Name(s) of the related party and nature of relationship</th>
<th>(b) Nature of contracts / arrangements/transactions</th>
<th>(c) Duration of the contracts/arrangements/transactions</th>
<th>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</th>
<th>(e) Justification for entering into such contracts or arrangements or transactions</th>
<th>(f) Date(s) of approval by the Board</th>
<th>(g) Amount paid as advances, if any</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Steel Limited</td>
<td>Form No. AOC-2</td>
<td>April 2021 to March 2022</td>
<td>NIL</td>
<td>NIL</td>
<td>NIL</td>
<td>NIL</td>
</tr>
<tr>
<td>(All contracts or arrangements or transactions with related parties are at arm’s length basis)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2021-22

(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 organization 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 Annual General Meetings. All Executive Directors other than the Managing Director are subject to retirement by rotation and at every Annual General Meeting, 1/3rd of such Directors who are eligible 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:

i. 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;

ii. 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 Diversity:

Gender Diversity on the Board has been a priority at JSW Steel and we have made good progress over the years. We are particularly pleased that we have been able to increase female representation at the Board level following the appointment of Ms. Fiona Paulus as an Additional Director (Independent Category) with effect from May 27, 2022. With this, the Board of Directors comprises of three women directors out of total strength of eleven directors, at present. The Board has diversity in terms of nationality, with citizens from four countries, viz. India, Japan, USA and UK.

#### 2.4 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, 2022, the Board of Directors comprises of 11 Directors, of which 7 are non-executive, including 2 woman directors. The Chairman is executive and a Promoter of the Company. The number of Independent Directors is 5 as against the required number of 6. The deficiency in the Board Composition caused on account of the sudden demise of Mr. Malay Mukherjee, Independent Director, on 29.01.2022, has been set right within the permitted time frame upon the superannuation of Dr. Vinod Nowal, with effect from the close of business hours of 29th April 2022 and thus is presently in compliance with the stipulated number of Directors as required under the SEBI LODR Regulations.

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.
In the opinion of the Board, all the Directors continue to make effective and valuable contribution towards fulfilling the Board agenda and devote sufficient time to discharge their responsibilities as Directors of JSW Steel Ltd. All Directors had high level attendance during FY 2021-22. All Independent Directors meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and under Regulation 16 (1) (b) of the SEBI (LODR) Regulations.

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.

### Table 1: Nominees/Non-Executive Directors

<table>
<thead>
<tr>
<th>Category</th>
<th>Name of Director</th>
<th>Position</th>
<th>Date of Joining on the Board</th>
<th>No. of Board Meetings held</th>
<th>No. of Board Meetings attended</th>
<th>Attendance at AGM</th>
<th>Date of Nomination</th>
<th>Category of Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Directors</td>
<td>Mr. Sajjan Jindal</td>
<td>Chairman &amp; Managing Director</td>
<td>15.03.1994</td>
<td>5</td>
<td>5</td>
<td>Yes</td>
<td>NA</td>
<td>Chairman &amp; Managing Director</td>
</tr>
<tr>
<td></td>
<td>Dr. V Ram Prasath</td>
<td>Director</td>
<td>30.06.1980</td>
<td>5</td>
<td>5</td>
<td>Yes</td>
<td>NA</td>
<td>Independent Director</td>
</tr>
<tr>
<td></td>
<td>Mr. Hiroyuki Ogawa</td>
<td>Non-Executive Director</td>
<td>07.05.2009</td>
<td>5</td>
<td>5</td>
<td>Yes</td>
<td>1</td>
<td>Independent Director</td>
</tr>
<tr>
<td></td>
<td>Mr. Seturaman Mahalingam</td>
<td>Director</td>
<td>28.10.2012</td>
<td>5</td>
<td>5</td>
<td>Yes</td>
<td>NA</td>
<td>Independent Director</td>
</tr>
<tr>
<td></td>
<td>Dr. Murali Keshari</td>
<td>Director</td>
<td>30.03.2010</td>
<td>5</td>
<td>5</td>
<td>Yes</td>
<td>NA</td>
<td>Independent Director</td>
</tr>
<tr>
<td></td>
<td>Mr. Kavitha Narasimhan</td>
<td>Director</td>
<td>27.07.2016</td>
<td>5</td>
<td>5</td>
<td>Yes</td>
<td>NA</td>
<td>Independent Director</td>
</tr>
<tr>
<td></td>
<td>Mr. Harish C. Menon</td>
<td>Director</td>
<td>26.07.2018</td>
<td>5</td>
<td>5</td>
<td>Yes</td>
<td>NA</td>
<td>Independent Director</td>
</tr>
<tr>
<td></td>
<td>Mrs. Nirupama Rao</td>
<td>Director</td>
<td>25.07.2018</td>
<td>5</td>
<td>5</td>
<td>Yes</td>
<td>NA</td>
<td>Independent Director</td>
</tr>
</tbody>
</table>

### Notes:

1. During the Financial Year 2021-22, Five Board Meetings were held and the gap between two meetings did not exceed four months. Board Meetings were held on 21.05.2021, 23.07.2021, 26.08.2021, 21.10.2021 & 21.01.2022.

2. * No. of Board Meetings indicated is with reference to date of joining/cessation of the Director.

3. ** 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.

4. # 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:

<table>
<thead>
<tr>
<th>Name of the Listed Entity</th>
<th>Category of Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jindal Steel Limited</td>
<td>Independent Director</td>
</tr>
<tr>
<td>JSW Energy Limited</td>
<td>Independent Director</td>
</tr>
<tr>
<td>JSW Holdings Limited</td>
<td>Chairman</td>
</tr>
</tbody>
</table>
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.

2.7 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.

The last strategy meet of the Board of Directors was held on 26th August 2021 at the Vasind Works of the Company.

2.8 Directors and Officers Insurance (D&O):
In line with the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken D&O for all its Directors for such quantum and for such risks as determined by the Board of Directors.

2.9 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.jsw.in/investors/steel/jsw-steel-governance-and-regulatory-information-policies

2.10 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 24, 2022, 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.

2.11 Lead Independent Director:
Mr. Malay Mukherjee was the Lead Independent Director till 29.01.2022. He was appointed as such by the Board in its meeting held on 25.07.2018. Due to the sudden demise of Mr. Malay Mukherjee on 29.01.2022, the Board in its meeting held on 27.05.2022 appointed Mr. Seturaman Mahalingam as the Lead Independent Director.

2.12 Familiarization 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 familiarization programmes imparted to Independent Directors is disclosed on the company’s website: https://www.jsw.in/investors/steel/jsw-steel-governance-and-regulatory-information-policies

2.13 Fulfillment 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(5) 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.
2.14 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 ... who have such core skills/expertise/competencies as required in the context of the Company’s business(es) and sector(s):

<table>
<thead>
<tr>
<th>Name of Director who have such Skill/ expertise/Competencies</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sajjan Rao M.V.S.</td>
<td></td>
</tr>
<tr>
<td>Seshagiri Acharya</td>
<td></td>
</tr>
<tr>
<td>Vinod Ogawa</td>
<td></td>
</tr>
<tr>
<td>hiroyuki Mariwala</td>
<td></td>
</tr>
<tr>
<td>Seturaman Mahalingam</td>
<td></td>
</tr>
<tr>
<td>harsh Charandas</td>
<td></td>
</tr>
<tr>
<td>Punita Kumar</td>
<td></td>
</tr>
<tr>
<td>lal lal lal</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Knowledge of Sector</th>
<th>Projects</th>
<th>Finance</th>
<th>Law</th>
<th>IT and Digital Outreach</th>
<th>Public Relations</th>
<th>Risk Management Systems</th>
<th>Human Resources Management</th>
<th>Strategy Development and implementation</th>
<th>Executive performance management</th>
<th>Governance related risk management</th>
<th>Profile/Reputation</th>
<th>Ability and willingness to challenge and probe</th>
<th>Listening skills</th>
<th>Willingness and ability to devote time and energy to the role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge of Sector</td>
<td>Projects</td>
<td>Finance</td>
<td>Law</td>
<td>IT and Digital Outreach</td>
<td>Public Relations</td>
<td>Risk Management Systems</td>
<td>Human Resources Management</td>
<td>Strategy Development and implementation</td>
<td>Executive performance management</td>
<td>Governance related risk management</td>
<td>Profile/Reputation</td>
<td>Ability and willingness to challenge and probe</td>
<td>Listening skills</td>
<td>Willingness and ability to devote time and energy to the role</td>
</tr>
</tbody>
</table>

2.15 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 fulfill 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.

3. Audit Committee:
The Audit Committee comprises of two 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 Board carries 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 fulfill 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.

3. Audit Committee:
The Audit Committee comprises of two 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 composition of the Committee as at 31.03.2022, name of members and Chairperson and the attendance of each member at the Committee Meetings are as given below:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Members</th>
<th>Category</th>
<th>No. of Meetings attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Mr. Seturaman Mahalingam</td>
<td>Non-Executive Independent Director</td>
<td>2/2</td>
</tr>
<tr>
<td>02.</td>
<td>Mr. Harsh Charandas Mariwala (Chairperson)</td>
<td>Non-Executive Director</td>
<td>2/2</td>
</tr>
<tr>
<td>03.</td>
<td>Mr. Rameshwar Rao (Member)</td>
<td>Non-Executive Independent Director</td>
<td>2/2</td>
</tr>
</tbody>
</table>

Note: - Mr. Malay Mukherjee, due to his sudden demise on 29.01.2022, ceased to be the member of the Audit Committee w.e.f 29.01.2022.

*Mr. Seshagiri Rao MVS ceased to be a member of Audit Committee w.e.f 23.07.2021 and again inducted to the Committee w.e.f 07.03.2022.

**No. of committee meetings indicated is with reference to the date of joining/cessation of the Director.

The Dy. Managing Director, Director (Commercial & Marketing), Chief Financial Officer, Accounts Heads of each Unit, Executive 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 21.07.2021.

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 20.05.2021 & 24.11.2021.

The composition of the Nomination & Remuneration Committee as at 31.03.2022 and the attendance of each member at the Committee Meetings are as given below:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Members</th>
<th>Category</th>
<th>No. of Meetings attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Mr. Harsh Charandas Mariwala (Chairperson)</td>
<td>Non-Executive Director</td>
<td>2/2</td>
</tr>
<tr>
<td>02.</td>
<td>Mr. Seturaman Mahalingam</td>
<td>Non-Executive Independent Director</td>
<td>2/2</td>
</tr>
<tr>
<td>03.</td>
<td>Mr. Rameshwar Rao (Member)</td>
<td>Non-Executive Independent Director</td>
<td>2/2</td>
</tr>
</tbody>
</table>

Note:- Mr. Sajjan Jindal, ceased to be a member of Nomination & Remuneration Committee w.e.f 23.07.2021.

Mr. Malay Mukherjee, ceased to be a member of the Nomination & Remuneration Committee w.e.f 29.01.2022.

Mr. Seturaman Mahalingam, Chairman of the Nomination & Remuneration Committee was present at the last Annual General Meeting held on 21.07.2021.

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 on several occasions and the last amendment was done on 11.03.2022. The policy has been framed in compliance with the provisions of Section 178 (2), 198(3) 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) Fulfillment 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:

- Board Member Peer Evaluation - Each Board member is encouraged to rate his/her Peer’s personal contribution/performance/conduct as a director with reference to a questionnaire.

- In the Overall Board and Committees’ Performance Evaluation, each Board member will be asked to provide inputs on questions designed to elicit responses from the directors.

- The performance of the Chairperson of the Company shall be reviewed after taking into account the views of executive and non-executive directors on the Board with reference to a questionnaire.

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 Chairman’s Office or to the Company Secretary or the Board nominee or a 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 and 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 Management 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
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 1x 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 01.04.2021 to 31.03.2022 are as follows:

<table>
<thead>
<tr>
<th>Name of the Director</th>
<th>Commission Paid/Payable (2021-2022) (in Lakh)</th>
<th>Sitting Fees @ ₹ 20,000 per meeting (in Lakh)</th>
<th>Total (in Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominee Director of KSIDC 35.00</td>
<td>0.80</td>
<td>35.80</td>
<td></td>
</tr>
<tr>
<td>Mr. Horyuk Gawai (JSW Steel Corporation) 35.00</td>
<td>1.80</td>
<td>36.80</td>
<td></td>
</tr>
<tr>
<td>Mr. Malay Mukherjee 35.50</td>
<td>4.60</td>
<td>40.10</td>
<td></td>
</tr>
<tr>
<td>Mr. Seturaman Mahalingam 36.00</td>
<td>5.40</td>
<td>41.40</td>
<td></td>
</tr>
<tr>
<td>Dr. (Mrs) Punitha Kumar Sinha 35.00</td>
<td>3.60</td>
<td>38.60</td>
<td></td>
</tr>
<tr>
<td>Mr. Harsh Mariwala 35.00</td>
<td>1.80</td>
<td>36.80</td>
<td></td>
</tr>
<tr>
<td>Mr. Haigreve Khaitan 35.50</td>
<td>2.80</td>
<td>38.30</td>
<td></td>
</tr>
<tr>
<td>Mrs. Nirupama Rao 35.00</td>
<td>2.40</td>
<td>37.40</td>
<td></td>
</tr>
</tbody>
</table>

® Payable to the respective institutions/companies they represent

Note: None of the Non-Executive Directors hold any shares in the Company.

The details of Remuneration paid / payable to the Whole-time Directors for the financial year 2021-22 are as given below:

<table>
<thead>
<tr>
<th>Name of Director and Designation</th>
<th>Salary including provident fund (₹ in Crores)</th>
<th>Perks (₹ in crores)</th>
<th>Profit linked commission (₹ in crores)</th>
<th>Total (₹ in crores)</th>
<th>Period of contract</th>
<th>Notice period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Sajjan Jindal Chairman &amp; Managing Director 11.44</td>
<td>1.66</td>
<td>121.70</td>
<td>134.80</td>
<td>From 07.07.2017 to 06.07.2022</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Mr. Seshagiri Rao MVS 5.92</td>
<td>0.36</td>
<td>-</td>
<td>6.28</td>
<td>From 06.04.2020 to 06.04.2023</td>
<td>3 Months from either side or salary in lieu thereof.</td>
<td></td>
</tr>
<tr>
<td>Dr. Vinod Nowal 4.61</td>
<td>0.26</td>
<td>-</td>
<td>4.87</td>
<td>From 30.04.2017 to 29.04.2022</td>
<td>3 Months from either side or salary in lieu thereof.</td>
<td></td>
</tr>
<tr>
<td>Mr. Jayant Acharya (Commercial &amp; Marketing) 4.30</td>
<td>0.23</td>
<td>-</td>
<td>4.53</td>
<td>From 07.06.2019 to 06.06.2024</td>
<td>3 Months from either side or salary in lieu thereof.</td>
<td></td>
</tr>
</tbody>
</table>

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 8 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, issues 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 thrice during the financial year 2021-22 on 09.04.2021, 24.09.2021 & 26.03.2022. The composition of the Committee and the details of the meetings attended by the Members are as given below:

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:

1. To periodically review risk assessment and minimization procedures to ensure that Executive Management controls risk through means of a properly defined framework including cyber security.

2. To review major risks and proposed action plan.


The composition of the Committee as on 31.03.2022 and the details of the meetings attended by the Members are as given below:

<table>
<thead>
<tr>
<th>Sl No.</th>
<th>Name of the Members</th>
<th>Category</th>
<th>No. of Meetings attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Mr. Seturaman Mahalingam (Chairman)</td>
<td>Non-Executive Independent Director</td>
<td>3/3</td>
</tr>
<tr>
<td>02.</td>
<td>Dr. (Mrs) Punitha Kumar Sinha</td>
<td>Non-Executive Independent Director</td>
<td>3/3</td>
</tr>
<tr>
<td>03.</td>
<td>Mrs. Nirupama Rao</td>
<td>Non-Executive Independent Director</td>
<td>1/3</td>
</tr>
</tbody>
</table>

Mr. Seturaman Mahalingam, Chairman of the Stakeholders’ Relationship Committee was present at the last Annual General Meeting held on 21.07.2021.

Mr. Lancy Vargheese, 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 : 022-42981000 Email : jswi.investor@jswi.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:

<table>
<thead>
<tr>
<th>Sl No.</th>
<th>No. of Shareholders’ Complaints received</th>
<th>Number not solved to the satisfaction of Shareholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>663</td>
<td>0</td>
</tr>
<tr>
<td>02.</td>
<td>43</td>
<td>0</td>
</tr>
<tr>
<td>03.</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>04.</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>05.</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

None of the Complaints were pending for a period exceeding 30 days. All requests of shareholders have been processed within the statutory time limit.

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 finalized in consultation with the Committee Members:
1. **PROJECT REVIEW COMMITTEE:**

<table>
<thead>
<tr>
<th>Terms of reference of the Committee</th>
<th>Composition</th>
<th>Frequency of meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>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.</td>
<td>Mr. Malay Mukherjee (Chairman) (upto 29.01.2022) Non-Executive Independent Director Dr. Vinod Nowal (Member) Executive Director Mr. Seshagiri Rao MVS (Member) Non-Executive Independent Director Mr. Honyoki Ogawa (Member) Nominee Director (JSW Steel Corporation)</td>
<td>4 Meetings were held on 29.04.2021, 29.06.2021, 20.10.2021 &amp; 17.12.2021</td>
</tr>
<tr>
<td>2. To review new strategic initiatives</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. **BUSINESS RESPONSIBILITY/SUSTAINABILITY REPORTING COMMITTEE:**

<table>
<thead>
<tr>
<th>Terms of reference of the Committee</th>
<th>Composition</th>
<th>Frequency of meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Responsible for the adoption of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) in business practices of JSW Steel.</td>
<td>Mr. Malay Mukherjee (Chairman) (upto 29.01.2022) DIN No. 02881086 Non-Executive Independent Director Tel. No. 511141032905 <a href="mailto:malaymukherjee@gmail.com">malaymukherjee@gmail.com</a> Dr. Vinod Nowal (Member) DIN No. 00029136 Executive Director Tel. No. 42861000 <a href="mailto:vinod.nowal@jsw.in">vinod.nowal@jsw.in</a> Mr. Seshagiri Rao MVS (Member) DIN No. 00304144 Executive Director Tel. No. 42861000 <a href="mailto:seshagiri.mvs@jsw.in">seshagiri.mvs@jsw.in</a> Dr. (Mrs) Punita Kumar Sinha (Member) DIN No. 01055430 Executive Director Tel. No. 42861000 <a href="mailto:punitakumarsinha@gmail.com">punitakumarsinha@gmail.com</a> Mr. Jayant Acharya (Member), DIN No. 01035453 Executive Director Tel. No. 42861000 <a href="mailto:jayant.acharya@jsw.in">jayant.acharya@jsw.in</a> Dr. (Mrs) Punta Kumar Sinha (Member) DIN No. 01055453 Executive Director Tel. No. 42861000 <a href="mailto:jayant.acharya@jsw.in">jayant.acharya@jsw.in</a></td>
<td>3 Meetings were held on 15.10.2021 &amp; 30.04.2021, 19.08.2021 &amp; 15.12.2021</td>
</tr>
<tr>
<td>2. To open new Branch Offices of the Company, for all export &amp; import activities and to execute Letter of Indemnity (LOI) on behalf of the Company, for all export &amp; import activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. To review the progress of initiatives under the purview of business responsibility (sustainability) policies mentioned above.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Review business responsibility reporting disclosures on a pre-decided frequency (monthly, quarterly, bi-annually).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Review the progress of business responsibility initiatives at JSW Steel.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Review the annual business responsibility report and present it to the Board for approval.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

<table>
<thead>
<tr>
<th>Terms of reference of the Committee</th>
<th>Composition</th>
<th>Frequency of meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>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.</td>
<td>Mrs. Nupurama Rao (Chairperson) Non-Executive Independent Director</td>
<td>Two meetings were held on 30.04.2021 &amp; 15.12.2021</td>
</tr>
<tr>
<td>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.</td>
<td>Mr. Seshagiri Rao MVS (Chairman) Non-Executive Independent Director Dr. Vinod Nowal (Member) Executive Director Dr. (Mrs) Punita Kumar Sinha (Member) Non-Executive Independent Director Dr. M. R. Ray (Jr. Member) Nominee Director (JSWDC)</td>
<td></td>
</tr>
<tr>
<td>3. To approve the Annual Report on CSR activities to be included in the Directors’ Report forming part of the Company’s Annual Report and attribute reasons for short comings in incurring expenditure.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. To monitor the CSR policy of the Company from time to time; and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. To institute a transparent monitoring mechanism for implementation of the CSR Projects or programs or activities undertaken by the Company.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
6. **JSWLS ESOP COMMITTEE:**

Terms of reference of the Committee

1. Determine the terms and conditions of grant, issue, re-issue, cancellation and withdrawal of Employee Stock Options from time to time.
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.
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.
4. To make necessary amendments to the JSW Steel Employees Welfare Trust Deed, if need be.
5. Lay down the procedure for making a fair and reasonable adjustment to the number of Shares or the Exercise Price in case of change in the Capital Structure and/or Corporation Action.
6. Lay down the procedure for satisfaction of any tax obligation arising in connection with the Options or such Shares.
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.

Terms of reference of the Committee

1. Mr. Malay Mukherjee (Chairman) (upto 29.01.2022)
2. Mr. Seshagiri Rao M.V.S (Member) Executive Director
3. Mr. Seturaman Mahalingam (Member) Non-Executive Independent Director
4. Mr. Haigreve Khaitan (Member) Non-Executive Independent Director

Frequency of meetings

Need based. One meeting was held on 07.08.2021.

7. **JSWLS CODE OF CONDUCT IMPLEMENTATION COMMITTEE MEETING:**

Terms of reference of the Committee


Composition

1. Mr. Seshagiri Rao M.V.S (Chairman)
2. Dr. Vinoosh Nowal (Member) Executive Director
3. Mr. Jayant Acharya (Member) Executive Director

Frequency of meetings

Need based. Three Meetings were held on 06.08.2021, 07.12.2021 & 11.03.2022.

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**
--- | --- | --- | --- | ---
27th AGM | 21.07.2021 | 11.00am | Through Video Conferencing (VC)/Other Audio Visual Means (OAVM) | 1) Re-appointment of Mr. Seshagiri Rao MVS (DIN 00000290) as a Director of the Company, in the category of Independent Director
2) Consent for issue of specified securities to Qualified Institutional Buyers (QIBs)
3) Consent to give loan, give any guarantee or provide security in connection with a loan or to acquire by way of subscription, purchase or otherwise, securities of any other body corporate.
4) Approval of Shri OP Jindal Employees Stock Ownership Plan (JSWSL) 2021.
5) Grant of stock options to the employees of Indian subsidiary companies under Shri OP Jindal Employee Stock Ownership Plan 2021.
6) Authorisation to ESOP Trust for Secondary Market Acquisition of equity shares and provision of Money by the Company for purchase of its own shares by the ESOP Trust/Trustees for the benefit of Employees under Shri OP Jindal Employee Stock Ownership Plan 2021.
7) Approval of JSWLS Shri OP Jindal Samruddhi Plan 2021.
8) Grant of stock options to the employees of Indian subsidiary companies under the JSWLS Shri OP Jindal Samruddhi Plan 2021.
9) Authorisation to ESOP Trust for Secondary Market acquisition of equity shares and provision of Money by the Company for purchase of its own shares by the ESOP Trust for the benefit of Employees Under JSWLS Shri. OP Jindal Samruddhi Plan 2021.

26th 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. Haigreve Khaitan (DIN 00121727) as a Director of the Company, in the category of Independent Director.
3) Re-appointment of Mr. Seshagiri Rao MVS (DIN 000029136) as a Whole Time Director of the Company, in the category of Independent Director.
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 up to USD 1 Billion.
iii. The Company has laid down procedures to inform the Board approved policy for related party transactions.

b) Special Resolutions passed through Postal Ballot during 2021-22:

No special resolution was passed through Postal Ballot during the financial year 2021-22. None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a special resolution through Postal Ballot.

9. Other 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 provisions of Section 188 of the Companies Act.

ii. The Group Ethics Committee after considering the businesses proposed to be transacted in the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a special resolution through Postal Ballot.

Special Resolutions Passed

<table>
<thead>
<tr>
<th>AGM</th>
<th>Date</th>
<th>Time</th>
<th>Venue</th>
<th>Special Resolutions Passed</th>
</tr>
</thead>
<tbody>
<tr>
<td>25th AGM</td>
<td>25.07.2019</td>
<td>11:00 am</td>
<td>Y.B.Chavan Auditorium, General Jagannathrao Bhonsle Marg, Nariman point, Mumbai - 400 021</td>
<td>1. Re-appointment of Mr. Jayant Acharya (DIN 00106543) as a whole-time director of the Company designated as Director (Commercial &amp; Marketing) for a period of five years.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. Consent for payment of remuneration to non-executive directors.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4. Consent for issue of specified securities to Qualified Institutional Buyers (QIBs)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5. Approval for undertaking material related party transactions(s) with JSW International Tradecorp Pte. Limited, Singapore.</td>
</tr>
</tbody>
</table>

The Whistle Blower Policy/Vigil Mechanism also provides safeguards against victimization 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 Board approved policy for related party transactions is available on the Company’s website http://www.jsw.in/investors/steel/jsw-steel-investor-relations-steel.

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 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 Companies subsidiaries along with Exception Reports and quarterly Compliance Certificates issued by CEO/Chief Financial Officers/CFO’s are circulated along with 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 www.jsw.in/investors/steel/jsw-steel-governance-and-regulatory-information-policies.

vi. 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.

vii. 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 Company’s significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

COMPLIANCE WITH INDIAN ACCOUNTING STANDARDS

The Company has followed the 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 Company’s significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

INTEGRATED REPORT | MANAGEMENT DISCUSSION AND ANALYSIS | STATUTORY REPORTS | 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 of Directors.

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 2021-22 were published in The Financial Express and Navshakti Newspapers as detailed below:

<table>
<thead>
<tr>
<th>Quarter (FY 2021-22)</th>
<th>Date of Board Meeting</th>
<th>Date of Publication</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Quarter</td>
<td>23.07.2021</td>
<td>24.07.2021</td>
</tr>
<tr>
<td>2nd Quarter</td>
<td>21.10.2021</td>
<td>22.10.2021</td>
</tr>
<tr>
<td>3rd Quarter</td>
<td>21.01.2022</td>
<td>22.01.2022</td>
</tr>
</tbody>
</table>

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 where 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, stock exchange information, shareholding pattern, research reports, analysts presentations, investor forms, stock exchange information, shareholding pattern, share prices, shareholding pattern, research reports, financial results, voting results, various quarterly/half yearly/annual submissions/disclosure documents etc., have been filed Electronically/XBRL mode with the Exchange on New Digital Exchange Platform/NEAPS.

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)/ NSE Digital Portal:
NSE Digital Portal/ 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 New Digital Exchange Platform/NEAPS.

h) Annual Report:

i) Chairman’s Communique:
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: 20th July, 2022 at 11:00 am
Venue: Through Video Conferencing (VC) & Other Audio Visual Means (OAVM)
Stock Closure: July 14, 2022 to July 16, 2022 (both days inclusive)
Dividend payment date: July 22, 2022

ii. Financial Calendar 2022-23
First quarterly results: July 2022
Second quarterly results: October 2022
Third quarterly results: January, 2023
Annual results for the year ending: May 2023
Annual General Meeting for the Year 2023: July 2023

The Company had issued and listed Commercial Paper during the year under review, however no Commercial Paper are outstanding as at 31st March 2022.

The Company has paid Annual Listing Fees as applicable to the BSE and the NSE for the financial years 2021-22 and 2022-23.

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, the 5.73% Fixed Rate Senior Unsecured Foreign Currency Denominated Notes due 2025 (FCNs) aggregating to US $ 400 million, the 3.95% Fixed Rate Senior Unsecured Foreign Currency Denominated Notes due 2027 (FCNs) aggregating to US $ 400 million and the 5.05% Fixed Rate Senior Unsecured Foreign Currency Denominated Notes due 2032 (FCNs) aggregating to US $ 500 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.

Debenture Trustees

IDBI Trusteeship Services Limited
Asian Building, Ground Floor, 17th R, Kamani Marg, Ballard Estate, Mumbai – 400 001.
SBI Capital Company Limited
Mistry Bhavan, 4th Floor, 122, Umashiv Vachha Road, Chuchgatte, Mumbai – 400 020.

JSW No. for Dematerialisation of listed Shares and Debentures:

<table>
<thead>
<tr>
<th>Equity</th>
<th>INE015401038</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debentures</td>
<td>INE015407241</td>
</tr>
<tr>
<td></td>
<td>INE015407208</td>
</tr>
<tr>
<td></td>
<td>INE015407266</td>
</tr>
<tr>
<td></td>
<td>INE015407415</td>
</tr>
<tr>
<td></td>
<td>INE015407423</td>
</tr>
<tr>
<td></td>
<td>INE015407449</td>
</tr>
<tr>
<td></td>
<td>INE015407491</td>
</tr>
</tbody>
</table>

FCNs:
XS10861341981
XS1910029861
XS0407260044
US465504AS36
US466468CAR6
US466468CA09
US466468C871

NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)

EQUITY DEBENTURES
EQUITY DEBENTURES
EQUITY DEBENTURES
EQUITY DEBENTURES

GSEW228 949042 JSW STEEL NA

BSE LIMITED (BSE)

INTEGRATED REPORT | MANAGEMENT DISCUSSION AND ANALYSIS | STATUTORY REPORTS | FINANCIAL STATEMENTS

Corporate Governance
CORPORATE GOVERNANCE

INTEGRATED REPORT

vii. Market Price Data:
		
The monthly high/low market price of the shares and the quantities traded during the year 2021-22 on BSE Limited
and National Stock Exchange of India Limited are as under:
BSE LIMITED
Month

Month’s High Price
(In ` Per share)

Apr-21
May-21
Jun-21
Jul-21
Aug-21
Sept-21
Oct-21
Nov-21
Dec-22
Jan-22
Feb-22
Mar-22

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Month’s Low Price
(in ` Per share)

740.00
773.00
737.20
757.80
776.50
702.00
727.00
699.00
692.65
707.00
677.80
764.50

471.00
672.30
646.60
664.60
664.00
628.15
653.00
605.00
610.85
612.25
566.35
613.05

No. of
shares traded

Month’s High Price
(In ` Per share)

Month’s Low Price
(in ` Per share)

No. of shares traded

23162300
13628856
9451498
7760217
8866083
7088995
5801168
3327044
3427118
4004894
3234144
5556142

740.00
773.00
737.20
758.10
776.50
702.00
727.30
696.00
692.95
704.85
678.00
764.75

470.00
671.90
646.15
664.45
664.00
628.10
653.05
604.30
614.00
612.05
566.00
613.10

539100161
308869446
179347808
163801625
145879219
114601636
94539882
80548852
109890657
86294190
69993456
139695687

viii. Performance of Share Price in Comparison to S&P BSE 100:

Performance of share price in comparison to S&P
BSE 100

800
750
700
650
600
550
500
450
400
350
300

20,000.00

18,000.00
16,000.00
14,000.00
12,000.00
10,000.00

		
ix.

S&P BSE 100

50
800
750
700
650
600
550
500
450
400
350
300

19000
15000
13000
11000
9000
7000
5000

		
		

SHARE TRANSFER SYSTEM
Transfer of securities held in physical mode has
been discontinued w.e.f. April 01, 2019. However,
SEBI vide its various circulars / notifications
granted relaxation for re-lodgement cases till
March 31, 2021. In compliance with the circular,
Re-lodgement of transfer requests was carried out
till the validity period of Circular. Further, effective
from April 1, 2021, Company / RTA is not accepting
any requests for the physical transfer of shares
from the shareholders.

x.

332

Ni

50

FINANCIAL STATEMENTS

days of receipt of the documents, provided that
documents are in order. Shares under objection
are returned within two weeks from the date of
its receipt.
		

Pursuant to SEBI circular No. SEBI/HO/MIRSD/
MIRSD_RTAMB/P/CIR/2022/8 dated 25th January,
2022, SEBI has directed that listed companies shall
henceforth issue securities in dematerialized form
only while processing the Transmission request
as may be received from the securities holder
/ claimant.

		

Accordingly, RTA to verify and process the
service request and thereafter issue a “Letter
of Confirmation” in lieu of physical securities
certificate(s), to the securities holder /claimant
within 30 days of its receipt of such request after
removing objections, if any.

		

The letter of confirmation shall be valid for a
period of 120 days from the date of its issuance,
within which the securities holder / claimant shall
make a request to the Depository Participants for
dematerializing the said securities.

		

The RTA / Issuer Companies shall issue a reminder
after the end of 45 days and 90 days from the date
of issuance of Letter of Confirmation, informing
the securities holder and /claimant to submit the
demat request as above in case no such request
has been received by the RTA till the time.

xii. Share Transfer/Transmission System:

Sl.No

Category (Shares)

1
2
3
4
5
6
7
8
9

1 - 500
501 - 1000
1001 - 2000
2001 - 3000
3001 - 4000
4001 - 5000
5001 - 10000
10001 - 20000
20001 and above
Total

No.of Holders

% To Holders

No.of Shares

% To Equity

638173
17682
9037
3253
1008
708
1098
498
1041
672498

94.90
2.63
1.34
0.48
0.15
0.11
0.16
0.07
0.15
100.00

38109985
13513689
12876365
7908045
3545465
3272129
7781878
6972194
2323240690
2417220440

1.58
0.56
0.53
0.33
0.15
0.14
0.32
0.29
96.11
100.00

xiv. Shareholding Pattern: As on 31.03.2022
As on 31.03.2022
Category

		

STATUTORY REPORTS

xiii. Distribution of Shareholding:
		
The distribution of shareholding by holdings as on 31.03.2022 is given below:

Performance of Share price in Comparison to Nifty 50:

17000

xi. Registrar & Share Transfer Agents:
		
KFin Technologies Limited
		
Selenium Tower B, Plot 31-32,
		
Gachibowli, Financial District Nanakramguda,
		
Hyderabad – 500 032
		
Tel. No. 040 67161500
		
Fax No. 040 23001153
		E-mil: einward.ris@kfintech.com
		Website: www.kfintech.com
		
Toll free: 18003094001

		TRANSMISSION SYSTEM
		
Requests for Transmission of Shares held in
physical form can be lodged with KFin Technologies
Limited “RTA” at the above mentioned address
with all the documents along with duly filled ISR
-4. The requests are normally processed within 15

JSW Share Price

Performance of share price in comparison to Ni

MANAGEMENT DISCUSSION AND ANALYSIS

JSW Share price

Percentage Change in comparison to broad based indices – Sensex and Nifty 50 as on 31.03.2022:
Financial Year

JSW Share Price in BSE- %

Sensex – %

JSW Share Price in NSE-%

Nifty 50 -%

2021-22
2020-21
2019-20
2018-19
2017-18
2016-17
2015-16
2014-15

56.50
219 .00
-49.99
01.66
53.05
46.28
41.08
-12.35

18.29
68.00
-23.80
16.92
11.30
16.88
-9.36
24.88

56.39
220.00
-50.09
01.70
53.25
46.52
41.55
-12.50

18.88
71.00
-26.03
14.93
10.24
33.92
-3.5
26.65

JSW STEEL LIMITED | INTEGRATED REPORT 2021-22

Promoters
Promoters Trust
NRI
FII
OCB
FBC
IFI
IMF
Banks
Employees
Bodies Corporate
Public

No. of Holders

54
6
9277
551
2
3
9
121
20
449
1763
654538

No. of Shares

1088057150
600
30201800
279981367
9660
362584730
147093872
44272479
434549
180723
209687957
194879710

As on 31.03.2021
% of holding

45.01
0.00
1.25
11.58
0.00
15.00
6.09
1.83
0.02
0.01
8.67
8.06

No. of Holders

49
6
8062
499
2
3
8
118
23
473
1675
557362

No. of Shares

1065301940
600
30531752
306766600
9660
362584730
116357747
55332814
38742
188139
221045945
203151474

% of holding

44.07
0.00
1.26
12.69
0.00
15.00
4.81
2.29
0.00
0.01
9.14
8.40

333


xv. Geographical Distribution of Shareholders as on 31.03.2022:

<table>
<thead>
<tr>
<th>City</th>
<th>No. of Holders</th>
<th>No. of Shares</th>
<th>% ofholding</th>
<th>No. of Holders</th>
<th>No. of Shares</th>
<th>% ofholding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>672498</td>
<td>2417220440</td>
<td>100.00%</td>
<td>579663</td>
<td>2417220440</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

S.S. No. Name of the City No. Of Cases No. Of Holders No. Of Shares % ofholding
1 JFE STEEL INTERNATIONAL EUROPE B.V. 362583070 15.00
2 JSW TECHNO PROJECTS MANAGEMENT LIMITED 264596120 10.95
3 JSW HOLDINGS LIMITED 181402230 7.50
4 LIFE INSURANCE CORPORATION OF INDIA 14613362 6.06
5 VIVIDH FINVEST PRIVATE LIMITED 143707630 5.93
6 SAWYERS HOLDINGS PRIVATE LIMITED 112067680 4.64
7 SIDDESHWAR TRADING PRIVATE LIMITED 645076050 2.65
8 JSW ENERGY LIMITED 700835050 2.80
9 JPM METAL TRADERS PRIVATE LIMITED 54079070 0.26
10 VORTICUS TRADECORP PRIVATE LIMITED 50368250 2.05

xvi. Geographical Distribution of Shareholders as on 31.03.2022:

<table>
<thead>
<tr>
<th>City</th>
<th>No. of Holders</th>
<th>No. of Shares</th>
<th>% ofholding</th>
<th>No. of Holders</th>
<th>No. of Shares</th>
<th>% ofholding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>672498</td>
<td>2417220440</td>
<td>100.00%</td>
<td>579663</td>
<td>2417220440</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

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.

Reminders are, inter alia, sent to the shareholders for registering their email IDs and for claiming unclaimed dividend. SEBI has announced common and simplified norms for processing investor’s service requests to RTA and norms for furnishing PAN, KYC details and notification. In compliance with this circular, letters were dispatched to 95,278 shareholders on 07.01.2022 for updation of KYC.

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:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Date of Declaration of Dividend</th>
<th>Percentage of Dividend Declared</th>
<th>Unclaimed Dividend Amount as on 31.03.2022</th>
<th>Due to transfer to IEPF</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>28.07.2015</td>
<td>110%</td>
<td>23651703.70</td>
<td>04.09.2022</td>
</tr>
<tr>
<td>2015-16</td>
<td>26.07.2016</td>
<td>75%</td>
<td>1765956.00</td>
<td>05.09.2016</td>
</tr>
<tr>
<td>2017-18</td>
<td>24.07.2018</td>
<td>320%</td>
<td>43737797.80</td>
<td>30.08.2018</td>
</tr>
<tr>
<td>2018-19</td>
<td>25.07.2019</td>
<td>410%</td>
<td>49054814.00</td>
<td>31.08.2018</td>
</tr>
<tr>
<td>2019-20</td>
<td>23.07.2020</td>
<td>250%</td>
<td>23050283.30</td>
<td>30.08.2019</td>
</tr>
<tr>
<td>2020-21</td>
<td>21.07.2021</td>
<td>650%</td>
<td>74009660.50</td>
<td>27.08.2021</td>
</tr>
</tbody>
</table>

Preference Shares:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Date of Declaration of Dividend</th>
<th>Percentage of Dividend Declared</th>
<th>Unclaimed Dividend Amount as on 31.03.2022</th>
<th>Due to transfer to IEPF</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td>23.07.2018</td>
<td>0.01%</td>
<td>168645.57</td>
<td>30.08.2018</td>
</tr>
<tr>
<td>2018-19</td>
<td>23.07.2019</td>
<td>0.01%</td>
<td>8611.38</td>
<td>30.08.2019</td>
</tr>
</tbody>
</table>

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.
q) 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 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 (b) 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.

2) 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.

3) 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 Limited in an envelope marked “claim for refund from IEPF Authority” for initiating the verification for claim.

4) 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.

5) 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 claims, 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 Regulation 39(4) of the SEBI (LODR) Regulations read with Schedule VI of the SEBI (LODR) Regulations, the Company during the Financial Year 2019-2020 & 2020-21 sent three reminder letters to all shareholders, whose shares have been returned undelivered, requesting for correct particulars to dispatch the undelivered share certificates. Where no responses have been received, the Company had transferred the unclaimed shares to the “Unclaimed Suspense Account” opened with Stock Holding Corporation of India.

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.

<table>
<thead>
<tr>
<th>Description</th>
<th>Number of Share Holders</th>
<th>Number of Equity Shares of ₹1 each</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate Number of shareholders and the outstanding shares in the suspense account as on 01.04.2021</td>
<td>12494</td>
<td>1523650</td>
</tr>
</tbody>
</table>

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:**

  - **Shares transferred to Unclaimed during FY 2021-22**:
    - Number of Shareholders who approached for transfer of shares from suspense account during the year ended 31.3.2022: 362
    - Number of shareholders to whom shares were transferred from suspense account during the year ended 31.3.2022: 362
    - Number of unclaimed shares transferred to IEPF on 31.03.2022: 0
    - Aggregate Number of shareholders and the outstanding shares in the suspense account lying as at year ended 31.3.2022: 3357 421140

The voting rights on the shares outstanding in the suspense accounts as on March 31, 2022 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. 2404016814 Equity Shares aggregating to 99.46% of the total Equity Capital is held in dematerialised form as on 31.03.2022 of which 94.74% (2289967874 NSDL) & 4.73% (114226310 CDSL) for demat facility.

Any shareholder 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.

SEBI vide its circular dated November 03, 2021 has announced common and simplified norms for processing investor’s service requests by RTA’s and norms for furnishing PAN, KYC details and nomination. In compliance with this circular, letters were dispatched to 95,276 shareholders on 07.01.2022 for updation of KYC.

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.

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 (Local ECS)/NECS/RECS/Local 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 bank statement 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 has arrangements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat facility. 2404016814 Equity Shares aggregating to 99.46% of the total Equity Capital is held in dematerialised form as on 31.03.2022 of which 94.74% (2289967874 NSDL) & 4.73% (114226310 CDSL). The Company 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.

The voting rights on the shares outstanding in the suspense accounts as on March 31, 2022 shall remain frozen till the rightful owner of such shares claims the shares.
in Form SH-13 to the Company’s Registrar, K-Fintech Limited. Members holding shares in electronic form may submit their nomination requests to the Company’s Depository Participants directly.

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 at 31.3.2022.

k) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

A comprehensive financial and commodity risk management framework supports the achievement of an organization’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:

<table>
<thead>
<tr>
<th>Commodity Name</th>
<th>Qrty Measurement</th>
<th>Domestic market Exchange</th>
<th>Qrty</th>
<th>International market Exchange</th>
<th>Qrty</th>
<th>Total Exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iron Ore</td>
<td>Tonne in Mio</td>
<td></td>
<td>18.775</td>
<td></td>
<td>32.56</td>
<td></td>
</tr>
<tr>
<td>Coal</td>
<td>Tonne in Mio</td>
<td></td>
<td>27.475</td>
<td></td>
<td>17.77</td>
<td></td>
</tr>
<tr>
<td>Natural Gas</td>
<td>SCm in Mio</td>
<td></td>
<td>1047</td>
<td></td>
<td>511.24</td>
<td></td>
</tr>
<tr>
<td>Zinc</td>
<td>Tonne in Mio</td>
<td></td>
<td>362</td>
<td></td>
<td>0.015</td>
<td></td>
</tr>
<tr>
<td>Total Exposure</td>
<td></td>
<td></td>
<td>48,599</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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 2021-22, for debt instruments of the Company or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad, are furnished herein below:

<table>
<thead>
<tr>
<th>CARE Ratings Limited Particulars</th>
<th>Rating Month</th>
<th>Rating during FY22</th>
<th>Previous Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue Rating</td>
<td>Jul-21</td>
<td>CARE AA (Stable)</td>
<td>CARE AA (Stable)</td>
</tr>
<tr>
<td>Long Term Bank Facilities – Term Loan</td>
<td></td>
<td>CARE AA</td>
<td>Stable</td>
</tr>
<tr>
<td>Long Term Bank Facilities – Fund Based</td>
<td></td>
<td>CARE AA</td>
<td>Stable</td>
</tr>
<tr>
<td>Short Term Bank Facilities – Fund Based</td>
<td></td>
<td>CARE AA+</td>
<td></td>
</tr>
<tr>
<td>Long/Short Term Bank Facilities – Non Fund Based</td>
<td></td>
<td>CARE AA, Stable/CARE A1</td>
<td>CARE AA, Stable/CARE A1+</td>
</tr>
<tr>
<td>Non-Convertible Debentures</td>
<td></td>
<td>CARE AA</td>
<td>Stable</td>
</tr>
<tr>
<td>Commercial Paper issue</td>
<td>August-17</td>
<td>CARE A1</td>
<td></td>
</tr>
</tbody>
</table>

m) Utilization 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 FY 2021-22.

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 2021-22.

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:

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount ( ₹ in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory Audit Fees (Including Limited Review)</td>
<td>12.30</td>
</tr>
<tr>
<td>Audited Financials (Certification, tax audit &amp; capital market transaction)</td>
<td>3.55</td>
</tr>
<tr>
<td>Other services</td>
<td>3.49</td>
</tr>
<tr>
<td>Out of pocket expenses</td>
<td>0.12</td>
</tr>
<tr>
<td>Total</td>
<td>20.00</td>
</tr>
</tbody>
</table>

p) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a) No. of complaints filed during the financial year 2021-22: 0
b) No. of complaints disposed of during the financial year 2021-22: 0
c) No. of complaints pending as on 30.03.2022: 0

q) Registered Office:

JSW Centre, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.

r) Plant Locations:

Vijayanagar: P.O. Vidyanagar, Tonaragalu Village, Sandur, Taluk, Dist. Bellary, Karnataka - 583 275

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
Tel. No. 1-800-3094001, Fax. No. 040 - 23001153, E-mail: investor.relations@kfinftech.com Website: www.kfinftech.com

b) For Securities held in Demat form
The investor’s Depository Participant and/or KFin Technologies Limited

2. Corporate Investors
a) 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
   Investors is investor@jsw.in

4. Toll Free Number of R & T Agent's
   exclusive call Centre: 1-800-3454001

5. Web-based Query Redressal System
   Web-based Query Redressal System has been extended by the Registrars and
   Shareholders can continue their query in the "QUESTIONS" 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 free
   identity registration.

II. 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 JSWL Code of
   Conduct to Regulate, Monitor and Report Trading by Insiders as detailed below has been adopted pursuant to

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 fulfill 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) 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.

   Declaration affirming compliance of Code of Conduct
   The Company has posted on the website www. jsw.in.

   Declaration affirming compliance of Code of Conduct
   The Company has adopted a Code of Conduct for
   Prevention of Insider Trading for its Management, Staff and Directors on 29 October, 2002. The Code
   (known as the "JSSWL 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 "JSSWL 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 May 21, 2021. This Code
   superseded the earlier "JSSWL 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’s Statutory Audit Committee 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
   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
   compliance. 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 the 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 also 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.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

JSW STEEL LIMITED

JSW Center, Bandra Kurla Complex,
Bandra (East), Mumbai City - 400051

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of JSW STEEL LIMITED having CIN L27102MH1994PLC152925 and having registered office at JSW Center, Bandra Kurla Complex, Bandra (East), Mumbai City- 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 31st March 2022 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 other such Statutory Authority.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of Director</th>
<th>DIN</th>
<th>Date of appointment in Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr. Sajjan Jindal</td>
<td>00017762</td>
<td>07-07-2007</td>
</tr>
<tr>
<td>2</td>
<td>Mr. Seshagiri Rao</td>
<td>00029136</td>
<td>06-04-2009</td>
</tr>
<tr>
<td>3</td>
<td>Mr. Vilas Nowal</td>
<td>00046443</td>
<td>30-04-2007</td>
</tr>
<tr>
<td>4</td>
<td>Mr. Jayant Acharya</td>
<td>00106543</td>
<td>07-06-2009</td>
</tr>
<tr>
<td>5</td>
<td>Mr. Mahalingam Sethuraman</td>
<td>00121727</td>
<td>27-07-2016</td>
</tr>
<tr>
<td>6</td>
<td>Mr. Harsh Chandra</td>
<td>00210342</td>
<td>26-07-2018</td>
</tr>
<tr>
<td>7</td>
<td>Mr. Pratik Kumar Sehgal</td>
<td>00529662</td>
<td>28-10-2012</td>
</tr>
<tr>
<td>8</td>
<td>Mr. Harigwe Khattan</td>
<td>00056290</td>
<td>30-09-2016</td>
</tr>
<tr>
<td>9</td>
<td>Mrs. Nirupama Rao</td>
<td>00954879</td>
<td>25-07-2018</td>
</tr>
<tr>
<td>10</td>
<td>Mr. Subhash Rajan</td>
<td>00354276</td>
<td>21-01-2022</td>
</tr>
<tr>
<td>11</td>
<td>Mr. Hrishikesh Ojha</td>
<td>07803839</td>
<td>17-05-2017</td>
</tr>
</tbody>
</table>

Ensuring the eligibility 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: Mumbai
Date: May 27, 2022
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, 2022 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:

i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;

ii. 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;

iii. Obtained and read the Register of Directors as on March 31, 2022 and verified that at least one independent woman director was on the Board of Directors throughout the year;

iv. Obtained and read the minutes of the following committee meetings / other meetings held April 1, 2021 to March 31, 2022:

   (a) Board of Directors;
   (b) Audit Committee;
   (c) Annual General Meeting (AGM);
   (d) Nomination and Remuneration Committee;
   (e) Stakeholders Relationship Committee;
   (f) Risk Management Committee;

v. Obtained necessary declarations from the directors of the Company.

vi. Obtained and read the policy adopted by the Company for related party transactions.

vii. Obtained the schedule of related party transactions during the year and balances at the year-end.

viii. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior to the audit committee.

9. 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

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, 2022, 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
Membership Number: 105938
UDIN: 22105938BAJYQV8713
Place of Signature: Mumbai
Date: May 27, 2022

Vikram Mehta
Partner

ICAI Firm Registration Number: 324982E/E300003
Membership Number: 105938
UDIN: 22105938BAJYQV8713
Place of Signature: Mumbai
Date: May 27, 2022
Independent Auditor's Report

To the Members of JSW Steel Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of JSW Steel Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report.

We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

• Changes to any of these assumptions could lead to material misstatement of the financial statements.
• Significance of the carrying amount of these balances.
• We assessed the impairment model prepared by the management and those charged with governance on account of various estimates and judgements.
• 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.

Capital Expenditure in respect of property, plant and equipment and capital work in progress (as described in notes 4 and 5 of the standalone financial statements)

Our audit procedures included the following:

We obtained an understanding of the Company's capitalisation policy and assessed for compliance with the relevant accounting standards.

We obtained understanding, evaluated the design and tested the operating effectiveness of controls related to capital expenditure and capitalisation of assets.

We performed substantive testing on a sample basis for each element of capitalised costs including inventory issued to contractors for the purpose of these projects and physical verification performed by management alongwith reconciliation and directly attributable cost, including verification of underlying supporting evidence and understanding nature of the costs capitalised.

We have obtained capitalisation reports issued by 3rd party management experts for capitalisations carried out during the year and have assessed appropriateness of basis of capitalisation and estimates of useful life.

In relation to borrowing costs we obtained the supporting calculations, verified the inputs to the calculation and tested the arithmeticity 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

Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘SEBI (LODR) 2015’) (as described in note 44 of the standalone financial statements)

We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the standalone financial statements as a key audit matter due to:

• the significance of transactions with related parties during the year ended March 31, 2022
• Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.

Our audit procedures in relation to the disclosure of related party transactions included the following:

• We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to capturing of related party transactions and management’s process of ensuring all transactions and balances with related parties have been disclosed in the standalone financial statements.
• We obtained an understanding of the Company’s policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors.
• We agreed the amounts disclosed with underlying documentation and read relevant agreements, evaluation of arms-length by management, on a sample basis, as part of our evaluation of the disclosure.
• We assessed management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015.
• We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.

Claims and exposures relating to taxation and litigation (as described in note 45 of the standalone financial statements)

The Company has disclosed in note 45 of the standalone financial statements, contingent liabilities of Rs 3,899 crores in respect of disputed claims/ levies under various tax and legal matters and Rs 3,710 crores towards Claims related to Forest development tax/ fee.

We focused on this matter because of the potential financial impact on the standalone financial statements. Additionally, the treatment of taxation and litigation cases require significant judgement due to the complexity of the cases, timescales for resolution and involvement of various authorities.

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 in 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the 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) of the Act, we are also required to report our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
• Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
• Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extreme 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.
1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “Annexure 1” a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
   (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 45 to the standalone financial statements;
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, except for one instance, as fully described in Note 60 the standalone financial statements, amounting to Rs. 2.94 crores which has been transferred subsequent to the year-end;
      iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
         b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
      v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

   As stated in note 61 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Vikram Mehta
Partner
Membership Number: 105938
UDIN No: 22105938BAIYOV5465

Place of Signature: Mumbai
Date: May 27, 2022
Annexure 1
referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date: Re: JSW Steel Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) The Company has maintained proper records showing full particulars of intangible assets.

(b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in note 4 to the standalone financial statements included in property, plant and equipment are held in the name of the Company except immovable properties as indicated in the below mentioned cases:

<table>
<thead>
<tr>
<th>Description of Property</th>
<th>Gross carrying value</th>
<th>Whether promoter, director or their relative or employee held in name of Company</th>
<th>Period till which records have been made and maintained</th>
<th>Reason for not being held in the name of Company</th>
<th>(Rs in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leased lands at Karnal...</td>
<td>67</td>
<td>No</td>
<td>Mar 2007</td>
<td>Approval for Proposal for Execution of Absolute Sale deed is pending with Cabinet (State Government)</td>
<td>(b)</td>
</tr>
<tr>
<td>18</td>
<td>Government of Karnal</td>
<td>No</td>
<td>May 2011</td>
<td>Application: Submitted to lessee for execution of Absolute Sale deed on 30.06.2021</td>
<td>19</td>
</tr>
<tr>
<td>7</td>
<td>Bhumwada Pipes</td>
<td>No</td>
<td>Dec 2011</td>
<td>Extension of lease deed is under process</td>
<td>18</td>
</tr>
<tr>
<td>6</td>
<td>Nippon Denro Ispat</td>
<td>No</td>
<td>March 2000</td>
<td>Title deed is under dispute</td>
<td>16</td>
</tr>
<tr>
<td>3</td>
<td>Ispat Metallics</td>
<td>No</td>
<td>March 2000</td>
<td>Title deed is under dispute</td>
<td>21</td>
</tr>
<tr>
<td>Land B Building</td>
<td>27</td>
<td>Loha Ispat Limited</td>
<td>March 2002</td>
<td>Liquidator is under process to take approvals for the transfer of title deed</td>
<td>20</td>
</tr>
</tbody>
</table>

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2022 and discrepancies were not noticed in respect of such confirmations. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect of such physical verification.

(b) As disclosed in note 25 to the standalone financial statements, the Company has sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements including clarifications provided by the banks, the quarterly returns / statements along with subsequent revisions filed by the Company with the banks are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Guarantees</th>
<th>Security</th>
<th>Loans</th>
<th>Advances in nature of loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidiaries</td>
<td>3,027</td>
<td>-</td>
<td>2,201</td>
<td>-</td>
</tr>
<tr>
<td>Joint Ventures</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>71</td>
<td>4%</td>
<td>89</td>
<td>4%</td>
</tr>
</tbody>
</table>

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ("the Act") are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(ii) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of its products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
The above table doesn’t include cases decided in favour of the Company for which the department has preferred an appeal at higher levels amounting to Rs 785 crores (net of amount paid under protest) and matters remanded back amounting to Rs 228 crores.

(viii) The Company has not surrendered or disclosed any property value added tax, mining premium and royalty.


Chapter V of the Finance Act, 1994 Service Tax 32 2003-2022 High Court

The Bombay Electricity Duty Act, 1944 Electricity Duty 156 2013-2019 Supreme Court of India

The Goa Rural Improvement Act, 1955 Goa Rural Cess 969 2000-2021 High Court

The Goa Rural Improvement Act, 2000 Goa Green Cess 292 2011-2021 High Court

The Central Excise Act, 1944 Excise Duty 2,412 2016-2022 Supreme Court of India

The Goa Rural Improvement Act, 1963 Forest Development Tax 378 2008-2016 Supreme Court of India

Forest Development Fee 2,412 2016-2022 Supreme Court of India

The Central Excise Act, 1994 Central Excise Service Tax 384 1997-2018 Central Excise Service Tax Appellate Tribunal (CESAT)

The Custom Act, 1962 Custom Duty 225 2002-2016 High Court

The Central Sales Tax Act, 1956 CST 29 2011-2012 High Court

Karnataka Value Added Tax, 2003 VAT 2 2006-2008 Joint Commissioner


Karnataka Forest Act, 1963 Forest Goods & Service Tax 2,078 2020-2022 High Court

Karnataka Forest Act, 1963 Forest Development Tax 2,412 2016-2022 Supreme Court of India

Karnataka Mines & Minerals (Development & Regulation) Act, 1972 Mining premium and royalty 375 2020-2021 Joint Director of Mines, Orissa

Miner’s Premium and Minerals (PSMR) Rules, 2007 Mining premium and royalty 596 2020-2021 High Court

Miner’s Premium and Minerals (PSMR) Rules, 2007 Mining premium and royalty 51 2011-2014 Revenue Department

Maharashtra Stamp Act Stamp duty 14 2017-2018 Joint Commissioner / Joint Commissioner

The Central Sales Tax Act, 1956 Central Excise Sales Tax 368 1995-2018 Central Excise Service Tax Appellate Tribunal (CESAT)


The Karnataka Value Added Tax Act, 1979 CST 29 2011-2012 High Court


(h) The Company has not taken any funds from any government or any government authority.

(iii) The Company has not made any preferential allotment or private placement of shares fully or partly or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(ix)(b) of the Order is not applicable to the Company.

(iv) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(v) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(vi) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(vii) The Company is not a core investment company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.

(viii) The Company has not made any preferential allotment or private placement of shares fully or partly or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(ix)(b) of the Order is not applicable to the Company.

(ix) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India, for which the department has preferred an appeal at higher levels amounting to Rs 785 crores (net of amount paid under protest) and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(x) The Company has an internal audit system commensurate with the size and nature of its business.

(xi) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xii) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

(xiii) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xiv) The Company is not engaged in any non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xv) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi) We have been informed by the management that as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (DIC) which is registered and three CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter group.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xx) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub-section 5 of section 135 of the Act. This matter has been discussed in note 36 (b) to the standalone financial statements.

(xxi) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub-section (6) of section 135 of the Act. This matter has been discussed in note 36 (b) to the standalone financial statements.

For S R B C C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Membership Number: 105938
UDIN No: 22105938ARV0Y5465

Place of Signature: Mumbai
Date: May 27, 2022
Annexure 2

to the Independent Auditor's Report of even date on the standalone financial statements of JSW Steel Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of JSW Steel Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003
UDIN No: 22105938AJRY05465
Membership Number: 105938
Place of Signature: Mumbai
Date: May 27, 2022
# Standalone Balance Sheet

As at 31 March, 2022

<table>
<thead>
<tr>
<th>I ASSETS</th>
<th>Notes</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>` in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>I Non-current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Property, plant and equipment</td>
<td>4</td>
<td>65,842</td>
<td>48,107</td>
<td></td>
</tr>
<tr>
<td>(b) Intangible assets</td>
<td>6</td>
<td>12,459</td>
<td>28,973</td>
<td></td>
</tr>
<tr>
<td>(c) Lease liabilities</td>
<td>7</td>
<td>1,870</td>
<td>1,614</td>
<td></td>
</tr>
<tr>
<td>(d) Derivative liabilities</td>
<td>11</td>
<td>3,934</td>
<td>4,072</td>
<td></td>
</tr>
<tr>
<td>(e) Lease liabilities under development</td>
<td>7</td>
<td>1,870</td>
<td>1,614</td>
<td></td>
</tr>
<tr>
<td>(f) Investments in associates, joint ventures and joint operations</td>
<td>8</td>
<td>13,522</td>
<td>6,676</td>
<td></td>
</tr>
<tr>
<td>I Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Investments</td>
<td>9</td>
<td>4,506</td>
<td>5,789</td>
<td></td>
</tr>
<tr>
<td>(ii) Loans</td>
<td>10</td>
<td>9,760</td>
<td>8,622</td>
<td></td>
</tr>
<tr>
<td>(iii) Derivative assets</td>
<td>17</td>
<td>27</td>
<td>110</td>
<td></td>
</tr>
<tr>
<td>(iv) Other financial assets</td>
<td>11</td>
<td>1,354</td>
<td>2,481</td>
<td></td>
</tr>
<tr>
<td>(v) Current tax assets (net)</td>
<td>13</td>
<td>3,474</td>
<td>2,764</td>
<td></td>
</tr>
<tr>
<td>(vi) Other non-current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total non-current assets</td>
<td></td>
<td>1,15,385</td>
<td>1,03,529</td>
<td></td>
</tr>
<tr>
<td>II Current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Inventories</td>
<td>13</td>
<td>23,998</td>
<td>205</td>
<td></td>
</tr>
<tr>
<td>(ii) Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Trade receivables</td>
<td>14</td>
<td>6,146</td>
<td>3,333</td>
<td></td>
</tr>
<tr>
<td>(b) Cash and cash equivalents</td>
<td>15</td>
<td>7,670</td>
<td>11,121</td>
<td></td>
</tr>
<tr>
<td>(c) Bank balances other than (ii) above</td>
<td>16</td>
<td>7,857</td>
<td>625</td>
<td></td>
</tr>
<tr>
<td>(iv) Loans</td>
<td>10</td>
<td>265</td>
<td>602</td>
<td></td>
</tr>
<tr>
<td>(v) Derivative assets</td>
<td>17</td>
<td>403</td>
<td>86</td>
<td></td>
</tr>
<tr>
<td>(vi) Other financial assets</td>
<td>11</td>
<td>1,151</td>
<td>1,479</td>
<td></td>
</tr>
<tr>
<td>(vii) Other current assets</td>
<td>12</td>
<td>2,965</td>
<td>1,765</td>
<td></td>
</tr>
<tr>
<td>Total current assets</td>
<td></td>
<td>47,485</td>
<td>26,799</td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td></td>
<td>1,62,870</td>
<td>1,33,232</td>
<td></td>
</tr>
</tbody>
</table>

# Standalone Statement of Profit and Loss

For the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>I Revenue from operations</th>
<th>Notes</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
<th>` in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>II Other income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>III Total income (I + II)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IV Expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Cost of materials consumed</td>
<td></td>
<td>51,457</td>
<td>28,743</td>
<td></td>
</tr>
<tr>
<td>(b) Purchases of stock-in-trade</td>
<td></td>
<td>27</td>
<td>199</td>
<td></td>
</tr>
<tr>
<td>(c) Changes in inventories of finished and semi-finished goods, work-in-progress and stock-in-trade</td>
<td></td>
<td>32</td>
<td>11,127</td>
<td>(8,712)</td>
</tr>
<tr>
<td>(d) Mining premium and royalties (refer note 54)</td>
<td></td>
<td>13,894</td>
<td>6,772</td>
<td></td>
</tr>
<tr>
<td>(e) Employee benefits expense</td>
<td></td>
<td>1,870</td>
<td>1,501</td>
<td></td>
</tr>
<tr>
<td>(f) Finance costs</td>
<td></td>
<td>34</td>
<td>3,849</td>
<td>3,655</td>
</tr>
<tr>
<td>(g) Depreciation and amortisation expense</td>
<td></td>
<td>36</td>
<td>4,511</td>
<td>3,761</td>
</tr>
<tr>
<td>(h) Other expenses</td>
<td></td>
<td>38</td>
<td>2,055</td>
<td>4,926</td>
</tr>
<tr>
<td>Total expenses</td>
<td></td>
<td>95,314</td>
<td>58,814</td>
<td></td>
</tr>
<tr>
<td>V Profit before exceptional items and taxation (IV-V)</td>
<td></td>
<td>25,437</td>
<td>12,582</td>
<td></td>
</tr>
<tr>
<td>VI Exceptional items</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VII Profit before tax (V-VI)</td>
<td></td>
<td>24,715</td>
<td>12,196</td>
<td></td>
</tr>
<tr>
<td>VIII Tax expense</td>
<td></td>
<td>23</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total tax</td>
<td></td>
<td>24,482</td>
<td>12,016</td>
<td></td>
</tr>
<tr>
<td>IX Profit for the year (VII-VIII)</td>
<td></td>
<td>9,013</td>
<td>3,030</td>
<td></td>
</tr>
</tbody>
</table>

# Other comprehensive income

<table>
<thead>
<tr>
<th>A Items that will not be reclassified to profit or loss</th>
<th>Notes</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
<th>` in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Deemeasurements of the defined benefit plans</td>
<td></td>
<td>70</td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>(b) Equity instruments through other comprehensive income</td>
<td></td>
<td>2,083</td>
<td>385</td>
<td></td>
</tr>
<tr>
<td>(c) Income tax relating to items that will not be reclassified to profit or loss</td>
<td></td>
<td>(248)</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Total (A)</td>
<td></td>
<td>1,782</td>
<td>402</td>
<td></td>
</tr>
<tr>
<td>B Items that will be reclassified to profit or loss</td>
<td>Notes</td>
<td>For the year ended 31 March, 2022</td>
<td>For the year ended 31 March, 2021</td>
<td>` in crores</td>
</tr>
<tr>
<td>---------------------------------------------------</td>
<td>-------</td>
<td>----------------------------------</td>
<td>----------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>(a) The effective portion of gains and loss on hedging instruments</td>
<td></td>
<td>220</td>
<td>399</td>
<td></td>
</tr>
<tr>
<td>(b) Income tax relating to items that will be reclassified to profit or loss</td>
<td></td>
<td>38</td>
<td>129</td>
<td></td>
</tr>
<tr>
<td>Total (B)</td>
<td></td>
<td>258</td>
<td>528</td>
<td></td>
</tr>
<tr>
<td>Total Other comprehensive income / (loss) (A+B)</td>
<td></td>
<td>1,740</td>
<td>430</td>
<td></td>
</tr>
<tr>
<td>XI Total comprehensive income (IX + X)</td>
<td></td>
<td>18,450</td>
<td>9,050</td>
<td></td>
</tr>
<tr>
<td>XII Earnings per equity share of ` 1 each</td>
<td>Notes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic (`/ share)</td>
<td></td>
<td>69.10</td>
<td>34.72</td>
<td></td>
</tr>
<tr>
<td>Diluted (`/ share)</td>
<td></td>
<td>69.48</td>
<td>34.92</td>
<td></td>
</tr>
<tr>
<td>Note: See accompanying notes to the Standalone Financial Statements</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg No.: 324682E/E3000003

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director

LANCY VARGHESE
Company Secretary

RAJEEV PAI
Chief Financial Officer

SACHIDHAR RAO M.V.S
X. Managing Director & Group CFO

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director

LANCY VARGHESE
Company Secretary

SACHIDHAR RAO M.V.S
X. Managing Director & Group CFO

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg No.: 324682E/E300003

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director

LANCY VARGHESE
Company Secretary

SACHIDHAR RAO M.V.S
X. Managing Director & Group CFO

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg No.: 324682E/E300003

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

SAJJAN JINDAL
Chairman & Managing Director

LANCY VARGHESE
Company Secretary

SACHIDHAR RAO M.V.S
X. Managing Director & Group CFO

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg No.: 324682E/E300003

For and on behalf of the Board of Directors

RAJEEV PAI
Chairman & Managing Director

LANCY VARGHESE
X. Managing Director & Group CFO

ICSI Membership No. FCS 9407 DIN 00029136
### Standalone Statement of Changes in Equity

For the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 31.03.2020</td>
<td>301</td>
</tr>
<tr>
<td>Movement during the year</td>
<td>@ 0.34 crore</td>
</tr>
<tr>
<td>As at 31.03.2021</td>
<td>302</td>
</tr>
<tr>
<td>Movement during the year</td>
<td>(1)</td>
</tr>
<tr>
<td>As at 31.03.2022</td>
<td>301</td>
</tr>
</tbody>
</table>

### Other Equity

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Reserves and surplus Items of Other Comprehensive Income/(loss) (OCI)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance as at 1 April, 2020</td>
<td>4,359</td>
<td>5,439</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive income for the year, net of income tax</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dividend</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Impact of ESOP trust consolidation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Recognition of share-based payments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfer to general reserve after exercise of options</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Closing balance as at 31 March, 2021</td>
<td>4,359</td>
<td>5,439</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive income for the year, net of income tax</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dividend</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Impact of ESOP trust consolidation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Recognition of share-based payments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfer to general reserve after exercise of options</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Closing balance As at 31 March, 2022</td>
<td>4,359</td>
<td>5,439</td>
</tr>
</tbody>
</table>

See accompanying notes to the Standalone Financial Statements

For S R B C & CO LLP For and on behalf of the Board of Directors
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per VIKRAM MEHTA RAJEEV PAI SAJJAN JINDAL
Partner Chief Financial Officer Chairman & Managing Director
Membership No.:105938 DIN 00017762
Place: Mumbai
Date : 27 May, 2022

LANCY VARGHESE SESHAGIRI RAO M.V.S
Company Secretary Jt.Managing Director & Group CFO
ICSI Membership No. FCS 9407 DIN 00029136
Place: Mumbai
Date : 27 May, 2022

### Standalone Statement of Cash Flows

For the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>For the year ended 31 March, 2022</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before tax</td>
<td>24,715</td>
</tr>
<tr>
<td>Depreciation and amortisation expenses</td>
<td>4,511</td>
</tr>
<tr>
<td>Loss on sale of property, plant &amp; equipment (net)</td>
<td>61</td>
</tr>
<tr>
<td>Gain on sale of financial investments designated as Fair value through profit &amp; loss account (FVTPL)</td>
<td>(11)</td>
</tr>
<tr>
<td>Interest income</td>
<td>(592)</td>
</tr>
<tr>
<td>Gain arising of financial instruments designated as FVTPL</td>
<td>(799)</td>
</tr>
<tr>
<td>Winding of interest on financial assets carried at amortised cost</td>
<td>(68)</td>
</tr>
<tr>
<td>Dividend income</td>
<td>(17)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>3,468</td>
</tr>
<tr>
<td>Share based payment expense</td>
<td>381</td>
</tr>
<tr>
<td>Export obligation deferred income amortisation</td>
<td>(462)</td>
</tr>
<tr>
<td>Unrealised exchange (gain) /loss (net)</td>
<td>273</td>
</tr>
<tr>
<td>Allowance for doubtful debts, loans, advances and others</td>
<td>41</td>
</tr>
<tr>
<td>Loss arising from financial instruments designated as FVTPL</td>
<td>6</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>722</td>
</tr>
<tr>
<td>Operating profit before working capital changes</td>
<td>31,666</td>
</tr>
<tr>
<td>Increase in inventories</td>
<td>(10,336)</td>
</tr>
<tr>
<td>Increase in trade receivables</td>
<td>(2,842)</td>
</tr>
<tr>
<td>Increase in other assets</td>
<td>(2,801)</td>
</tr>
<tr>
<td>Decrease in trade payable</td>
<td>12,006</td>
</tr>
<tr>
<td>Increase in other liabilities</td>
<td>233</td>
</tr>
<tr>
<td>Increase in provisions</td>
<td>61</td>
</tr>
<tr>
<td>Cash flow from operating activities (A)</td>
<td>27,987</td>
</tr>
<tr>
<td>Income taxes paid (net of refund received)</td>
<td>(4,652)</td>
</tr>
<tr>
<td>Net cash generated from operating activities (A)</td>
<td>23,335</td>
</tr>
<tr>
<td>Cash flow from investing activities (B)</td>
<td>(17,652)</td>
</tr>
<tr>
<td>Purchase of property, plant &amp; equipment, intangible assets (including under development and capital advances)</td>
<td>(7,462)</td>
</tr>
<tr>
<td>Proceeds from sale of property, plant &amp; equipment</td>
<td>33</td>
</tr>
<tr>
<td>Investment in subsidiaries, joint ventures and others including advances</td>
<td>(2,612)</td>
</tr>
<tr>
<td>Purchase of current investments</td>
<td>(4,140)</td>
</tr>
<tr>
<td>Sale of current investments</td>
<td>4,151</td>
</tr>
<tr>
<td>Bank deposits not considered as cash and cash equivalents (net)</td>
<td>(7,230)</td>
</tr>
<tr>
<td>Loans to related parties</td>
<td>(2,318)</td>
</tr>
<tr>
<td>Loans repaid by related parties</td>
<td>902</td>
</tr>
<tr>
<td>Interest received</td>
<td>1,009</td>
</tr>
<tr>
<td>Dividend received</td>
<td>17</td>
</tr>
<tr>
<td>Net cash used in investing activities (B)</td>
<td>(17,652)</td>
</tr>
</tbody>
</table>

For the year ended 31 March, 2021

<table>
<thead>
<tr>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,196</td>
</tr>
<tr>
<td>3,781</td>
</tr>
<tr>
<td>61</td>
</tr>
<tr>
<td>(6)</td>
</tr>
<tr>
<td>(392)</td>
</tr>
<tr>
<td>(799)</td>
</tr>
<tr>
<td>(68)</td>
</tr>
<tr>
<td>(17)</td>
</tr>
<tr>
<td>3,468</td>
</tr>
<tr>
<td>381</td>
</tr>
<tr>
<td>(462)</td>
</tr>
<tr>
<td>273</td>
</tr>
<tr>
<td>41</td>
</tr>
<tr>
<td>(6)</td>
</tr>
<tr>
<td>386</td>
</tr>
<tr>
<td>18,581</td>
</tr>
<tr>
<td>1,068</td>
</tr>
<tr>
<td>(183)</td>
</tr>
<tr>
<td>(398)</td>
</tr>
<tr>
<td>(1,203)</td>
</tr>
<tr>
<td>193</td>
</tr>
<tr>
<td>636</td>
</tr>
<tr>
<td>(5,785)</td>
</tr>
<tr>
<td>(600)</td>
</tr>
<tr>
<td>606</td>
</tr>
<tr>
<td>(7,230)</td>
</tr>
<tr>
<td>(4,277)</td>
</tr>
<tr>
<td>6,181</td>
</tr>
<tr>
<td>588</td>
</tr>
<tr>
<td>9</td>
</tr>
<tr>
<td>(3,759)</td>
</tr>
</tbody>
</table>
Standalone Statement of Cash Flows

For the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>Cash flow from financing activities</th>
<th>₹ in crores</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from sale of treasury shares</td>
<td>-</td>
<td>72</td>
<td>39</td>
</tr>
<tr>
<td>Payment for purchase of treasury shares</td>
<td>-</td>
<td>591</td>
<td>-</td>
</tr>
<tr>
<td>Proceeds from non-current borrowings</td>
<td>-</td>
<td>10,062</td>
<td>9,365</td>
</tr>
<tr>
<td>Repayment of non-current borrowings</td>
<td>-</td>
<td>(13,753)</td>
<td>(6,053)</td>
</tr>
<tr>
<td>Proceeds from repayment of current borrowings (net)</td>
<td>-</td>
<td>(4,505)</td>
<td>(4,152)</td>
</tr>
<tr>
<td>Repayment of lease liabilities</td>
<td>-</td>
<td>(946)</td>
<td>(776)</td>
</tr>
<tr>
<td>Interest paid</td>
<td>-</td>
<td>(3,896)</td>
<td>(4,015)</td>
</tr>
<tr>
<td>Dividend paid</td>
<td>-</td>
<td>(1,571)</td>
<td>(463)</td>
</tr>
<tr>
<td>Net cash used in financing activities (C)</td>
<td>-</td>
<td>(9,134)</td>
<td>(6,115)</td>
</tr>
<tr>
<td>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</td>
<td>-</td>
<td>11,121</td>
<td>3,438</td>
</tr>
<tr>
<td>Cash and cash equivalents - opening balances</td>
<td>-</td>
<td>7,670</td>
<td>11,121</td>
</tr>
<tr>
<td>Cash and cash equivalents - closing balances (note 15)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Reconciliations part of cash flows

<table>
<thead>
<tr>
<th>Particulars</th>
<th>1 April, 2021</th>
<th>Foreign exchange (Gain)/loss</th>
<th>New leases</th>
<th>Other</th>
<th>31 March, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowings (including Current maturities of long term borrowing included in current borrowings note 25)</td>
<td>44,356</td>
<td>2,299 (671)</td>
<td>-</td>
<td>748</td>
<td>-</td>
</tr>
<tr>
<td>Borrowings (including Current maturities of long term borrowing)</td>
<td>46,470</td>
<td>2,299</td>
<td>748</td>
<td>-</td>
<td>49,714</td>
</tr>
<tr>
<td>Lease liabilities (including Current maturities)</td>
<td>3,339</td>
<td>(948)</td>
<td>-</td>
<td>360</td>
<td>2,751</td>
</tr>
<tr>
<td>Borrowings (excluding current maturities of long-term borrowings)</td>
<td>5,154</td>
<td>(4,505)</td>
<td>72</td>
<td>-</td>
<td>721</td>
</tr>
</tbody>
</table>

*Other comprises of upfront fees amortisation and Interest Cost accrual on deferred sales tax loan.*

I. General Information

JSW Steel Limited ("the Company") is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Company is an integrated manufacturer of diverse range of steel products with its manufacturing facilities located at Vijaynagar Works in Karnataka, Dolvi Works in Maharashtra and Salem works in Tamil Nadu. The Company also has a Plate and Coil mill Division in Anjar, Gujarat. The Company has entered into long term lease arrangements of iron ore mines located at Odisha and Karnataka.

JSW Steel Limited is a public limited company incorporated in India on 15 March, 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400 061.

II. Significant Accounting policies

I. Statement of compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statement.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or financial statements").

The Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III to the Companies Act, 2013 which is applicable from 1 April, 2021 and accordingly the presentation for line items in balance sheet is based on the amended schedule III and corresponding numbers as at 31 March, 2021 have been regrouped/reclassified.

These financial statements are approved for issue by the Board of Directors on 27 May, 2022.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

- it is expected to be realised in, or is intended for sale or consumption in, the Company’s normal operating cycle. It is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date;
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:
- it is expected to be settled in the Company’s normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

Deferral 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 the 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 if 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. 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 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 term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term is as follows:

<table>
<thead>
<tr>
<th>Class of assets</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold land</td>
<td>99 Yrs</td>
</tr>
<tr>
<td>Buildings</td>
<td>3 to 30 yrs</td>
</tr>
<tr>
<td>Plant &amp; Machinery</td>
<td>3 to 15 yrs</td>
</tr>
</tbody>
</table>

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 transactions, 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 variable 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.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below ₹ 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

V. Foreign currencies
The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

VII. Government grants
Government grants are recognised in the Statement of Profit and Loss in the year in which they are incurred.

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.

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.

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 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
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Notes

the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shared held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company’s own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

X. Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of expected tax payable based on the tax 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 substantially 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 tax relates 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 asset. The Company treats Trust as a separate entity and if the temporary difference arises from the initial accounting for an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management’s intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

XII. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the 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 infinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Notes

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

XII. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the 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 infinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

The Company measures its exploration and evaluation expenditure incurred to explore, stamp duty, registration fees and other costs associated with acquisition of licenses and rights of access to properties to conduct 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 undeleted, 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 costs
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 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 and environmental costs 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.

XIII. Mining Assets

Acquisition Costs
The cost of Mining Assets capitalised includes costs associated with acquisition of licenses and rights to explore, stamp duty, registration fees and other such costs.

Bid premium and royalties payable with respect to mining operations is contractual obligation. The said obligations are variable and linked to market prices. The Company has accounted for the same as expenditure on accrual basis as and when related liability arises as per respective agreements/statute.

Exploration and evaluation
Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The Company measures its exploration and evaluation assets at cost and classifies as Property, Plant and Equipment as intangible assets. The Company estimates the recoverable amount of an individual asset belongs. Where a reasonable and consistent basis can be identified.

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 and environmental costs 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

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, 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 includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of semi-finished/finished goods and work in progress include cost of direct materials and labor and a portion 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.

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. It 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.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

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).

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 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.

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.

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 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 proportion 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.
Notes
To the Standalone Financial Statements at as and for the year ended 31 March, 2022

date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measures 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 expedient credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

e) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in statement of profit and loss and is included in the ‘Other income’ line item.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company’s own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company’s own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or ‘other financial liabilities’.

Financial liabilities at FVTPL:

Financial liabilities are classified at FVTPL when the financial liability is either held for trading or it is designated at FVTPL.

A financial liability is classified as held for trading if:

• It has been incurred principally for the purpose of repurchasing it in the near term; or
• on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
• it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

• such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
• the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company’s documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
• it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI.

The Company derecognises financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Other financial liabilities:

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier’s banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as borrowings. Interest borne by the company on such arrangements is accounted as finance cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

C. Derivative Instruments and Hedge Accounting

a) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts, commodity forward...
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, with the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge item.

b) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit and loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss, unless designated as effective hedging instruments.

c) Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency, interest rate and commodity risk, as either cash flow hedge, fair value hedge. Hedges of foreign currency risk on item 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 objective 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 to a 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 accumulated in equity is recognised immediately in profit and loss.

XX. Cash and cash equivalents:

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above.

XXI. Earnings per share:

Basic earnings per share is computed by dividing the profit and loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus movement 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
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

A) Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment
Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

ii) Impairment of investments in subsidiaries, joint-ventures and associates
Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, the future commodity price utilisation of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses / operations of the investee companies as more fully described in note 48. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

iii) Contingencies
In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of 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 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 theDCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

v) Provision for site restoration
Provision for site restoration are estimated case-by-case based on available information, taking into account applicable local legal requirements. The estimation is made using existing technology, at current prices, and discounted using an appropriate discount rate where the effect of time value of money is material. Management reviews all assumptions annually and any changes is accounted accordingly.

vi) Taxes
Pursuant to the announcement of the changes in the corporate tax regime, the Companies have an option to either opt for the new tax regime or continue to pay taxes as per the old applicable tax statute together with the other benefits available to the Companies including utilisation of the MAT credit available. This requires significant estimation in determining in which year the company would migrate to the new tax regime basis future year’s taxable profits including the impact of ongoing expansion plans of the Company and consequential utilisation of available MAT credit. Accordingly, in accordance with IND AS 12 – Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

During FY 19-20, the Company has assessed the outstanding deferred tax liability, and written back an amount to the extent of ₹2,150 crores to the Statement of Profit and loss. This is arising from the re-measurement of deferred tax liability that is expected to reverse in future when the Company would migrate to the new tax regime. During the year, the Company has re-assessed

the impact of the Ordinance and there is no significant change in the measurement arising of the said assessment.

B) Critical accounting judgements

i) Control over JSW Realty & Infrastructure Private Limited (RIPL)
RIPL has developed a residential township in Vijayanagar, Karnataka on the land taken 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 sublet or assign its rights under the arrangement without prior written consent of the Company. Though the Company does not hold any ownership interest in RIPL, the Company has concluded that the Company has practical ability to direct the relevant activities of RIPL unilaterally, considering RIPL’s dependency on the Company for funding significant portion of its operation through subscription to 76.27% of preference share capital amounting to ₹355 crore issued by RIPL and significant portion of RIPL’s activities.

ii) Determining the lease term of contracts with renewal and termination options – Company as lessee
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

i) 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 Limited completed the acquisition of JSW Ispat Special Products Limited (JSWISPIL) through their jointly controlled entity Crexient Special Steel 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 JSWISPIL and have an effective shareholding of 23.1% in JSWISPIL.

As per the Shareholding agreement, all the relevant activities of CSSL that affect the Company’s variable returns from its involvement with CSSL/JSWISPIL 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.

ii) Joint control over JSW One Platforms Limited (Formerly known as ‘JSW Retail Limited’)
Pursuant to the Shareholder’s agreement, JSW Steel Limited, JSW Paints Limited and JSW Cement Limited will jointly control JSW One Platform Limited (JSWOLP) (formerly known as ‘JSW Retail Limited’). The Company has made an investment in the year 2021-22 of ₹52 crores through equity shares having an effective shareholding of 75% in JSWOLP.

As per the agreement, all the relevant activities of JSWOLP that affect the Company’s variable returns have to be decided unanimously by the representatives of each of the shareholders’ and thus the Company has concluded that it has joint control over JSWOLP.

v) Incentives under the State Industrial Policy
The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds historically. The Company currently recognises income for such government grants based on the State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

State of Karnataka post implementation of Goods & Services Tax (GST).

a) The Company is eligible for claiming incentives for investments made under the Industrial Policy of the Government of Maharashtra under PSI Scheme 2007 & PSI-2013 Scheme. The Company completed the Phase 1 expansion of 3.3 MTPA to 5 MTPA at Dolvi, Maharashtra in May 2016 and has also received the eligibility certificate for the same basis which it has started availing incentives under the PSI 2007 since then. Further, the Company completed the second phase of expansion from 5 MTPA to 10 MTPA at Dolvi Maharashtra during the financial year 2021-22. The Company is in the process of submitting required documents with the State Government for issuance of the Eligibility Certificate for the second phase and believes that all conditions with respect to the same are met by the Company and hence there are no uncertainties attached in recognising the grant income. Accordingly, the Company has recognised the cumulative grant income amounting to ₹ 571 crores for the year ended 31 March, 2022.

b) The State Government of Maharashtra (GOM) vide its Government Resolution (GR) dated 20 December, 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company. The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that said incentives would continue to be made available to the Company under the GST regime, since the new conditions are not tenable legally and will contest these changes appropriately.

vi) Commitment under MDPA arrangement

The Mine Development and Production Agreement (MDPA) signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

During the year, the State Government issued a show cause notice alleging shortfall of minimum production quantity and issued a demand notice dated 13 August, 2021 raising a demand of ₹ 697 crores (including penalty) as prescribed in the MDPA. The Company has filed a writ petition with the High Court of Odisha (High Court) contesting the demand and the High court has granted stay on the above matter vide its order dated 27 September, 2021. Based on a legal evaluation, the Company believes that the MDPA would get rectified for the minimum production quantity. As a prudence, the demand has been disclosed under contingent liabilities as at 31 March, 2022.

C) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April, 2022 as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The Company does not expect the amendments to have any significant impact in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 - Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Interbank Offered Rate (IBOR) reform: Ind AS 109 "Financial Instruments" and Ind AS 107 "Financial Instruments: Disclosures"

In view of the recent amendments in IFRS, and in order to keep the Ind AS converged with IFRS, the Ministry Corporate Affairs (MCA) has issued similar amendments to Ind AS 109, and Ind AS 107. The key relief provided by the amendments include a practical expedient for modifications in the financial instrument that result directly from IBOR reform and temporary exceptions from applying specific hedge accounting requirement. The amendments do not have significant impact on the financial statements. The disclosures required by the amendments are provided in note 43.5.
### Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

#### 4. Property, Plant and Equipment

<table>
<thead>
<tr>
<th>Description</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost/deemed cost</td>
<td>1,166</td>
<td>1,122</td>
</tr>
<tr>
<td>Additions</td>
<td>44</td>
<td>-</td>
</tr>
<tr>
<td>Deductions</td>
<td>-4</td>
<td>-17</td>
</tr>
<tr>
<td>Other adjustments (refer note b)</td>
<td>-147</td>
<td>-147</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>1,166</td>
<td>1,122</td>
</tr>
<tr>
<td>Net book value</td>
<td>5,985</td>
<td>7,932</td>
</tr>
<tr>
<td>Description</td>
<td>As at 31 March, 2022</td>
<td>As at 31 March, 2021</td>
</tr>
<tr>
<td>Cost/deemed cost</td>
<td>136</td>
<td>130</td>
</tr>
<tr>
<td>Additions</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Deductions</td>
<td>-4</td>
<td>-16</td>
</tr>
<tr>
<td>Other adjustments (refer note b)</td>
<td>-147</td>
<td>-147</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>136</td>
<td>130</td>
</tr>
<tr>
<td>Net book value</td>
<td>136</td>
<td>130</td>
</tr>
</tbody>
</table>

**Notes:**

- a) Freehold land and buildings which has been/agreed to be hypothecated/mortgaged to lenders of related parties
- b) Other adjustments comprise:
  - Borrowing cost
  - Foreign exchange loss / (gain) (including regarded as an adjustment to borrowing costs)

#### c) Title deeds of immovable properties not held in the name of the Company:

<table>
<thead>
<tr>
<th>Relevant Use item in the balance sheet</th>
<th>Description of item</th>
<th>Gross carrying amount in crores</th>
<th>Title deeds in the name of the Company</th>
<th>Whether title deed holder is a promoter, director or relative of promoter/director</th>
<th>Property held since which date</th>
<th>Reason for not being held in the name of the Company</th>
<th>As at 1 April, 2020</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Plant &amp; Equipment - Land</td>
<td>Nil</td>
<td>0.00</td>
<td>-</td>
<td>No</td>
<td>31-Mar-21</td>
<td>Transaction was executed on 31 March, 2021, the title deed has been transferred in the Company’s name in FY 2022</td>
<td>476</td>
<td>7</td>
</tr>
<tr>
<td>Property Plant &amp; Equipment - Land</td>
<td>Nippon Denko India Limited</td>
<td>6.00</td>
<td>No</td>
<td>Under dispute</td>
<td>31-Mar-00</td>
<td>Under dispute</td>
<td>16</td>
<td>3</td>
</tr>
<tr>
<td>Property Plant &amp; Equipment - Building</td>
<td>Ispat Metallics India Limited</td>
<td>3.00</td>
<td>No</td>
<td>28-Jan-21</td>
<td>31-Mar-00</td>
<td>Liquidator is under process to take approvals for the transfer of title deed.</td>
<td>16</td>
<td>3</td>
</tr>
<tr>
<td>Property Plant &amp; Equipment - Land</td>
<td>Government of Karnataka</td>
<td>3.00</td>
<td>No</td>
<td>31-Mar-07</td>
<td>31-Mar-00</td>
<td>Approval for Proposal for Execution of Absolute Sale deed is pending with Cabinet ( State Government)</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Right of Use - Land</td>
<td>Government of Karnataka</td>
<td>3.00</td>
<td>No</td>
<td>10-Mar-11</td>
<td>31-Mar-07</td>
<td>Application Submitted to minister for execution of Absolute Sale deed on 30 June, 2021, in pursuance of Order dated 15 Dec-11, Extension of Lease deed is under process</td>
<td>10</td>
<td>3</td>
</tr>
</tbody>
</table>

#### d) Assets given on operating lease:

- (i) The Company has entered into lease arrangements, for renting the following:
  - Property, plant and equipment includes proportionate share (50%) of assets under joint operation as below:

#### e) Disclosure in respect of assets given on operating lease included in following heads:

<table>
<thead>
<tr>
<th>Description</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost/deemed cost</td>
<td>136</td>
<td>130</td>
</tr>
<tr>
<td>Additions</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>44</td>
<td>31</td>
</tr>
<tr>
<td>Depreciation for the year</td>
<td>8</td>
<td>7</td>
</tr>
</tbody>
</table>

*Includes 22 crores of land classified as right-of-use assets in note 6.

#### f) Property, plant and equipment includes proportionate share (50%) of assets under joint operation as below:

<table>
<thead>
<tr>
<th>Description</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost/deemed cost</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Additions</td>
<td>16</td>
<td>1</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>16</td>
<td>4</td>
</tr>
<tr>
<td>Depreciation</td>
<td>16</td>
<td>1</td>
</tr>
<tr>
<td>Net book value</td>
<td>112</td>
<td>9</td>
</tr>
<tr>
<td>Buildings</td>
<td>370</td>
<td>2</td>
</tr>
<tr>
<td>Plant and Equipment</td>
<td>380</td>
<td>7</td>
</tr>
</tbody>
</table>

*Includes 1,043 acres of land classified as right-of-use assets in note 6.

The agreements are renewable & cancellable by mutual consent of both parties. The rent paid on above is based on mutually agreed rates.

#### g) The Company is required to incur expenses towards Corporate Environment Responsibility (‘CER’) as an underlying condition for obtaining Environmental Clearance for 5-10 MTPA expansion project at Dolvi Works. The Company has accordingly incurred and capitalised ₹ 117 crores towards the same as on 31 March, 2022.
5. Capital work in progress includes exchange fluctuation loss (including regarded as an adjustment to borrowing costs) of ₹ 208 crores (previous year ₹ 46 crores) and borrowing cost (net of interest income) of ₹ 546 crores (previous year ₹ 720 crores) capitalised during the year.

### CWIP ageing schedule:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in CWIP for a period of</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Less than 1 year</td>
<td>1-2 years</td>
</tr>
<tr>
<td>Projects in progress</td>
<td>6,067</td>
<td>9,040</td>
</tr>
<tr>
<td>Projects temporarily suspended</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Projects has been grouped into various heads basis nature of the projects.

For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as below:

<table>
<thead>
<tr>
<th>Projects in progress</th>
<th>To be completed in</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>land</td>
<td>buildings</td>
</tr>
<tr>
<td>- 5 to 10 MTPA at Dolvi Works</td>
<td>1,968</td>
<td>-</td>
</tr>
<tr>
<td>- Blast furnaces III upgradation at Vijaynagar Works</td>
<td>-</td>
<td>713</td>
</tr>
<tr>
<td>- 13 MTPA expansion at Vijaynagar Works</td>
<td>708</td>
<td>-</td>
</tr>
<tr>
<td>- Others</td>
<td>827</td>
<td>-</td>
</tr>
<tr>
<td>Cost Reduction Projects</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>- Coke Oven 5 &amp; Pellet Plant 3</td>
<td>1,507</td>
<td>1,507</td>
</tr>
<tr>
<td>- 175 MW &amp; 60 MW Power Plant</td>
<td>797</td>
<td>-</td>
</tr>
<tr>
<td>- Others</td>
<td>428</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>6,115</td>
<td>1,507</td>
</tr>
</tbody>
</table>

### Lease Liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>928</td>
<td>625</td>
</tr>
<tr>
<td>Non-current</td>
<td>1,767</td>
<td>2,413</td>
</tr>
<tr>
<td>Total</td>
<td>2,751</td>
<td>3,338</td>
</tr>
</tbody>
</table>

Leasehold land aggregating to ₹ 65 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.

### Breakup of lease liabilities:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>1,318</td>
<td>1,240</td>
</tr>
<tr>
<td>1-5 years</td>
<td>1,429</td>
<td>2,228</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>1,075</td>
<td>1,177</td>
</tr>
<tr>
<td>Total</td>
<td>3,822</td>
<td>4,655</td>
</tr>
</tbody>
</table>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company has lease contracts for machinery that contains variable payments amounting to ₹ 1,088 crores (₹ 452 crores in 31 March, 2021) shown under cost of material consumed/ other expenses. The Company has recognised ₹ 15 crores as rent expenses during the year which pertains to short term lease/ low value asset which was not recognised as part of right of use asset.
7. Intangible assets

The intangible assets under development ageing schedule is as below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Computer software</th>
<th>License fees</th>
<th>Mining Assets</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost/deemed Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March, 2020</td>
<td>104</td>
<td>26</td>
<td>277</td>
<td>407</td>
</tr>
<tr>
<td>Additions (refer note i)</td>
<td>26</td>
<td>-</td>
<td>1,413</td>
<td>1,439</td>
</tr>
<tr>
<td>At 31 March, 2021</td>
<td>130</td>
<td>26</td>
<td>1,690</td>
<td>1,886</td>
</tr>
<tr>
<td>Additions (refer note i)</td>
<td>22</td>
<td>-</td>
<td>411</td>
<td>433</td>
</tr>
<tr>
<td>At 31 March, 2022</td>
<td>202</td>
<td>26</td>
<td>2,081</td>
<td>2,309</td>
</tr>
</tbody>
</table>

Accumulated amortisation

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangible assets under development for a period of</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 March, 2020</td>
<td>88</td>
</tr>
<tr>
<td>Amendment</td>
<td>23</td>
</tr>
<tr>
<td>At 31 March, 2021</td>
<td>114</td>
</tr>
<tr>
<td>Amendment</td>
<td>23</td>
</tr>
<tr>
<td>At 31 March, 2022</td>
<td>137</td>
</tr>
</tbody>
</table>

Net book value

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangible assets under development for a period of</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 March, 2022</td>
<td>65</td>
</tr>
<tr>
<td>At 31 March, 2021</td>
<td>58</td>
</tr>
</tbody>
</table>

Note:

(i) The Company acquired mining blocks viz: Nuagaon, Narayanpokhi, Jagaj and Gauha in the Auctions held by the Government of Odisha in February 2020. The Company has signed the Mine Development and Production agreement(s) for all the four blocks and executed the lease deed(s) with Government of Odisha after complying with all regulatory aspects. Acquisition cost incurred for these mines such as stamp duty, registration fees and other such costs amounting to ₹ 817 crores have been capitalised as Intangible Assets. The Company had started mining operations at all the above said blocks since 1 July, 2020. The Company has also recognised restoration liability and capitalised ₹ 443 crores during the previous year. During the current year, the Company reestimated the restoration liability through a mining expert and accordingly recognised an additional asset and corresponding liability of ₹ 397 crores.

(ii) Intangible assets under development include expenditure incurred on development of mining rights and other related costs for mines which are yet to be made operational.

Intangible assets under development ageing schedule is as below:

At 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangible assets under development for the period of</th>
<th>£ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects in progress</td>
<td>Less than 1 year</td>
<td>2-3 years</td>
</tr>
<tr>
<td>Mininig Assets</td>
<td>28</td>
<td>5</td>
</tr>
</tbody>
</table>

Projects temporarily suspended

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangible assets under development for the period of</th>
<th>£ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects in progress</td>
<td>Less than 1 year</td>
<td>2-3 years</td>
</tr>
<tr>
<td>Mininig Assets</td>
<td>118</td>
<td>-</td>
</tr>
</tbody>
</table>

At 31 March, 2021

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangible assets under development for the period of</th>
<th>£ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects in progress</td>
<td>Less than 1 year</td>
<td>2-3 years</td>
</tr>
<tr>
<td>Mininig Assets</td>
<td>16</td>
<td>5</td>
</tr>
</tbody>
</table>

Projects temporarily suspended

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangible assets under development for the period of</th>
<th>£ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects in progress</td>
<td>Less than 1 year</td>
<td>2-3 years</td>
</tr>
<tr>
<td>Mininig Assets</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

8. Investments in subsidiaries, associates and joint ventures

The investments in subsidiaries, associates and joint ventures as at and for the year ended 31 March, 2022, are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Paid up value</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of shares</td>
<td>£ in crores</td>
<td>No. of shares</td>
<td>£ in crores</td>
</tr>
<tr>
<td>Joint ventures (at cost or deemed cost)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gaurangal Coal Limited</td>
<td>2 each</td>
<td>24,50,00,000</td>
<td>24,50,00,000</td>
</tr>
<tr>
<td>JSW M Steel Service Centre Private Limited</td>
<td>1 each</td>
<td>6,50,00,000</td>
<td>6,50,00,000</td>
</tr>
<tr>
<td>JSW Sankarlingam Structures Limited</td>
<td>1 each</td>
<td>19,79,37,940</td>
<td>19,79,37,940</td>
</tr>
<tr>
<td>JSW Rohne Coal Company Private Limited</td>
<td>1 each</td>
<td>4,50,00,000</td>
<td>4,50,00,000</td>
</tr>
<tr>
<td>JSW Cement Special Steel Limited</td>
<td>25 each</td>
<td>48,60,00,000</td>
<td>48,60,00,000</td>
</tr>
<tr>
<td>JSW Ispat Special Products Limited (Formerly known as Monnet Ispat and Energy Limited)</td>
<td>1 each</td>
<td>399</td>
<td>399</td>
</tr>
<tr>
<td>JSW Vayunagar Metallics Limited</td>
<td>10 each</td>
<td>150,01,00,000</td>
<td>149,71,00,000</td>
</tr>
<tr>
<td>JSW Steel Private Limited</td>
<td>10 each</td>
<td>19,00,00,000</td>
<td>19,00,00,000</td>
</tr>
</tbody>
</table>

Note:

(i) The company had started mining operations at all the above said blocks since 1 July, 2020. The company has also recognised restoration liability and capitalised ₹ 443 crores during the previous year. During the current year, the company reestimated the restoration liability through a mining expert and accordingly recognised an additional asset and corresponding liability of ₹ 397 crores.

(ii) Intangible assets under development include expenditure incurred on development of mining rights and other related costs for mines which are yet to be made operational.

Intangible assets under development ageing schedule is as below:

At 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangible assets under development for the period of</th>
<th>£ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects in progress</td>
<td>Less than 1 year</td>
<td>2-3 years</td>
</tr>
<tr>
<td>Mining Assets</td>
<td>28</td>
<td>5</td>
</tr>
</tbody>
</table>

Projects temporarily suspended

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangible assets under development for the period of</th>
<th>£ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects in progress</td>
<td>Less than 1 year</td>
<td>2-3 years</td>
</tr>
<tr>
<td>Mining Assets</td>
<td>118</td>
<td>-</td>
</tr>
</tbody>
</table>

At 31 March, 2021

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangible assets under development for the period of</th>
<th>£ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects in progress</td>
<td>Less than 1 year</td>
<td>2-3 years</td>
</tr>
<tr>
<td>Mining Assets</td>
<td>16</td>
<td>5</td>
</tr>
</tbody>
</table>

Projects temporarily suspended

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangible assets under development for the period of</th>
<th>£ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects in progress</td>
<td>Less than 1 year</td>
<td>2-3 years</td>
</tr>
<tr>
<td>Mining Assets</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Paid up value</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of shares</td>
<td>` in crores</td>
<td>No. of shares</td>
</tr>
<tr>
<td><strong>B Investment in limited liability partnership firm</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unquoted subsidiary (at cost or deemed cost)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inverses Eurosh Ltda</td>
<td>5% Equity Interest in the capital</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

**C Investments in debenturies of subsidiary companies at cost (Unquoted)**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Paid up value</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of shares</td>
<td>` in crores</td>
<td>No. of shares</td>
</tr>
<tr>
<td>JSW Steel Coated Products Limited</td>
<td>0.1% compulsorily convertible debentures of ` 52 each</td>
<td>12,58,00,000</td>
<td>12,58,00,000</td>
</tr>
<tr>
<td>Nestex Steel Private Limited</td>
<td>2% coupon compulsorily convertible debentures of ` 52 each</td>
<td>8,33,16,200</td>
<td>83</td>
</tr>
</tbody>
</table>

**D Investment in share warrants of Joint Venture**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Paid up value</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of shares</td>
<td>` in crores</td>
<td>No. of shares</td>
</tr>
<tr>
<td>Pompemio Steel Limited</td>
<td>Share warrants of ` 0.02 each exercisable within 5 years for 1 equity share against 1 warrant</td>
<td>3,50,00,00,000</td>
<td>3</td>
</tr>
</tbody>
</table>

**Notes**

- NIL shares (as at 31 March, 2021: 30,43,73,882 shares) are pledged to the Amba River & Coke Limited (ARCL)'s banker.
- 98,00,00,000 shares (as at 31 March, 2021, 98,00,00,000 shares) are pledged to the Pompemio Steel Limited's banker.

9. Investments (non-current)

**A Investment in equity instruments**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Paid up value</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of shares</td>
<td>` in crores</td>
<td>No. of shares</td>
</tr>
<tr>
<td>JSW Energy Limited</td>
<td>` 10 each</td>
<td>8,53,63,090</td>
<td>8,53,63,090</td>
</tr>
</tbody>
</table>

**B Investments in preference shares and Debentures**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Paid up value</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of shares</td>
<td>` in crores</td>
<td>No. of shares</td>
</tr>
<tr>
<td>JSW Realty &amp; Infrastructure Private Limited</td>
<td>10% redeemable, non-cumulative of ` 100 each (Series 1)</td>
<td>1,99,15,000</td>
<td>111</td>
</tr>
</tbody>
</table>

**C Investments in preference shares and debentures**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Paid up value</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of shares</td>
<td>` in crores</td>
<td>No. of shares</td>
</tr>
<tr>
<td>JSW Realty &amp; Infrastructure Private Limited</td>
<td>10% redeemable, non-cumulative of ` 100 each (Series 2)</td>
<td>601</td>
<td>601</td>
</tr>
</tbody>
</table>
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

10. Loans (Unsecured)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>to related parties*</td>
<td>8,370 265</td>
<td>6,478 602</td>
</tr>
<tr>
<td>to other body corporate</td>
<td>9 -</td>
<td>9 -</td>
</tr>
<tr>
<td>Loans and advances to other body corporate</td>
<td>9 -</td>
<td>9 -</td>
</tr>
<tr>
<td>Loans and advances to related parties</td>
<td>2,507 -</td>
<td>1,608 -</td>
</tr>
</tbody>
</table>

*Loans are given for business purpose. Refer note 44 for terms of Loans

The Company has no loans and advances which are either repayable on demand or are without specifying any terms or period of repayment.

Movement in Allowance for doubtful loans

As at 01 April, 2020: 1,021 crores
Provision made during the year (refer note 57): 330
Provision transferred from guarantee towards incremental loan (refer note a): 254
As at 31 March, 2021: 1,815 crores
Provision made during the year (refer note 57): 724
Provision transferred from guarantee towards incremental loan (refer note a): 280
Reclassified to other financial assets: 39
As at 31 March, 2022: 2,618 crores

Notes:
(a) The Company had recognised financial guarantee obligation in the earlier years towards lenders of a subsidiary, against which incremental loans have been advanced to the subsidiary during the current year. Consequently, the financial guarantee obligation has been released and basis of the recoverability of the said loans provision for doubtful allowances has been recognised, resulting in NIL impact in Statement of Profit & Loss.

11. Others financial assets (Unsecured)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security deposits</td>
<td>671 160</td>
<td>510 131</td>
</tr>
<tr>
<td>Export benefits and entitlements</td>
<td>1 152</td>
<td>1 140</td>
</tr>
<tr>
<td>Advances towards equity share capital / preference shares</td>
<td>1 -</td>
<td>4 -</td>
</tr>
<tr>
<td>Bank balances with maturity more than 12 months (Margin money)</td>
<td>107 -</td>
<td>- -</td>
</tr>
<tr>
<td>Government grant income receivable</td>
<td>2,342 600</td>
<td>1,489 1,021</td>
</tr>
<tr>
<td>Interest receivable on:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Stock related parties</td>
<td>169 347</td>
<td>238 761</td>
</tr>
<tr>
<td>- Others</td>
<td>- -</td>
<td>8 -</td>
</tr>
<tr>
<td>Interest receivable on - Others</td>
<td>- 22</td>
<td>22</td>
</tr>
<tr>
<td>Others</td>
<td>246 86</td>
<td>239 46</td>
</tr>
<tr>
<td>Less: Allowance for doubtful receivables</td>
<td>(13) (215)</td>
<td>- (640)</td>
</tr>
<tr>
<td>Total</td>
<td>3,534 1,151</td>
<td>2,481 1,479</td>
</tr>
</tbody>
</table>
Movement in Allowance for doubtful receivables

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current</td>
<td>Current</td>
<td>Non-current</td>
</tr>
<tr>
<td>Capital advances</td>
<td>796</td>
<td>598</td>
</tr>
<tr>
<td>Less: Allowance for doubtful advances</td>
<td>(2)</td>
<td>(17)</td>
</tr>
<tr>
<td>Other advances</td>
<td>258</td>
<td>1,310</td>
</tr>
<tr>
<td>Advance to suppliers</td>
<td>259</td>
<td>271</td>
</tr>
<tr>
<td>Export benefits and entitlements</td>
<td>66</td>
<td>56</td>
</tr>
<tr>
<td>Security deposits</td>
<td>54</td>
<td>56</td>
</tr>
<tr>
<td>Indirect tax balances/recoverable/credits (refer note a)</td>
<td>2,316</td>
<td>1,649</td>
</tr>
<tr>
<td>Prepayments and others</td>
<td>72</td>
<td>62</td>
</tr>
<tr>
<td>Less: Allowance for doubtful advances</td>
<td>(258)</td>
<td>(15)</td>
</tr>
<tr>
<td>Total</td>
<td>3,473</td>
<td>2,965</td>
</tr>
</tbody>
</table>

Other Assets constitute:
- Capital advances
- Considered good: 794
- Considered doubtful, provided: 2
- Others
- Considered good: 2,679
- Considered doubtful, provided: 258
- Advances to suppliers: 248
- Prepayment and others: 7
- Indirect tax balances/recoverable/credits: 3

Total | 5,171 | 918 | 25 | 11 | 4 | 2 | 11 | 6 | 5 | 6,136

Note:
a. Maharashtra Electricity Regulation Commission (MERC) had approved levy of additional surcharge of `1.25/kWh w.e.f. 1 September, 2018 to all the consumers sourcing power from Captive power plants. Company had contested the demand and got a favorable judgement from Appellate tribunal for Electricity (APTEL) in March 2019. MERC subsequently filed special leave petition ('SLP') in the Honourable Supreme Court against APTEL's decision. The Honourable Supreme Court has passed an order in favour of the Company on 10 December, 2021 confirming that the captive users are not liable to pay the additional surcharge leviable under Section 42(4) of the Electricity Act, 2003. Hence, the commission has proposed to adjust the amount paid under dispute towards 50% of the monthly transmission charges payable by the Company.

Accordingly, `72 crores has been classified as current and remaining `581 crores has been classified as non-current assets.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Ageing as at 31 March, 2021:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Not yet due</th>
<th>Less than 6 months</th>
<th>6 months - 1 year</th>
<th>1-2 years</th>
<th>2-3 years</th>
<th>More than 3 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undisputed trade receivables - considered good</td>
<td>2,729</td>
<td>544</td>
<td>9</td>
<td>13</td>
<td>15</td>
<td>8</td>
<td>3,318</td>
</tr>
<tr>
<td>Undisputed trade receivables - which have significant increase in credit risk</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Undisputed trade receivables - credit impaired</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>14</td>
<td>22</td>
<td>26</td>
<td>-</td>
</tr>
<tr>
<td>Disputed trade receivables - considered good</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disputed trade receivables - which have significant increase in credit risk</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disputed trade receivables - credit impaired</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less: Allowance for doubtful debts</td>
<td>-</td>
<td>(1)</td>
<td>(10)</td>
<td>-</td>
<td>-</td>
<td>(172)</td>
<td>(192)</td>
</tr>
<tr>
<td>Total</td>
<td>2,729</td>
<td>544</td>
<td>9</td>
<td>13</td>
<td>15</td>
<td>23</td>
<td>3,333</td>
</tr>
</tbody>
</table>

# represents less than ₹0.50 crore

The credit period on sales of goods ranges from 7 to 120 days with or without security.

Before accepting any new customer, the Company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

The Company does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Trade receivables have been given as collateral towards borrowings details relating to which has been described in note 20 and note 25.

Credit risk management regarding trade receivables has been described in note 43.7.

Trade receivables from related parties' details has been described in note 44.

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

15. Cash and cash equivalents

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balances with Banks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In current accounts</td>
<td>1,347</td>
<td>695</td>
</tr>
<tr>
<td>In term deposit accounts with maturity less than 3 months at inception</td>
<td>6,246</td>
<td>10,425</td>
</tr>
<tr>
<td>Cheques in hand</td>
<td>74</td>
<td>1</td>
</tr>
<tr>
<td>Cash on hand</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>7,670</td>
<td>11,121</td>
</tr>
</tbody>
</table>

16. Bank balance other than cash and cash equivalents

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earmarked balances in current accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- in current accounts</td>
<td>48</td>
<td>36</td>
</tr>
<tr>
<td>Balances with Banks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- in term deposit accounts with maturity more than 3 months but less than 12 months at inception</td>
<td>7,027</td>
<td>467</td>
</tr>
<tr>
<td>- with maturity more than 12 months at inception</td>
<td>-</td>
<td>32</td>
</tr>
<tr>
<td>- margin money</td>
<td>782</td>
<td>91</td>
</tr>
<tr>
<td>Total</td>
<td>7,857</td>
<td>625</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Non-current</th>
<th>Current</th>
<th>Non-current</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commodity contract</td>
<td>-</td>
<td>58</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Forward contract</td>
<td>-</td>
<td>137</td>
<td>-</td>
<td>84</td>
</tr>
<tr>
<td>Interest rate swap</td>
<td>24</td>
<td>208</td>
<td>1</td>
<td>116</td>
</tr>
<tr>
<td>Currency option</td>
<td>-</td>
<td>208</td>
<td>110</td>
<td>86</td>
</tr>
<tr>
<td>Total</td>
<td>24</td>
<td>403</td>
<td>110</td>
<td>86</td>
</tr>
</tbody>
</table>

18. Equity share capital

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Transferred from Shares</td>
<td>Amount (if any)</td>
</tr>
<tr>
<td>(a) Authorised</td>
<td>Equity shares of the par value of ₹ 1 each</td>
<td>60,150,000,000</td>
</tr>
<tr>
<td>(b) Issued and subscribed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Outstanding at the beginning of the year, fully paid up</td>
<td>2,417,220,440</td>
<td>2,417,220,440</td>
</tr>
<tr>
<td>(ii) Less: Treasury shares held under ESOP Trust (refer note below)</td>
<td>(16,716,857)</td>
<td>(16,716,857)</td>
</tr>
<tr>
<td>(iii) Outstanding at the end of the year, fully paid up</td>
<td>2,40,05,03,583</td>
<td>2,40,05,03,583</td>
</tr>
<tr>
<td>(c) Equity shares forfeited (amount originally paid up)</td>
<td>61</td>
<td>61</td>
</tr>
<tr>
<td>Total</td>
<td>301</td>
<td>302</td>
</tr>
</tbody>
</table>

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 share 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 98.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Movement in treasury shares

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>No. of shares</th>
<th>% of total shares</th>
<th>No. of shares</th>
<th>% of total shares</th>
<th>% Change during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity shares</td>
<td>14,45,094</td>
<td>11,46,366</td>
<td>2</td>
<td>0.34%</td>
<td>11,46,366</td>
<td>1</td>
<td>0.34%</td>
</tr>
<tr>
<td>Changes during the year</td>
<td>-52,3,620</td>
<td>-3,36,210</td>
<td>-1</td>
<td>-0.03%</td>
<td>-3,36,210</td>
<td>-1</td>
<td>-0.03%</td>
</tr>
<tr>
<td>Equity shares as at 31 March</td>
<td>1,87,01,687</td>
<td>11,45,094</td>
<td>2</td>
<td>1</td>
<td>11,45,094</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

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 to vote 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 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

<table>
<thead>
<tr>
<th>Shareholder Name</th>
<th>No. of Shares</th>
<th>% of Total Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Insurance Corporation of India</td>
<td>14,64,13,832</td>
<td>6.06%</td>
</tr>
<tr>
<td>JSW Holdings Limited</td>
<td>18,14,02,230</td>
<td>7.50%</td>
</tr>
<tr>
<td>JSW Techno Projects Management Ltd</td>
<td>26,45,96,120</td>
<td>10.95%</td>
</tr>
<tr>
<td>JFE Steel International Europe BV</td>
<td>36,25,83,070</td>
<td>15.00%</td>
</tr>
<tr>
<td>Siddeshwari Tradex Private Limited</td>
<td>8,45,50,760</td>
<td>3.50%</td>
</tr>
<tr>
<td>JSW Energy Limited</td>
<td>7,00,38,350</td>
<td>2.90%</td>
</tr>
<tr>
<td>Jtpm Metal Traders Private Limited</td>
<td>4,20,79,700</td>
<td>1.74%</td>
</tr>
<tr>
<td>Virtuous Tradecorp Private Limited</td>
<td>6,03,68,250</td>
<td>2.50%</td>
</tr>
<tr>
<td>Nalwa Sons Investments Ltd</td>
<td>4,54,86,370</td>
<td>1.88%</td>
</tr>
<tr>
<td>JSW Investments Private Limited</td>
<td>1,000</td>
<td>0.00%</td>
</tr>
<tr>
<td>Parth Jindal Family Trust</td>
<td>100</td>
<td>0.00%</td>
</tr>
<tr>
<td>Sajjan Jindal Family Trust</td>
<td>100</td>
<td>0.00%</td>
</tr>
<tr>
<td>Sarita Jindal Family Trust</td>
<td>100</td>
<td>0.00%</td>
</tr>
<tr>
<td>Tarini Jindal Family Trust</td>
<td>100</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total</td>
<td>1,08,80,57,750</td>
<td>45.01%</td>
</tr>
</tbody>
</table>

STANDALONE FINANCIALS

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Promoter Name | As at 31 March, 2022 | As at 31 March, 2021 | % Change during the year |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Techno Projects Management Limited</td>
<td>26,49,96,120</td>
<td>26,44,54,220</td>
<td>0.00%</td>
</tr>
<tr>
<td>JSW Holdings Limited</td>
<td>18,14,02,230</td>
<td>18,14,02,230</td>
<td>0.00%</td>
</tr>
<tr>
<td>Virtuoso Insurance Corporation of India</td>
<td>14,33,70,690</td>
<td>14,33,70,690</td>
<td>0.00%</td>
</tr>
<tr>
<td>JSW Finvest Private Limited</td>
<td>14,33,70,690</td>
<td>14,33,70,690</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total</td>
<td>1,08,80,57,750</td>
<td>1,06,53,02,540</td>
<td>2.14%</td>
</tr>
</tbody>
</table>

e) 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

f) The Company has 3,00,00,00,000 authorised preference shares of ₹ 1 each amounting to ₹ 3,000 crores as on 31 March, 2022 (₹ 3,000 crores in 31 March, 2021).

19. Other equity

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>General reserve</td>
<td>10,00,00,000</td>
<td>9,00,00,000</td>
<td>11.0%</td>
</tr>
<tr>
<td>Total</td>
<td>63,20,00,000</td>
<td>63,20,00,000</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

Other Comprehensive Income:
- Equity instruments through other comprehensive income 2,34,95,535
- Effective portion of cash flow hedging (2,30,54,159)

Other Reserves:
- Equity settled share based payment reserve 241
- Capital reserve 4,35,95,409
- Capital redemption reserve 774
- Securities premium reserve 5,43,95,409
- Total 63,20,00,000

STANDALONE FINANCIALS

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>General reserve</td>
<td>10,00,00,000</td>
<td>9,00,00,000</td>
<td>11.0%</td>
</tr>
<tr>
<td>Total</td>
<td>63,20,00,000</td>
<td>63,20,00,000</td>
<td>0.00%</td>
</tr>
</tbody>
</table>
Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

(i) General reserve
Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year.

Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit and loss to the General reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(ii) Retained Earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

(iii) Equity Instruments through other comprehensive income
The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(iv) Effective portion of cash flow hedges
Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit and loss only when the hedged transaction affects the profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

(v) Equity settled share based payment reserve
The Company offers ESOP under which options to subscribe for the Company’s share have been granted to certain employees and senior management of JSW Steel and its subsidiaries. The share based payment reserve is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme.

(vi) Capital reserve
Reserve is primarily created on amalgamation as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(vii) Capital redemption reserve
Reserve is created for redemption of preference shares as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(viii) Securities Premium
The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

20. Borrowings (at amortised cost)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonda/Debentures</td>
<td>Non-current</td>
<td>Current</td>
</tr>
<tr>
<td>Bonds (unsecured)</td>
<td>3,790</td>
<td>-</td>
</tr>
<tr>
<td>Debentures (secured)</td>
<td>9,340</td>
<td>330</td>
</tr>
<tr>
<td>Bonds (unsecured)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Term loans</td>
<td>5,953</td>
<td>1,882</td>
</tr>
<tr>
<td>Unsecured</td>
<td>11,088</td>
<td>1,434</td>
</tr>
<tr>
<td>Acceptance for Capital Projects more than 1 year</td>
<td>623</td>
<td>2</td>
</tr>
<tr>
<td>Secured</td>
<td>41,409</td>
<td>8,624</td>
</tr>
<tr>
<td>Unsecured</td>
<td>-</td>
<td>586</td>
</tr>
<tr>
<td>Term loans</td>
<td>2</td>
<td>601</td>
</tr>
<tr>
<td>Debentures (secured)</td>
<td>623</td>
<td>2</td>
</tr>
<tr>
<td>Unsecured</td>
<td>41,409</td>
<td>8,624</td>
</tr>
<tr>
<td>Unamortised upfront fees on borrowing</td>
<td>3,790</td>
<td>-</td>
</tr>
<tr>
<td>Fair value hedge adjustment (refer note 43)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>41,409</td>
<td>8,624</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-current</th>
<th>Current</th>
<th>Non-current</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Bonds/Debentures</td>
<td>3,790</td>
<td>10.291</td>
<td></td>
</tr>
<tr>
<td>Debentures (unsecured)</td>
<td>3,790</td>
<td>10.291</td>
<td></td>
</tr>
<tr>
<td>Term loans</td>
<td>623</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Debentures (secured)</td>
<td>3,790</td>
<td>10.291</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>41,176</td>
<td>8,538</td>
<td>39,551</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>As at 31 March, 2022</th>
<th>Terms of Repayments Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds (Unsecured)</td>
<td>First pari-passu charge on property, plant and equipment (up to 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECB/FCL))</td>
</tr>
<tr>
<td>Debentures (Unsecured)</td>
<td>First pari-passu charge on property, plant and equipment (up to 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECB/FCL))</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>As at 31 March, 2021</th>
<th>Terms of Repayments Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds (Unsecured)</td>
<td>First pari-passu charge on property, plant and equipment (up to 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECB/FCL))</td>
</tr>
<tr>
<td>Debentures (Unsecured)</td>
<td>First pari-passu charge on property, plant and equipment (up to 5 MTPA capacity situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECB/FCL))</td>
</tr>
<tr>
<td>Notes</td>
<td>To the Standalone Financial Statements as at and for the year ended 31 March, 2022</td>
</tr>
<tr>
<td>-------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>

**STANDALONE FINANCIALS**

**Debentures (Unsecured)**

<table>
<thead>
<tr>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>£ in crores</td>
</tr>
<tr>
<td>Non-Current</td>
<td>Current</td>
<td>Non-Current</td>
<td>Current</td>
</tr>
<tr>
<td>4000</td>
<td>-</td>
<td>4000</td>
<td>-</td>
</tr>
<tr>
<td>340</td>
<td>-</td>
<td>330</td>
<td>870</td>
</tr>
<tr>
<td>1000</td>
<td>-</td>
<td>1000</td>
<td>-</td>
</tr>
</tbody>
</table>

**Non-Current Loans**

<table>
<thead>
<tr>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>£ in crores</td>
</tr>
<tr>
<td>Non-Current</td>
<td>Current</td>
<td>Non-Current</td>
<td>Current</td>
</tr>
<tr>
<td>250</td>
<td>-</td>
<td>-</td>
<td>2.96</td>
</tr>
<tr>
<td>225</td>
<td>-</td>
<td>-</td>
<td>187</td>
</tr>
<tr>
<td>356</td>
<td>32</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>268</td>
<td>86</td>
<td>354</td>
<td>86</td>
</tr>
<tr>
<td>375</td>
<td>75</td>
<td>225</td>
<td>-</td>
</tr>
<tr>
<td>225</td>
<td>94</td>
<td>319</td>
<td>-</td>
</tr>
</tbody>
</table>

**Debentures (Unsecured)**

<table>
<thead>
<tr>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>£ in crores</td>
</tr>
<tr>
<td>Non-Current</td>
<td>Current</td>
<td>Non-Current</td>
<td>Current</td>
</tr>
<tr>
<td>1,000</td>
<td>-</td>
<td>-</td>
<td>1,000</td>
</tr>
</tbody>
</table>

**B. Term Loans**

<table>
<thead>
<tr>
<th>Rupee Term Loans From Banks (Secured)</th>
<th>Weighted Average Interest cost as on 31 March, 2022 (2%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>500</td>
<td>-</td>
</tr>
<tr>
<td>250</td>
<td>-</td>
</tr>
<tr>
<td>1,000</td>
<td>-</td>
</tr>
</tbody>
</table>

**First pari-passu charge on property, plant and equipment related to 2.8 MTPA capacity situating at Vijayanagar Works, Karnataka, (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL), both present and future.**

**First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL), both present and future.**

**First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra, (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).**

**First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra, (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).**

**First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra, (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).**

**First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra, (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).**

**First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra, (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).**

**First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra, (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).**

**First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra, (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).**

**First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra, (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).**

**First pari-passu charge on property, plant and equipment related to 5-10 MTPA plant situated at Dolvi works, Maharashtra, (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL).**
### Notes

**To the Standalone Financial Statements as at and for the year ended 31 March, 2022**

#### STANDALONE FINANCIALS

**JSW STEEL LIMITED | INTEGRATED REPORT 2021-22**

<table>
<thead>
<tr>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Current</strong></td>
<td><strong>Current</strong></td>
</tr>
<tr>
<td>200</td>
<td>100</td>
</tr>
<tr>
<td>260</td>
<td>120</td>
</tr>
<tr>
<td>200</td>
<td>100</td>
</tr>
<tr>
<td>358</td>
<td>256</td>
</tr>
<tr>
<td>125</td>
<td>100</td>
</tr>
<tr>
<td>375</td>
<td>375</td>
</tr>
<tr>
<td>419</td>
<td>169</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

*12 quarterly installments of ₹ 25 crores each from 30.06.2022 to 31.03.2025*

First pari passu charge on property, plant and equipment related to 5 MTPA Hot Strip Mill (HSI-2) situated at Vijayanagar Works, Karnataka.

#### Non-Current

<table>
<thead>
<tr>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019.</td>
<td>First charge on 3.2 MTPA expansion property, plant and equipments (other than assets specifically carved out) situated at Vijayanagar Works Karnataka</td>
</tr>
<tr>
<td>First charge on property, plant and equipments related to new 5 MTPA Hot Strip Mill (HSI-2) situated at Vijayanagar Works, Karnataka.</td>
<td>First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/EBFLC)</td>
</tr>
<tr>
<td>First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/EBFLC).</td>
<td>First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/EBFLC).</td>
</tr>
<tr>
<td>First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/EBFLC).</td>
<td>First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/EBFLC).</td>
</tr>
<tr>
<td>First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/EBFLC).</td>
<td>First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/EBFLC).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Current</strong></td>
<td><strong>Current</strong></td>
</tr>
<tr>
<td>600</td>
<td>200</td>
</tr>
</tbody>
</table>

*3 quarterly installments of ₹ 25 crores each from 01.04.2021 to 31.12.2023 - repaid in May 2021*

First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/EBFLC).

### Foreign Currency Term Loans From Banks

- **Weighted Average Interest cost as at 31 March, 2022 is 4.46%**

<table>
<thead>
<tr>
<th>Non-Current</th>
<th>Current</th>
<th>Term</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>339</td>
<td>96</td>
<td>423</td>
<td></td>
</tr>
</tbody>
</table>

First pari passu charge on property, plant and equipments related to 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects Ltd) situated at Dolvi Works, Maharashtra.

<table>
<thead>
<tr>
<th>Foreign Currency Term Loans From Banks (Secured)</th>
<th>Non-Current</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019.</td>
<td>3 quarterly installments of ₹ 25 crores each from 30.06.2022 to 31.03.2023 - repaid in Jun 2021</td>
<td></td>
</tr>
<tr>
<td>Loans in books of JSW Steel Ltd pursuant to merger with appointed date being 01.04.2019.</td>
<td>1 installment of ₹ 45 crores on 30.06.2026.</td>
<td></td>
</tr>
</tbody>
</table>

**Weighted Average Interest cost as at 31 March, 2022 is 7.75%**

<table>
<thead>
<tr>
<th>Non-Current</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>300</td>
<td>300</td>
</tr>
</tbody>
</table>

**Weighted Average Interest cost as at 31 March, 2022 is 2.87%**

<table>
<thead>
<tr>
<th>Non-Current</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>568</td>
<td>568</td>
</tr>
</tbody>
</table>

First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/EBFLC).

### Total Term Loan Secured

<table>
<thead>
<tr>
<th>Non-Current</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>9,593</td>
<td>1,882</td>
</tr>
</tbody>
</table>

**Weighted Average Interest cost as at 31 March, 2022 is 2.87%**

<table>
<thead>
<tr>
<th>Non-Current</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>341</td>
<td>341</td>
</tr>
</tbody>
</table>

First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/EBFLC).

### Rupee Term Loans From Banks (Unsecured)

<table>
<thead>
<tr>
<th>Non-Current</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>276</td>
<td>51</td>
</tr>
</tbody>
</table>

First pari passu charge on property, plant and equipments related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works, Karnataka (other than specifically carved out and excluding equipment/machinery procured out of proceeds of ECA/EBFLC).

### Weighted Average Interest cost as at 31 March, 2022 is 2.87%
## Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Current</strong></td>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>205</td>
<td>37</td>
<td>209</td>
<td>37</td>
</tr>
<tr>
<td>57</td>
<td>9</td>
<td>47</td>
<td>9</td>
</tr>
<tr>
<td>142</td>
<td>33</td>
<td>149</td>
<td>32</td>
</tr>
<tr>
<td>883</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>585</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>48</td>
<td>21</td>
<td>69</td>
<td>21</td>
</tr>
<tr>
<td>42</td>
<td>14</td>
<td>54</td>
<td>13</td>
</tr>
<tr>
<td>806</td>
<td>-</td>
<td>875</td>
<td>-</td>
</tr>
<tr>
<td>426</td>
<td>142</td>
<td>551</td>
<td>-</td>
</tr>
<tr>
<td>711</td>
<td>237</td>
<td>919</td>
<td>-</td>
</tr>
<tr>
<td>227</td>
<td>76</td>
<td>294</td>
<td>4</td>
</tr>
<tr>
<td>758</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>21</td>
<td>10</td>
<td>30</td>
<td>108</td>
</tr>
</tbody>
</table>

### Acceptance - Secured

<table>
<thead>
<tr>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>71</td>
<td>37</td>
<td>108</td>
<td>37</td>
</tr>
<tr>
<td>796</td>
<td>398</td>
<td>1,158</td>
<td>386</td>
</tr>
<tr>
<td>759</td>
<td>-</td>
<td>735</td>
<td>-</td>
</tr>
<tr>
<td>52</td>
<td>93</td>
<td>141</td>
<td>90</td>
</tr>
<tr>
<td>14</td>
<td>15</td>
<td>28</td>
<td>4</td>
</tr>
<tr>
<td>15</td>
<td>14</td>
<td>28</td>
<td>4</td>
</tr>
<tr>
<td>75</td>
<td>80</td>
<td>157</td>
<td>61</td>
</tr>
<tr>
<td>10</td>
<td>10</td>
<td>21</td>
<td>42</td>
</tr>
<tr>
<td>10,788</td>
<td>1,434</td>
<td>9,121</td>
<td>1,725</td>
</tr>
</tbody>
</table>

### Total Term Loan-Unsecured

<table>
<thead>
<tr>
<th>Acceptance - Secured</th>
<th>Acceptance - Unsecured</th>
</tr>
</thead>
<tbody>
<tr>
<td>11,088</td>
<td>1,434</td>
</tr>
</tbody>
</table>

**C. Acceptance for Capital Projects more than 1 year**

- 585  | 567  | 56  | Repayment of 78 cases 2022-23 - ₹ 584.73 crores on various dates |
- 10  | 4  | 10  | Repayment of 04 cases in 2021-22 - ₹ 10.45 crores on various dates. Repaid in FY 21-22 |
- 9  | -  | 9  | Repayment of ₹ 9.45 crores on 01.08.2022. Repaid in FY 21-22 |

First pari-passu charge on movable fixed assets of 1.5 MTPA Coke Oven Plant (Phase 2) at Dolvi Works, Maharashtra.
Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

### Terms of Repayments

<table>
<thead>
<tr>
<th></th>
<th>Non-Current</th>
<th>Current</th>
<th>Non-Current</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terms of Repayments Security</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acceptance - Unsecured</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>127</td>
<td>132</td>
<td>-</td>
<td>147</td>
</tr>
<tr>
<td>2</td>
<td>474</td>
<td>464</td>
<td>138</td>
<td>474.05</td>
</tr>
<tr>
<td>2</td>
<td>601</td>
<td>596</td>
<td>345</td>
<td>-</td>
</tr>
</tbody>
</table>

### Deferred Payment Liabilities

<table>
<thead>
<tr>
<th></th>
<th>Non-Current</th>
<th>Current</th>
<th>Non-Current</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred Government Loan (Unsecured)</td>
<td>-</td>
<td>373</td>
<td>-</td>
<td>Interest free loan Payable after 14 years by 31.03.2032 - 31.03.2036.</td>
</tr>
<tr>
<td>-</td>
<td>2</td>
<td>-</td>
<td>3</td>
<td>Interest free loan and payable in 42 varying monthly installments starting from 12.04.2018 to 12.09.2022</td>
</tr>
</tbody>
</table>

### Rent and other deposits

<table>
<thead>
<tr>
<th></th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Current</td>
<td>Rent and other deposits</td>
<td>Less than one year</td>
</tr>
<tr>
<td>57</td>
<td>33</td>
<td>53</td>
</tr>
<tr>
<td>Non-Current</td>
<td>Rent and other deposits</td>
<td>More than one year</td>
</tr>
<tr>
<td>590</td>
<td>536</td>
<td>1,126</td>
</tr>
</tbody>
</table>

### Other provisions

<table>
<thead>
<tr>
<th></th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Current</td>
<td>Restoration liabilities (refer note a)</td>
<td>Less than one year</td>
</tr>
<tr>
<td>832</td>
<td>434</td>
<td>41</td>
</tr>
<tr>
<td>Non-Current</td>
<td>Restoration liabilities (refer note a)</td>
<td>More than one year</td>
</tr>
<tr>
<td>2</td>
<td>126</td>
<td></td>
</tr>
</tbody>
</table>

### Site restoration expenditure

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.

### Other provisions

<table>
<thead>
<tr>
<th></th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Current</td>
<td>Other provisions</td>
<td>Less than one year</td>
</tr>
<tr>
<td>832</td>
<td>434</td>
<td>41</td>
</tr>
<tr>
<td>Non-Current</td>
<td>Other provisions</td>
<td>More than one year</td>
</tr>
<tr>
<td>2</td>
<td>126</td>
<td></td>
</tr>
</tbody>
</table>

### Income tax

Indian companies are subject to Indian income tax on a standalone basis. For each fiscal year, the entity profit and loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Statutory income tax is charged at 30% plus a surcharge and education cess.

MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2021-22 is charged at 15% plus a surcharge and education cess. MAT paid in excess of regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.
Notes To the Standalone Financial Statements as at and for the year ended 31 March, 2022

A. Income tax expense

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before tax</td>
<td>24,715</td>
<td>12,196</td>
<td></td>
</tr>
<tr>
<td>Enacted tax rate in India</td>
<td></td>
<td>4.94%</td>
<td></td>
</tr>
<tr>
<td>Expected income tax expense at statutory tax rate</td>
<td>8,636</td>
<td>4,261</td>
<td></td>
</tr>
<tr>
<td>Tax holiday and depreciation allowances</td>
<td>(631)</td>
<td>(481)</td>
<td></td>
</tr>
<tr>
<td>Income exempt from taxation/taxable separately</td>
<td>(156)</td>
<td>(55)</td>
<td></td>
</tr>
<tr>
<td>Expenses not deductible in determining taxable profit</td>
<td>96</td>
<td>184</td>
<td></td>
</tr>
<tr>
<td>Tax provision/reversal for earlier years on finalisation of income tax returns</td>
<td>47</td>
<td>(137)</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>35</td>
<td>(29)</td>
<td></td>
</tr>
<tr>
<td>Tax expense for the year</td>
<td>8,013</td>
<td>3,803</td>
<td></td>
</tr>
<tr>
<td>Effective income tax rate</td>
<td>32.42%</td>
<td>31.18%</td>
<td></td>
</tr>
</tbody>
</table>

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:

Wherever the Company has a present obligation and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation, such amounts have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters (refer note 45).

B. Deferred tax liabilities (net)

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

<table>
<thead>
<tr>
<th>Deferred tax balance in relation to</th>
<th>₹ in crores</th>
<th>As at 31 Mar-21</th>
<th>Recognised / reversed through profit and loss</th>
<th>Recognised in / reclassified from other comprehensive income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>(8,553)</td>
<td>(1,294)</td>
<td>(9,837)</td>
<td></td>
</tr>
<tr>
<td>Cash flow hedges</td>
<td>106</td>
<td>6</td>
<td>114</td>
<td></td>
</tr>
<tr>
<td>Provisions for employee benefit / loans and advances and guarantees</td>
<td>1,485</td>
<td>373</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>1,187</td>
<td>(206)</td>
<td>981</td>
<td></td>
</tr>
<tr>
<td>Fair value of financial instruments</td>
<td>1</td>
<td>(130)</td>
<td>(272)</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>130</td>
<td>(24)</td>
<td>105</td>
<td></td>
</tr>
<tr>
<td>MAT credit entitlement</td>
<td>2,536</td>
<td>(2,112)</td>
<td>424</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>(3,095)</td>
<td>(3,082)</td>
<td>(238)</td>
<td></td>
</tr>
</tbody>
</table>

Deferred tax asset on long term capital losses of ₹ 2,025 crores expiring in fiscal year 2024-25 has not been recognised in the absence of probable future taxable capital gains.

Deferred tax asset on short term capital losses of ₹ 654 crores expiring in fiscal year 2024-25 has not been recognised in the absence of probable future taxable capital gains.

24. Other liabilities (Non-current)

Advance from customer pertains to amount outstanding relating to a Five year Advance Payment and Supply Agreement (“APSA”) agreement with Duferco S.A for supply of Steel Products. In March 2018, Duferco S.A had provided an interest bearing advance amount of US $ 700 million under this agreement. The advance and interest will be adjusted by export of steel products to Duferco S.A. Current portion of ₹ 1,010 crores (31 March, 2021) ₹ 1,010 crores has been included in note 29.

25. Borrowings (current, at amortised cost)

Borrowing have been drawn at following rate of interest

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working capital loans from banks (secured)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rupee loan</td>
<td>541</td>
<td>765</td>
</tr>
<tr>
<td>Other loans from banks (unsecured)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acceptances relating to capital projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td>1,377</td>
<td></td>
</tr>
<tr>
<td>Unsecured</td>
<td>180</td>
<td>2,592</td>
</tr>
<tr>
<td>Current maturities of long term borrowings (refer note 20)</td>
<td>8,539</td>
<td>6,919</td>
</tr>
<tr>
<td>Total</td>
<td>9,259</td>
<td>12,073</td>
</tr>
</tbody>
</table>

Borrowing have been drawn at following rate of interest

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Rates of interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rupee term loan from banks</td>
<td>6.75% p.a. to 8.55% p.a.</td>
</tr>
<tr>
<td>Commercial Papers</td>
<td>3.50% p.a. to 3.80% p.a.</td>
</tr>
</tbody>
</table>

a. Working capital loans from banks of ₹ 541 crores (31 March, 2021) ₹ 785 crores) are secured by:

i) pari passu first charge by way of hypothecation of stocks of raw materials, finished goods, work-in-process, consumables (stores and spares) and book debts / receivables of the Company, both present and future.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

ii) pari passu second charge on movable properties and immovable properties forming part of the property, plant and equipment of the Company, both present and future except such properties as may be specifically excluded.

b. The quarterly returns/ statements read with subsequent revisions filed by the Company with the banks are in agreement with the books of accounts.

26. Trade payables

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Total outstanding, dues of micro and small enterprises</td>
<td>330</td>
<td>205</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Description</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal amount outstanding as at end of year (refer note i)</td>
<td>409</td>
<td>243</td>
</tr>
<tr>
<td>Principal amount overdue more than 45 days</td>
<td>17</td>
<td>18</td>
</tr>
<tr>
<td>Interest due and unpaid as at end of year</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Interest paid to the suppliers</td>
<td>70</td>
<td>443</td>
</tr>
<tr>
<td>Payments made to the supplier beyond the appointed day during the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest due and payable for the period of delay</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Interest accrued and remaining unpaid as at end of year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amount of further interest remaining due and payable in succeeding year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less than ₹ 0.50 crore</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

i. It includes vendors classified as part of other financial liabilities in note 28 relating to payable for capital projects amounting to ₹ 169 crores in 31 March, 2022 (₹ 38 crores in 31 March, 2021).

27. Derivative Liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current</td>
<td>Current</td>
<td>Non-current</td>
</tr>
<tr>
<td>Forward Contract</td>
<td>102</td>
<td>14</td>
</tr>
<tr>
<td>Commodity Contract</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest Rate Swap</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Currency Option</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>105</td>
</tr>
</tbody>
</table>

28. Other financial liabilities (Current, at amortised cost)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current dues of other long-term liabilities (refer note 21)</td>
<td>1,100</td>
<td>1,245</td>
</tr>
<tr>
<td>Payables for capital projects</td>
<td>691</td>
<td>894</td>
</tr>
<tr>
<td>Interest accrued but not due on borrowings</td>
<td>623</td>
<td>721</td>
</tr>
<tr>
<td>Payables to employees</td>
<td>250</td>
<td>271</td>
</tr>
<tr>
<td>Unclaimed matured debentures and accrued interest thereon</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Unclaimed dividends</td>
<td>45</td>
<td>52</td>
</tr>
<tr>
<td>Unclaimed amount of sale proceeds of fractional shares</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Payable for mining premium and royalty</td>
<td>2,498</td>
<td>2,944</td>
</tr>
<tr>
<td>Payable to Welspun Corp Limited pursuant to business combination</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Refund liabilities (refer note 30)</td>
<td>991</td>
<td>783</td>
</tr>
<tr>
<td>Others</td>
<td>52</td>
<td>58</td>
</tr>
<tr>
<td>Total</td>
<td>6,094</td>
<td>7,762</td>
</tr>
</tbody>
</table>

*Less than ₹ 0.50 crore

29. Other current liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advances from customers (refer note a)</td>
<td>1,887</td>
<td>2,072</td>
</tr>
<tr>
<td>Statutory liabilities</td>
<td>2,177</td>
<td>763</td>
</tr>
<tr>
<td>Export obligation deferred income (refer note b)</td>
<td>99</td>
<td>419</td>
</tr>
<tr>
<td>Total</td>
<td>4,153</td>
<td>3,254</td>
</tr>
</tbody>
</table>
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Note:

a. Advance from customers includes ₹ 1,010 crores (31 March, 2021 ₹ 1,010 crores) relating to current portion of APSA. Refer note 24.

b. Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and accounted in revenue on fulfilment of export obligation.

30. Revenue from operations

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic turnover</td>
<td>92,229</td>
<td>54,732</td>
</tr>
<tr>
<td>Export turnover</td>
<td>24,699</td>
<td>14,726</td>
</tr>
<tr>
<td><strong>A</strong></td>
<td><strong>1,16,928</strong></td>
<td><strong>69,458</strong></td>
</tr>
<tr>
<td>Other operating revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government grant income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant income recognised under PSI 2007 and PSI 2013 scheme (refer note a)</td>
<td>571</td>
<td>220</td>
</tr>
<tr>
<td>Deferred income GST government</td>
<td>494</td>
<td>242</td>
</tr>
<tr>
<td>Export obligation deferred income amortisation</td>
<td>469</td>
<td>239</td>
</tr>
<tr>
<td>Export benefits and entitlements income</td>
<td>240</td>
<td>370</td>
</tr>
<tr>
<td>Unclaimed liabilities written back</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Miscellaneous income*</td>
<td>109</td>
<td>96</td>
</tr>
<tr>
<td><strong>B</strong></td>
<td><strong>1,892</strong></td>
<td><strong>1,269</strong></td>
</tr>
<tr>
<td><strong>Total Revenue from operations</strong></td>
<td><strong>1,18,820</strong></td>
<td><strong>70,727</strong></td>
</tr>
</tbody>
</table>

*Includes income from scrap sales etc.

Note:

a. The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the Industrial Policy of the Government of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST).

i) The Company is eligible for claiming incentives for investments made under the Industrial Policy of the Government of Maharashtra under PSI Scheme 2007 & PSI 2013 Scheme. The Company completed the Phase 1 expansion of 3.3 MTPA to 5 MTPA at Dolvi, Maharashtra in May 2016 and has also received the eligibility certificate for the same basis which it has started availing incentives under the PSI 2007 since then. Further, the Company completed the second phase of expansion from 5 MTPA to 10 MTPA at Dolvi Maharashtra during the financial year 2021-22. The Company is in the process of submitting required documents with the State Government for issuance of the Eligibility Certificate for the second phase and believes that all conditions with respect to the same are met by the Company and hence there are no uncertainties attached in recognising the grant amount. Accordingly, the Company has recognised the cumulative grant income amounting to ₹ 571 crores for the year ended 31 March, 2022.

ii) The State Government of Maharashtra (GOM) vide its Government Resolution (GR) dated 20 December, 2018 issued the modalities for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for accruing incentive benefits granted to the Company.

The management has evaluated the impact of other conditions imposed and has obtained legal advice on the tenability of these changes in the said scheme. Based on such legal advice, the Company has also made the representation to GOM and believes that the new conditions / restrictions for accruing incentive benefits continues 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.

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):

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from contracts with customer - Bales of products (including shipping services)</td>
<td>1,18,820</td>
<td>69,458</td>
</tr>
<tr>
<td>Other operating revenue</td>
<td>1,892</td>
<td>1,269</td>
</tr>
<tr>
<td><strong>Total revenue from operations</strong></td>
<td><strong>1,18,820</strong></td>
<td><strong>70,727</strong></td>
</tr>
</tbody>
</table>

Contract Balances

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March 2022</th>
<th>As at 31 March 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Receivables (refer note 14)</td>
<td>6,146</td>
<td>3,333</td>
</tr>
<tr>
<td>Contract liabilities</td>
<td>2,910</td>
<td>4,165</td>
</tr>
</tbody>
</table>

The credit period on sales of goods ranges from 7 to 120 days with or without security.

As at 31 March, 2022 ₹ 216 crores (previous ₹ 192 crores) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include long term and short term advances received for sale of goods. The outstanding balances of these accounts decreased in due to adjustment against receivable balances. Long term advances are detailed in note 24.

Amount of revenue recognised from the contract liabilities included in the contract liabilities at the beginning of the year ₹ 2,072 crores (previous ₹ 1,887 crores) and performance obligations satisfied in previous years ₹ 4,147 crores (previous ₹ 3,480 crores).

Out of the total contract liabilities outstanding as on 31 March, 2022, ₹ 1,887 crores (previous ₹ 2,072 crores) will be recognised by 31 March, 2023 and remaining thereafter.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

31. Other income

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Income earned on financial assets designated as amortised cost</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From related parties</td>
<td>624</td>
<td>231</td>
<td></td>
</tr>
<tr>
<td>Bank deposits</td>
<td>269</td>
<td>250</td>
<td></td>
</tr>
<tr>
<td>Other Interest income</td>
<td>23</td>
<td>67</td>
<td></td>
</tr>
<tr>
<td>Interest Income earned on financial assets that are designated as FVTPL</td>
<td>6</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Gain on sale of current investments designated as FVTPL</td>
<td>14</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Fair value gain arising from financial instruments designated as FVTPL (refer note a)</td>
<td>799</td>
<td>66</td>
<td></td>
</tr>
<tr>
<td>Unwinding of interest on financial assets carried at amortised cost</td>
<td>69</td>
<td>51</td>
<td></td>
</tr>
<tr>
<td>Guarantee/standby letter of credit commission</td>
<td>101</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Dividend income from non-current investments</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,929</td>
<td>669</td>
<td></td>
</tr>
</tbody>
</table>

Note:

a. Includes ₹ 702 crores fair value gain on Optionally Fully Convertible Debentures of Piombino Steel Limited (refer note 50) and ₹ 82 crores on fair valuation of investment in compulsorily convertible debentures of Vardhaman Industries Limited.

32. Changes in inventories of finished and semi-finished goods, work-in-progress and stock in trade

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening stock :</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semi finished /finished goods</td>
<td>4,112</td>
<td>3,365</td>
<td></td>
</tr>
<tr>
<td>Work in progress</td>
<td>539</td>
<td>414</td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>4,651</td>
<td>3,779</td>
<td></td>
</tr>
<tr>
<td>Closing stock :</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semi finished /finished goods</td>
<td>7,185</td>
<td>4,112</td>
<td></td>
</tr>
<tr>
<td>Work in progress</td>
<td>578</td>
<td>539</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>7,763</td>
<td>4,651</td>
<td></td>
</tr>
<tr>
<td>A-B</td>
<td>(3,112)</td>
<td>(872)</td>
<td></td>
</tr>
</tbody>
</table>

33. Employee benefits expense

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and wages (net)</td>
<td>1,552</td>
<td>1,326</td>
<td></td>
</tr>
<tr>
<td>Contribution to provident and other funds (refer note 41)</td>
<td>105</td>
<td>92</td>
<td></td>
</tr>
<tr>
<td>Expenses on employees stock ownership plan</td>
<td>131</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Staff welfare expenses</td>
<td>89</td>
<td>83</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,970</strong></td>
<td><strong>1,307</strong></td>
<td></td>
</tr>
</tbody>
</table>

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

34. Finance costs

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds and Debentures</td>
<td>1,453</td>
<td>1,096</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>1,454</td>
<td>1,378</td>
<td></td>
</tr>
<tr>
<td><strong>Interest on lease liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>339</td>
<td>391</td>
<td></td>
</tr>
<tr>
<td><strong>Unwinding of interest on financial liabilities carried at amortised cost</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>88</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td><strong>Exchange differences regarded as an adjustment to borrowing costs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>370</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td><strong>Other borrowing costs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>156</td>
<td>95</td>
<td></td>
</tr>
<tr>
<td><strong>Interest on income Tax</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>14</td>
<td>53</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,849</td>
<td>3,565</td>
<td></td>
</tr>
</tbody>
</table>

35. Depreciation and amortisation expense

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Depreciation of property, plant and equipment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3,738</td>
<td>3,063</td>
<td></td>
</tr>
<tr>
<td><strong>Amortisation of intangible assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>148</td>
<td>148</td>
<td></td>
</tr>
<tr>
<td><strong>Depreciation of Right of use assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>627</td>
<td>570</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,511</td>
<td>3,781</td>
<td></td>
</tr>
</tbody>
</table>

36. Other expenses

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Share and spares consumed</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,408</td>
<td>2,606</td>
<td></td>
</tr>
<tr>
<td><strong>Power and fuel</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6,939</td>
<td>7,210</td>
<td></td>
</tr>
<tr>
<td><strong>Rents</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>15</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td><strong>Repairs and maintenance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,209</td>
<td>979</td>
<td></td>
</tr>
<tr>
<td><strong>Plant and machinery</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>47</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>27</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td><strong>Insurance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>169</td>
<td>142</td>
<td></td>
</tr>
<tr>
<td><strong>Rates and Taxes</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>54</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td><strong>Carriage and freight</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5,314</td>
<td>3,621</td>
<td></td>
</tr>
<tr>
<td><strong>Sales and marketing charges</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>719</td>
<td>545</td>
<td></td>
</tr>
<tr>
<td><strong>Commission on sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>56</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td><strong>Net loss (gain) on foreign currency transactions and translation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>391</td>
<td>411</td>
<td></td>
</tr>
<tr>
<td><strong>Debentures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td><strong>Other borrowing costs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>156</td>
<td>95</td>
<td></td>
</tr>
<tr>
<td><strong>Fair value loss arising from Financial Instruments designated as FVTPL</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td><strong>Mineral development cost</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>561</td>
<td>251</td>
<td></td>
</tr>
<tr>
<td><strong>Allowance for doubtful debts, loans and advances (net)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>41</td>
<td>56</td>
<td></td>
</tr>
<tr>
<td><strong>Loss on sale of property, plant and equipment (net)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>61</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td><strong>Writeoff of interest receivables (refer note c)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>430</td>
<td>97</td>
<td></td>
</tr>
<tr>
<td><strong>Loss – Provision for impairment/loss allowances recognised in earlier years</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,411</td>
<td>1,186</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>22,609</td>
<td>24,953</td>
<td></td>
</tr>
</tbody>
</table>
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Note:

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory audit fees (including limited reviews)</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Tax audit fees</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Fees for capital market transactions and other certifications</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Other services</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Out of pocket expenses</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
<td>10</td>
</tr>
</tbody>
</table>

#represents amounts below ₹ 50 crore

b) Corporate Social Responsibility (CSR)

The Company has incurred an amount of ₹ 200 crores (31 March, 2021 ₹ 165 crores) towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 and is included in other expenses.

There was no amount unspent for the year ended 31 March, 2022. In respect of the unspent amount of ₹ 86 crores for FY 2021, the Company has spent an amount of ₹ 73 crores in the current financial year.

c) The Company had applied with Reserve Bank of India ("RBI") for waiver of outstanding interest on intercompany loan given to Perlana Holding LLC (subsidiary) upto 31 December, 2020 aggregating to USD 224 million. Of this USD 57.22 mio (₹ 430 crores) was recognised and provided for in the books of account in earlier years and balance USD 166.78 mio was not recognised due to uncertainty involved in its collectability. RBI has provided its approval for waiver of the interest for the period upto 31 December, 2020 in November 2021 subject to fulfillment of certain conditions. The Company on fulfillment of the conditions has written off interest accrued of USD 57.22 mio (₹ 430 crores) and waived interest of USD 166.78 mio (₹ 1,234 crores) aggregating to USD 224 mio.

Outstanding as on 1 April, 2020 51,76,445 42,83,313 29,13,919

38. Earnings per share (EPS)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted average number of equity shares</td>
<td>2,40,39,42,787</td>
<td>2,40,38,12,821</td>
</tr>
<tr>
<td>Effect of dilution</td>
<td>1,32,77,563</td>
<td>1,34,07,619</td>
</tr>
<tr>
<td>Weighted average number of equity shares adjusted for the effect of dilution</td>
<td>2,41,72,20,440</td>
<td>2,41,72,20,440</td>
</tr>
</tbody>
</table>

Basic EPS (Amount in ₹ (A/B)) 69.48 34.92
Diluted EPS (Amount in ₹ (A/C)) 69.10 34.72

For details regarding treasury shares held through ESOP trust (refer note 18(a))

39. Employee share based payment plans

ESOP Scheme 2016

The Board of Directors of the Company at its meeting held on 29 January, 2016, formulated the JWSL 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.

There are three grants that 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 JWSL 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 31,03,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

The outstanding position as at 31 March, 2022 is summarised below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>ESOP 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Grant</td>
<td>14 May, 2017</td>
</tr>
<tr>
<td>Second Grant</td>
<td>14 May, 2018</td>
</tr>
<tr>
<td>Total Grant</td>
<td>14 May, 2018</td>
</tr>
</tbody>
</table>

For the year ended 31 March, 2022

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022
### Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>ESOP 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forfeited during the period</td>
<td>1st Grant</td>
</tr>
<tr>
<td>Lapsed during the period</td>
<td>-</td>
</tr>
<tr>
<td>Exercised during the period</td>
<td>22,06,000</td>
</tr>
<tr>
<td>Outstanding as on 31 March, 2021</td>
<td>28,54,580</td>
</tr>
<tr>
<td>Transferred in</td>
<td>3,01,841</td>
</tr>
<tr>
<td>Transferred out</td>
<td>-</td>
</tr>
<tr>
<td>Forfeited during the period</td>
<td>-</td>
</tr>
<tr>
<td>Lapsed during the period</td>
<td>7,20,352</td>
</tr>
<tr>
<td>Outstanding as on 31 March, 2022</td>
<td>18,72,287</td>
</tr>
</tbody>
</table>

#### Vesting Period

- Original:
  - 1st Grant: 17 May, 2016 to 31 March, 2019 (for 50% of the grant) and 17 May, 2016 to 31 March, 2020 (for remaining 50% of the grant)
  - 2nd Grant: 16 May, 2017 to 31 March, 2020 (for 50% of the grant) and 18 May, 2017 to 31 March, 2021 (for remaining 50% of the grant)
  - 3rd Grant: 14 May, 2018/ 5 December, 2019 to 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:
  - 1st Grant: 5 December, 2019 to 6 December, 2020 for the subsequent grants

#### Exercise Period

- Original:
  - 1st Grant: 4 years from vesting date
  - 2nd Grant: 4 years from vesting date
  - 3rd Grant: 4 years from vesting date

- Supplementary:
  - 1st Grant: 18 months
  - 2nd Grant: 18 months
  - 3rd Grant: 30 months

#### Weighted average remaining contract life

- Original:
  - 1st Grant: 42 months
  - 2nd Grant: 42 months
  - 3rd Grant: 42 months

- Supplementary:
  - 1st Grant: 207.64
  - 2nd Grant: 207.64
  - 3rd Grant: 161.36

#### Weighted average share price for shares exercised during the year

- 1st Grant: 696.17
- 2nd Grant: 696.17
- 3rd Grant: 696.17

#### Expected volatility

- The expected volatility is calculated using standard deviation of daily change in stock price.

#### Original grants

- The expected option life is assumed to be 3.20 years 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

#### Supplementary grants

- 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

#### Risk-free interest rate

- The rate used for calculation is 7.36% (for 3 years vesting) and 5.67% (for 1 year vesting)

#### Notes

- The method used and the assumptions made to incorporate the effects of expected early exercise and expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility.

#### SHRI OP JINDAL SAMLUDDHI PLAN 2021

The Board of Directors of the Company at its meeting held on 21 May, 2021, formulated the Shri OP Jindal Employees Stock Ownership Plan (“OPJ ESOP Plan”). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its’ subsidiaries in India.

Three grants would be made under OPJ ESOP plan 2021 to eligible present and future employees on the rolls of the Company as at date of the grant.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 25% of the grant would vest at the end of the first year, 25% of the grant would vest at the end of the second year and 50% of the grant would vest at the end of the third year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price is determined by the ESOP committee at 1 per share.

A total of 47,00,000 options are available for grant to the eligible employees of the Company and a total of 3,00,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

### Samruddhi Plan 2021

The Board of Directors of the Company at its meeting held on 21 May, 2021, formulated the Shri OP Jindal Samruddhi Plan (“OPJ Samruddhi Plan”). At the said meeting, the Board authorised the ESOP Committee for the superintendence of the ESOP Plan.

Samruddhi plan is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its’ subsidiaries in India.

Single grants would be made under OPJ ESOP plan 2021 to eligible employees on the rolls of the Company as at date of the grant.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 25% of the grant would vest at the end of the second year, 25% of the grant would vest at the end of the third year and 50% of the grant would vest at the end of the 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 ₹ 1 per share.

A total of 67,00,000 options are available for grant to the eligible employees of the Company and a total of 13,00,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

The outstanding position as at 31 March, 2022 is summarised below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>OPJ Samruddhi Plan 2021</th>
<th>OPJ ESOP Plan 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of grant</td>
<td>7 August, 2021</td>
<td>7 August, 2021</td>
</tr>
<tr>
<td>Share Price on date of grant</td>
<td>₹ 75</td>
<td>₹ 75</td>
</tr>
<tr>
<td>Average fair value on date of grant</td>
<td>₹ 71.6</td>
<td>₹ 72.3</td>
</tr>
<tr>
<td>Granted during the year</td>
<td>64,58,460</td>
<td>12,10,663</td>
</tr>
<tr>
<td>Transfer In</td>
<td>1,500</td>
<td></td>
</tr>
<tr>
<td>Transfer Out</td>
<td>1,10,500</td>
<td>55,670</td>
</tr>
<tr>
<td>Forfeited during the period</td>
<td>2,73,480</td>
<td>15,850</td>
</tr>
<tr>
<td>Outstanding as on 31 March, 2022</td>
<td>60,76,050</td>
<td>11,39,143</td>
</tr>
<tr>
<td>of above - vested outstanding options</td>
<td>6,250</td>
<td>1,304</td>
</tr>
<tr>
<td>of above - unvested outstanding options</td>
<td>60,69,800</td>
<td>11,08,843</td>
</tr>
<tr>
<td>Vesting Period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The vesting schedule is 25% at the end of 2nd year (first tranche), 25% at the end of 3rd year (second tranche) and the remaining 50% at the end of 4th year (third tranche) from the date of grant respectively.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exercise Period</td>
<td>4 years from the date of vesting</td>
<td>4 years from the date of vesting</td>
</tr>
<tr>
<td>Weighted average remaining contract life</td>
<td>4 years from the date of vesting</td>
<td>4 years from the date of vesting</td>
</tr>
<tr>
<td>Exercise price</td>
<td>₹ 1</td>
<td>₹ 1</td>
</tr>
<tr>
<td>Weighted average share price for shares exercised during the year</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

**Expected volatility**

- Volatility has been calculated using historical volatility.
- The volatility used for year wise
  - 1st Year - 41.99%
  - 2nd Year - 39.17%
  - 3rd Year - 36.72%
  - 4th Year - 32.07%
- The volatility used for vesting year
  - 2nd Year - 39.17%
  - 3rd Year - 37.47%
  - 4th Year - 36.72%

**Expected option life**

- The expected option life is assumed to be mid-way between the option vesting and expiry. Accordingly, expected option life is calculated as Year to Vesting + (Exercise Period) / 2. Based on vesting and exercise schedule, expected option term for first tranche is 4 years, second tranche is 5 years, and third tranche is 6 years.
- The expected option life is assumed to be mid-way between the option vesting and expiry. Accordingly, expected option life is calculated as Year to Vesting + (Exercise Period) / 2. Based on vesting and exercise schedule, expected option term for first tranche is 3 years, second tranche is 4 years, and third tranche is 5 years.

**Expected dividends**

- ₹ 6.50 per share
- Zero coupon sovereign bond yields were utilised with maturity equal to expected term of the option.

**Risk-free interest rate**

- Black-Scholes Options pricing model

The method used and the assumptions made to incorporate the effects of expected early exercise

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

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:
  - Share price
  - Exercise prices
  - Historical volatility
  - Expected option life
  - Dividend Yield

40. Segment reporting

The Company is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker (CODM) for assessment of Company’s performance and resource allocation.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below

- **a) Revenue from operations**
  - **Particulars**
  - **₹ in crores**
  - **For the year ended 31 March, 2022**
    - Domestic | 94,127 |
    - Export | 24,659 |
    - Total | 118,823 |
  - **For the year ended 31 March, 2021**
    - Domestic | 66,669 |
    - Export | 14,476 |
    - Total | 81,145 |

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, 2022**
    - JSW Steel Coated Products Limited (net of GST and cess) | 17,562 |
  - **For the year ended 31 March, 2021**
    - JSW Steel Coated Products Limited (net of GST and cess) | 8,464 |

41. Employee benefits

- **a) Defined contribution plan**
  - The Company operates defined contribution retirement benefit plans for all qualifying employees. Under these plans, the Company is required to contribute a specified percentage of payroll costs.
  - Company’s contribution to provident fund & family pension scheme recognised in statement of profit and loss of ₹ 56 crores (31 March, 2021: ₹ 48 crores) (included in note 33).

- **b) Defined benefit plans**
  - The Company sponsors funded defined benefit plans for all qualifying employees. The level of benefits provided depends on the member’s length of service and salary at retirement age.
  - The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days’ salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling.
  - The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.
  - The fund is managed by JSW Steel limited Employee Gratuity Trust and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

### Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in Government securities and debt instruments.

### Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan’s debt investments.

### Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan’s liability.

### Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan’s liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March, 2022 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

#### (i) Gratuity:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Liability recognised in the balance sheet</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td>279</td>
<td>286</td>
</tr>
<tr>
<td>Service cost</td>
<td>22</td>
<td>19</td>
</tr>
<tr>
<td>Interest cost</td>
<td>19</td>
<td>20</td>
</tr>
<tr>
<td>Actuarial loss on obligation</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>71</td>
<td>47</td>
</tr>
<tr>
<td>Liability in</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Liability transfer</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Closing balance</td>
<td>376</td>
<td>279</td>
</tr>
<tr>
<td><strong>Less:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>Interest income</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Actuarial (loss)/gain on plan assets</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Employees’ contribution</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>16</td>
<td>21</td>
</tr>
<tr>
<td>Closing balance</td>
<td>69</td>
<td>74</td>
</tr>
<tr>
<td>Amount recognised in balance sheet (Net of note 22)</td>
<td>307</td>
<td>205</td>
</tr>
<tr>
<td>b) Expenses recognised in statement of profit and loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance</td>
<td>22</td>
<td>19</td>
</tr>
<tr>
<td>Interest cost</td>
<td>19</td>
<td>20</td>
</tr>
<tr>
<td>Expected return on plan assets</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Component of defined benefit cost recognised in statement of profit and loss</td>
<td>38</td>
<td>33</td>
</tr>
<tr>
<td>Remeasurement of net defined benefit liability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial (gain)/loss on defined benefit obligation</td>
<td>74</td>
<td>27</td>
</tr>
<tr>
<td>Return on plan assets (excluding interest income)</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Component of defined benefit cost recognised in other comprehensive income</td>
<td>75</td>
<td>27</td>
</tr>
<tr>
<td>Transferred to preoperative expenses</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>111</td>
<td>9</td>
</tr>
</tbody>
</table>

# represents amounts below ₹ 0.50 crore

During the year, entire unfunded liabilities have been funded.

#### (e) Principal actuarial assumptions:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Discount rate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.98%</td>
<td>6.80%</td>
</tr>
<tr>
<td><strong>Expected rate(s) of salary increase</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8.80%</td>
<td>5.10%</td>
</tr>
<tr>
<td><strong>Expected return on plan assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.98%</td>
<td>6.80%</td>
</tr>
<tr>
<td><strong>Attribution rate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7.00%</td>
<td>3.70%</td>
</tr>
<tr>
<td><strong>Mortality rate during employment</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### (f) Experience adjustments:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit obligation</td>
<td>376</td>
<td>279</td>
<td>286</td>
<td>243</td>
<td>196</td>
</tr>
<tr>
<td>Plan assets</td>
<td>69</td>
<td>74</td>
<td>75</td>
<td>71</td>
<td>65</td>
</tr>
<tr>
<td>Surplus / (deficit)</td>
<td>(307)</td>
<td>(205)</td>
<td>(211)</td>
<td>(166)</td>
<td>(131)</td>
</tr>
<tr>
<td>Experience adjustments on plan liabilities</td>
<td>74</td>
<td>(27)</td>
<td>19</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>Experience adjustments on plan assets - gain/(loss)</td>
<td>1</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>#</td>
</tr>
</tbody>
</table>

# represents amounts below ₹ 0.50 crore

The Company expects to contribute ₹ 41 crores (previous year ₹ 38 crores) to its gratuity plan for the next year.

The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years (31 March, 2021: 8 years)

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.

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.
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

k) The discount rate is based on the prevailing market yields of Government of India securities 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:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022 (crores)</th>
<th>As at 31 March, 2021 (crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit obligation</td>
<td>379</td>
<td>279</td>
</tr>
<tr>
<td>Plan assets</td>
<td>69</td>
<td>74</td>
</tr>
<tr>
<td>Net liability/(asset) arising from defined benefit obligation</td>
<td>310</td>
<td>205</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate (1% movement)</td>
<td>Decrease 20</td>
<td>Decrease 18</td>
</tr>
<tr>
<td>Future salary growth (1% movement)</td>
<td>Increase 22</td>
<td>Decrease 18</td>
</tr>
<tr>
<td>Attrition rate (1% movement)</td>
<td>Increase 3</td>
<td>Decrease 3</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>SBI</th>
<th>HDFC</th>
<th>ICICI</th>
<th>LIC</th>
<th>PNB</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 31 March, 2022</td>
<td>45.09</td>
<td>22.72</td>
<td>10.25</td>
<td>20.38</td>
<td>1.55</td>
</tr>
<tr>
<td>As at 31 March, 2021</td>
<td>50.22</td>
<td>20.14</td>
<td>8.69</td>
<td>20.56</td>
<td></td>
</tr>
</tbody>
</table>

Category of assets average percentage allocation fund wise as on 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>SBI</th>
<th>HDFC</th>
<th>ICICI</th>
<th>LIC</th>
<th>PNB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government securities</td>
<td>48.88</td>
<td>37.85</td>
<td>20%</td>
<td>40%</td>
<td></td>
</tr>
<tr>
<td>Debt</td>
<td>87.70</td>
<td>35.51</td>
<td>38.65</td>
<td>Balance invested in approved plans</td>
<td>28.65</td>
</tr>
<tr>
<td>Equity</td>
<td>6.87</td>
<td>10.97</td>
<td>9.91</td>
<td>Investments as specified in schedule 1 of IRDA guidelines</td>
<td>29.90</td>
</tr>
<tr>
<td>Others</td>
<td>5.43</td>
<td>4.65</td>
<td>15.65</td>
<td></td>
<td>3.90</td>
</tr>
</tbody>
</table>

Maturity analysis of projected benefit obligation

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Less than a year</th>
<th>Between 1 to 5 years</th>
<th>Over 5 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 31 March, 2022</td>
<td>54</td>
<td>138</td>
<td>460</td>
<td>652</td>
</tr>
<tr>
<td>Projected benefit payable</td>
<td>40</td>
<td>91</td>
<td>363</td>
<td>494</td>
</tr>
</tbody>
</table>

STANDALONE FINANCIALS

Notes

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

ii) Other long term benefits:

a) Compensated Absences

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. Employee are entitled to encash leave while serving in the Company at the rate of daily salary, as per current accumulation of leave days.

b) Long Service Award

The Company has a policy to recognise the long service rendered by employees and celebrate their long association with the Company. This scheme is called - Long Association of Motivation, Harmony & Excitement (LAMHE). The award is paid at milestone service completion years of 10, 15, 20 and 25 years.

42. Financial Instruments

42.1 Capital risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements. The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalent and current investments.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long term borrowings</td>
<td>42,978 (39,551)</td>
<td>6,510</td>
</tr>
<tr>
<td>Current maturities of long term debt</td>
<td>8,510</td>
<td>6,919</td>
</tr>
<tr>
<td>Short term borrowings</td>
<td>7,210</td>
<td>5,155</td>
</tr>
<tr>
<td>Less: Cash and cash equivalent</td>
<td>(7,875)</td>
<td>(11,121)</td>
</tr>
<tr>
<td>Less: Bank balances other than cash and cash equivalents</td>
<td>(7,857)</td>
<td>(6,205)</td>
</tr>
<tr>
<td>Net debt</td>
<td>34,908</td>
<td>39,879</td>
</tr>
<tr>
<td>Total equity</td>
<td>63,501</td>
<td>46,977</td>
</tr>
<tr>
<td>Gearing ratio</td>
<td>53.33</td>
<td>96.66</td>
</tr>
</tbody>
</table>

i. Equity includes all capital and reserves of the Company that are managed as capital.

ii. Debt is defined as long and short term borrowings (excluding derivatives and financial guarantee contracts), as described in notes 20 and 25.
42. Categories of financial instruments
The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

### As at 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amortised cost</th>
<th>Fair value through other comprehensive income</th>
<th>Fair value through profit and loss</th>
<th>Derivatives in hedging relationship</th>
<th>Total carrying value</th>
<th>Total fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>800</td>
<td>3,148</td>
<td>558</td>
<td>4,506</td>
<td>4,519</td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>6,146</td>
<td>6,146</td>
<td>6,146</td>
<td>6,146</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>7,670</td>
<td>7,670</td>
<td>7,670</td>
<td>7,670</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>7,857</td>
<td>7,857</td>
<td>7,857</td>
<td>7,857</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>6,028</td>
<td>6,028</td>
<td>6,028</td>
<td>6,028</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative Assets</td>
<td>94</td>
<td>94</td>
<td>94</td>
<td>94</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial assets</td>
<td>4,984</td>
<td>4,984</td>
<td>4,984</td>
<td>4,984</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>33,185</td>
<td>3,148</td>
<td>652</td>
<td>33</td>
<td>37,318</td>
<td>37,331</td>
</tr>
<tr>
<td><strong>Financial liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long term Borrowings</td>
<td>49,114</td>
<td>49,114</td>
<td>49,114</td>
<td>49,114</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>721</td>
<td>721</td>
<td>721</td>
<td>721</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td>24,328</td>
<td>24,328</td>
<td>24,328</td>
<td>24,328</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative liabilities</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>7,728</td>
<td>7,728</td>
<td>7,728</td>
<td>7,728</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>85,242</td>
<td>11</td>
<td>101</td>
<td>85,354</td>
<td>85,428</td>
<td></td>
</tr>
</tbody>
</table>

### As at 31 March, 2021

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amortised cost</th>
<th>Fair value through other comprehensive income</th>
<th>Fair value through profit and loss</th>
<th>Derivatives in hedging relationship</th>
<th>Total carrying value</th>
<th>Total fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>465</td>
<td>764</td>
<td>4,553</td>
<td>5,782</td>
<td>5,783</td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>3,333</td>
<td>3,333</td>
<td>3,333</td>
<td>3,333</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11,121</td>
<td>11,121</td>
<td>11,121</td>
<td>11,121</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>625</td>
<td>625</td>
<td>625</td>
<td>625</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>5,474</td>
<td>5,474</td>
<td>5,474</td>
<td>5,474</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative Assets</td>
<td>118</td>
<td>118</td>
<td>118</td>
<td>118</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial assets</td>
<td>3,960</td>
<td>3,960</td>
<td>3,960</td>
<td>3,960</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>24,978</td>
<td>764</td>
<td>4,564</td>
<td>189</td>
<td>30,491</td>
<td>30,502</td>
</tr>
<tr>
<td><strong>Financial liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long term Borrowings</td>
<td>48,470</td>
<td>48,470</td>
<td>48,470</td>
<td>48,470</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>3,338</td>
<td>3,338</td>
<td>3,338</td>
<td>3,338</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short term Borrowings</td>
<td>5,194</td>
<td>5,194</td>
<td>5,194</td>
<td>5,194</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td>12,150</td>
<td>12,150</td>
<td>12,150</td>
<td>12,150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative liabilities</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>9,072</td>
<td>9,072</td>
<td>9,072</td>
<td>9,072</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>78,184</td>
<td>14</td>
<td>139</td>
<td>78,337</td>
<td>78,662</td>
<td></td>
</tr>
</tbody>
</table>

# 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. 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.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quoted investments in equity shares measured at FVTPL</td>
<td>2,560</td>
<td>750</td>
<td>1</td>
</tr>
<tr>
<td>Unquoted investments in equity shares measured at FVTPL</td>
<td>9</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td>Unquoted investments in equity shares measured at FVTOCI</td>
<td>5</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Non-current investments in unquoted compulsory convertible debentures measured at FVTPL</td>
<td>141</td>
<td>59</td>
<td>3</td>
</tr>
<tr>
<td>Non-current investments in unquoted optionally fully convertible debentures measured at FVTPL</td>
<td>141</td>
<td>59</td>
<td>2</td>
</tr>
<tr>
<td>Non-current investments in unquoted preference shares measured at FVTPL</td>
<td>417</td>
<td>354</td>
<td>3</td>
</tr>
<tr>
<td>Derivative Assets</td>
<td>428</td>
<td>196</td>
<td>2</td>
</tr>
<tr>
<td>Derivative Liabilities</td>
<td>111</td>
<td>153</td>
<td>2</td>
</tr>
</tbody>
</table>

Sensitivity Analysis of Level 3:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Valuation technique</th>
<th>Significant unobservable inputs</th>
<th>Change</th>
<th>Sensitivity of the input to fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments in unquoted Preference shares</td>
<td>DCF method</td>
<td>Discounting Rate of 8.85%</td>
<td>0.50%</td>
<td>0.50% increase (decrease) in the discount would decrease (increase) the fair value by <code>5 crores (</code>5 crores)</td>
</tr>
<tr>
<td>Investments in unquoted equity shares</td>
<td>DCF and CCM method</td>
<td>Discounting Rate of 25%</td>
<td>0.50%</td>
<td>0.50% increase (decrease) in the discount would decrease (increase) the fair value by <code>4 crores (</code>4 crores)</td>
</tr>
<tr>
<td>Investments in unquoted compulsory convertible debentures</td>
<td>DCF method</td>
<td>Discounting Rate of 10.00%</td>
<td>0.50%</td>
<td>0.50% increase (decrease) in the discount would decrease (increase) the fair value by <code>6 crores (</code>6 crores)</td>
</tr>
<tr>
<td>Investments in unquoted equity shares</td>
<td>N&amp;W method</td>
<td>Cost is approximate estimate of fair value</td>
<td></td>
<td>No sensitivity in the fair value of the investments.</td>
</tr>
</tbody>
</table>
Reconciliation of Level 3 fair value measurement

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Level</th>
<th>Valuation techniques and key inputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans</td>
<td>6,028</td>
<td>5,474</td>
<td>2</td>
<td>Discounted cash flow on observable future cash flows are based on terms of loans discounted at a rate that reflects market risks</td>
</tr>
<tr>
<td>Investments</td>
<td>800</td>
<td>465</td>
<td>2</td>
<td>Discounted cash flow on observable future cash flows are based on terms of investments discounted at a rate that reflects market risks</td>
</tr>
<tr>
<td>Long Term Borrowings</td>
<td>49,114</td>
<td>46,470</td>
<td>2</td>
<td>Discounted cash flow on observable future cash flows are based on terms of borrowings discounted at a rate that reflects market risks</td>
</tr>
</tbody>
</table>

There have been no transfers between Level 1 and Level 2 during the period.

The Asset and Liability position of various outstanding derivative financial instruments is given below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Underlying Nature of Risk being Hedged</th>
<th>$ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow Hedges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designated &amp; Effective hedges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forwards Currency Contracts</td>
<td>Highly probable Forecast Sales</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Interest rate Swap</td>
<td>Long-term Foreign currency borrowings</td>
<td>Interest rate Risk</td>
</tr>
<tr>
<td>Commodity Contract</td>
<td>Purchase of Natural gases</td>
<td>Price Risk</td>
</tr>
<tr>
<td>Options Contract</td>
<td>Long-term Foreign currency borrowings</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Designated &amp; Ineffective hedges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forwards Currency Contracts</td>
<td>Highly probable Forecast Sales</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Fall Value Hedges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forwards Currency Contracts</td>
<td>Trade payables &amp; Acceptance</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Forwards Currency Contracts</td>
<td>Long-term Foreign currency borrowings</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Interest rate Swap</td>
<td>Long-term Foreign currency borrowings</td>
<td>Interest rate Risk</td>
</tr>
</tbody>
</table>

31 March, 2022 | 31 March, 2021 | Net Fair Value |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset</td>
<td>Liability</td>
<td>Net Fair Value</td>
</tr>
</tbody>
</table>

Non-Designated Hedges

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Underlying Nature of Risk being Hedged</th>
<th>$ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forwards Currency Contracts</td>
<td>Trade payables &amp; Acceptance</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Options Contract</td>
<td>Trade payables &amp; Acceptance</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Options Contract</td>
<td>Long-term Foreign currency borrowings</td>
<td>Exchange rate movement risk</td>
</tr>
</tbody>
</table>

Movement in cash flow hedge:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance</td>
<td>300</td>
<td>668</td>
</tr>
<tr>
<td>FX reclassified in other comprehensive income</td>
<td>20</td>
<td>(271)</td>
</tr>
<tr>
<td>Hedge ineffectiveness recognised in P&amp;L</td>
<td>54</td>
<td>54</td>
</tr>
<tr>
<td>Amount Reclassified to P&amp;L during the year</td>
<td>11</td>
<td>(191)</td>
</tr>
<tr>
<td>Closing balance</td>
<td>321</td>
<td>300</td>
</tr>
</tbody>
</table>

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 aim to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk
- Liquidity risk
- Equity price risk

43.2 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Company seeks to minimise the effects of these risks by using derivative and non-derivative financial instruments to hedge risk exposures. The use of financial derivatives and non-derivative financial instruments is governed by the Company’s policies approved by the Board of Directors, which provide written principles on foreign exchange risk,
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 acceptance. At any point in time, the Company hedges its estimated foreign currency exposure in the currency of the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on the profit or losses where INR strengthens 1% against the relevant currency. 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.

The forward exchange contracts entered into by the Company and outstanding as at under:

<table>
<thead>
<tr>
<th>As at</th>
<th>Nature</th>
<th>No. of Contracts</th>
<th>Type</th>
<th>USD Equivalent (Millions)</th>
<th>INR Equivalent (crores)</th>
<th>MTM (in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March, 2022</td>
<td>Assets</td>
<td>36</td>
<td>Buy</td>
<td>611</td>
<td>4,628</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>88</td>
<td>Sell</td>
<td>547</td>
<td>4,906</td>
<td>72</td>
</tr>
<tr>
<td>31 March, 2021</td>
<td>Assets</td>
<td>64</td>
<td>Buy</td>
<td>562</td>
<td>2,585</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>111</td>
<td>Buy</td>
<td>41</td>
<td>3,390</td>
<td>52</td>
</tr>
</tbody>
</table>

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Currency exposure as at 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>USD</th>
<th>EURO</th>
<th>INR</th>
<th>JPY</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current investments</td>
<td>-</td>
<td>217</td>
<td>4,289</td>
<td>-</td>
<td>-</td>
<td>4,506</td>
</tr>
<tr>
<td>Loans</td>
<td>5,154</td>
<td>45</td>
<td>771</td>
<td>-</td>
<td>-</td>
<td>6,028</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>943</td>
<td>1,041</td>
<td>4,762</td>
<td>-</td>
<td>-</td>
<td>5,146</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>-</td>
<td>-</td>
<td>7,670</td>
<td>-</td>
<td>-</td>
<td>7,670</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>-</td>
<td>7,857</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7,857</td>
</tr>
<tr>
<td>Derivative assets</td>
<td>427</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>427</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>63</td>
<td>8</td>
<td>4,613</td>
<td>-</td>
<td>-</td>
<td>4,694</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>5,997</td>
<td>1,352</td>
<td>29,962</td>
<td>-</td>
<td>18</td>
<td>37,319</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long term borrowings</td>
<td>24,385</td>
<td>616</td>
<td>15,842</td>
<td>333</td>
<td>-</td>
<td>41,176</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>-</td>
<td>2,761</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,761</td>
</tr>
<tr>
<td>Short term borrowings</td>
<td>6,266</td>
<td>243</td>
<td>2,566</td>
<td>84</td>
<td>-</td>
<td>9,299</td>
</tr>
<tr>
<td>Trade payables</td>
<td>18,801</td>
<td>53</td>
<td>5,436</td>
<td>38</td>
<td>-</td>
<td>24,398</td>
</tr>
<tr>
<td>Derivative liabilities</td>
<td>111</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>111</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>935</td>
<td>287</td>
<td>6,439</td>
<td>53</td>
<td>-</td>
<td>7,728</td>
</tr>
<tr>
<td>Total financial liabilities</td>
<td>50,498</td>
<td>1,159</td>
<td>33,135</td>
<td>508</td>
<td>14</td>
<td>85,354</td>
</tr>
</tbody>
</table>

The carrying amount of the Company’s monetary assets and monetary liabilities at the end of the reporting year are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Financial assets</th>
<th>Financial liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>EURO</td>
<td>INR</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Non-current investments</td>
<td>-</td>
<td>217</td>
</tr>
<tr>
<td>Loans</td>
<td>4,744</td>
<td>89</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>652</td>
<td>199</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Derivative assets</td>
<td>196</td>
<td>-</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>263</td>
<td>3,697</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>5,565</td>
<td>594</td>
</tr>
</tbody>
</table>

The following table details the Company’s sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies net of hedge accounting impact. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

Currency options to hedge against fluctuations in changes in exchange rate:

<table>
<thead>
<tr>
<th>As at 31 March, 2022</th>
<th>Nature</th>
<th>No. of Contracts</th>
<th>US$ equivalent (Millions)</th>
<th>INR equivalent (Crores)</th>
<th>MTM of Option (INR in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March, 2022 Assets</td>
<td>63</td>
<td>1,354</td>
<td>10,264</td>
<td>208</td>
<td></td>
</tr>
<tr>
<td>31 March, 2022 Liabilities</td>
<td>1</td>
<td>20</td>
<td>152</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

Unhedged currency risk position:

- **Amounts receivable in foreign currency**

  - Trade receivables: US$ 183, INR 1,384, MTM 113, INR 831
  - Balances with banks: US$ 31, INR 201, MTM -
  - In fixed deposit account: US$ 34, INR 236, MTM -
  - In current account: US$ 15, INR 100, MTM -
  - Advances/loans to subsidiaries: US$ 503, INR 5,331, MTM 659, INR 4,842

- **Amounts payable in foreign currency**

  - Loans payable: US$ 3,351, INR 25,405, MTM 2,901, INR 31,325
  - Trade payables and acceptances: US$ 148, INR 1,124, MTM 96, INR 702
  - Payable for capital projects: US$ 65, INR 491, MTM 118, INR 889
  - Interest accrued but not due on borrowings: US$ 61, INR 461, MTM 33, INR 239
  - Other provisions: US$ 46, INR 338, MTM 82, INR 683

43.4 Commodity price risk:

The Company’s revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company is subject to fluctuations in prices for the purchase of iron ore, coking coal, ferro alloys, zinc, scrap and other raw material inputs. The Company purchased primarily all of its iron ore and coal requirements at prevailing market rates during the year ended 31 March, 2022. The Company aims to sell the products at prevailing market prices. Similarly, the Company procures key raw materials like iron ore and coal based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

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

43.5 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The company hedges up to 20% of interest risk in US dollars. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The following table provides a break-up of the Company’s fixed and floating rate borrowings:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>31 March, 2022</th>
<th>31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed rate borrowings</td>
<td>25,621</td>
<td>26,411</td>
</tr>
<tr>
<td>Floating rate borrowings</td>
<td>18,564</td>
<td>21,183</td>
</tr>
<tr>
<td>Total gross borrowings</td>
<td>44,185</td>
<td>47,594</td>
</tr>
<tr>
<td>Less: upfront fees</td>
<td>(314)</td>
<td>(384)</td>
</tr>
<tr>
<td>Total borrowings (refer note 20)</td>
<td>43,871</td>
<td>47,210</td>
</tr>
</tbody>
</table>

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company’s profit for the year ended 31 March, 2022 would decrease / increase by INR 186 crores (for the year ended 31 March, 2021: decrease / increase by INR 212 crores). This is mainly attributable to the Company’s exposure to interest rates on its variable rate borrowings.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

The following table details the nominal amounts and remaining terms of interest rate swap contracts outstanding at the year-end.

<table>
<thead>
<tr>
<th>As at</th>
<th>Nature</th>
<th>No. of Contracts</th>
<th>US$ Equivalent of notional value (Millions)</th>
<th>MTM of IRS (₹ in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31-Mar-22</td>
<td>Assets</td>
<td>7</td>
<td>110</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>10</td>
<td>110</td>
<td>(8)</td>
</tr>
<tr>
<td>31-Mar-21</td>
<td>Assets</td>
<td>2</td>
<td>50</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>22</td>
<td>335</td>
<td>(85)</td>
</tr>
</tbody>
</table>

The following table details the nominal amounts and remaining terms of interest rate swap contracts to hedge against fluctuations in fair value of borrowing outstanding at the year-end.

<table>
<thead>
<tr>
<th>As at</th>
<th>Nature</th>
<th>No. of Contracts</th>
<th>Nominal value (₹ in crores)</th>
<th>MTM of IRS (₹ in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31-Mar-22</td>
<td>Assets</td>
<td>1</td>
<td>25</td>
<td>g</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>6</td>
<td>575</td>
<td>(1)</td>
</tr>
<tr>
<td>31-Mar-21</td>
<td>Assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

1 Less than ₹ 0.50 crore

Interest rate benchmark reform

The company is exposed to LIBORs through various financial instruments including borrowings and derivatives. Existing LIBOR-referencing contracts that mature beyond their respective LIBOR cessation dates are generally expected to be transitioned to Alternative Reference Rates (ARRs). The company is closely monitoring the market and managing the transition to new benchmark interest rates.

Progress towards implementation of alternative benchmark interest rates:
As a part of the company’s risk management policy for transition, the following measures have been initiated:

- New contracts/facilities are being linked to the relevant ARRs or other benchmarks like EURIBOR that are not expected to cease.
- The existing facilities/contracts are a mix of fixed and floating rates denominated in USD, EUR and JPY.

1. The Company’s USD floating rate exposure is primarily linked to USD 6 month LIBOR and these exposures are proposed to be transitioned to SOFR (the ARR recommended for USD exposures) for contracts/facilities that mature beyond 30 June, 2023 (cessation date for the 6 month USD LIBOR).
2. The JPY facility was linked to JPY LIBOR and has already been transitioned to Tokyo Term Risk Free Rate (TORF), the term RFR applicable for JPY currency.
3. The EUR facilities are linked to EURIBOR, which is presently not expected to be phased out.

- Derivative contract: Interest rate swap linked to LIBOR 3 months’ Derivative contract will be transition as per SOFR (the ARR recommended for USD exposures).

4. The EURIBOR is linked to EURIBOR which is presently not expected to be phased out.

The following table shows the company’s exposure to significant IBORs subject to reform that have yet to transition to RFRs as at 31 March 2022.

<table>
<thead>
<tr>
<th>Interest Rate Benchmark</th>
<th>Carrying value as at 31 March 2022</th>
<th>Amount in ₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-derivative financial assets</td>
<td>Non-derivative financial liabilities</td>
<td>Derivative financial assets</td>
</tr>
<tr>
<td>USD LIBOR (6 Months)</td>
<td>Loans given to subsidiary</td>
<td>6,076</td>
</tr>
<tr>
<td>External Commercial Borrowings / Loans</td>
<td>-</td>
<td>10,564</td>
</tr>
<tr>
<td>USD LIBOR (1 Month)</td>
<td>Advance Payment and Supply Agreement</td>
<td>-</td>
</tr>
<tr>
<td>USD LIBOR (3 Months)</td>
<td>Interest Rate Swap</td>
<td>-</td>
</tr>
</tbody>
</table>

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

43.6 Equity Price risk:
The Company is exposed to equity price risk arising from equity investments (other than subsidiaries and joint ventures, which are carried at cost).

Equity price sensitivity analysis:
The sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period.

If equity prices of the investments increase/ decrease by 5%, other comprehensive income for the year ended 31 March, 2022 would increase/ decrease by ₹ 157 crores (₹ 37 crores in 31 March, 2021).

43.7 Credit risk management:
Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets, financial guarantees and derivative financial instruments.

Moreover, given the diverse nature of the Company’s business trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer (other than the Group Companies) accounted for 10% or more of the trade receivables in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company’s counterparties. The assessment is carried out considering the segment of customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable. Basis this assessment, the allowance for doubtful trade receivables as at 31 March, 2022 is considered adequate.

Movements in allowances for bad and doubtful debts

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in ₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 1 April, 2020</td>
<td>153</td>
</tr>
<tr>
<td>Additional Allowance</td>
<td>40</td>
</tr>
<tr>
<td>Provision during the year</td>
<td>(11)</td>
</tr>
<tr>
<td>As at 31 March, 2021</td>
<td>192</td>
</tr>
<tr>
<td>Additional Allowance</td>
<td>25</td>
</tr>
<tr>
<td>As at 31 March, 2022</td>
<td>217</td>
</tr>
</tbody>
</table>

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 dealing with reputable banks and financial institutions.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 37,317 crores as at 31 March, 2022 and ₹ 30,491 crores as at 31 March, 2021, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Receivables are deemed to be past due or impaired with reference to the Company’s normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer’s credit quality and prevailing market conditions. The Company based on past experiences does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss (‘ECL’).

The credit quality of the Company’s customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/contract assets. The solvency of the debtor and their ability to repay the receivable

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

43.6 Equity Price risk:
The Company is exposed to equity price risk arising from equity investments (other than subsidiaries and joint ventures, which are carried at cost).

Equity price sensitivity analysis:
The sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period.

If equity prices of the investments increase/ decrease by 5%, other comprehensive income for the year ended 31 March, 2022 would increase/ decrease by ₹ 157 crores (₹ 37 crores in 31 March, 2021).

43.7 Credit risk management:
Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets, financial guarantees and derivative financial instruments.

Moreover, given the diverse nature of the Company’s business trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer (other than the Group Companies) accounted for 10% or more of the trade receivables in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company’s counterparties. The assessment is carried out considering the segment of customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable. Basis this assessment, the allowance for doubtful trade receivables as at 31 March, 2022 is considered adequate.

Movements in allowances for bad and doubtful debts

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in ₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 1 April, 2020</td>
<td>153</td>
</tr>
<tr>
<td>Additional Allowance</td>
<td>40</td>
</tr>
<tr>
<td>Provision during the year</td>
<td>(11)</td>
</tr>
<tr>
<td>As at 31 March, 2021</td>
<td>192</td>
</tr>
<tr>
<td>Additional Allowance</td>
<td>25</td>
</tr>
<tr>
<td>As at 31 March, 2022</td>
<td>217</td>
</tr>
</tbody>
</table>

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 dealing with reputable banks and financial institutions.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 37,317 crores as at 31 March, 2022 and ₹ 30,491 crores as at 31 March, 2021, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

Receivables are deemed to be past due or impaired with reference to the Company’s normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer’s credit quality and prevailing market conditions. The Company based on past experiences does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss (‘ECL’).

The credit quality of the Company’s customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/contract assets. The solvency of the debtor and their ability to repay the receivable
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

43.8 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring Financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has acceptances in line with supplier’s financing arrangements which might invoke liquidity risk as a result of liabilities being concentrated with few financial institutions instead of a diverse group of suppliers. The Company has established an appropriate liquidity risk management framework for the management of the Company’s short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The following tables detail the Company’s remaining contractual maturity for its non-derivative financial liabilities with agreed repayment years and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company may 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 pay. The tables include both interest and principal cash flows.

44. Related party disclosures as per Ind AS 24:

The Company has pledged part of its trade receivables, short term investments and cash and cash equivalents in order to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>&lt; 1 year</th>
<th>1-5 years</th>
<th>&gt; 5 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current investments</td>
<td>94</td>
<td>5,688</td>
<td>5,782</td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>2,870</td>
<td>2</td>
<td>6,474</td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>3,333</td>
<td>3,333</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11,121</td>
<td>11,121</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>625</td>
<td>625</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative assets</td>
<td>110</td>
<td>196</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial assets</td>
<td>2,199</td>
<td>282</td>
<td>3,990</td>
<td></td>
</tr>
<tr>
<td>Total financial assets</td>
<td>17,246</td>
<td>2,723</td>
<td>5,972</td>
<td>30,941</td>
</tr>
</tbody>
</table>

Financial liabilities

Long term borrowings | 31,346 | 39,551 |
Lease liabilities | 1,561 | 852 | 3,338 |
Short term borrowings | 12,073 | 12,073 |
Trade payables | 12,150 | 12,150 |
Derivative liabilities | 105 | 112 |
Other financial liabilities | 3,527 | 8,485 |
Total financial liabilities | 33,006 | 34,265 | 9,066 | 76,337 |

Interest payout liability | 2,208 | 1,206 | 4,869 |

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 fulfill 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).

<table>
<thead>
<tr>
<th>Name of related parties</th>
<th>1 Subsidiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Steel (Netherlands) B.V.</td>
<td></td>
</tr>
<tr>
<td>JSW Steel (UK) Limited</td>
<td></td>
</tr>
<tr>
<td>JSW Steel (USA) Inc.</td>
<td></td>
</tr>
<tr>
<td>Pontana Holdings, LLC</td>
<td></td>
</tr>
<tr>
<td>Purest Energy, LLC</td>
<td></td>
</tr>
<tr>
<td>Molino Creek Minerals, LLC</td>
<td></td>
</tr>
<tr>
<td>Hutchinson Minerals, LLC</td>
<td></td>
</tr>
<tr>
<td>R.C. Minerals, LLC (merged with Purest Energy, LLC with effect from 2 December, 2021)</td>
<td></td>
</tr>
<tr>
<td>Keiman Minerals, LLC (merged with Purest Energy, LLC with effect from 2 December, 2021)</td>
<td></td>
</tr>
<tr>
<td>Peace Leasing, LLC (merged with Purest Energy, LLC with effect from 2 December, 2021)</td>
<td></td>
</tr>
<tr>
<td>Prime Coal, LLC (merged with Panorama Holdings, LLC with effect from 2 December, 2021)</td>
<td></td>
</tr>
<tr>
<td>Planck Holdings, LLC</td>
<td></td>
</tr>
<tr>
<td>Roling S Auging, LLC (merged with Planck Holdings, LLC with effect from 2 December, 2021)</td>
<td></td>
</tr>
<tr>
<td>Panorama Handling, LLC (merged with Planck Holdings, LLC with effect from 2 December, 2021)</td>
<td></td>
</tr>
<tr>
<td>Lower Hutchinson Minerals, LLC</td>
<td></td>
</tr>
<tr>
<td>Carezza Minerals, LLC</td>
<td></td>
</tr>
<tr>
<td>JW Panama Holdings Corporation</td>
<td></td>
</tr>
<tr>
<td>Inversiones Eurosh Limitada</td>
<td></td>
</tr>
<tr>
<td>Santa Fe Mining</td>
<td></td>
</tr>
<tr>
<td>Santa Fe Puerto S.A.</td>
<td></td>
</tr>
<tr>
<td>JSW Natural Resources Limited</td>
<td></td>
</tr>
<tr>
<td>JSW Natural Resources Mozambique Limitada</td>
<td></td>
</tr>
<tr>
<td>JSW ADMS Carvao Limitada</td>
<td></td>
</tr>
</tbody>
</table>
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

A Name of related parties
Nippon Ispat Singapore (PTE) Limited
Embros Limited (liquidated with effect from 15 March, 2022)
Arma Holdings Limited (liquidated with effect from 15 March, 2022)
Lakland Securities limited (liquidated with effect from 15 March, 2022)
JSW Bengal Steel Limited
JSW Natural Resources India Limited
JSW Energy (Bengal) Limited
JSW Natural Resource Bengal Limited
JSW Shankhand Steel Limited
Ambo River Coke Limited
JSW Steel Coated Products Limited
Poddar Realty Private Limited
JSW Industrial Gases Private Limited
JSW Realty & Infrastructure Private Limited
JSW Steel Italy s.r.l.
JSW Metal Limited
Hassad Steel Limited
Acero Junction Holdings, Inc.
JSW Steel USA Inc., Inc.
JSW One Platforms Limited (formerly known as JSW Retail Limited) (up to 31 January, 2022)
Makler Private Limited (with effect from 6 June, 2018, upto 25 March, 2021)
Piombino Steel Limited (with effect from 1 October, 2021)
JSW Vijayanagar Metallics Limited
Vardhman Industries Limited
JSW Valakh Tempate Private Limited
Asian Steel Coated Ispat Limited (with effect from 27 October, 2020)
JSW Retail and Distribution Limited (with effect from 15 March, 2021)
West Waves Maritime & Allied Services Private Limited
(with effect from 24 November, 2021, upto 30 November, 2021)
merged with Piombino Steel Limited with effect from 1 December, 2021
Bhushan Power & Steel Limited (with effect from 1 October, 2021)
Nodtex Steel Private Limited (with effect from 1 October, 2021)
JSW One Distribution Limited (with effect from 22 November, 2021, upto 31 January, 2022)
JSW Steel Global Trade Pte. Ltd. (with effect from 27 January, 2022)

2 Joint ventures
Vijayanagar Minerals Private Limited
Ratna Coal Company Private Limited
JSW Beverafred Structures Limited
Gourangipin Coal Limited
JSW Structural Metal Decking Limited
JSW M Chennai Steel Service Center Private Limited (with effect from 24 May, 2021)
Crenxent Special Steels Limited
JSW Ispat Special Products Limited (formerly known as Monnet Ispat & Energy Limited)
Piombino Steel Limited (with effect from 27 March, 2021, upto 30 September, 2021)
Bhushan Power & Steel Limited (with effect from 27 March, 2021, upto 30 September, 2021)
JSW One Platforms Limited (with effect from 1 February, 2020)
JSW One Distribution Limited (with effect from 1 February, 2020)

3 Key management personnel
Mr. S. Gnanadhas (Non-Independent Executive Director)
Mr. S. Raghunath (Non-Independent Executive Director)
Dr. Virendra Narula (Non-Independent Executive Director)
Mr. Jayant Acharya (Non-Independent Executive Director)
Mr. Nitin Gaur (Chief Financial Officer)
Mr. Lancy Varghese (Company Secretary)

4 Independent non-executive directors
Dr. M.K. Rangan, IAS - Nominee Director, KSIIDC (with effect from 21 January, 2022)
Mr. P.K. Mohan Nigam, IAS - Nominee Director, KSIIDC (with effect from 21 October, 2021, upto 21 January, 2022)
Dr. Y. Ram Prasath Manohar, IAS - Nominee Director, KSIIDC (with effect from 21 May, 2021, upto 21 October, 2021)
Mr. M. S. Sirkur, IAS - Nominee Director, KSIIDC (upto 21 May, 2021)
Mr. Bharath Kumar Aggarwal - Nominee Director, JSW Steel Corporation
Mr. (Mrs.) Purnima Kumar Sinha
Mr. Malay Mukherjee (upto 29 January, 2022)
Mr. Haploche Khaitan
Mr. Sehraman Mahaksham
Mrs. Nirmala Rao
Mr. Harsh Chandra Nanavati

5 Relatives of key management personnel
Mrs. Shivani Doshi Jainlal
Mr. Priyanka Jainlal
Mr. Asim Jainlal
Mrs. Neelima Jaihant
Mrs. Uma Jaihant
Mrs. Sunita Jha
Mrs. Sanjay Jaihant
Mrs. Sunila Jaihant
Mrs. Tanvi Jainlal
Mr. Parth Jaihant
Mrs. Shanti Jaihant
Mrs. Esther Varghese

6 Other related parties
JSW Energy Limited
JSW Energy (Barmara) Limited
JSW Power Trading Company Limited
JSW Power Energy Limited
JSW Energy (Kutehr) Limited
JSW Future Energy Limited
JSW Renewables Energy (Vijayanagar) Limited
JSWL Stainless Limited
JSWL Stainless (Hsr) Limited
JSWL Stainless Steelworks Limited
JSWL Saw Limited
JSWL Urban Infrastructure Limited
JSWL Commodity Traders Limited
JSWL Urban Waste Management (Vizag) Limited
JSWL Urban Waste Management (Guntur) Limited
JSWL Rail Infrastructure Limited
JSWL Steel & Power Limited
India Flysafe Aviation Limited
Sapphire Airlines Private Limited
JSWL Infrastructure Limited
JSWL Jagannath Port Limited
South West Port Limited
JSWL Dhanasri Port Private Limited
JSWL Paradip Terminal Private Limited
Mangalore Coal Terminal Private Limited
Jagannath Durga Rail Limited
JSWL Cement Limited
JSWL Cement, FZE
South West Mining Limited
**Notes**

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th><strong>Particulars</strong></th>
<th><strong>Subsidiaries</strong></th>
<th><strong>Joint ventures</strong></th>
<th><strong>Other related parties</strong></th>
<th><strong>Total</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY 2021-22</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Purchase of goods/power &amp; fuel/services/branding expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amba River Coke Limited</td>
<td>6,636</td>
<td>3,587</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW International Tradecorp Pte. Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>28,027</td>
</tr>
<tr>
<td>Others</td>
<td>975</td>
<td>413</td>
<td>608</td>
<td>206</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,611</td>
<td>4,000</td>
<td>608</td>
<td>206</td>
</tr>
<tr>
<td><strong>Reimbursement of expenses incurred on our behalf by</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW One Platforms Limited</td>
<td>-</td>
<td>11</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amba River Coke Limited</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bhushan Power &amp; Steel Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW Retail &amp; Distribution Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW Energy Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>JSW Cement Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Others</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10</td>
<td>22</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Sales of goods/power &amp; fuel/services/assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Steel Coated Products Limited</td>
<td>20,919</td>
<td>10,017</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Asian Color Coated Ispat Limited</td>
<td>4,374</td>
<td>1,775</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>6,233</td>
<td>1,656</td>
<td>3,143</td>
<td>1,176</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>31,526</td>
<td>13,448</td>
<td>3,143</td>
<td>1,176</td>
</tr>
<tr>
<td><strong>Other income/interest income/dividend income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amba River Coke Limited</td>
<td>65</td>
<td>34</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Acero Junction Holdings, Inc.</td>
<td>172</td>
<td>117</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Piombino Steel Limited</td>
<td>-</td>
<td>2</td>
<td>123</td>
<td>3</td>
</tr>
<tr>
<td>Periama Holdings, LLC</td>
<td>131</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>81</td>
<td>35</td>
<td>35</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>449</td>
<td>188</td>
<td>158</td>
<td>33</td>
</tr>
<tr>
<td><strong>Purchase of assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Severfield Structures Limited</td>
<td>-</td>
<td>-</td>
<td>114</td>
<td>228</td>
</tr>
<tr>
<td>Jindal Steel &amp; Power Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Jindal Saw Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW Cement Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>96</td>
<td>14</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>96</td>
<td>14</td>
<td>114</td>
<td>228</td>
</tr>
<tr>
<td><strong>Capital/revenue advances given</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amba River Coke Limited</td>
<td>-</td>
<td>238</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW Energy Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td>238</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Name of related parties**

- JSW Projects Limited
- BMM Ispat Limited (with effect from 27 October, 2020)
- JSW IP Holdings Private Limited
- Reynold Traders Private Limited
- JSW Techco 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
- Episten Carbon Private Limited
- JSW Living Private Limited
- JSW International Tradecorp Pte. Limited
- JSW Parts Private Limited
- Toshiba JSW Power System Private Limited
- MEG Coal Limited
- JSW Shipping & Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)
- Neotrex Steel Private Limited (upto 30 September, 2021)
- JSW Minerals Trading Private Limited
- Khahan & Company
- Embassas International Private Limited
- JS Sagar Associates
- Shiv Cement Limited
- Whitegold Waste To Electricity Projects Limited
- Encorp Powertrans Private Limited
- Nourish Organic Foods Private Limited
- Bramhart Wire Polytapes Limited
- Barita Enterprises Private Limited
- Globex Trading Private Limited
- JSW Holdings Limited
- JSW Investments Private Limited
- JSW Logistics Infrastructure Private Limited
- JTFM Metal Traders Private Limited
- Safiyang Holdings Private Limited
- Vitidoo TradeCorp Private Limited
- S K Jindal and Sons HMF
- P N Jindal HMF
- JSW OMR Cricket Private Limited
- GPT Trading Private Limited
- Jindal Coke Limited
- Erron Coal Terminal Private Limited
- IJS Jindal Metals & Alloys Limited

**Post-employment benefit entities**

- JSW Steel EPF Trust (ceased with effect from 31 December, 2020)
- JSW Steel Group Gratuity Trust
- JSW Steel Limited Employee Gratuity Fund
- JSW Steel (Sales) Limited Employee Group Gratuity Trust
### Security deposit given/(received back)

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Shipping &amp; Logistics Private Limited</td>
<td>-</td>
<td>-</td>
<td>53</td>
</tr>
<tr>
<td>Tata India Fire liable Limited</td>
<td>-</td>
<td>-</td>
<td>11</td>
</tr>
<tr>
<td>Sapphire Airlines (India) Limited</td>
<td>-</td>
<td>-</td>
<td>14</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>189</td>
</tr>
</tbody>
</table>

### Security deposit taken

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Cement Limited</td>
<td>-</td>
<td>-</td>
<td>92</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>92</td>
</tr>
</tbody>
</table>

### Donations/CSR expenses

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Foundation</td>
<td>-</td>
<td>-</td>
<td>250</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>250</td>
</tr>
</tbody>
</table>

### Recovery of expenses incurred by us on their behalf

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Steel Coated Products Limited</td>
<td>-</td>
<td>-</td>
<td>124</td>
</tr>
<tr>
<td>JSW Cement Limited</td>
<td>-</td>
<td>-</td>
<td>94</td>
</tr>
<tr>
<td>JSW International Tradecorp Pte. Limited</td>
<td>-</td>
<td>-</td>
<td>149</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>73</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>197</td>
</tr>
</tbody>
</table>

### Investments/shares application money given

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Steel Coated Products Limited</td>
<td>-</td>
<td>-</td>
<td>650</td>
</tr>
<tr>
<td>Ram PROFILE Lim</td>
<td>-</td>
<td>-</td>
<td>5070</td>
</tr>
<tr>
<td>JSW Vijay Ilera</td>
<td>-</td>
<td>-</td>
<td>1976</td>
</tr>
<tr>
<td>JSW Pants Private Limited</td>
<td>-</td>
<td>-</td>
<td>300</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>77</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>1,851</td>
</tr>
</tbody>
</table>

### Interest expenses

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Steel Coated Products Limited</td>
<td>-</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>Amta River Coke Limited</td>
<td>-</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>5</td>
</tr>
</tbody>
</table>

### Guarantees and collaterals provided by the company on behalf

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Periama Holdings, LLC</td>
<td>-</td>
<td>-</td>
<td>6,890</td>
</tr>
<tr>
<td>JSW Steel (USA) Inc.</td>
<td>-</td>
<td>-</td>
<td>1,536</td>
</tr>
<tr>
<td>Acero Junction Holdings, Inc.</td>
<td>-</td>
<td>-</td>
<td>780</td>
</tr>
<tr>
<td>JSW Steel Italy S.R.L.</td>
<td>-</td>
<td>-</td>
<td>341</td>
</tr>
<tr>
<td>JSW Steel (Netherlands) B.V.</td>
<td>-</td>
<td>-</td>
<td>10,800</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>3,037</td>
</tr>
</tbody>
</table>

### Guarantees and collaterals released

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Steel (USA) Inc.</td>
<td>-</td>
<td>-</td>
<td>977</td>
</tr>
<tr>
<td>Periama Holdings, LLC</td>
<td>-</td>
<td>-</td>
<td>2,978</td>
</tr>
<tr>
<td>JSW Steel (Netherlands) B.V.</td>
<td>-</td>
<td>-</td>
<td>369</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>1,997</td>
</tr>
</tbody>
</table>

### Provision for loans & advances written back to profit & loss

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Periama Holdings, LLC</td>
<td>-</td>
<td>-</td>
<td>430</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>434</td>
</tr>
</tbody>
</table>

### Provision for loans & advances/interest receivable

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Periama Holdings, LLC</td>
<td>-</td>
<td>-</td>
<td>722</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>724</td>
</tr>
</tbody>
</table>

### Adjustment of receivable/(payable)

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Steel Coated Products Limited</td>
<td>-</td>
<td>-</td>
<td>166</td>
</tr>
<tr>
<td>Bhushan Power &amp; Steel Limited</td>
<td>-</td>
<td>-</td>
<td>108</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>166</td>
</tr>
</tbody>
</table>

### Lease interest cost

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amba River Coke Limited</td>
<td>-</td>
<td>-</td>
<td>70</td>
</tr>
<tr>
<td>JSW Projects Limited</td>
<td>-</td>
<td>-</td>
<td>75</td>
</tr>
<tr>
<td>JSW Techno Projects Management Limited</td>
<td>-</td>
<td>-</td>
<td>138</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>13</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>83</td>
</tr>
</tbody>
</table>

### Lease liabilities repayments

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amba River Coke Limited</td>
<td>-</td>
<td>-</td>
<td>500</td>
</tr>
<tr>
<td>JSW Projects Limited</td>
<td>-</td>
<td>-</td>
<td>216</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>92</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>806</td>
</tr>
</tbody>
</table>

### Loans given

<table>
<thead>
<tr>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Steel (Netherlands) B.V.</td>
<td>-</td>
<td>-</td>
<td>690</td>
</tr>
<tr>
<td>Periama Holdings, LLC</td>
<td>-</td>
<td>-</td>
<td>567</td>
</tr>
<tr>
<td>JSW Steel (USA) Inc.</td>
<td>-</td>
<td>-</td>
<td>480</td>
</tr>
<tr>
<td>Acero Junction Holdings, Inc.</td>
<td>-</td>
<td>-</td>
<td>800</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>367</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>2,312</td>
</tr>
</tbody>
</table>

---

**In crores**
### Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

#### Compensation to key management personnel:

<table>
<thead>
<tr>
<th>Nature of Transaction</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term employee benefits</td>
<td>153</td>
<td>89</td>
</tr>
<tr>
<td>Post-employment benefits</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other long-term benefits</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Termination benefits</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Share-based payment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Compensation to key management personnel</strong></td>
<td><strong>154</strong></td>
<td><strong>89</strong></td>
</tr>
</tbody>
</table>

**Notes:**

1. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
2. The Company has recognised an expenses of ₹ 2 crores (previous year ₹ 2 crores) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
3. Dividend paid to key management personnel is ₹ 0.28 crores (previous year ₹ 0.09 crores), not included above.
4. The Independent Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable to the Non-Executive Directors (in case of Nominee Director, the commission is paid to the respective institution to which the Nominee Director represents) is based on the number of meetings of the Board attended by them and their Chairmanship/Membership of Audit Committee during the year, subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹ 20,000 for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during current year is ₹ 3 crores (previous year ₹ 3 crores), which is not included above.

### Terms and conditions

**Sales:**

The sales to related parties are made on terms equivalent to those that prevail in arm’s length transactions and in the ordinary course of business. The terms are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31 March, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

**Purchases:**

The purchases from related parties are made on terms equivalent to those that prevail in arm’s length transactions and in the ordinary course of business. Purchase transactions are based on normal commercial terms and conditions and market rates.

**Loans to overseas subsidiaries:**

The Company had given loans to subsidiaries for general corporate purposes. The loan balance as on 31 March, 2022 was ₹ 7,864 crores (As on 31 March, 2021: ₹ 6,178 crores). These loans are unsecured and carry an interest rate ranging from LIBOR + 375-615 basis points and repayable within a period of one to five years.

**Guarantees to subsidiaries/joint venture:**

Guarantees provided to the lenders of the subsidiaries/joint venture are for availing term loans and working capital facilities from the lender banks.

The transactions other than mentioned above are also in the ordinary course of business and at arms’ length basis.

---

### Particulars | Subsidiaries | Joint ventures | Other related parties | Total
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY 2021-22</strong></td>
<td><strong>FY 2020-21</strong></td>
<td><strong>FY 2021-22</strong></td>
<td><strong>FY 2020-21</strong></td>
<td><strong>FY 2021-22</strong></td>
</tr>
<tr>
<td>Dividend paid</td>
<td>JSW Holdings Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>JSW Techno Projects Management Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Acero Junction Holdings, Inc.</td>
<td>196</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Periama Holdings, LLC</td>
<td>211</td>
<td>5,725</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>JSW Steel Coated Products Limited</td>
<td>419</td>
<td>400</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>67</td>
<td>53</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>893</td>
<td>6,178</td>
<td>-</td>
</tr>
<tr>
<td>JSW Steel EPF Trust</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Contribution to post-employment benefits entities</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>JSW Steel Group Gratuity Trust</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

---

1. The transactions are inclusive of taxes wherever applicable.
2. The transactions are disclosed under various relationships (i.e. subsidiary, joint ventures and other related parties) based on the status of related parties on the date of transactions.
3. The Company gives or receives trade advances during normal course of business. The transactions against those trade advances are part of above-mentioned purchases or sales and accordingly, such trade advances have not been shown separately.
4. In view of the uncertainty involved in collectability, revenue as interest income of ₹ 21 crores pertaining to previous years relating to Periama Holdings, LLC. `368 crores) have not been recognised on loan provided to certain overseas subsidiaries. Further during the year, the Company has recognized interest income of ₹ 127 crores (previous year `9 crores) towards the overseas subsidiaries.
5. During the year, the Company has transferred hospital (including land) to JSW Foundation by way of a gift amounting to `73 crores for no consideration.

---

**JSW STEEL LIMITED   |  INTEGRATED REPORT 2021-22**
### C. Amount due to/ from related parties

#### Notes

To the Standalone Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables (including capex payables)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW International Trade p/L Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>98</td>
<td>74</td>
<td>139, 33</td>
<td>98, 74, 139, 33, 4,119, 1,060, 4,119, 1,060</td>
</tr>
<tr>
<td>Total</td>
<td>98</td>
<td>74</td>
<td>179, 33</td>
<td>98, 74, 179, 33, 5,060, 1,439, 5,237, 1,546</td>
</tr>
</tbody>
</table>

Advance received from customers

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1JSW Steel Coated Products Limited</td>
<td>130</td>
<td>354</td>
<td>-</td>
<td>130, 354</td>
</tr>
<tr>
<td>Others</td>
<td>*</td>
<td>4</td>
<td>1</td>
<td>*</td>
</tr>
<tr>
<td>Total</td>
<td>130</td>
<td>354</td>
<td>4, 1</td>
<td>130, 354</td>
</tr>
</tbody>
</table>

Lease & other deposits received

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Subsidiaries</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peddar Realty p/L Limited</td>
<td>819</td>
<td>63</td>
<td>89, 79</td>
<td>819, 63, 89, 79, 8, 983, 140</td>
</tr>
<tr>
<td>Others</td>
<td>58</td>
<td>74</td>
<td>179, 33</td>
<td>58, 74, 179, 33, 110, 354</td>
</tr>
<tr>
<td>Total</td>
<td>819</td>
<td>63</td>
<td>97, 79</td>
<td>819, 63, 97, 79, 110, 354</td>
</tr>
</tbody>
</table>

#### Notes:

1. The closing balance of guarantees and collaterals provided by the Company on behalf of subsidiaries/joint ventures may not represent the gross amount. Please refer note 48 for net exposure of the Company related to financial guarantees. The differential amount represents loans not drawn or repayments made to the lender.

2. The Company maintains a 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 at 31 March, 2022, the fair value of plan asset was as ₹ 69 crores. (As at 31 March, 2021: ₹ 74 crores)
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

45. Contingent liabilities:

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excise Duty</td>
<td>472</td>
<td>463</td>
</tr>
<tr>
<td>Custom Duty</td>
<td>460</td>
<td>460</td>
</tr>
<tr>
<td>Income Tax</td>
<td>126</td>
<td>32</td>
</tr>
<tr>
<td>Sales Tax / VAT / Special Entry tax / Electricity duty</td>
<td>1,652</td>
<td>1,526</td>
</tr>
<tr>
<td>Service Tax / Goods &amp; Service tax</td>
<td>301</td>
<td>941</td>
</tr>
<tr>
<td>Levies by local authorities - Statutory</td>
<td>79</td>
<td>73</td>
</tr>
<tr>
<td>Levies relating to Energy / Power Obligations</td>
<td>31</td>
<td>408</td>
</tr>
<tr>
<td>Claims by suppliers, other parties and Government</td>
<td>767</td>
<td>73</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,890</strong></td>
<td><strong>3,675</strong></td>
</tr>
</tbody>
</table>

a) Excise duty cases includes disputes pertaining to availing of CENVAT credit, valuation methodologies, classification of gases under different chapter heading.

b) Custom duty cases includes disputes pertaining to import of iron ore fines and lumps under different chapter headings, utilisation of SHIS licences for clearance of imported equipment, payment of customs duty Steam Coal through Krishnapatnam Port and anti-dumping duty on Met Coke used in Corex.

c) Sales Tax / VAT/ Special Entry tax cases includes disputes pertaining to demand of special entry tax in Karnataka and demand of cess by department of transport in Goa.

d) Service Tax/ Goods & Service tax cases includes disputes pertaining to availing of service tax credit on ineligible services, denial of credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents.

e) Income Tax cases includes disputes pertaining to transfer pricing and other matters.

f) Levies by local authorities - Statutory cases includes disputes pertaining to payment of water charges and enhanced compensation.

g) Levies relating to Energy / Power Obligations cases includes disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., belated payment surcharge, claims for the set off of renewable power obligations against the power generated in its captive power plants and dues relating to additional surcharge imposed on captive consumption by Maharashtra State Electricity Distribution Company Ltd.

h) Claims by Suppliers, other parties and Government includes quality/ shortfall claims issues raised by suppliers and others. Refer note 47 i d for demand relating to MDPA shortfall.

i) There are several other cases which has been determined as remote by the Company and hence not been disclosed above.

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

j) The Deputy Commissioner of GST State Tax (Enforcement Unit, Orissa) had issued show cause notice (SCN) alleging that the Company has wrongly and illegally transferred the unutilised Input Tax Credit to the Company’s ISD registration in Mumbai. The Company filed its reply to the SCN, however, the GST Authorities (Department) raised demand for tax of ₹2,639 crores including interest and penalty thereon. The Company filed a Writ Petition challenging the tax demand in October 2021 before the Honourable High Court of Odisha (Odisha High Court) which set aside the order issued by the Department and directed the Department for holding fresh adjudication. The Department issued fresh Orders dated 28 March, 2022 (‘impugned orders’) confirming demand of tax, interest and penalty for ₹2,676 crores. The Company again filed Writ Petitions, dated 10 April, 2022 against the impugned orders before the Odisha High Court. The Odisha High Court vide interim orders dated 17 May, 2022 issued notices directing the revenue to file counter affidavits. However, no stay was granted to the Company. Aggrieved by the interim order of the Odisha High Court, the Company has filed Special Leave Petition before the Honourable Supreme Court on 23 May, 2022, wherein hearing is awaited. The Company basis the legal opinion obtained has evaluated the matter and concluded that the outflow of resources is remote (Interest of ₹200 crores has been disclosed as contingent liabilities) and accordingly, no provision is made in the financial statement as on 31 March, 2022.

k) The Company has received a show cause cum demand notice (‘SCN’) for additional bid premium androyalty to be paid arising out of grade variation on the iron ore sold by the Company, basis joint sample collected before dispatch amounting to ₹376 crores. The Company has contested the SCN as the iron ore grade is determined on the basis of the analysis report issued by the Deputy Director Chemical Analysis Government Laboratory. Accordingly, the Company believes that the outflow of resources is remote and no provision is made in the financial statements as on 31 March, 2022.

(ii) Forest Development Tax/Fee:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claims related to Forest Development Tax/Fee</td>
<td>3,710</td>
<td>3,036</td>
</tr>
<tr>
<td>Amount paid under protest</td>
<td>920</td>
<td>920</td>
</tr>
</tbody>
</table>

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 (‘SCC’). SCC has not granted stay on the judgement but stayed refund of FDT. The matter is yet to be heard by SCC. 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 SCC, and based on merits of the case duly supported by a legal opinion and a favorable order from the High Court, the Company has not recognised provision for FDF amount of ₹ 2,687 crores (including paid under protest – ₹ 655 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

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:

Refer below for details of exposure towards financial guarantees issued:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guarantees (refer note a)</td>
<td>13,920</td>
<td>20,318</td>
</tr>
<tr>
<td>Standby letter of credit facility</td>
<td>-</td>
<td>14</td>
</tr>
<tr>
<td>Less: Loss allowance against aforesaid</td>
<td>(138)</td>
<td>(905)</td>
</tr>
<tr>
<td>Total</td>
<td>13,782</td>
<td>19,707</td>
</tr>
</tbody>
</table>

Note:
(a) The Company has issued a corporate guarantee dated 24 March, 2021 in favour of trustee for the benefit of the shareholders of Chemigate Agro Ltd. The Company has also provided guarantee in respect of interest payable and principal repayable under various credit facilities. Guarantees given have a markup over and above the loan amount whereas it is recognised only to the extent of outstanding loans.

47. Commitments

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)</td>
<td>7,577</td>
<td>6,438</td>
</tr>
</tbody>
</table>

Other commitments:
(a) The Company from time to time provides need based support to subsidiaries and joint ventures entity towards operational performance on account of committed capital expenditure and significant improvement in capacity utilisation and margins based on forecasts of demand in local markets and availability of infrastructure facilities for mines.

(b) In March 2018, the Company has entered into a five-year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. ("DSA") for supply of Steel Products. Duferco S.A has provided an interest bearing advance amount of US $700 million under this agreement, secured by committed export of steel products to Duferco S.A. Out of this US $296 million is pending towards fulfilment.

(c) The Company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated year. Such export obligations at year end aggregate to

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Export promotion capital goods scheme</td>
<td>1,829</td>
<td>19,126</td>
</tr>
</tbody>
</table>

(d) The Company has guaranteed agreements ₹ 127 crores (previous year ₹ 127 crores) on behalf of subsidiaries to Commissioner of Customs in respect of goods imported.

(e) In The MDPA signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfil certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfil the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

48. In assessing the carrying amounts of Investments in and loans / advances (net of impairment loss / loss allowance) to certain subsidiaries and a joint venture and financial guarantees to certain subsidiaries (listed below), the Company considered various factors as detailed there against and concluded they are recoverable.

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

(a) Investment, Loans and Financial guarantees as per table below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Steel (Netherlands) B.V</td>
<td>719</td>
<td>5,847</td>
</tr>
<tr>
<td>Periwinkle Holdings LLC (&quot;PHL&quot;)</td>
<td>-</td>
<td>536</td>
</tr>
<tr>
<td>Acero Junction Holdings, Int., (&quot;AJS&quot;)</td>
<td>1,428</td>
<td>1,428</td>
</tr>
<tr>
<td>JSW Steel Italy Plamino S.p.A (&quot;ISP&quot;)</td>
<td>719</td>
<td>909</td>
</tr>
</tbody>
</table>

(b) JSW Steel (Netherlands) B.V.

Estimate of values of the businesses and assets by independent external values based on cash flow projections/ implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to discount rate, future margins, increase in operational performance on account of committed capital expenditure and significant improvement in capacity utilisation and margins based on forecasts of demand in local markets and availability of infrastructure facilities for mines.

(b) Equity shares of JSW Bengal Steel Limited, a subsidiary (carrying amount of investments: ₹ 508 crores as at 31 March, 2022 ₹ 508 crores as at 31 March, 2021) - Evaluation of the status of its integrated Steel Complex (including power plant) to be implemented in phases at Salboni of district Paschim Medinipur in West Bengal by the said subsidiary and the plans for commencing construction of the said complex.

(c) Equity shares of JSW Jharkhand Steel Limited, a subsidiary (carrying amount: ₹ 99 crores as at 31 March, 2022 ₹ 96 crores as at 31 March, 2021) - Evaluation of the status of its integrated Steel Complex to be implemented in phases at Ranchi, Jharkhand by the said subsidiary and the plans for commencing construction of the said complex.

(d) Investment of ₹ 4 crores (₹ 4 crores as at 31 March, 2021) and loan of ₹ 172 crores (₹ 167 crores as at 31 March, 2021) relating to JSW Natural Resources Mozambique Limitada and JSW ADMS Carvo Limitada (step down subsidiaries) - Assessment of mineable reserves by independent experts based on the plans to commence operations after mining lease arrangements are in place for which application has been submitted to regulatory authorities, and infrastructure is developed.

(e) Preference shares of JSW Realty & Infrastructure Private Limited, a subsidiary (carrying amount: ₹ 198 crores as at 31 March, 2022 ₹ 175 crores as at 31 March, 2021 and loans of ₹ 95 crores as at 31 March, 2022 ₹ 31 crores as at 31 March, 2021) - Estimates of value of business based on the cash flow projections approved by the Management. The assessments include significant assumptions relating to operational performance, expansion, rentals and other charges, inflation and terminal value.
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

(f) Equity and Preference shares of Creixent Special Steels Limited, a joint venture, (carrying amount: ₹ 825 crores as at 31 March, 2022; ₹ 490 crores as at 31 March, 2021) and loans and interest receivable (including of JSW Ispat Special Products Limited) of ₹ 286 crores (previous year ₹ 262 crores) – Valuation of property plant & equipment by an independent expert.

49. The Board of Directors of the Company at their meeting held on 27 May, 2022 considered and approved the Scheme of Amalgamation pursuant to Section 230-232 and other applicable provisions of the Companies Act, 2013, providing for amalgamation of its Joint Venture Creixent Special Steels Limited (“CSSL”) and CSSL’s subsidiary JSW Ispat Special Products Limited with the Company. The amalgamation is subject to the approval of other relevant authorities.

50. Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for Bhushan Power and Steel Limited (‘BPSL’) was approved by the Hon’ble National Company Law Tribunal (NCLT) vide its order dated 17 February, 2020. The erstwhile promoters of BPSL, certain operational creditors and the Directorate of Enforcement (‘DE’) preferred an appeal before the Hon’ble Supreme Court against the NCLT order which are pending for adjudication.

On 26 March, 2021 the Company has completed the acquisition of BPSL by implementing the resolution plan approved underIBC Code basis an agreement entered with erstwhile committee of creditors that provides an option/right to the Company to unwind the transaction in case of unfavorable ruling on certain specified matters by Hon’ble Supreme Court.

On Implementation of Resolution Plan, the Company has also entered an arrangement with JSW Shipping & Logistics Private Limited (‘JSLPL’) through which the Company and JSLPL holds equity of Piombino Steel Limited (‘PSL’) in the ratio of 49% and 51% respectively giving joint control of PSL to the Company and JSLPL.

The Company has invested ₹ 980 crores, ₹ 4,100 crores and ₹ 7 crores in equity shares, Optionally Fully Convertible Debentures (OFCDs) 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 ₹ 8,650 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 had become joint venture of the Company in the previous year.

Pursuant to the Subscription and Shareholders agreement between the Company, with JSW Shipping & Logistics Private Limited (‘JSLPL’) and Piombino Steel Limited (‘PSL’), the Company had subscribed to certain Optionally Fully Convertible Debentures (OFCDs) of PSL. As per the terms of OFCDs, including revisions, the Company had the option to convert the OFCDs into equity shares at any time at the option of the Company. Accordingly, the Company has exercised the option of conversion of 410,00,00,000 OFCDs held by the Company in PSL into 410,00,00,000 equity shares of PSL of face value of ₹ 10/- each on 1 October, 2021. Pursuant to the conversion, the Company holds 63.28% equity in PSL and JSLPL holds 16.72% equity in PSL.

Consequent to the aforesaid conversion, PSL has become a Subsidiary of the Company and the Company is controlling and managing Bhushan Power & Steel Limited (‘BPSL’) through PSL w.e.f. 1 October, 2021.

BPSL operates a 2.5 MTPA integrated steel plant located at Jharsuguda, Odisha and also have downstream manufacturing facilities at Kolkata, West Bengal and Chandigarh, Punjab.

51. On 1 October, 2021, the Company acquired 80% shareholding in Neotrex Steel Private Limited (‘NSPL’) by way of acquisition of equity shares and Zero Coupon Compulsory Convertible Debentures (‘CCDs’) from Everbest Consultancy Services Private Limited and its wholly owned subsidiary Neotrex Steel Wires Private Limited at a value of ₹ 11.45 crores and infused a further sum of ₹ 32.55 crores in NSPL towards subscription money and has been allotted, Equity Shares and Zero-Coupon CCDs of NSPL at par value.

Consequent to the aforesaid acquisition, NSPL is a subsidiary of the Company w.e.f. 1 October, 2021.

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

52. In accordance with the Share Subscription agreement entered into with JSW Paints Private Limited on 23 July, 2021, the Company has agreed to invest ₹ 750 crores in JSW Paints Private Limited. During the year, the Company has invested ₹ 300 crores and has been allotted 16,216,215 equity shares which approximates to 7.5% of the issued and paid-up equity capital of JSW Paints Private Limited. The Investment has been fair valued at ₹ 654 crores as on 31 March, 2022.

53. During the year, as part of the overall exercise to simplify the group structure three wholly owned overseas subsidiaries of the Company domiciled in the Republic of Mauritius namely Arina Holdings Limited, Erebus Limited and Lakeland Securities Limited have undergone winding up and have liquidated effective 15 March, 2022. There is no material of such liquidation on the standalone financial statement of the Company.

54. The Indian Bureau of Mines (IBM) had carried out upward revision of already published average selling price of iron ore for the month of September and October 2021. Based on a legal opinion obtained, the Company believes that the methodology used by IBM for arriving at such revised average selling price by excluding certain bona fide sale transactions of iron ore by the Company is not in accordance with the provisions of Mineral Conservation and Development Rules, 2017. Accordingly, the Company contested the same before the Honourable High Court of Odisha. The Honourable High Court of Odisha in its order dated 18 March, 2022 has held that fixation of average selling prices of iron ore by IBM is in accordance with the Minerals (other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016.

Accordingly, the Company has recognised the expenditure towards Mining Premium and Royalties payable based on such revised average selling prices published by IBM.

55. The Company does not have material transactions with the struck off companies during the current & previous years.

56. Previous year figures have been re-grouped /re-classified wherever necessary including those as required in keeping with revised Schedule III amendments.

7. Exceptional Items:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>JSW Netherlands B.V. (BNP)</th>
<th>Periama Holdings LLC (‘PHEL’)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>31-Mar-2022</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance on doubtful loans</td>
<td>-</td>
<td>722</td>
<td>722</td>
</tr>
<tr>
<td>Allowance on doubtful interest receivables</td>
<td>7</td>
<td>53</td>
<td>60</td>
</tr>
<tr>
<td>Allowance on doubtful interest receivables</td>
<td>7</td>
<td>53</td>
<td>60</td>
</tr>
<tr>
<td>31-Mar-2021</td>
<td>77</td>
<td>398</td>
<td>475</td>
</tr>
</tbody>
</table>

Subsequent to the year end, a subsidiary company in USA received a final arbitration order on its dispute with the lessors of coking coal mining lease and Plant lease and consequential notice of termination of lease. Accordingly, an impairment provision of ₹ 722 crores is recorded towards the value of the loans given to overseas subsidiary.

Exceptional items for the year ended 31 March, 2022 represents impairment provision of ₹ 386 crores on loans and interest receivables from an overseas subsidiary in USA and Netherlands based on the assessment of recoverable value of the US operations. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure, mining production and future margins on the said operations.
58. Ratios:

<table>
<thead>
<tr>
<th>Ratios</th>
<th>Numerator</th>
<th>Denominator</th>
<th>FY 21-22</th>
<th>FY 20-21</th>
<th>Variance</th>
<th>Reasons for Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Ratio</td>
<td>Current Assets</td>
<td>Current Liabilities</td>
<td>1.03</td>
<td>0.80</td>
<td>28.4%</td>
<td>Current ratio has improved to 1.03 primarily on account of increase in value of inventories and trade receivables</td>
</tr>
<tr>
<td>Debt Equity Ratio</td>
<td>Total Borrowings</td>
<td>Total Equity</td>
<td>0.79</td>
<td>1.10</td>
<td>-27.7%</td>
<td>Debt equity ratio has improved to 0.79 mainly due to increase in equity on account of current year’s profit</td>
</tr>
<tr>
<td>Debt service coverage ratio</td>
<td>Profit before Tax, Exceptional Items, Depreciation, Net Finance Charges</td>
<td>Net Finance Charges + Long Term Borrowings + principal repayments (excluding prepayments/ refinancing) during the year</td>
<td>3.78</td>
<td>2.60</td>
<td>45.7%</td>
<td>Debt service coverage ratio has improved to 3.78 mainly due to increase in current year’s profit</td>
</tr>
<tr>
<td>Return on Equity</td>
<td>Profit after tax</td>
<td>Average Shareholder's equity</td>
<td>30.24%</td>
<td>19.67%</td>
<td>53.7%</td>
<td>Return on equity has increased mainly due to increase in current year’s profit</td>
</tr>
<tr>
<td>Inventory Turnover</td>
<td>Average inventory (no of days)</td>
<td>Cost of materials consumed + Purchases of stock in trade + Changes in inventories + Mining premium and royalties + Power and fuel + Stores &amp; spares consumed + Repairs &amp; Maintenance + Job work charges + Labour charges + MDO cost</td>
<td>75</td>
<td>83</td>
<td>-9.8%</td>
<td></td>
</tr>
<tr>
<td>Trade receivables turnover (no. of days)</td>
<td>Average trade receivables</td>
<td>Sale of products</td>
<td>15</td>
<td>17</td>
<td>-13.4%</td>
<td></td>
</tr>
<tr>
<td>Trade payables turnover (no. of days)</td>
<td>Average trade payables</td>
<td>Cost of materials consumed + Purchases of stock in trade + Changes in inventories</td>
<td>137</td>
<td>166</td>
<td>-17.4%</td>
<td></td>
</tr>
<tr>
<td>Net capital turnover</td>
<td>Net Sales</td>
<td>Current assets - Current liabilities</td>
<td>86.55</td>
<td>-9.47</td>
<td>-1014.2%</td>
<td>Increase is primarily on account of increase in sales in the current year</td>
</tr>
<tr>
<td>Net Profit Margin (%)</td>
<td>Profit after tax</td>
<td>Revenue from operations</td>
<td>14.06%</td>
<td>11.87%</td>
<td>18.5%</td>
<td></td>
</tr>
<tr>
<td>Return on capital employed</td>
<td>Profit before Tax after Exceptional Items, Financial cost</td>
<td>Tangible Net Worth - Total Debt - Deferred Tax Liability</td>
<td>24.03%</td>
<td>15.77%</td>
<td>52.4%</td>
<td>Increase is primarily on account of increase in profit in the current year</td>
</tr>
<tr>
<td>Return on Investment</td>
<td>Profit on sale of investments</td>
<td>Cost of investments</td>
<td>0.26%</td>
<td>1.08%</td>
<td>-79.8%</td>
<td>Lower mainly due lower holding period of investments</td>
</tr>
</tbody>
</table>

59. Below are the details of the funds loaned to related parties ‘Intermediaries’ which has been further advanced to another related parties who is the ‘Ultimate Beneficiaries’:

<table>
<thead>
<tr>
<th>Intermediaries</th>
<th>Ultimate beneficiaries</th>
<th>Intermediaries</th>
<th>Ultimate beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of party</td>
<td>Relationship</td>
<td>Registered Address</td>
<td>Date</td>
</tr>
<tr>
<td>Acero Junction Holdings, Inc</td>
<td>Subsidiary</td>
<td>1500 Commercial St, Mingo Junction, OH 43938, United States</td>
<td>7-Apr-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>15-Apr-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>20-Apr-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>23-Apr-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7-May-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12-May-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>19-May-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>25-May-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2-Jun-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12-Apr-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>18-Aug-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>18-Aug-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>25-Aug-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>31-Aug-21</td>
</tr>
<tr>
<td>Inversioua E Limitada</td>
<td>Subsidiary</td>
<td>Juan Francisco Gonzalo 562, Sector Placilla, Morales Copiapo, Chile</td>
<td>19-Apr-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>19-Apr-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>9-Sep-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>29-Sep-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>22-Dec-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4-Jan-22</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>31-Jan-22</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3-Mar-22</td>
</tr>
<tr>
<td>JSW Steel (Netherlands) B.V.</td>
<td>Subsidiary</td>
<td>Hoogendriest, 15,101, BA, Amsterdam</td>
<td>8-Apr-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>26-Jul-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>15-Dec-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7-Apr-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>27-Aug-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>16-Dec-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1-Dec-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>23-Dec-21</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>11-Jan-22</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>31-Jan-22</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4-Mar-22</td>
</tr>
</tbody>
</table>
Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

### Intermediaries and Ultimate Beneficiaries

<table>
<thead>
<tr>
<th>Name of party</th>
<th>Relationship</th>
<th>Registered Address</th>
<th>Date</th>
<th>Amount</th>
<th>Name of party</th>
<th>Relationship</th>
<th>Registered Address</th>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Periama</td>
<td>Subsidiary</td>
<td>Holdings LLC</td>
<td>23-Apr-21</td>
<td>7</td>
<td>Planck Holdings, LLC</td>
<td>Subsidiary</td>
<td>407 Prosperity Road, Prosperity, WV, 25909</td>
<td>23-Apr-21</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>14-May-21</td>
<td>12</td>
<td>JSW Steel (USA) Inc.</td>
<td></td>
<td>5200 E, Mckinney Road, Baytown, Texas 77523</td>
<td>14-May-21</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>25-May-21</td>
<td>41</td>
<td>JSW Steel (USA) Inc.</td>
<td></td>
<td>5200 E, Mckinney Road, Baytown, Texas 77523</td>
<td>25-May-21</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>26-May-21</td>
<td>20</td>
<td>JSW Steel (USA) Inc.</td>
<td></td>
<td>407 Prosperity Road, Prosperity, WV, 25909</td>
<td>26-May-21</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>28-Jul-21</td>
<td>1</td>
<td>JSW Steel (USA) Inc.</td>
<td></td>
<td>5200 E, Mckinney Road, Baytown, Texas 77523</td>
<td>28-Jul-21</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>30-Jul-21</td>
<td>1</td>
<td>Planck Holdings, LLC</td>
<td></td>
<td>407 Prosperity Road, Prosperity, WV, 25909</td>
<td>30-Jul-21</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>30-Aug-21</td>
<td>2</td>
<td>Planck Holdings, LLC</td>
<td></td>
<td>30-Aug-21</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>8-Sep-21</td>
<td>1</td>
<td>Planck Holdings, LLC</td>
<td></td>
<td>8-Sep-21</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>29-Sep-21</td>
<td>149</td>
<td>JSW Steel (USA) Inc.</td>
<td></td>
<td>5200 E, Mckinney Road, Baytown, Texas 77523</td>
<td>29-Sep-21</td>
<td>149</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>14-Oct-21</td>
<td>168</td>
<td>JSW Steel (USA) Inc.</td>
<td></td>
<td>14-Oct-21</td>
<td>168</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>14-Oct-21</td>
<td>1</td>
<td>Planck Holdings, LLC</td>
<td></td>
<td>407 Prosperity Road, Prosperity, WV, 25909</td>
<td>22-Oct-21</td>
<td>1</td>
</tr>
</tbody>
</table>

- # represents amount less than ₹ 0.50 crore
- No borrowed funds has been loaned/invested in intermediaries which has been passed on to the ultimate beneficiaries during the year.

60. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company, except for an instance of transfer of Sale proceeds of fractional shares arising out of a composite Scheme of Arrangement and Amalgamation amongst JSW ISPAT Steel Limited, JSW Building Systems Limited, Maharashtra Sponge Iron Limited, JSW Steel Limited, their respective shareholders and creditors, amounting to ₹ 2.94 crores and were required to be transferred during F.Y. 2020-21. The said amount was subsequently transferred to IEPF.

Further, amounts aggregating to 0.11 crore, is held in abeyance due to dispute/pending legal cases.

61. Events occurring after balance sheet:

On 27 May, 2022, the board of directors recommended a final dividend of ₹ 17.35 per equity share be paid to shareholders for financial year 2021-22, which is subject to approval by the shareholders at the Annual General Meeting to be held on 20 July, 2022. If approved, the dividend would result in a cash outflow of ₹ 4,194 crores.

Notes
To the Standalone Financial Statements as at and for the year ended 31 March, 2022

### Additional Information

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital goods</td>
<td>713</td>
</tr>
<tr>
<td>Raw materials (including power and fuel)</td>
<td>30,206</td>
</tr>
<tr>
<td>Stores &amp; spare parts</td>
<td>967</td>
</tr>
</tbody>
</table>

#### B) Expenditure in foreign currency:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and finance charges</td>
<td>1,350</td>
</tr>
<tr>
<td>Ocean freight</td>
<td>1,619</td>
</tr>
<tr>
<td>Technical know-how</td>
<td>83</td>
</tr>
<tr>
<td>Commission on sales</td>
<td>35</td>
</tr>
<tr>
<td>Legal &amp; professional fees</td>
<td>41</td>
</tr>
<tr>
<td>Others</td>
<td>41</td>
</tr>
</tbody>
</table>

#### C) Earnings in foreign currency:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>F.O.B. value of exports</td>
<td>23,238</td>
</tr>
<tr>
<td>Interest Income</td>
<td>305</td>
</tr>
</tbody>
</table>

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324882E/E300003

per VRIRAM MEHTA
Partner
Membership No.:105938
Place: Mumbai
Date : 27 May, 2022

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer
SAIJAN JINDAL
Chairman & Managing Director

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date : 27 May, 2022
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 at as 31 March, 2022, 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 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 31 March, 2022. 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.

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.

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 at as 31 March, 2022, 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 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 31 March, 2022. 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.

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 ‘Audit’ 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.
Our audit procedures in relation to the disclosed related party transactions included the following:  
• We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to capturing of related party transactions and maintaining balances with related parties have been disclosed in the consolidated 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 management, on a sample basis, as part of our evidence.  
• We assessed management evaluation of compliance with the provisions of Section 177 and Section 180 of the Companies Act 2013 and SEBI (LODR) 2015.  
• We evaluated the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.

Claims and exposures relating to taxation and litigation (as described in note 46 of the consolidated financial statements)  
The Group has disclosed in note 46 of the consolidated financial statements contingent liabilities of ₹ 4,421 crores in respect of disputed claims/ levies under various tax and legal matters and ₹ 3,710 crores towards Claims related to Forest development tax/ fee. In addition, the Group has assessed several claims as ‘Remote’ and hence are not required to be disclosed as contingent liabilities. Taxation and litigation exposures have been identified as a key audit matter due to:  
• Significance of these amounts and large number of disputed matters are material to financial statements.  
• Significant judgement and assumptions required by management in assessing the exposure of each case to evaluate whether there is a need to set up a provision and measurement of exposures as well as the disclosure of contingent liabilities.  
We focused on this matter because of the potential financial impact to the consolidated financial statements. Additionally, the treatment of taxation and litigation cases require significant judgement due to the complexity of cases, timelines for resolution and involvement of various authorities.

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, after performing the audit, 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.

Key audit matters  
How our audit addressed the key audit matter  
Accuracy and completeness of disclosure of related party transactions and compliance with the provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (as described in note 46 of the consolidated financial statements)  
We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the consolidated financial statements as a key audit matter due to:  
• the significance of transactions with related parties during the year ended March 31, 2022.  
• Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.

Consolidated Financial Statements  
Our opinion on the consolidated financial statements does not:  
• Obtain an understanding, evaluated the design and tested operating effectiveness of the controls related to 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 financial statements for compliance in accordance with the requirements of Ind AS 37.

Claims and exposures relating to taxation and litigation  
Our audit procedures included the following:  
• We obtained an understanding, evaluated the design, and tested the operating effectiveness of the controls related to identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities.  
• We obtained a written commitment of the management as to the adequacy and appropriateness of the provisions made.  
• We obtained an understanding of the Group’s policies and procedures in respect of evaluating arms-length management, on a sample basis, as part of our evidence.  
• We assessed management evaluation of compliance with the provisions of Section 177 and Section 180 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.

Interpretation of the act  
We, the independent auditors, have been engaged by the Company to conduct an audit in accordance with indianauditingstandards (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 its joint ventures are responsible for identifying and assessing the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and 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 other misstatements. the risk of not detecting fraud is influenced by the attitude of those charged with governance, their characteristics and behavior, the environment in which the entity operates, and the economic situation applicable to the entity. the risk of not detecting fraud is also influenced by the entity’s culture, management, and the nature and extent of its internal control. the risk of not detecting material misstatement resulting from fraud is influenced by the likelihood of committing fraud and the degree of difficulty in detecting it. the risk of not detecting fraud is also influenced by the entity’s culture, management, and the nature and extent of its internal control.
CONSOLIDATED FINANCIALS

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 31 March, 2022 and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter
(a) We did not audit the financial statements and other financial information, in respect of 28 subsidiaries, whose financial statements and other financial information include total assets of ₹ 45,343 crores as at 31 March, 2022, and total revenues of ₹ 29,542 crores and net cash outflows of ₹ 603 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 profit of ₹ 1,114 crores for the year ended 31 March, 2022, as considered in the consolidated financial statements, in respect of 7 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 the 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.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 5 subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 0.11 crores as at 31 March, 2022, and total revenues of ₹ 6 crores and net cash inflows of ₹ 3 crores for the year ended for 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 ₹ 6 crores for the year ended 31 March, 2022, as considered in the consolidated financial statements, in respect of 2 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 to the matters, 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
1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (1) of section 143 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 the subsidiaries and joint ventures, incorporated in India, as noted in the ‘Other Matter’ paragraph we give in the "Annexure 1" a statement of the matters specified in paragraph (xxi) of the Order.

2. 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 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 consolidated 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 153 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 31 March, 2022 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 subsidiaries and joint ventures, none of the directors of the Group’s companies, its joint ventures incorporated in India is disqualified as an 31 March, 2022, from being appointed as a director in terms of Section 164(2) of the Act;
(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries and joint ventures incorporated in India, and operating effectiveness of such controls, refer to our separate Report in “Annexure 2” 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 31 March, 2022 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 section 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, we 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 debt due to covenant breach or any breaches of contracts during the year ended 31 March, 2022;
(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group, except for one instance, as fully described in Note 53 the consolidated financial statements, amounting to ` 2.94 crores which has been transferred subsequent to the year-end;
(iv) a. The respective managements of the Holding Company and its subsidiaries and joint ventures which are companies incorporated in India whose financial statements are not audited under the Companies Act have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of its knowledge and belief, other than as disclosed in the note 58 to the consolidated financial statements, any such funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and joint ventures to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiaries and joint ventures which are companies incorporated in India have appropriately reviewed and approved the process of handling and processing in the respective countries of the companies incorporated in India and have reported that such processes are in accordance with the applicable rules and regulations of the respective countries and are adequate to prevent any conflict of interest.

3. As required by Section 197 read with Schedule V to the Act and the Companies (Miscellaneous Provisions) Act, 2005, in our opinion and to the best of our knowledge and belief, the Management has not been in breach of any of the provisions of section 197 of the Act read with Schedule V to the Act.

4. As required by Section 198 of the Act read with the Companies (Regulation of Substantial Acquisitions of Shares and other Instruments) Rules, 2014, in our opinion and to the best of our knowledge and belief, apart from the transactions disclosed in the financial statements, the Change in Directors’ Remuneration and Related Party Transaction Committee as per the provisions of Section 197, the Holding Company has not entered into any transaction that requires approval under sub-section (1) of Section 186 of the Act.

5. As required by Section 217(1)(a) of the Act and the Companies (Auditor’s Report) Order, 2020, in our opinion and to the best of our knowledge and belief, the financial statements comply with the provisions of the Companies (Auditor’s Report) Order, 2020.

6. As required by theCompanies (Auditor’s Report) Order, 2020, in our opinion the Internal Control system, as designed and operated by the Company, is adequate to prevent and detect frauds and other irregularities.

INTEGRATED REPORT | MANAGEMENT DISCUSSION AND ANALYSIS | STATUTORY REPORTS | FINANCIAL STATEMENTS
whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of its knowledge and belief, other than as disclosed in the note 5b to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries and joint ventures from any person(s) or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and joint ventures shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or the other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 54 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

No dividend has been declared or paid during the year by its subsidiaries, associate and joint venture companies, incorporated in India.

The audit report under Companies (Auditors Report) Order, 2020 of these companies has not been issued till the date of our auditor’s report:

xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

name CIN holding company / subsidiary / associate/ joint venture clause number of the CARO report which is qualified or in adverse

JSW Steel Limited U71190MH1987PLC152925 Holding Company (xxi)

Amaya Paint Limited U80101MH1985PLC000681 Subsidiary (xxi)

JSW Energy (Bengal) Limited U40200OR2015PLC117586 Subsidiary (xxi)

JSW Jharkhand Steel Limited U71190MH1987PLC152925 Subsidiary (xxi)

JSW Natural Resources Bengal Limited U130300TL2018PLC298110 Subsidiary (xxi)

JSW Natural Resources India Limited U130300TL2018PLC298110 Subsidiary (xxi)

JSW Steel Coated Products Limited U71190MH1987PLC037346 Subsidiary (xxi)

JSW Ultra Steel Limited U71190MH1987PLC037346 Subsidiary (xxi)

JSW Wavymag Metals Limited U71190MH1987PLC037346 Subsidiary (xxi)

Anand Steel Limited U73100MH1987PLC101403 Subsidiary (xxi)

JSW Industrial Gases Private Limited U85110MH1995PTC293892 Subsidiary (xxi)

JSW Vijayanagar Metallics Limited U27300MH1997PLC104897 Subsidiary (xxi)

JSW Utkal Steel Limited U27209MH2017PLC301887 Subsidiary (xxi)

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

UDIN: 22105938BARYQB6655
Place of Signature: Mumbai
Date: 27 May, 2022

Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Re: JSW Steel Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

Name CIN holding company / subsidiary / associate/ joint venture clause number of the CARO report which is qualified or in adverse

JSW Steel Limited U71190MH1987PLC152925 Holding Company (xxi)

Visakhapatnam Steel Limited U71190MH1987PLC152925 Subsidiary (xxi)

JSW Energy (Bengal) Limited U40200OR2015PLC117586 Subsidiary (xxi)

JSW Jharkhand Steel Limited U71190MH1987PLC152925 Subsidiary (xxi)

JSW Natural Resources Bengal Limited U130300TL2018PLC298110 Subsidiary (xxi)

JSW Natural Resources India Limited U130300TL2018PLC298110 Subsidiary (xxi)

JSW Steel Coated Products Limited U71190MH1987PLC037346 Subsidiary (xxi)

JSW Ultra Steel Limited U71190MH1987PLC037346 Subsidiary (xxi)

JSW Wavymag Metals Limited U71190MH1987PLC037346 Subsidiary (xxi)

Anand Steel Limited U73100MH1987PLC101403 Subsidiary (xxi)

JSW Industrial Gases Private Limited U85110MH1995PTC293892 Subsidiary (xxi)

JSW Vijayanagar Metallics Limited U27300MH1997PLC104897 Subsidiary (xxi)

JSW Utkal Steel Limited U27209MH2017PLC301887 Subsidiary (xxi)

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

UDIN: 22105938BARYQB6655
Place of Signature: Mumbai
Date: 27 May, 2022

The audit report under Companies (Auditors Report) Order, 2020 of these companies has not been issued till the date of our auditor’s report:
Consolidated Financials

Annexure 2

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 31 March, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March, 2022, 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: 324826E/E300003
UDIN: 22105938AJRYQB6655

Place of Signature: Mumbai
Date: 27 May, 2022
## Consolidated Balance Sheet

As at 31 March, 2022

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Notes</th>
<th>31 March, 2022 ((\text{\textcurrency} ))</th>
<th>As at 31 March, 2021 ((\text{\textcurrency} ))</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td>------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>(a)  Inventories</td>
<td>15</td>
<td>33,787</td>
<td>14,249</td>
</tr>
<tr>
<td>(b)  Trade receivables</td>
<td>17</td>
<td>7,457</td>
<td>4,486</td>
</tr>
<tr>
<td>(c)  Cash and cash equivalents</td>
<td>18(a)</td>
<td>8,808</td>
<td>11,943</td>
</tr>
<tr>
<td>(i)  Investments</td>
<td>4,565</td>
<td>5,604</td>
<td></td>
</tr>
<tr>
<td>(ii)  Trade receivables</td>
<td>744</td>
<td>4,486</td>
<td></td>
</tr>
<tr>
<td>(iii)  Cash and cash equivalents</td>
<td>11,943</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(h)  Investments in joint ventures</td>
<td>367</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(j)  Other non-current assets</td>
<td>4,250</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(l)  Non-current assets</td>
<td>2,091</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>65,374</td>
<td></td>
<td>35,852</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td>------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>(a)  Property, plant and equipment</td>
<td>92,952</td>
<td></td>
<td>58,857</td>
</tr>
<tr>
<td>(b)  Capital work-in-progress</td>
<td>16,756</td>
<td></td>
<td>32,433</td>
</tr>
<tr>
<td>(c)  Property, plant and equipment</td>
<td>92,952</td>
<td></td>
<td>58,857</td>
</tr>
<tr>
<td>(d)  Intangible assets under development</td>
<td>149</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(e)  Goodwill</td>
<td>119</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(f)  Other intangible assets</td>
<td>1,914</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(g)  Intangible assets under development</td>
<td>133</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i)  Loans</td>
<td>493</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(j)  Other non-current assets</td>
<td>725</td>
<td></td>
<td></td>
</tr>
<tr>
<td>**Total non-current assets</td>
<td>131,111</td>
<td></td>
<td>111,311</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td>------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>(a)  Borrowings</td>
<td>57,929</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b)  Trade payables</td>
<td>233</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c)  Loans</td>
<td>479</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(d)  Other non-current liabilities</td>
<td>369</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(e)  Non-current liabilities</td>
<td>3,493</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(f)  Other non-current liabilities</td>
<td>2,091</td>
<td></td>
<td></td>
</tr>
<tr>
<td>**Total current liabilities</td>
<td>57,551</td>
<td></td>
<td>43,299</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td></td>
<td>------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>127,950</td>
<td></td>
<td>102,172</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>196,485</td>
<td></td>
<td>147,163</td>
</tr>
</tbody>
</table>

## Consolidated Statement of Profit and Loss

For the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>Revenue from operations</th>
<th>Notes</th>
<th>For the year ended ((\text{\textcurrency} ))</th>
<th>For the year ended ((\text{\textcurrency} ))</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue from operations</strong></td>
<td>32</td>
<td>148,374</td>
<td>79,859</td>
</tr>
<tr>
<td><strong>Other income</strong></td>
<td>33</td>
<td>3,533</td>
<td>112</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>147,832</td>
<td></td>
<td>80,921</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td>------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>(a)  Cost of materials consumed</td>
<td>62,337</td>
<td></td>
<td>32,623</td>
</tr>
<tr>
<td>(b)  Purchases of stock-in-trade</td>
<td>534</td>
<td></td>
<td>233</td>
</tr>
<tr>
<td>(c)  Changes in inventories of finished goods and semi-finished goods, work-in-progress and stock-in-trade</td>
<td>3,081</td>
<td></td>
<td>3,408</td>
</tr>
<tr>
<td>(d)  Mining premium and royalties (refer note 55)</td>
<td>13,694</td>
<td></td>
<td>6,972</td>
</tr>
<tr>
<td>(e)  Employee benefits expense</td>
<td>2,483</td>
<td></td>
<td>2,506</td>
</tr>
<tr>
<td>(f)  Finance costs</td>
<td>4,065</td>
<td></td>
<td>3,997</td>
</tr>
<tr>
<td>(g)  Depreciation and amortisation expense</td>
<td>3,081</td>
<td></td>
<td>4,878</td>
</tr>
<tr>
<td>(h)  Other expenses</td>
<td>38</td>
<td></td>
<td>17,712</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>57,551</td>
<td></td>
<td>43,299</td>
</tr>
<tr>
<td><strong>Profit before share of profit / (loss) from joint ventures (net), exceptional items and tax (III-IV)</strong></td>
<td>28,745</td>
<td></td>
<td>12,075</td>
</tr>
<tr>
<td>(a)  Share of profit / (loss) from joint ventures (net)</td>
<td>914</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>(b)  Profit before exceptional items and tax (V+VI)</td>
<td>30,842</td>
<td></td>
<td>12,076</td>
</tr>
<tr>
<td>(c)  Exceptional items</td>
<td>46</td>
<td></td>
<td>26,745</td>
</tr>
<tr>
<td>(d)  Profit before tax (V+VII)</td>
<td>28,745</td>
<td></td>
<td>12,015</td>
</tr>
<tr>
<td>(e)  Tax expense/(credit)</td>
<td>20</td>
<td></td>
<td>2,467</td>
</tr>
<tr>
<td>(f)  Deferred tax</td>
<td>2,465</td>
<td></td>
<td>1,135</td>
</tr>
<tr>
<td>(g)  Total tax expense/(credit)</td>
<td>8,501</td>
<td></td>
<td>6,142</td>
</tr>
<tr>
<td><strong>Profit for the year (VI-X)</strong></td>
<td>20,938</td>
<td></td>
<td>7,873</td>
</tr>
<tr>
<td><strong>Other comprehensive income / (loss)</strong></td>
<td></td>
<td>------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>(a)  Items that will not be reclassified to profit or loss</td>
<td></td>
<td>------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>(i)  Remeasurement of the defined benefit plans</td>
<td>43</td>
<td></td>
<td>36</td>
</tr>
<tr>
<td>(ii)  Equity instruments through other comprehensive income</td>
<td>2,432</td>
<td></td>
<td>400</td>
</tr>
<tr>
<td>(iii)  Income tax relating to items that will not be reclassified to profit or loss</td>
<td>1,246</td>
<td></td>
<td>129</td>
</tr>
<tr>
<td>**Total (A)</td>
<td>2,865</td>
<td></td>
<td>480</td>
</tr>
<tr>
<td>(b)  Items that will be reclassified to profit or loss</td>
<td></td>
<td>------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>(i)  The effective portion of gain/(loss) on hedging instruments</td>
<td>1,146</td>
<td></td>
<td>46</td>
</tr>
<tr>
<td>(ii)  Income tax relating to items that will be reclassified to profit or loss</td>
<td>43</td>
<td></td>
<td>143</td>
</tr>
<tr>
<td>**Total (B)</td>
<td>(152)</td>
<td></td>
<td>308</td>
</tr>
<tr>
<td>**Total other comprehensive income/(loss) (A+B) (VII)</td>
<td>2,713</td>
<td></td>
<td>788</td>
</tr>
<tr>
<td>**Total comprehensive income/(loss) (V+VII) (VIII)</td>
<td>22,854</td>
<td></td>
<td>8,681</td>
</tr>
<tr>
<td><strong>Total Profit (loss) for the year attributable to:</strong></td>
<td></td>
<td>------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>- Owners of the Company</td>
<td>20,938</td>
<td></td>
<td>7,534</td>
</tr>
<tr>
<td>- Non-controlling interests</td>
<td>271</td>
<td></td>
<td>380</td>
</tr>
<tr>
<td><strong>Total Profit (loss) for the year attributable to:</strong></td>
<td>20,938</td>
<td></td>
<td>7,914</td>
</tr>
<tr>
<td><strong>Other comprehensive income/(loss) for the year attributable to:</strong></td>
<td></td>
<td>------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>- Owners of the Company</td>
<td>20,938</td>
<td></td>
<td>7,914</td>
</tr>
<tr>
<td>- Non-controlling interests</td>
<td>271</td>
<td></td>
<td>380</td>
</tr>
<tr>
<td><strong>Total comprehensive income/(loss) for the year attributable to:</strong></td>
<td>20,938</td>
<td></td>
<td>7,914</td>
</tr>
<tr>
<td><strong>Earnings per equity share of Re 1 each</strong></td>
<td>39</td>
<td>85.96</td>
<td>32.91</td>
</tr>
</tbody>
</table>

(\(\text{Basic (in \textcurrency)} \)) 85.49, (\(\text{Diluted (in \textcurrency)} \)) 32.73

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 Reg. No.: 324982E/E300003

per VIKRAM MEHTA

Partner

Membership No.:105938

ICSI Membership No. FCS 9407 DIN 00017762

Place: Mumbai

Date: 27 May, 2022
## Consolidated Statement of Changes in Equity

For the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>A. Equity share capital</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 1 April, 2020</td>
<td>0.34 crores</td>
</tr>
<tr>
<td>Movement during 2020-21</td>
<td>@ -</td>
</tr>
<tr>
<td>As at 31 March, 2021</td>
<td>1.37</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Other equity</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Income/(loss) (OCI)</td>
<td></td>
</tr>
<tr>
<td>Non-equity settled Capital</td>
<td></td>
</tr>
<tr>
<td>Total Capital in instruments</td>
<td></td>
</tr>
<tr>
<td>Retained share based General reserve on portion of the parent</td>
<td></td>
</tr>
<tr>
<td>FCTR reserve</td>
<td></td>
</tr>
<tr>
<td>Reserve for earnings</td>
<td></td>
</tr>
<tr>
<td>Reserve for purchase hedges</td>
<td></td>
</tr>
<tr>
<td>Comprehensive income</td>
<td></td>
</tr>
</tbody>
</table>

### Balance as at 1 April, 2020

<table>
<thead>
<tr>
<th>Balance as at 1 April, 2020</th>
<th>3,585</th>
<th>5,417</th>
<th>774</th>
<th>16,561</th>
<th>122</th>
<th>9,947</th>
<th>1,019</th>
<th>(823)</th>
<th>172</th>
<th>(476)</th>
<th>36,298</th>
<th>(575)</th>
<th>35,723</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7,911</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive income for the year, net of income tax (refer note 26)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>23</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7</td>
<td>458</td>
<td>282</td>
<td>770</td>
<td>18</td>
<td>788</td>
</tr>
<tr>
<td>Dividends</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(483)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(483)</td>
<td>-</td>
<td>(483)</td>
</tr>
<tr>
<td>Impact of ESOP trust consolidation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>42</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>42</td>
<td>-</td>
<td>42</td>
</tr>
<tr>
<td>Recognition of share based payments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20</td>
<td>-</td>
<td>20</td>
</tr>
<tr>
<td>Acquisition of stake from NCI</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(11)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(11)</td>
<td>(24)</td>
<td>(35)</td>
</tr>
<tr>
<td>Acquisition of business (refer note 41)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>761</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>761</td>
<td>-</td>
<td>761</td>
</tr>
<tr>
<td>Transfer between reserves</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(25)</td>
<td>25</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance as at 31 March, 2021</td>
<td>3,585</td>
<td>5,417</td>
<td>774</td>
<td>24,043</td>
<td>117</td>
<td>9,972</td>
<td>1,780</td>
<td>(816)</td>
<td>630</td>
<td>(194)</td>
<td>45,308</td>
<td>(619)</td>
<td>44,689</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20,665</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20,665</td>
<td>273</td>
<td>20,938</td>
</tr>
<tr>
<td>Other comprehensive income for the year, net of income tax (refer note 26)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(56)</td>
<td>-</td>
<td>-</td>
<td>(126)</td>
<td>2,124</td>
<td>(5)</td>
<td>1,937</td>
<td>(21)</td>
<td>1,916</td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,571)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,571)</td>
<td>-</td>
<td>(1,571)</td>
</tr>
<tr>
<td>Impact of ESOP trust consolidation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(515)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(515)</td>
<td>-</td>
<td>(515)</td>
</tr>
<tr>
<td>Recognition of share based payments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>161</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>161</td>
<td>-</td>
<td>161</td>
</tr>
<tr>
<td>Acquisition of stake from NCI (refer note 52)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>49</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>49</td>
<td>(59)</td>
<td>(10)</td>
</tr>
<tr>
<td>Transfer between reserves</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(37)</td>
<td>37</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loss of Control of subsidiaries</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investment by NCI</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance as at 31 March, 2022</td>
<td>3,585</td>
<td>5,417</td>
<td>774</td>
<td>42,615</td>
<td>241</td>
<td>10,009</td>
<td>2,742</td>
<td>(942)</td>
<td>2,754</td>
<td>(199)</td>
<td>66,996</td>
<td>1,238</td>
<td>68,234</td>
</tr>
</tbody>
</table>

### For the year ended 31 March, 2022

#### A. Cash flow from operating activities

| Profit before tax | 29,745 | 12,015 |
| Adjustments for:  |       |       |
| Depreciation and amortization expense | 6,001 | 4,679 |
| Loss on sale of property, plant and equipment (net) | 107 | 37 |
| Gain on sale of financial investments designated as FVPL | (11) | (1) |
| Export obligation deferred income amortization | (254) | (239) |
| Interest income | (586) | (481) |
| Dividend income | (25) | (11) |
| Interest expense | 4,584 | 3,746 |
| Unrealised exchange (gain) / loss (net) | 388 | (436) |
| Gain on financial instruments designated as FVPL | (707) | - |
| Unwinding of interest on financial assets carried at amortised cost | (69) | (52) |
| Share based payment expense | 161 | 20 |
| Share of (profit) / loss from joint ventures (net) | (917) | (1) |
| Fair value loss on financial instrument designated as FVPL | - | - |
| Allowances for doubtful receivable and advances | 56 | 101 |
| Exceptional items | 741 | 83 |
| Gain on sale of investment property | (35) | - |
| Operating profit before working capital changes | 38,913 | 19,455 |

#### Adjustments for:

| (Increase) in inventories | (15,593) | (336) |
| (Increase)/decrease in trade receivables | (1,884) | 72 |
| (Increase) in other assets | (2,884) | (423) |
| Increase in trade payable and other liabilities | 13,013 | 1,348 |
| Increase in provisions | 84 | 644 |
| Cash flow from operations | (7,264) | 1,390 |

#### Income taxes paid (net of refund received)

| (9,168) | 7,440 |

#### Net cash generated from operating activities

| 26,270 | 18,831 |

#### B. Cash flow from investing activities

| Purchases of property, plant and equipment and intangibles assets (including under development and capital advances) | (10,091) | (10,996) |
| Proceeds from sale of property, plant and equipment | 43 | 50 |
| Proceeds from sale of investment property | - | - |
| Cash outflows on acquisition of a subsidiary / acquisition of NCI (refer note 41 and 52) | (20) | (1,575) |
| Investment in joint ventures (refer note 41) | (364) | (5,087) |
| Equity investment in other related parties | (300) | - |
| Sale of fixed assets | (148) | (239) |
| Purchase of current investments | (4,153) | (606) |
| Sale of current investments | 4,153 | 612 |
| Bank deposits not considered as cash and cash equivalents (net) | (5,870) | 7,407 |
| Net cash used in investing activities | (10,987) | (9,827) |
C. Cash flow from financing activities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>1 April, 2021</th>
<th>Cash flows (net)</th>
<th>Foreign exchange difference</th>
<th>Foreign exchange difference</th>
<th>Changes in fair values</th>
<th>New leases</th>
<th>Business combination</th>
<th>Others</th>
<th>31 March, 2022</th>
<th>31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowings (non-current) (including current maturities of long term borrowing included in current borrowings note 28)</td>
<td>58,049</td>
<td>(2,608)</td>
<td>1,146</td>
<td>-</td>
<td>11,500</td>
<td>(87)</td>
<td></td>
<td>58,002</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lease liabilities (including current maturities)</td>
<td>2,344</td>
<td>(417)</td>
<td>-</td>
<td>360</td>
<td>11</td>
<td>(36)</td>
<td></td>
<td>2,262</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings (current) (including current maturities of long term borrowing)</td>
<td>6,334</td>
<td>(4,440)</td>
<td>79</td>
<td>-</td>
<td>-</td>
<td>1,246</td>
<td></td>
<td>420</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Cash and cash equivalents upon loss of control of subsidiaries</td>
<td>14</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of year</td>
<td>9,808</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11,343</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes:

1. The cash flow statement is prepared using the "indirect method" set out in Ind AS 7 - Statement of Cash Flows.

2. For S R B C & Co. LLP,

3. LANCY VARDAHESE

4. SAJJAN JINDAL

5. SHAHⱭHIBARI MANSAR

6. As per our report of even date

7. For and on behalf of the Board of Directors

8. RAVEE PARI

9. CHIEF FINANCIAL OFFICER

10. SACHIN BHATIA

11. CHIEF MANAGING DIRECTOR

12. See accompanying notes to the Consolidated Financial Statements

13. Notes:

14. The 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 and disclosure requirement of Division II of revised Schedule II of the Companies Act 2013, (Ind AS Compliant Schedule II), as applicable to Consolidated financial statements.

15. Accordingly, the Company has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March, 2022, 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 (hereinafter referred to as “Consolidated Financial Statements” or “financial statements”).

16. The Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III to the Companies Act, 2013 which is applicable from 1 April, 2021 and accordingly the presentation for line items in balance sheet is based on the amended schedule III and the corresponding numbers as at 31 March, 2021 have been regrouped/reclassified.

17. These financial statements are approved for issue by the Board of Directors on 27 May, 2022.

18. 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, fair value of plan assets within scope the of Ind AS 19 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the 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.
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

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

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:
• it is expected to be settled in the Company’s normal operating cycle;
• it is held primarily for the purpose of being traded;
• it is due to be settled within 12 months after the reporting date; or
• the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.
The operating cycle that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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 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 and 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 that are attributable to the owners of the Company and to the non-controlling interests.

Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies.

IV. Business combinations
Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition-related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:
• deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
• liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
• assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-Current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquiree’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 recognizing gain in respect thereof, the Group determines whether there exists 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 recognizes 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 recognizes it in other comprehensive income and accumulates the same in equitable capital reserve. This gain is attributed to the acquiree. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognizes 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.
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

When a business combination is achieved in stages, the Group’s previously held equity interest in the acquiree is re-measured 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 recognized at the acquisition date shall be retrospectively adjusted during the measurement period. During the measurement period, the group shall also recognize 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.

Investment properties are derecognized 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 recognized in profit or loss in the period of derecognition.

The Group derecognizes investment properties and assets that have been transferred from the consolidated statement of financial position as a result of a disposal group being classified as held for sale or discontinued operations. When a disposal group is classified as held for sale, the Group derecognizes the asset in the financial statements as of the date of the classification. Revenue is recognized in the period in which control over the product or service is transferred to the customer. The Group derecognizes revenue when control over the promised goods or services is transferred to the customer.

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 have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group’s share of losses of an associate or a joint venture exceeds the Group’s interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group’s net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group’s share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in consolidated statement of profit and loss in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group’s investment in an associate or a joint venture.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group’s consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

VIII. Revenue recognition

A. Sale of Goods

The Group recognizes revenue when control over the promised goods or services is transferred to the customer. 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), revenue is recognized when control over the goods or services is transferred 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 recognized 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 recognized 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).
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

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 recognized 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 recognized to the extent of contract cost incurred that it is probable will be recoverable. Contract costs are recognized as an expense in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

C. Dividend and interest income
Dividend income from investments is recognized 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 recognized 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 lessee
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 term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized 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 accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, 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:

<table>
<thead>
<tr>
<th>Class of assets</th>
<th>Lease term (years)</th>
<th>Buildings</th>
<th>3 to 39 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant &amp; Machinery</td>
<td></td>
<td>3 to 15 years</td>
<td></td>
</tr>
</tbody>
</table>

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 transactions, recognizing 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 in the change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to 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. 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 related 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(XII) (C) (c));
- 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
- 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 (attributed to non-controlling interests as appropriate).

Goodwill, capital reserve on bargain purchase 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 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 Costs include 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 recognized at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the 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 current 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 measured at the present value of future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

XIV. Share-based payment arrangements
Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 40.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period based on the Group’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Consolidated Statement of Profit or Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing share units 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 recognized 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 recognized 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 provisions of the Income Tax Act, 1961 and other applicable tax laws, on the assumption that 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 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 the related 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 recognized 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 recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed 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.

#### 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:

<table>
<thead>
<tr>
<th>Class of assets</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer software</td>
<td>3 to 5 years</td>
</tr>
<tr>
<td>Licences</td>
<td>Over the period of licence</td>
</tr>
</tbody>
</table>

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 at transition date.

### XVIII. Mining Assets

#### Acquisition Costs

The cost of Mining Assets capitalised includes costs associated with acquisition of licenses and rights
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

Developmental stripping costs in order to obtain access to quantities of mineral reserves begins. Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realized in the form of inventories.

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.

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 cost 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.

General exploration costs - costs of surveys and other personnel conducting those studies.

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 licence-by-licence 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.

XII. 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.

XIII. Inventories
Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of semi-finished / finished goods and work in progress include cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Cost of non-inventory includes cost of mine 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.

XX. Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onorius contracts
Present obligations arising under onorius contracts are recognised and measured as provisions. However, before a separate provision for an onorius contract is established, the Company recognises any write down that has occurred on assets dedicated to that contract. An onorius 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).

XII. 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 to hold assets to collect contractual cash flows and sell 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 recognizes 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 recognized in the OCI. There is no recycling of the amounts from OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized 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 FVTPL as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognized in consolidated statement of profit and loss. The net gain or loss recognized 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 recognized 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 derecognizes 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 assets, 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 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 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 whether this represents a 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 as an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.
The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets.

e) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the consolidated statement of profit and loss and is included in the 'Other income' line item.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property and plant 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 recognized as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognized as borrowings. Interest borne by the Group on such arrangements is accounted as finance cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred primarily 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 at FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

Other financial liabilities:

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property and plant 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 recognized as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognized as borrowings. Interest borne by the Group on such arrangements is accounted as finance cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

The 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 and Loss.

C. Derivative instruments and hedge accounting

a) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts, commodity forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Consolidated Statement of Profit and Loss depends on the nature of the hedge item.

b) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Rearrangement 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 recognised 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...
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

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 recognized in the Consolidated Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognized 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 accounts 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. Any gain or loss recognised in other comprehensive income and accumulated in equity is recognised in 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.\n
(ii) Cash flow hedges
The effective portion of changes in fair value of derivatives and non-derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognized immediately in Consolidated Statement of Profit and Loss.\n
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 is recognised in 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. 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

A) Key sources of estimation uncertainty
i) Useful lives of property, plant and equipment
Management reviews and approves 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 associates
Determining whether the investments in joint ventures and associates are impaired requires an estimate of the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capital utilization of plants, operating margins, mineable resources and availability of infrastructure and operating 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 recognized. The cases which have been determined as remote by the Group are not disclosed.

Contingent assets are neither recognized nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

(iv) Fair value measurements
When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

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. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

v) Impairment of Goodwill

Determining whether the goodwill acquired in business combinations is 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 has anticipated the future benefits to arise from commodity prices, capacity utilization 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.

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 at the applicable surcharge and cess (‘New tax rate’) subject to certain conditions.

During the year ended 31 March, 2020, the Group had an assessment of the impact of the Ordinance and the Company and one of its subsidiaries decided to continue with the existing tax structure utilising 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 ₹2,250 crores. During the year, the Group has re-assessed the impact of the Ordinance and there is no significant change in the measurement arising of the said assessment.

B) Critical accounting judgements

i) Control over JSW Realty & Infrastructure Private Limited (RPL)

RPL has developed a residential property 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. RPL 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 RPL, the Company has concluded that the Company has practical ability to direct the relevant activities of RPL unilaterally, considering RPL’s dependency on the Company for funding significant portion of its operation through subscription to 76.27% of preference share capital amounting to ₹355 crore issued by RPL and significant portion of RPL’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 AIOM Investments Private Limited completed the acquisition of JSW Ispat Special Products Limited (‘JSWISPL’) through their jointly controlled entity Crexent 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 receivable preference shares in CSSL to acquire joint control in JSWISPL and have an effective shareholding of 23.1% in JSWISPL.

As per the Shareholding agreement, all the relevant activities of CSSL that affect the Company’s variable returns from its involvement with CSSL/JSWISPL have to be decided unanimously by a Steering Committee on which the Company has representation and thus the Company has concluded that it has joint control over CSSL.

iv) Joint control over JSW One Platforms Limited (Formerly known as ‘JSW Retail Limited’)

Pursuant to the Shareholder’s agreement JSW Steel Limited, JSW Paints Limited and JSW Cement Limited will jointly control JSW One Platform Limited (‘JSWOPL’) (formerly known as ‘JSW Retail Limited’). The Company has made an investment in the year 2021-22 of ₹32 crores through equity shares having an effective shareholding of 75% in JSWOPL.

As per the agreement, all the relevant activities of JSWOPL that affect the Company’s variable returns from its corporate income are determined unanimously by the representatives of each of the shareholders and thus the Company has concluded that it has joint control over JSWOPL.

v) Incentives under the State Industrial Policy

The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds historically. The Company currently recognises income for such government grants based on the State Goods & Service Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST).

a) The Company is eligible for claiming incentives for investments made under the Industrial Policy of the Government of Maharashtra under PSI Scheme 2007 & 6 PSI 2013 Scheme. The Company completed the Phase 1 expansion of 3.3 MTPA to 5 MTPA at Dolvi, Maharashtra in May 2016 and has also received the eligibility certificate for the same basis which it has started availing incentives under the PSI 2007 since then. Further, the Company completed the second phase expansion of 6 MTPA to 10 MTPA at Dolvi Maharashtra during the financial year 2021-22. The Company is in the process of submitting required documents with the State Government for issuance of the Eligibility Certificate for the second phase and believes that all conditions with respect to the same are met by the Company and hence there are no uncertainties attached in recognising the grant income. Accordingly, the Company has recognised the cumulative grant income amounting to ₹571 crores for the year ended 31 March, 2022.

b) The State Government of Maharashtra (GOM) vide its Government Resolution (GOM) vide its Government Resolution (GR) dated 20 December, 2018 issued the modalties for sanction and disbursement of incentives, under GST regime, and introduced certain new conditions / restrictions for availing 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
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

are not tenable legally and will contest these changes appropriately.

vi) Commitment under MDPA arrangement
The Mine Development and Production Agreement (MDPA) signed with respect to four mine blocks in Odisha stipulates that the Company is required to fulfill certain minimum production quantities each year from commencement of mining lease. In the event the Company is unable to fulfill the required minimum production quantities, it would be liable to pay penalty, as prescribed in the MDPA, by appropriating the performance security given by the Company.

While determining the minimum production requirements of one of the mines for initial two years, Government of Odisha has erroneously considered production quantities of erstwhile lessee including quantities of dump rework, (which was not considered in the tender document of the said mine). Accordingly, the Company has requested amendment/correction in the production quantities considered in the MDPA to re-determine the minimum production required in the initial two years which is under consideration by the Government of Odisha.

During the year, the State Government issued a show cause notice alleging shortfall of minimum production quantity and issued a demand notice dated 13 August, 2021 raising a demand of ₹ 697 crores (including penalty) as prescribed in the MDPA. The Company has filed a writ petition with the High Court of Odisha (High Court) contesting the demand and the High court has granted stay on the above matter vide its order dated 27 September, 2021. Based on a legal evaluation, the Company believes that the MDPA would get rectified for the minimum production quantity. As a prudence, the demand has been disclosed under contingent liabilities as at 31 March, 2022.

C) Recent pronouncements
Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework
The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use
The amendments clarify which fees an entity includes in the cost of a contract. The amendments make it clear that amounts are either incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to the contract. Costs that relate directly to a contract comprise the ‘cost of fulfilling the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract
The amendments specify that the ‘cost of fulfilling a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)
The amendment clarifies which fees an entity includes in the cost of a contract. The amendments make it clear that amounts are either incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to the contract. Costs that relate directly to a contract comprise the ‘cost of fulfilling the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)
The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

Amendment to Ind AS 109 “Financial Instruments” and Ind AS 107 “Financial Instruments: Disclosures” - Interbank Offered Rate (IBOR) reform
In view of the recent amendments in IFRS, and in order to keep the Ind AS converged with IFRS, the Ministry Corporate Affairs (MCA) has issued similar amendments to Ind AS 109 and Ind AS 107. The key relief provided by the amendments include a practical expedient for modifications in the financial instrument that result directly from IBOR reform and temporary exceptions from applying specific hedge accounting requirement. The amendments do not have significant impact on the financial statements. The disclosures required by the amendments are provided in note 44G.
**Notes**

To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

### 4. Property, plant and equipment

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Freehold land</th>
<th>Buildings</th>
<th>Plant and equipment</th>
<th>Furniture and fixtures</th>
<th>Vehicles and aircrafts</th>
<th>Office equipment</th>
<th>Mining development and projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost / deemed cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March, 2022</td>
<td>3,681</td>
<td>15,569</td>
<td>98,703</td>
<td>174</td>
<td>297</td>
<td>154</td>
<td>1,145</td>
<td>120,895</td>
</tr>
<tr>
<td>Less: Accumulated depreciation and impairment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 01 April, 2020</td>
<td>4</td>
<td>1,964</td>
<td>15,287</td>
<td>71</td>
<td>62</td>
<td>61</td>
<td>833</td>
<td>18,282</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>401</td>
<td>3,775</td>
<td>14</td>
<td>18</td>
<td>17</td>
<td>16</td>
<td>4,331</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>12</td>
<td>461</td>
<td>@</td>
<td>4</td>
<td>1</td>
<td>-</td>
<td>486</td>
</tr>
<tr>
<td>Asset transfer to held for sale</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Impairment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>-</td>
<td>@</td>
<td>@</td>
<td>@</td>
<td>@</td>
<td>@</td>
<td>@</td>
<td>@</td>
</tr>
<tr>
<td>At 31 March, 2021</td>
<td>4</td>
<td>2,346</td>
<td>18,547</td>
<td>85</td>
<td>76</td>
<td>77</td>
<td>855</td>
<td>21,590</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>476</td>
<td>4,907</td>
<td>16</td>
<td>19</td>
<td>18</td>
<td>17</td>
<td>5,482</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>120</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>257</td>
</tr>
<tr>
<td>Asset transfer to held for sale</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Impairment (refer note 48)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>-</td>
<td>@</td>
<td>@</td>
<td>@</td>
<td>@</td>
<td>@</td>
<td>@</td>
<td>@</td>
</tr>
<tr>
<td>At 31 March, 2022</td>
<td>3,671</td>
<td>12,743</td>
<td>76,193</td>
<td>74</td>
<td>121</td>
<td>60</td>
<td>90</td>
<td>92,952</td>
</tr>
<tr>
<td>Net book value</td>
<td>2,150</td>
<td>9,210</td>
<td>48,009</td>
<td>70</td>
<td>94</td>
<td>52</td>
<td>272</td>
<td>58,857</td>
</tr>
</tbody>
</table>

**Notes:**

- Freehold land and buildings which have been/agreed to be hypothecated/mortgaged to lenders of related parties
- Other adjustments comprises:
  - Borrowing cost
  - Foreign exchange loss / (gain) (net)

### c) Title deeds of immovable properties not held in the name of the group companies:

<table>
<thead>
<tr>
<th>Relevant line item in the balance sheet</th>
<th>Description of item of property</th>
<th>Gross carrying value</th>
<th>Title deeds in the name of</th>
<th>Whether title deed/holder is a promoter, director or a relative of promoter/director</th>
<th>Property held since which date</th>
<th>Reason for not being held in the name of the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Plant &amp; Equipment Land</td>
<td>- Welspun Corp Limited</td>
<td>40</td>
<td>No</td>
<td>31-Mar-2021</td>
<td>Transaction was executed on 31 March, 2021, the title deed has been transferred in the Company's name in FY 2022</td>
<td></td>
</tr>
<tr>
<td>Property Plant &amp; Equipment Land</td>
<td>- Loha Ltd</td>
<td>27</td>
<td>No</td>
<td>28-Jan-2021</td>
<td>Liquidator is under process to take approvals for the transfer of title deed.</td>
<td></td>
</tr>
<tr>
<td>Right of Use Land</td>
<td>- Bhaweke Pipelines Private Ltd</td>
<td>7</td>
<td>No</td>
<td>15-Dec-2011</td>
<td>Extension of lease deed in process</td>
<td></td>
</tr>
<tr>
<td>Right of Use Land</td>
<td>- Government of Karnataka</td>
<td>67</td>
<td>No</td>
<td>31-Mar-2002</td>
<td>Approval for Proposal for Execution of Absolute Sale deed is pending with Cabinet (State Government)</td>
<td></td>
</tr>
<tr>
<td>Right of Use Land</td>
<td>- Government of Karnataka</td>
<td>18</td>
<td>No</td>
<td>19-May-2011</td>
<td>Application Submitted to lessee for execution of Absolute Sale deed on 30.06.2021</td>
<td></td>
</tr>
<tr>
<td>Property Plant &amp; Equipment Land</td>
<td>- Dawal Hoskiny Factory</td>
<td>No</td>
<td>No</td>
<td>28-May-1980</td>
<td>Acquired under BGLT proceedings, pending to be transferred by insolvency professional.</td>
<td></td>
</tr>
<tr>
<td>Property Plant &amp; Equipment Land</td>
<td>- Haryana State Industrial and Infrastructure Development Corporation</td>
<td>11</td>
<td>No</td>
<td>3-Mar-2014</td>
<td>No dues certificate received. Conveyance deed is in process</td>
<td></td>
</tr>
<tr>
<td>Property Plant &amp; Equipment Land</td>
<td>- Ashwini Saurav</td>
<td>No</td>
<td>No</td>
<td>26-Mar-2021</td>
<td>Process for transfer initiated</td>
<td></td>
</tr>
<tr>
<td>Property Plant &amp; Equipment Land</td>
<td>- Basirath Parekh</td>
<td>No</td>
<td>No</td>
<td>26-Mar-2021</td>
<td>The said assets have been taken over by the subsidiary from erstwhile company on 26 March, 2021 and the subsidiary is in the process to get it transferred in its name</td>
<td></td>
</tr>
<tr>
<td>Property Plant &amp; Equipment Land</td>
<td>- Durga Prasad Sasis N</td>
<td>No</td>
<td>No</td>
<td>26-Mar-2021</td>
<td>The said assets have been taken over by the subsidiary from erstwhile company on 26 March, 2021 and the subsidiary is in the process to get it transferred in its name</td>
<td></td>
</tr>
<tr>
<td>Property Plant &amp; Equipment Land</td>
<td>- Parmeshwar Kichha</td>
<td>No</td>
<td>No</td>
<td>26-Mar-2021</td>
<td>The said assets have been taken over by the subsidiary from erstwhile company on 26 March, 2021 and the subsidiary is in the process to get it transferred in its name</td>
<td></td>
</tr>
<tr>
<td>Property Plant &amp; Equipment Land</td>
<td>- Rajeev Kumar Mohanty</td>
<td>No</td>
<td>No</td>
<td>26-Mar-2021</td>
<td>The said assets have been taken over by the subsidiary from erstwhile company on 26 March, 2021 and the subsidiary is in the process to get it transferred in its name</td>
<td></td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

(i) The Group has entered into lease arrangements, for renting the following:

<table>
<thead>
<tr>
<th>Property</th>
<th>Area</th>
<th>Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Premises at CBD Belapur</td>
<td>1,96,647 sq. feet</td>
<td>10 years</td>
</tr>
<tr>
<td>Office at Grand Palladium</td>
<td>30,784 sq. feet</td>
<td>1 year</td>
</tr>
<tr>
<td>Land at Vasind</td>
<td>22,303 sq. mtr.</td>
<td>25 years</td>
</tr>
<tr>
<td>Hospital premises at Vijayanagar</td>
<td>81,500 sq. feet</td>
<td>1 year</td>
</tr>
<tr>
<td>Building for Vijayanagar Sports Institute</td>
<td>1,96,647 sq. feet</td>
<td>10 years</td>
</tr>
<tr>
<td>Office Premises at Mittal Tower</td>
<td>33,930 sq. feet</td>
<td>5 years</td>
</tr>
<tr>
<td>Office Premises at Grand Palladium</td>
<td>92,784 sq. feet</td>
<td>2 years</td>
</tr>
<tr>
<td>Land at Palwal</td>
<td>6 acres</td>
<td>15 years</td>
</tr>
<tr>
<td>Land at Dolvi along with certain buildings</td>
<td>78.95 acres</td>
<td>15 years to 20 years</td>
</tr>
<tr>
<td>Land at Vijayanagar 524.81 acres*</td>
<td>5 years to 30 years</td>
<td></td>
</tr>
<tr>
<td>Office Premises at CBS Belapur</td>
<td>33,900 sq. feet</td>
<td>5 years</td>
</tr>
<tr>
<td>Building for Vijayanagar Sports Institute</td>
<td>114,047 sq. feet</td>
<td>10 years</td>
</tr>
<tr>
<td>Hospital premises at Vijayanagar</td>
<td>81,000 sq. feet</td>
<td>20 years</td>
</tr>
</tbody>
</table>

(ii) Disclosure in respect of assets given on operating lease included in following heads:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost/Deemed cost*</td>
<td>92</td>
<td>86</td>
</tr>
<tr>
<td>Building</td>
<td>174</td>
<td>119</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>21</td>
<td>15</td>
</tr>
<tr>
<td>Depreciation for the year</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

* Includes ₹ 22 crores of land classified as Right of use assets in Note 7

(iii) Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 22 and 28.

(iv) Property, plant and equipment includes proportionate share (50%) of assets under joint operation as below:

<table>
<thead>
<tr>
<th>Relevant line item in the balance sheet</th>
<th>Description of item of property</th>
<th>Gross carrying value</th>
<th>Title deeds in the name of</th>
<th>Whether title deed holder is a promoter, director or relative of promoter/director</th>
<th>Property held in the balance sheet date</th>
<th>Reason for not being held in the name of the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Plant &amp; Equipment</td>
<td>House</td>
<td>@</td>
<td>Rakesh</td>
<td>No</td>
<td>26-Mar-2021</td>
<td>The said assets have been taken over by the subsidiary from erstwhile company on 26 March, 2021 and the subsidiary is in the process to get it transferred in its name</td>
</tr>
<tr>
<td>Property Plant &amp; Equipment</td>
<td>Building for Vijayanagar Sports Institute</td>
<td>1,96,647 sq. feet</td>
<td>10 years</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Plant &amp; Equipment</td>
<td>Land at Palwal</td>
<td>6 acres</td>
<td>15 years</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Plant &amp; Equipment</td>
<td>Land at Dolvi along with certain buildings</td>
<td>78.95 acres</td>
<td>15 years to 20 years</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Plant &amp; Equipment</td>
<td>Land at Vijayanagar</td>
<td>524.81 acres*</td>
<td>5 years to 30 years</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

The agreements are renewable & cancellable by mutual consent of both parties. The rent paid on above is based on mutually agreed rates.

(v) For the year ended 31 March, 2022, the Company has incurred capital expenditure of ₹ 583 crores (previous year ₹ 466 crores). The Company has accordingly incurred and capitalised ₹ 117 crores towards the same as on 31 March, 2022.

5. Capital work in progress includes exchange fluctuation (regarded as an adjustment to borrowing costs) to of ₹ 283 crores (previous year ₹ 46 crores) and borrowing cost (net of interest income) of ₹ 683 crores (previous year ₹ 786 crores), capitalised during the year.

CWIP ageing:
As at 31 March, 2022

<table>
<thead>
<tr>
<th>Category of Asset</th>
<th>Particulars</th>
<th>Amount in CWIP for a period of</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Less than 2 years</td>
</tr>
<tr>
<td>Projects in progress</td>
<td>9,294</td>
<td>3,728</td>
</tr>
<tr>
<td>Projects temporarily suspended</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9,294</td>
<td>3,728</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>To be completed in</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Less than 1 year</td>
<td>1-2 years</td>
</tr>
<tr>
<td>Expansion Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- 13 MTPA expansion at Vijayanagar Works</td>
<td>-</td>
<td>538</td>
</tr>
<tr>
<td>- 5 to 10 MTPA at Dolvi Works</td>
<td>-</td>
<td>1,068</td>
</tr>
<tr>
<td>- Baytown, Phase-II</td>
<td>-</td>
<td>528</td>
</tr>
<tr>
<td>- Blast Furnace III Upgradation at Vijayanagar Works</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Continuous Annealing Line</td>
<td>564</td>
<td>-</td>
</tr>
<tr>
<td>- Triplate Project Line- Tarapur</td>
<td>387</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>1,512</td>
<td>20</td>
</tr>
<tr>
<td>Cost Reduction Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Centre Coke Screening Project</td>
<td>32</td>
<td>-</td>
</tr>
<tr>
<td>- Coke Oven 5 &amp; Pellet Plant 3</td>
<td>1,507</td>
<td>-</td>
</tr>
<tr>
<td>- 175 MW &amp; 60 MW Power Plant</td>
<td>597</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>624</td>
<td>2</td>
</tr>
<tr>
<td>Others</td>
<td>11</td>
<td>131</td>
</tr>
<tr>
<td>Total</td>
<td>7,148</td>
<td>2,188</td>
</tr>
</tbody>
</table>

As at 31 March, 2021

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in CWIP for a period of</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Less than 1 year</td>
<td>1-2 years</td>
</tr>
<tr>
<td>I) Projects in progress</td>
<td>9,142</td>
<td>14,669</td>
</tr>
<tr>
<td>II) Projects temporarily suspended</td>
<td>672</td>
<td>246</td>
</tr>
<tr>
<td>Total</td>
<td>9,814</td>
<td>14,915</td>
</tr>
</tbody>
</table>

For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>To be completed in</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Less than 1 year</td>
<td>1-2 years</td>
</tr>
<tr>
<td>Expansion Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- 13 MTPA expansion at Vijayanagar Works</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- 5 to 10 MTPA at Dolvi Works</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Baytown, Phase-II</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Blast Furnace III Upgradation at Vijayanagar Works</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Cold Rolling Mill I expansion</td>
<td>1,746</td>
<td>-</td>
</tr>
<tr>
<td>- Coating Coated Line- Kalimexwear</td>
<td>194</td>
<td>-</td>
</tr>
<tr>
<td>- Pickling Line and Tandem Cold Mill-Vasind</td>
<td>1,350</td>
<td>-</td>
</tr>
<tr>
<td>- Triplate Project Line- Tarapur</td>
<td>180</td>
<td>-</td>
</tr>
<tr>
<td>- Continuous Annealing Line- Vasind</td>
<td>-</td>
<td>236</td>
</tr>
<tr>
<td>Others</td>
<td>241</td>
<td>71</td>
</tr>
<tr>
<td>Cost Reduction Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Coke Oven 5 &amp; Pellet Plant 3</td>
<td>-</td>
<td>3,881</td>
</tr>
<tr>
<td>- Coke Oven 10 to 10 MTPA expansion</td>
<td>-</td>
<td>1,960</td>
</tr>
<tr>
<td>- 175 MW &amp; 60 MW Power Plant</td>
<td>597</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>624</td>
<td>2</td>
</tr>
<tr>
<td>Others</td>
<td>11</td>
<td>131</td>
</tr>
<tr>
<td>Total</td>
<td>20,490</td>
<td>2,188</td>
</tr>
</tbody>
</table>

6. Investment property

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Land</th>
<th>Buildings</th>
<th>Plant and Equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost / deemed cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 01 April, 2020</td>
<td>3</td>
<td>242</td>
<td>245</td>
<td>-</td>
</tr>
<tr>
<td>Acquired pursuant to business combination (refer note 41)</td>
<td>1</td>
<td>66</td>
<td>76</td>
<td>-</td>
</tr>
<tr>
<td>Transfer from property, plant and equipment (refer note 4)</td>
<td>1</td>
<td>11</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>-</td>
<td>14</td>
<td>14</td>
<td>-</td>
</tr>
<tr>
<td>At 31 March, 2021</td>
<td>30</td>
<td>256</td>
<td>286</td>
<td>-</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>19</td>
<td>19</td>
<td>-</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>91</td>
<td>91</td>
<td>-</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>-</td>
<td>(4)</td>
<td>(4)</td>
<td>-</td>
</tr>
<tr>
<td>At 31 March, 2022</td>
<td>30</td>
<td>180</td>
<td>210</td>
<td>-</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March, 2020</td>
<td>-</td>
<td>21</td>
<td>21</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>-</td>
<td>4</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>-</td>
<td>11</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td>At 31 March, 2021</td>
<td>-</td>
<td>27</td>
<td>27</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>-</td>
<td>4</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>-</td>
<td>3</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>At 31 March, 2022</td>
<td>30</td>
<td>30</td>
<td>60</td>
<td>-</td>
</tr>
<tr>
<td>Net book value</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March, 2022</td>
<td>30</td>
<td>150</td>
<td>180</td>
<td>-</td>
</tr>
<tr>
<td>At 31 March, 2021</td>
<td>30</td>
<td>229</td>
<td>259</td>
<td>-</td>
</tr>
</tbody>
</table>

The Fair value of investment property as at 31 March, 2022 is ₹ 231 crores (as at 31 March, 2021 - ₹ 392 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.

7. Right-of-use assets and Lease Liability

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Land</th>
<th>Buildings</th>
<th>Plant and Equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost / deemed cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 01 April, 2020</td>
<td>3</td>
<td>2,638</td>
<td>2,641</td>
<td>-</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>629</td>
<td>629</td>
<td>-</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>-</td>
<td>285</td>
<td>285</td>
<td>-</td>
</tr>
<tr>
<td>At 31 March, 2021</td>
<td>30</td>
<td>2,815</td>
<td>2,845</td>
<td>-</td>
</tr>
<tr>
<td>Additions</td>
<td>11</td>
<td>371</td>
<td>382</td>
<td>-</td>
</tr>
<tr>
<td>Acquired pursuant to business combinations (refer note 41)</td>
<td>904</td>
<td>1</td>
<td>905</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(5)</td>
<td>(325)</td>
<td>(330)</td>
<td>-</td>
</tr>
<tr>
<td>Impairment (refer note 48)</td>
<td>-</td>
<td>(42)</td>
<td>(42)</td>
<td>-</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>At 31 March, 2022</td>
<td>30</td>
<td>3,014</td>
<td>3,056</td>
<td>-</td>
</tr>
</tbody>
</table>

Leasehold land aggregating to ₹ 65 crores wherein the lease deed has expired and the Company has a right to convert the land into freehold land subject to complying with certain conditions. The Company is in the process of converting the title into freehold as per the lease cum sale agreement.
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

Lease Liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 01 April, 2020</td>
<td>2,050</td>
</tr>
<tr>
<td>Additions</td>
<td>628</td>
</tr>
<tr>
<td>Interest accrued</td>
<td>357</td>
</tr>
<tr>
<td>Lease principal payments</td>
<td>335</td>
</tr>
<tr>
<td>Lease interest payments</td>
<td>357</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>1</td>
</tr>
<tr>
<td>At 31 March, 2021</td>
<td>2,344</td>
</tr>
<tr>
<td>Additions</td>
<td>360</td>
</tr>
<tr>
<td>Acquired pursuant to business combinations (refer note 41)</td>
<td>11</td>
</tr>
<tr>
<td>Interest accrued</td>
<td>259</td>
</tr>
<tr>
<td>Lease principal payments</td>
<td>417</td>
</tr>
<tr>
<td>Lease interest payments</td>
<td>259</td>
</tr>
<tr>
<td>Impairment (refer note 48)</td>
<td>36</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>1</td>
</tr>
<tr>
<td>At 31 March, 2022</td>
<td>2,262</td>
</tr>
</tbody>
</table>

Breakup of lease liabilities:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>680</td>
</tr>
<tr>
<td>Non-current</td>
<td>1,562</td>
</tr>
<tr>
<td>Total</td>
<td>2,262</td>
</tr>
</tbody>
</table>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>1,121</td>
<td></td>
</tr>
<tr>
<td>Non-current</td>
<td>1,141</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2,262</td>
<td></td>
</tr>
</tbody>
</table>

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 ₹ 539 crores (previous year ₹ 442 crores) shown under Cost of material consumed / other expenses.

The Group has recognized ₹ 78 crores (previous year ₹ 50 crores) as rent expenses during the year which pertains to short term lease/ low value asset which was not recognized as part of right-of-use asset.

8. Goodwill

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost / deemed cost</td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>1,949</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>53</td>
</tr>
<tr>
<td>Balance at the end of the year (a)</td>
<td>2,002</td>
</tr>
<tr>
<td>Accumulated impairment</td>
<td>1,612</td>
</tr>
<tr>
<td>Balance at the beginning of the year (a)</td>
<td>1,612</td>
</tr>
<tr>
<td>Impairment (refer note 33 and 48)</td>
<td>63</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>37</td>
</tr>
<tr>
<td>Balance at the end of the year (b)</td>
<td>1,513</td>
</tr>
<tr>
<td>Net book value (a-b)</td>
<td>119</td>
</tr>
</tbody>
</table>

Allocation of goodwill to Cash Generating Units (CGU’s)

<table>
<thead>
<tr>
<th>CGU</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coal mines at West Virginia, USA</td>
<td>106</td>
</tr>
<tr>
<td>Steel plant at Mingo Junction, USA</td>
<td>56</td>
</tr>
<tr>
<td>Others</td>
<td>44</td>
</tr>
<tr>
<td>Total</td>
<td>119</td>
</tr>
</tbody>
</table>

Description of key assumptions considered for the value in use calculation

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 17.9% per annum (18.2% per annum for 31 March, 2021). 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 2026-27 and future prices of steel prices. The projections do not consider growth rate in production and price in terminal year.

Considering past trend of movement in steel prices, the management believes that the following changes in these key estimates would result into carrying amount exceeding the recoverable amount:

a) Decrease in steel prices by 1% would result into change in recoverable value by ₹ 565 crores.

b) Decrease in production schedule by 5% would result into change in recoverable value by ₹ 501 crores.

9. Other intangible assets

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer software</td>
<td>170</td>
</tr>
<tr>
<td>Licences</td>
<td>52</td>
</tr>
<tr>
<td>Mining concession</td>
<td>283</td>
</tr>
<tr>
<td>Coal Linkage</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>528</td>
</tr>
</tbody>
</table>

Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

8. Goodwill

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost / deemed cost</td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>1,949</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>53</td>
</tr>
<tr>
<td>Balance at the end of the year (a)</td>
<td>2,002</td>
</tr>
<tr>
<td>Accumulated impairment</td>
<td>1,612</td>
</tr>
<tr>
<td>Balance at the beginning of the year (a)</td>
<td>1,612</td>
</tr>
<tr>
<td>Impairment (refer note 33 and 48)</td>
<td>63</td>
</tr>
<tr>
<td>Translation reserve</td>
<td>37</td>
</tr>
<tr>
<td>Balance at the end of the year (b)</td>
<td>1,513</td>
</tr>
<tr>
<td>Net book value (a-b)</td>
<td>119</td>
</tr>
</tbody>
</table>

Allocation of goodwill to Cash Generating Units (CGU’s)

<table>
<thead>
<tr>
<th>CGU</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coal mines at West Virginia, USA</td>
<td>106</td>
</tr>
<tr>
<td>Steel plant at Mingo Junction, USA</td>
<td>56</td>
</tr>
<tr>
<td>Others</td>
<td>44</td>
</tr>
<tr>
<td>Total</td>
<td>119</td>
</tr>
</tbody>
</table>

Description of key assumptions considered for the value in use calculation

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 17.9% per annum (18.2% per annum for 31 March, 2021). 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 2026-27 and future prices of steel prices. The projections do not consider growth rate in production and price in terminal year.

Considering past trend of movement in steel prices, the management believes that the following changes in these key estimates would result into carrying amount exceeding the recoverable amount:

a) Decrease in steel prices by 1% would result into change in recoverable value by ₹ 565 crores.

b) Decrease in production schedule by 5% would result into change in recoverable value by ₹ 501 crores.

9. Other intangible assets

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer software</td>
<td>170</td>
</tr>
<tr>
<td>Licences</td>
<td>52</td>
</tr>
<tr>
<td>Mining concession</td>
<td>283</td>
</tr>
<tr>
<td>Coal Linkage</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>528</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

To Intangibles under development, whose completion is overdue or has exceeded its cost compared to its original
liability and capitalised related costs for mines which are yet to be made operational.

A. Investment in equity shares accounted for using equity method

Joint Ventures

- Sourangdh Coal Limited
  Equity shares: 10 each
  Add: Share of profit/(loss) (net): 2
  Total: 2

- JSW MI Steel Service Centre Private Limited
  Equity shares: 10 each
  Add: Share of profit/(loss) (net): 36
  Total: 36

- JSW Severfield Structures Limited
  Equity shares: 10 each
  Add: Share of profit/(loss) (net): 2
  Total: 2

- Crexent Special Steels Limited
  Equity shares: 10 each
  Add: Share of profit/(loss) (net): 399
  Total: 399

- Piombino Steel Limited
  Equity shares: 10 each
  Add: Share of profit/(loss) (net): 3,990
  Total: 3,990

B. Investments in share warrants

Joint Ventures

- Piombino Steel Limited (refer note 41)
  Equity shares: 10 each
  Add: Share of profit/(loss) (net): 380
  Total: 380

- 10. Investments in joint ventures

For Intangibles under development, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>To be completed in</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining Assets</td>
<td>Less than 1 year</td>
</tr>
<tr>
<td>As at 31 March, 2022</td>
<td>112</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Paid up value</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW MI Steel Service Centre Private Limited</td>
<td>4,800,000</td>
</tr>
<tr>
<td>JSW Severfield Structures Limited</td>
<td>4,800,000</td>
</tr>
<tr>
<td>Crexent Special Steels Limited</td>
<td>4,800,000</td>
</tr>
<tr>
<td>Piombino Steel Limited (refer note 41)</td>
<td>3,500,000</td>
</tr>
</tbody>
</table>

As at 31 March, 2021

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangibles assets under development for a period of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining Assets</td>
<td>Less than 1 year</td>
</tr>
<tr>
<td>As at 31 March, 2021</td>
<td>118</td>
</tr>
</tbody>
</table>

For Intangibles under development, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangibles assets under development for a period of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining Assets</td>
<td>Less than 1 year</td>
</tr>
<tr>
<td>As at 31 March, 2021</td>
<td>18</td>
</tr>
</tbody>
</table>

a) The Company acquired mining blocks viz: - Nuagaon, Narayanpasha, Jagaj 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 capitalized as Intangible Assets. The Company had started
mining operations at all the above said blocks since 1 July, 2020. The Company has also recognised restoration
liability and capitalised ₹ 443 crores during the previous year. During the current year, the Company reestimated
the restoration liability through a mining expert and accordingly recognized an additional assets and corresponding
liability of ₹ 367 crores.

b) Intangible assets under development include expenditure incurred on development of mining rights and other
related costs for mines which are yet to be made operational.

Intangible assets under development ageing schedule is as below:

As at 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Intangibles assets under development for a period of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining Assets</td>
<td>Less than 1 year</td>
</tr>
<tr>
<td>As at 31 March, 2022</td>
<td>82</td>
</tr>
<tr>
<td>As at 31 March, 2021</td>
<td>80</td>
</tr>
</tbody>
</table>

- Less than ₹ 0.50 crores
11. Investments (non-current)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Paid-up value</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A Investment in equity instruments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully paid up</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quoted (at fair value through other comprehensive income)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Energy Limited</td>
<td>₹ 10 each</td>
<td>101,665,500</td>
<td>101,065,500</td>
</tr>
<tr>
<td>SBI Infrastructure Fund</td>
<td>₹ 10 each</td>
<td>40,000</td>
<td>40,000</td>
</tr>
<tr>
<td>Unquoted (at fair value through other comprehensive income)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Paints Private Limited (refer note a below)</td>
<td>₹ 10 each</td>
<td>16,216,215</td>
<td>11,000,000</td>
</tr>
<tr>
<td>Tarapur Environment Protection Society</td>
<td>₹ 100 each</td>
<td>244,885</td>
<td>244,885</td>
</tr>
<tr>
<td>Toshiba JSW Power Systems Private Limited</td>
<td>₹ 10 each</td>
<td>11,000,000</td>
<td>11,000,000</td>
</tr>
<tr>
<td>Mistry Coal Limited</td>
<td>₹ 10 each</td>
<td>10,000,000</td>
<td>10,000,000</td>
</tr>
<tr>
<td>SCOM Limited</td>
<td>₹ 10 each</td>
<td>600,000</td>
<td>600,000</td>
</tr>
<tr>
<td>Kalyani Muktan Limited</td>
<td>Re. 1 each</td>
<td>480,000</td>
<td>480,000</td>
</tr>
<tr>
<td>Ispat Profiles India Limited</td>
<td>Re. 1 each</td>
<td>1,500,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Valhall Steels Limited</td>
<td>₹ 10 each</td>
<td>295,000</td>
<td>295,000</td>
</tr>
<tr>
<td>Gino Steel LLC</td>
<td>10% equity interest in capital</td>
<td>45</td>
<td>44</td>
</tr>
<tr>
<td>Capain Power Limited</td>
<td>₹ 10 each</td>
<td>3,823,781</td>
<td>3,823,781</td>
</tr>
<tr>
<td><strong>B Investments in preference shares</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully paid up</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joint ventures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unquoted (at fair value through profit or loss)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rokne Coal Company Private Limited</td>
<td>₹ 10 each</td>
<td>23,642,580</td>
<td>23,642,580</td>
</tr>
<tr>
<td>1% non-cumulative preference shares</td>
<td>₹ 10 each</td>
<td>7,152,530</td>
<td>7,152,530</td>
</tr>
<tr>
<td>1% Series-A non-cumulative preference shares</td>
<td>₹ 10 each</td>
<td>2,317,686</td>
<td>2,317,686</td>
</tr>
<tr>
<td>1% Series-B non-cumulative preference shares</td>
<td>₹ 10 each</td>
<td>2,317,686</td>
<td>2,317,686</td>
</tr>
<tr>
<td>Unquoted (at amortised cost)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crexient Special Steels Limited</td>
<td>₹ 10 each</td>
<td>601</td>
<td>601</td>
</tr>
<tr>
<td>0.01% Redeemable preference shares I</td>
<td>₹ 10 each</td>
<td>171,969,200</td>
<td>171,969,200</td>
</tr>
<tr>
<td>0.01% Redeemable preference shares II</td>
<td>₹ 10 each</td>
<td>198,300,410</td>
<td>198,300,410</td>
</tr>
<tr>
<td>0.01% Non-convertible debentures (refer note b below)</td>
<td>₹ 1,000,000</td>
<td>1,883</td>
<td>1,883</td>
</tr>
<tr>
<td>JSW Ispat Special Products Limited</td>
<td>0.01% compulsorily convertible, non-cumulative preference shares of ₹ 10 each</td>
<td>601</td>
<td>601</td>
</tr>
<tr>
<td><strong>C Investments in Optionally fully convertible debentures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully paid up</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joint ventures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unquoted (at fair value through profit or loss)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Polimero Steel Limited (refer note 41)</td>
<td>6% optionally fully convertible, non-cumulative of ₹ 10 each for a term of 10 years</td>
<td>-</td>
<td>4,100,000,000</td>
</tr>
<tr>
<td><strong>D Investments in government securities (unquoted - others) (at amortised cost)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Savings Certificates (pledged with commercial tax department)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Aggregate amount of provision for impairment in the value of investments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quoted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggregate book value</td>
<td>3,071</td>
<td>893</td>
<td></td>
</tr>
<tr>
<td>Aggregate market value</td>
<td>3,071</td>
<td>893</td>
<td></td>
</tr>
<tr>
<td>Unquoted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggregate book value (net of impairment)</td>
<td>1,494</td>
<td>4,711</td>
<td></td>
</tr>
<tr>
<td>Investment at fair value through other comprehensive income</td>
<td>3,708</td>
<td>972</td>
<td></td>
</tr>
<tr>
<td>Investment at fair value through profit and loss</td>
<td>49</td>
<td>4,145</td>
<td></td>
</tr>
<tr>
<td>Investment at amortised cost</td>
<td>808</td>
<td>487</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No. of shares</th>
<th>₹ in crores</th>
<th>No. of shares</th>
<th>₹ in crores</th>
</tr>
</thead>
</table>

Notes:
(a) In accordance with the Share Subscription agreement entered into with JSW Paints Private Limited on 23 July, 2021, the Company has agreed to invest ₹ 750 crores in JSW Paints Private Limited. During the year, the Company has invested ₹ 350 crores and has been allotted 16,216,215 equity shares which approximates to 75% of the issued and paid-up equity capital of JSW Paints Private Limited. The investment has been fair valued at ₹ 564 crores as on 31 March, 2022.
(b) The Company has purchased non-convertible debentures amounting to ₹ 269 crores issued by Crexient Special Steels Limited (CSSL) from an open market hence not disclosed as part of related party transactions.

12. Loans (unsecured)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Non-current</td>
<td>Current</td>
</tr>
<tr>
<td>Loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>to related parties</td>
<td>125</td>
<td>317</td>
</tr>
<tr>
<td>to other body corporates</td>
<td>9</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>125</td>
<td>359</td>
</tr>
<tr>
<td>Notes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans Receivable Considered good</td>
<td>125</td>
<td>759</td>
</tr>
<tr>
<td>Loans Receivable which have significant increase in Credit Risk</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans Receivable - credit impaired</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans and advances to other body corporate</td>
<td>9</td>
<td>-</td>
</tr>
</tbody>
</table>

The Company has no loans and advances which are either repayable on demand or are without specifying any terms or period of repayment.
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

13. Other financial assets (unsecured)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Non-current</td>
<td>Current</td>
</tr>
<tr>
<td>Security deposits</td>
<td>831</td>
<td>177</td>
</tr>
<tr>
<td>Export benefits and entitlements</td>
<td>5</td>
<td>208</td>
</tr>
<tr>
<td>Advance towards equity share capital / preference shares</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Bank balances with maturity more than 12 months (margin money)</td>
<td>107</td>
<td>-</td>
</tr>
<tr>
<td>Receivable for cost block development expenditure</td>
<td>118</td>
<td>-</td>
</tr>
<tr>
<td>Indirect tax balances refund due</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>Government grant incentive income receivable</td>
<td>2,499</td>
<td>690</td>
</tr>
<tr>
<td>Interest receivable on loan to related parties</td>
<td>0</td>
<td>99</td>
</tr>
<tr>
<td>Others</td>
<td>525</td>
<td>196</td>
</tr>
<tr>
<td>Less: Allowance for doubtful balances</td>
<td>-</td>
<td>(103)</td>
</tr>
<tr>
<td>Total</td>
<td>4,084</td>
<td>1,269</td>
</tr>
</tbody>
</table>

Notes:
- Considered good: 4,084, 1,269, 2,683, 1,610
- Considered doubtful, provided: -
- Export benefits and entitlements: -
- Others: -

@ - less than ₹ 0.50 crores

14. Other assets (unsecured)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Non-current</td>
<td>Current</td>
</tr>
<tr>
<td>Capital advances</td>
<td>1,663</td>
<td>-</td>
</tr>
<tr>
<td>Less: Allowances for doubtful advances</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>(A)</td>
<td>1,651</td>
<td>-</td>
</tr>
<tr>
<td>Advances to suppliers</td>
<td>258</td>
<td>1,592</td>
</tr>
<tr>
<td>Export benefits and entitlements</td>
<td>58</td>
<td>18</td>
</tr>
<tr>
<td>Advance royalty</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Security deposits</td>
<td>102</td>
<td>74</td>
</tr>
<tr>
<td>Indirect tax balances/ recoverable (refer note a)</td>
<td>2,712</td>
<td>2,246</td>
</tr>
<tr>
<td>Prepayments and others</td>
<td>107</td>
<td>386</td>
</tr>
<tr>
<td>Less: Allowances for doubtful advances</td>
<td>(264)</td>
<td>(28)</td>
</tr>
<tr>
<td>(B)</td>
<td>2,972</td>
<td>4,250</td>
</tr>
<tr>
<td>Total (A+B)</td>
<td>4,633</td>
<td>4,250</td>
</tr>
</tbody>
</table>

Notes:
- Capital advances: 1,651, 668
- Considered good: 1,661, 673
- Considered doubtful, provided: 2, 7
- Other advances:
  - Considered good: 2,972, 4,250
  - Considered doubtful, provided: 198, 127
  - Advance to suppliers: 248, -
  - Prepayments and others: 13, 26
  - Indirect tax balances/recoverable/credits: 3, -

a) Maharashtra Electricity Regulation Commission (MERC) had approved levy of additional surcharge of ₹ 1.25/kWh w.e.f. 1 September, 2018 to all the consumers sourcing power from Captive power plants. Company had contested the demand and got a favourable judgement from Appellate Tribunal for Electricity (APTEL) in March 2019. MERC subsequently filed special leave petition (‘SLP’) in the Honourable Supreme Court against APTEL’s decision. The Honourable Supreme Court has passed an order in favour of the Company on 10 December, 2021 confirming that the captive users are not liable to pay the additional surcharge leviable under Section 42(4) of the Electricity Act, 2003. Hence, the commission has proposed to adjust the amount paid under dispute towards 50% of the monthly transmission charges payable by the Company.

Accordingly, ₹ 72 crores has been classified as current and remaining ₹ 561 crores has been classified as non-current assets.

15. Inventories

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw materials (at cost)</td>
<td>18,916</td>
<td>6,422</td>
</tr>
<tr>
<td>Work-in-progress (at cost)</td>
<td>1,009</td>
<td>556</td>
</tr>
<tr>
<td>Semi-finished/blocked goods (at cost or net realisable value)</td>
<td>10,464</td>
<td>5,317</td>
</tr>
<tr>
<td>Production consumables, fuel stock and stores and spares (at cost)</td>
<td>3,386</td>
<td>2,063</td>
</tr>
<tr>
<td>Traded goods</td>
<td>19</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>32,787</td>
<td>14,249</td>
</tr>
</tbody>
</table>

Notes:
- Details of stock-in-transit:
  - Raw materials: 8,650, 1,442
  - Semi-finished/blocked goods: 92, -
  - Production consumables and stores and spares: 367, 133
- Total: 7,278, 1,579

Value of inventories above is stated after write down to net realisable value of ₹ Nil (31 March, 2021 – ₹ 113 crores). These were recognised as an expense 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)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mutual funds (quoted)</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>

Notes:
- Quoted: 8, 8
- Aggregate book value: 8, 8
- Aggregate market value: 8, 8

17. Trade receivables

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables considered good – Secured</td>
<td>7,447</td>
<td>4,467</td>
</tr>
<tr>
<td>Trade receivables considered good – Unsecured</td>
<td>100</td>
<td>78</td>
</tr>
<tr>
<td>Trade receivables which have significant increase in credit risk</td>
<td>158 776</td>
<td></td>
</tr>
<tr>
<td>Less: Allowance for doubtful debts</td>
<td>(140)</td>
<td>(143)</td>
</tr>
<tr>
<td>Trade Receivables – credit impaired</td>
<td>125</td>
<td>62</td>
</tr>
<tr>
<td>Less: Allowance for doubtful debts</td>
<td>(110)</td>
<td>(62)</td>
</tr>
<tr>
<td>Total</td>
<td>7,491</td>
<td>4,486</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

Ageing as at 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Due date of payment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unbilled</td>
<td>Not Due</td>
</tr>
<tr>
<td>Undisputed trade receivables considered good</td>
<td>19</td>
<td>3,293</td>
</tr>
<tr>
<td>Undisputed trade receivables - which have significant increase in credit risk</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Undisputed trade receivables - credit impaired</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disputed trade receivables - considered good</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disputed trade receivables - credit impaired</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disputed trade receivables - which have significant increase in credit risk</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disputed trade receivables - credit impaired</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less: Allowance for doubtful debts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>3,293</td>
</tr>
</tbody>
</table>

Ageing as at 31 March, 2021

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Due date of payment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unbilled</td>
<td>Not Due</td>
</tr>
<tr>
<td>Undisputed trade receivables considered good</td>
<td>19</td>
<td>3,293</td>
</tr>
<tr>
<td>Undisputed trade receivables - which have significant increase in credit risk</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Undisputed trade receivables - credit impaired</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disputed trade receivables - considered good</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disputed trade receivables - credit impaired</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disputed trade receivables - which have significant increase in credit risk</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disputed trade receivables - credit impaired</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less: Allowance for doubtful debts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>3,293</td>
</tr>
</tbody>
</table>

The credit period on sales of goods ranges from 7 to 120 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 receivables have been given as collateral towards borrowings, the details relating to which has been described in note 22 and 28. Credit risk management regarding trade receivables has been described in note 44 (l). 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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2021</th>
<th>As at 31 March, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balances with banks</td>
<td>11,843</td>
<td>8,803</td>
</tr>
<tr>
<td>In current accounts</td>
<td>1,973</td>
<td>953</td>
</tr>
<tr>
<td>In term deposit accounts with maturity less than 3 months at inception</td>
<td>7,690</td>
<td>10,988</td>
</tr>
<tr>
<td>Cheques on hand</td>
<td>74</td>
<td>1</td>
</tr>
<tr>
<td>Cash on hand</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>8,803</td>
<td>11,843</td>
</tr>
</tbody>
</table>

18 (b) Bank balances other than cash and cash equivalents

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2021</th>
<th>As at 31 March, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earmarked balances in current account</td>
<td>8,575</td>
<td>870</td>
</tr>
<tr>
<td>In current accounts</td>
<td>253</td>
<td>42</td>
</tr>
<tr>
<td>Balance with banks</td>
<td>7,107</td>
<td>468</td>
</tr>
<tr>
<td>In term deposit accounts with maturity more than 12 months at inception</td>
<td>20</td>
<td>56</td>
</tr>
<tr>
<td>In margin money</td>
<td>1,186</td>
<td>284</td>
</tr>
<tr>
<td>Total</td>
<td>8,575</td>
<td>870</td>
</tr>
</tbody>
</table>

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 guarantee.

19. Derivative assets

b. Current

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2021</th>
<th>As at 31 March, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest rate swaps</td>
<td>20</td>
<td>4</td>
</tr>
<tr>
<td>Forward contracts</td>
<td>308</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>428</td>
<td>40</td>
</tr>
</tbody>
</table>

@ - Less than ₹ 0.50 crores
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

20. Equity share capital

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Authorised</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity shares (at par value of Rs 1 each)</td>
<td>60,150,00,000</td>
<td>60,150,00,000</td>
</tr>
<tr>
<td>(b) Issued and subscribed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Outstanding at the beginning of the year fully paid up</td>
<td>2,417,22,440</td>
<td>2,422,424</td>
</tr>
<tr>
<td>(ii) Issued under ESOP trust (Refer note below)</td>
<td>(18,110,851)</td>
<td>(11,454,094)</td>
</tr>
<tr>
<td>(iii) Outstanding at the end of the year fully paid up</td>
<td>2,40,05,03,583</td>
<td>2,40,76,346</td>
</tr>
<tr>
<td>(c) Equity shares forfeited (amount originally paid-up)</td>
<td>61</td>
<td>81</td>
</tr>
<tr>
<td>Total</td>
<td>301</td>
<td>302</td>
</tr>
</tbody>
</table>

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 share 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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares of Rs 1 each fully paid up held under ESOP Trust</td>
<td>11,454,094</td>
<td>14,816,254</td>
</tr>
<tr>
<td>Changes during the year</td>
<td>5,262,763</td>
<td>(3,362,160)</td>
</tr>
<tr>
<td>Treasury shares as at 31 March</td>
<td>16,716,857</td>
<td>11,454,094</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity shares</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JFE Steel International Europe BV</td>
<td>36,25,83,070</td>
<td>36,25,83,070</td>
</tr>
<tr>
<td>JSW Techno Projects Management Limited</td>
<td>23,48,96,523</td>
<td>23,48,96,523</td>
</tr>
<tr>
<td>JSW Holdings Limited</td>
<td>18,14,02,230</td>
<td>18,14,02,230</td>
</tr>
<tr>
<td>Vedanta Limited</td>
<td>14,44,13,382</td>
<td>11,60,57,427</td>
</tr>
<tr>
<td>LIC ULP-GROWTH FUND</td>
<td>14,33,70,690</td>
<td>14,33,70,690</td>
</tr>
</tbody>
</table>

d) Promoters’ shareholding

<table>
<thead>
<tr>
<th>Promoter Name</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>% Change during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>JwJ Techno Projects Management Limited</td>
<td>26,45,96,120</td>
<td>26,44,45,240</td>
<td>0.00%</td>
</tr>
<tr>
<td>JSW Holdings Limited</td>
<td>18,14,02,230</td>
<td>18,14,02,230</td>
<td>0.00%</td>
</tr>
<tr>
<td>Vedanta Limited</td>
<td>14,33,70,690</td>
<td>14,33,70,690</td>
<td>0.00%</td>
</tr>
<tr>
<td>JSW Holdings Limited</td>
<td>11,26,73,660</td>
<td>11,26,67,880</td>
<td>0.00%</td>
</tr>
<tr>
<td>Siddharathia Tradex Limited</td>
<td>8,46,50,763</td>
<td>8,46,50,763</td>
<td>0.00%</td>
</tr>
<tr>
<td>IJ Energy Limited</td>
<td>7,00,38,360</td>
<td>7,00,38,360</td>
<td>0.00%</td>
</tr>
<tr>
<td>Jpm Metals Traders Private Limited</td>
<td>6,40,75,700</td>
<td>6,40,75,700</td>
<td>0.00%</td>
</tr>
<tr>
<td>Wirwitha Tradeex Coop Private Limited</td>
<td>6,03,68,250</td>
<td>6,03,68,250</td>
<td>0.00%</td>
</tr>
<tr>
<td>Navaa Sons Investments Ltd</td>
<td>4,54,86,370</td>
<td>4,54,86,370</td>
<td>0.00%</td>
</tr>
<tr>
<td>Ic Overseas Limited</td>
<td>2,10,26,090</td>
<td>2,10,26,090</td>
<td>0.00%</td>
</tr>
<tr>
<td>Karnataka State Industrial And Infrastructure Dev</td>
<td>90,75,520</td>
<td>90,75,520</td>
<td>0.00%</td>
</tr>
<tr>
<td>I Jindal Hande</td>
<td>49,93,890</td>
<td>49,93,890</td>
<td>0.00%</td>
</tr>
<tr>
<td>I Shite</td>
<td>49,63,630</td>
<td>49,63,630</td>
<td>0.00%</td>
</tr>
<tr>
<td>Beaufield Holdings Limited</td>
<td>42,97,270</td>
<td>42,97,270</td>
<td>0.00%</td>
</tr>
<tr>
<td>Mundada Holdings Limited</td>
<td>42,18,090</td>
<td>42,18,090</td>
<td>0.00%</td>
</tr>
<tr>
<td>Natchi Investments Limited</td>
<td>42,07,380</td>
<td>42,07,380</td>
<td>0.00%</td>
</tr>
<tr>
<td>Esbele Investment Company Limited</td>
<td>41,60,070</td>
<td>41,60,070</td>
<td>0.00%</td>
</tr>
<tr>
<td>Parth Jindal</td>
<td>18,20,000</td>
<td>18,20,000</td>
<td>0.00%</td>
</tr>
<tr>
<td>Seema Jajodia</td>
<td>17,65,000</td>
<td>17,50,000</td>
<td>0.00%</td>
</tr>
<tr>
<td>Urvika Bhilwara</td>
<td>1,12,000</td>
<td>2,45,000</td>
<td>0.00%</td>
</tr>
<tr>
<td>Saroj Bhartia</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Mendeza Holdings Limited</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Beaufield Holdings Limited</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Murli Dey</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Deepika Jindal</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Prithavi Raj Jindal</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>S K Jindal And Sons Huf</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Sminu Jindal</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Sarika Jhunjhnuwala</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Naveen Jindal</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Tripti Jindal</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Aiyush Bhuwalka</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>JwJ Investments Private Limited</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Reynold Traders Private Limited</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Sangita Jindal</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>South West Mining Limited</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Parth Jindal Family Trust</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Sajjan Jindal Family Trust</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Sajjan Jindal Lineage Trust</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Tanvi Jindal Family Trust</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Tarini Jindal Family Trust</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Katari Devi Jindal</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Tarini Jindal Family Trust</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Sajjan Jindal</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>JwJ Projects Limited</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Hexa Tradex Limited</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Aiyush Bhuwalka</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>JwJ Investments Private Limited</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Reynold Traders Private Limited</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Sajjan Jindal</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Parth Jindal Family Trust</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Tarini Jindal Family Trust</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Tarini Jindal Family Trust</td>
<td>84,580</td>
<td>84,580</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total</td>
<td>1,08,80,57,750</td>
<td>1,06,53,02,540</td>
<td>0.00%</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

e) 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

f) The Company has 3,00,00,00,000 authorised preference shares of ₹ 10 each amounting to ₹ 3,000 crores as on 31 March, 2022 (₹ 3,000 crores in 31 March, 2021).

21. Other equity

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>General reserve</td>
<td>10,009</td>
<td>9,972</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>42,815</td>
<td>24,043</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity instruments through other comprehensive income</td>
<td>2,754</td>
<td>630</td>
</tr>
<tr>
<td>Effective portion of cash flow hedges</td>
<td>(199)</td>
<td>(194)</td>
</tr>
<tr>
<td>Foreign currency translation reserve</td>
<td>(942)</td>
<td>(816)</td>
</tr>
<tr>
<td><strong>Other reserves</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity settled share based payment reserve</td>
<td>241</td>
<td>117</td>
</tr>
<tr>
<td>Capital reserve</td>
<td>3,565</td>
<td>3,565</td>
</tr>
<tr>
<td>Capital redemption reserve</td>
<td>774</td>
<td>774</td>
</tr>
<tr>
<td>Capital reserve on bargain purchase</td>
<td>2,742</td>
<td>1,780</td>
</tr>
<tr>
<td>Securities premium reserve</td>
<td>5,417</td>
<td>5,417</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>66,996</td>
<td>45,308</td>
</tr>
</tbody>
</table>

(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 include re-measurement loss / (gain) on de-fined 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 reclassified to profit or loss on the disposal of the foreign operation.

(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) Capital reserve on bargain purchase
The excess of fair value of net assets acquired over the consideration paid in a business combination is recognised as capital reserve on bargain purchase. The reserve is not available for distribution.

(x) Securities Premium
The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

22. Borrowings

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds (unsecured)</td>
<td>20,469</td>
<td>15,951</td>
</tr>
<tr>
<td>Debentures (secured)</td>
<td>11,840</td>
<td>8,670</td>
</tr>
<tr>
<td>Term loans:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td>11,885</td>
<td>11,995</td>
</tr>
<tr>
<td>Unsecured</td>
<td>13,496</td>
<td>11,787</td>
</tr>
<tr>
<td>Acceptances for capital projects with maturity more than 1 year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unsecured</td>
<td>5</td>
<td>707</td>
</tr>
<tr>
<td>Deferred government loans (unsecured)</td>
<td>629</td>
<td>379</td>
</tr>
<tr>
<td>Other loans:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preference shares (unsecured)</td>
<td>29</td>
<td>-</td>
</tr>
<tr>
<td>Unamortised upfront fees on borrowing</td>
<td>(441)</td>
<td>(351)</td>
</tr>
<tr>
<td>Fair value hedge adjustment (refer note 44 (G))</td>
<td>(1)</td>
<td>(30)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>57,929</td>
<td>49,731</td>
</tr>
</tbody>
</table>

Less: Current maturities of long-term debt clubbed under Short term borrowings (refer note 28) | (10,073) | (8,318) |

**Total** | 57,929 | 49,731 |
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

### Bonds (Unsecured)

<table>
<thead>
<tr>
<th>Non-Current</th>
<th>Current</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,033</td>
<td>-</td>
<td>5.375% Repayable on 4 April, 2025</td>
<td></td>
</tr>
<tr>
<td>3,790</td>
<td>-</td>
<td>5.95% Repayable on 31 March, 2027</td>
<td></td>
</tr>
<tr>
<td>3,790</td>
<td>-</td>
<td>5.95% Repayable on 5 April, 2027</td>
<td></td>
</tr>
<tr>
<td>3,790</td>
<td>-</td>
<td>5.95% Repayable on 19 April, 2032</td>
<td></td>
</tr>
<tr>
<td>3,790</td>
<td>-</td>
<td>5.95% Repayable on 4 April, 2027</td>
<td></td>
</tr>
<tr>
<td>3,790</td>
<td>-</td>
<td>5.95% Repayable on 19 April, 2032</td>
<td></td>
</tr>
<tr>
<td>2,500</td>
<td>-</td>
<td>9.05% NCD is repayable on 22 March, 2024</td>
<td></td>
</tr>
</tbody>
</table>

### Term Loans (secured)

<table>
<thead>
<tr>
<th>Non-Current</th>
<th>Current</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>-</td>
<td>1,000 Bulletin payment on 03.09.2021 with put/call option on 15.06.2021</td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>187 42 Repaid in FY 21-22</td>
<td></td>
</tr>
<tr>
<td>268</td>
<td>86</td>
<td>354 86 10 equal quarterly installments of 1% 23.45% from 30 June, 2022 to 31 March, 2025 and last installment of 11.06% 23.45% from 30 June, 2026</td>
<td></td>
</tr>
<tr>
<td>225</td>
<td>94</td>
<td>319 75 1 quarterly installment of 18.75% 23.45% from 30 June, 2025 2015-2025 12 quarterly installments of 25% 23.45% each from 30 September, 2020-30 June, 2025</td>
<td></td>
</tr>
<tr>
<td>200</td>
<td>100</td>
<td>300 100 12 quarterly installments of 25% 23.45% each from 30 June, 2026-30 June, 2025</td>
<td></td>
</tr>
<tr>
<td>260</td>
<td>120</td>
<td>380 120 8 quarterly installments of 30% 23.45% each from 30 June, 2022 to 31 March, 2024 4 quarterly installments of 35% 23.45% each from 30 June, 2024 to 31 March, 2025</td>
<td></td>
</tr>
<tr>
<td>300</td>
<td>100</td>
<td>300 100 12 quarterly installments of 25% 23.45% each from 30 June, 2025-30 June, 2025</td>
<td></td>
</tr>
<tr>
<td>358</td>
<td>256</td>
<td>614 192 9 quarterly installments of 64% 23.45% each from 30 June, 2022-30 June, 2024 1 quarterly installment of 38% 23.45% from 30 September, 2024</td>
<td></td>
</tr>
<tr>
<td>125</td>
<td>100</td>
<td>225 94 9 quarterly installments of 25% 23.45% each from 30 June, 2022-30 June, 2024</td>
<td></td>
</tr>
<tr>
<td>375</td>
<td>375</td>
<td>750 250 8 quarterly installments of 93.75% 23.45% each from 30 April, 2021-31 January, 2024</td>
<td></td>
</tr>
<tr>
<td>419</td>
<td>169</td>
<td>588 149 1 quarterly installment of 37.5% 23.45% from 30 June, 2022 4 quarterly installments of 43.75% 23.45% each from 30 June, 2022-30 June, 2023 2 quarterly installments of 18.75% 23.45% each from 30 September, 2023-31 December, 2023</td>
<td></td>
</tr>
</tbody>
</table>
## Notes

To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>Notes</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Current</td>
<td>Current</td>
<td>Non-Current</td>
</tr>
<tr>
<td>As at 31 March, 2022</td>
<td>As at 31 March, 2021</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amount</th>
<th>Repayable in</th>
<th>Notes</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>225</td>
<td>in FY 21-22</td>
<td>First pari-passu charge on property, plant and equipment (other than specifically carved out) related to new 5 MTPA Hot Strip Mill (HSM-2) situated at Vijayanagar Works, Karnataka.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>88</td>
<td>49 quarterly instalments of ₹ 28.75 crores each from 30 March, 2021-31 December, 2022</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>150</td>
<td>100 quarterly instalments of ₹ 37.5 crores each from 30 June, 2020-30 June, 2022</td>
<td>First charge on 1.02 mtpa cold rolling mill (excluding equipment/machinery procured out of proceeds of ECA/ECB/FCL) located at Dolvi Works, Maharashtra.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>699</td>
<td>463 quarterly instalments of ₹ 41.67 crores each from 30 June, 2021-30 June, 2023</td>
<td>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.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>950</td>
<td>350 quarterly instalments of ₹ 50 crores each from 30 March, 2021-31 March, 2022</td>
<td>First pari-passu charge on property, plant and equipment (other than specifically carved out) related to 3.2 mtpa expansion property situated at Vijayanagar Works, Karnataka.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>263</td>
<td>262 quarterly instalments of ₹ 43.75 crores each from 30 June, 2022-30 June, 2024</td>
<td>First pari-passu charge on property, plant and equipment (other than specifically carved out) related to 3.8 MTPA capacity upstream assets situated at Vijayanagar Works Karnataka and a flat situated at Vasai, Maharashtra.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>62</td>
<td>63 quarterly instalments of ₹ 87.5 crores each from 31 March, 2022-31 March, 2023</td>
<td>First pari-passu charge on property, plant and equipment located at Vijayanagar Works Karnataka (other than specifically carved out).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>45</td>
<td>Repayable in FY 21-22</td>
<td>First charge on 0.3 mtpa expansion property, plant and equipment (other than assets specifically carved out) situated at Vijayanagar Works Karnataka.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>375</td>
<td>225 quarterly instalments of ₹ 18.75 crores each from 30 June, 2022-31 March, 2023</td>
<td>First pari-passu charge on property, plant and equipment (other than assets specifically carved out) related to new 5 mtpa Hot Strip Mill (HSM-2) situated at Vijayanagar Works, Karnataka.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>366</td>
<td>32 quarterly instalments of ₹ 15.92 crores each from 30 June, 2022-30 August, 2022</td>
<td>First pari-passu charge on property, plant and equipment situated at Salem Works, Tamil Nadu.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>225</td>
<td>46 quarterly instalments of ₹ 12.50 crores each from 31 March, 2022-31 December, 2023</td>
<td>First pari-passu charge on property, plant and equipment related to new 5 mtpa Hot Strip Mill (HSM-2) situated at Vijayanagar Works, Karnataka.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Notes

To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>Non-Current</th>
<th>Current</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>191</td>
<td>106</td>
<td>297</td>
<td>106</td>
<td>6 quarterly installments of ₹ 26.58 crores each from 30 April, 2022 to 31 July, 2023. 2 quarterly installments of ₹ 69.06 crores each from 30 October, 2022 to 31 January, 2024.</td>
<td>First charge by way of legal mortgage on 2400 sq. feet land at Tonnagudde village in the state of Karnataka. First pari-passu charge on the entire property, plant and equipment of the respective subsidiary Company situated at Visakhapatnam, Tarapur and Kalmeshwar both present and future.</td>
</tr>
<tr>
<td>-</td>
<td>460</td>
<td>359</td>
<td>110</td>
<td>1 quarterly installment of ₹ 140 crores on 30 August, 2022</td>
<td>First pari-passu charge on the entire property, plant and equipment of the respective subsidiary Company situated at Visakhapatnam, Tarapur and Kalmeshwar both present and future.</td>
</tr>
<tr>
<td>83</td>
<td>87</td>
<td>150</td>
<td>50</td>
<td>3 quarterly installments of ₹ 16.67 crores each from 31 May, 2022 to 31 May, 2024.</td>
<td>First pari-passu charge on the entire property, plant and equipment of the respective subsidiary Company situated at Visakhapatnam, Tarapur and Kalmeshwar both present and future.</td>
</tr>
<tr>
<td>500</td>
<td>500</td>
<td>-</td>
<td>12.5</td>
<td>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.</td>
<td>First pari-passu charge on the entire property, plant and equipment of the respective subsidiary Company situated at Visakhapatnam, Tarapur and Kalmeshwar both present and future.</td>
</tr>
<tr>
<td>63</td>
<td>-</td>
<td>-</td>
<td>5.28</td>
<td>12 quarterly installments of ₹ 5.28 crores each payable from 31 March, 2024 to 31 March, 2027.</td>
<td>First pari-passu charge on the entire property, plant and equipment of the respective subsidiary Company situated at Visakhapatnam, Tarapur and Kalmeshwar both present and future.</td>
</tr>
<tr>
<td>-</td>
<td>86</td>
<td>86</td>
<td>21</td>
<td>Repaid in Fy 21-22. 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 located at Village JuiBapuji, Taluka Alibag, District Raigad, Maharashtra.</td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>7</td>
<td>15</td>
<td>21</td>
<td>Repaid in Fy 21-22. First pari-passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.</td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>2</td>
<td>1</td>
<td>21</td>
<td>Repaid in Fy 21-22. First pari-passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.</td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>4</td>
<td>4</td>
<td>21</td>
<td>Repaid in Fy 21-22. First pari-passu charge on all the property, plant and equipment and current assets of the respective subsidiary company situated at Rajpura, Punjab.</td>
<td></td>
</tr>
<tr>
<td>339</td>
<td>97</td>
<td>423</td>
<td>94</td>
<td>16 equal quarterly installments of ₹ 24.36 crores each from 30 June, 2023 to 31 March, 2029. 1 installment of ₹ 46.42 crores on 30 June, 2026.</td>
<td>Loan in books of JSW Steel Ltd pursuant to merger with appointed date being 31.04.2019. First pari-passu charge on property, plant and equipment related to 1.5 MTPA coke oven plant (i.e. Phase I under erstwhile Dolvi Coke Projects) Ltd situated at Bohi Works, Maharashtra.</td>
</tr>
<tr>
<td>192</td>
<td>-</td>
<td>-</td>
<td>36.5</td>
<td>36 monthly installments USD 0.7 mio each (₹ 5.31 crores) from 22 January, 2025 to 21 December, 2027.</td>
<td>First ranking pari passu charge on all fixed assets of Borrower both present and future First ranking priority charge over the Project Accounts.</td>
</tr>
<tr>
<td>42</td>
<td>-</td>
<td>-</td>
<td>0.42</td>
<td>120 monthly installments USD 0.05 mio each (₹ 0.42 crores) from 29 October, 2023 to 27 March, 2025.</td>
<td>First ranking pari passu charge on all fixed assets of Borrower both present and future First ranking priority charge over the Project Accounts.</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>33 varying installments commencing from April 2002 to December 2004.</td>
<td>Secured against equipment for its preparation plant</td>
</tr>
<tr>
<td>322</td>
<td>313</td>
<td>616</td>
<td>303</td>
<td>1 installment of USD 41.25 mio (equivalent ₹ 232.38 crores) in August 2022 and 1 installment of USD 40.50 mio (equivalent ₹ 231.70 crores) payable in August 2023</td>
<td>Secured against the property, plant and equipment (as on the date of agreement i.e. August 2018) located at Mingo Junction, Ohio, USA.</td>
</tr>
</tbody>
</table>
### Notes

To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>As at 31 March, 2022</th>
<th>As at March 31, 2021</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Current</td>
<td>Current</td>
<td>Non-Current</td>
<td>Current</td>
</tr>
<tr>
<td>82</td>
<td>14</td>
<td>54</td>
<td>13</td>
</tr>
</tbody>
</table>

- 8 semi annual installments of ₹ 4.34 crores each from 23 July, 2022 to 23 January, 2023
- 8 semi annual installments of ₹ 2.02 crores each from 6 August, 2022 to 7 February, 2023

| 896 | - | 875 | - |

- 1 installment of ₹ 2,78,61 crores on 28 December, 2023 and 2 annual installments of ₹ 2,77.93 crores from 28 December, 2024 to 28 December, 2025 to USD Loans
- 1 installment of ₹ 20.75 crores on 22 January, 2024 and 2 annual installments of ₹ 20.74 crores from 22 January, 2025 to 22 January, 2026 for JPY Loans

| 426 | 142 | 551 | - |

- 4 equal annual installments of ₹ 142.1 crores from 19 October, 2022 to 19 October, 2025

| 711 | 237 | 919 | - |

- 4 equal annual installments of ₹ 236.9 crores from 19 July, 2022 to 19 July, 2025

| 227 | 35 | 294 | - |

- 4 equal annual installments of ₹ 75.80 crores from 12 July, 2022 to 12 July, 2025

| 20 | 10 | 30 | 108 |

- 5 equal semi annual installments of ₹ 3.47 crores each from 25 September, 2022 to 25 March, 2023 and 1 installment of ₹ 2.93 crores on 25 March, 2023
- 5 equal semi annual installments of ₹ 1.71 crores from 25 September 2022 till 25 March, 2023

| 71 | 37 | 108 | 37 |

- 5 equal semi annual installments of ₹ 5.65 crores each from 9 July, 2022 to 9 July, 2024 and 1 semi annual installment of ₹ 4.36 crores from 9 January, 2025
- 5 equal semi annual installments of ₹ 1.39 crores each from 9 July, 2022 to 9 July, 2024 and 1 semi annual installment of ₹ 0.94 crores on 9 January, 2025

| 796 | 398 | 1,158 | 386 |

- 3 annual installments of ₹ 397.09 crores from 12 October, 2022 to 12 October, 2024

| 758 | - | 735 | - |

- Repayable on 5 April, 2024

| 53 | 93 | 141 | 50 |

- 3 equal semi annual installments of ₹ 42.29 crores each from 29 April, 2022 to 29 April, 2023
- 4 equal semi annual installments of ₹ 6.13 crores each from 18 September, 2022 to 18 March, 2024.

| 15 | 15 | 28 | 14 |

- 4 half yearly installments of ₹ 7.26 crores each from 30 September, 2022 to 31 March, 2023

| 14 | 14 | 28 | 14 |

- 4 half yearly installments of ₹ 7.22 crores each from 30 August, 2022 to 28 February, 2024

| 75 | 80 | 157 | 81 |

- 4 equal half yearly installments of ₹ 16.09 crores each from 15 January, 2022 to 19 January, 2024.
- 3 half yearly installments of ₹ 24.15 crores each from 19 July, 2022 to 19 July, 2023 and 1 half yearly installment of ₹ 18.35 crores on 19 January, 2024.

| 10 | 10 | 21 | 10 |

- 4 equal semi annual installments of ₹ 5.06 crores each from 15 June, 2022 to 15 December, 2023.

### Notes

To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Terms of Repayments</th>
<th>Security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Current</td>
<td>Current</td>
<td>Non-Current</td>
<td>Current</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>257</td>
<td>405</td>
</tr>
</tbody>
</table>

- Repayable in three branches
  a. ₹ 367.52 crores on 21 February, 2022
  b. ₹ 36.75 crores on 6 March, 2022
  c. ₹ 257.27 crores on 3 July, 2022

- - | - | 270 | - |

- 16 half yearly installments of ₹ 35.5 crores each from 1 November, 2023 to 1 May, 2024.

| 759 | - | - | - |

- Repayable in two equal branches on 29 April, 2024 and 29 April, 2025.

| 683 | - | - | - |

- Repayable on 15 February, 2027

| 986 | - | - | - |

- 2 equal annual installments of ₹ 328.46 crores 30 July, 2024 to 30 July, 2025 and 1 annual installment of ₹ 326.66 crores on 30 July, 2026.

| 169 | 106 | 279 | 64 |

- 3 quarterly installment of Euro 2.5 mio each (equivalent ₹ 21.04 crores) from 21 April, 2022 to 21 October, 2022
- 5 quarterly installment of Euro 5 mio (Equivalent – ₹ 42.08 crores) from 21 January, 2023 and 21 January, 2024

| 370 | - | 368 | - |

- 2 annual installments of USD 0.25 each (equivalent ₹ 189.52 crores) payable on 14 May, 2023 and 14 May, 2024

| 126 | 126 | 245 | 123 |

- 2 annual installments of USD 16.67 mio each (equivalent ₹ 126.35 crores) payable on 13 March, 2023 and 13 March, 2024.

| - | 84 | 86 | 151 |

- 2 quarterly installment of Euro 5 mio each (equivalent ₹ 42.08 crores) on 21 April, 2022 and 25 July, 2022

| - | 2 | - | 2 |

- 2 annual installment of USD 0.24 mio (equivalent ₹ 1.88 crores).

| 32 | 57 | 87 | 38 |

- 1 Semiannual installment of USD 3.31 mio (equivalent ₹ 25.06 crores) on 27 August, 2022
- 2 Semiannual installment of USD 4.25 mio each (equivalent ₹ 32.22 crores) on 26 February, 2023 and 27 August, 2023

| 379 | - | - | - |

- 3 semi annual installment of USD 16.67 mio each (equivalent ₹ 126.36 crores) from 23 October, 2023 to 23 October, 2024.

| 18 | - | - | - |

- 20 quarterly installment of Euro 0.11 mio (equivalent – ₹ 0.93 crores)

| 1,125 | 13 | 1,103 | - |

- 3 annual installments of USD 1.67 mio each (equivalent ₹ 12.63 crores) from 28 March, 2023 to 28 March, 2025.
- 3 annual installments of USD 6.67 mio each (equivalent ₹ 50.54 crores) from 19 April, 2023 to 12 April, 2025
- 3 annual installments of USD 10.0 mio each (equivalent ₹ 75.80 crores) from 11 July, 2023 to 11 July, 2025
- 3 annual installments of USD 6.67 mio each (equivalent ₹ 50.54 crores) from 9 October, 2023 to 9 October, 2025
- 3 annual installments of USD 3.33 mio each (equivalent ₹ 25.27 crores) from 1 January, 2024 to 1 January, 2026
- 3 annual installments of USD 6.67 mio each (equivalent ₹ 50.54 crores) from 29 January, 2024 to 29 January, 2026
- 3 annual installments of USD 15.0 mio each (equivalent ₹ 113.71 crores) from 12 April, 2024 to 12 April, 2026.
CONSOLIDATED FINANCIALS

Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

23. Derivative liabilities
a. Non-current

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest rate swaps</td>
<td>180</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>1,848</td>
<td>11,787</td>
</tr>
</tbody>
</table>

Acceptance for Capital Projects more than one year

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest rate swaps</td>
<td>585</td>
<td>568</td>
</tr>
<tr>
<td>Total</td>
<td>13,496</td>
<td>11,787</td>
</tr>
</tbody>
</table>

Fair value hedge adjustment

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest rate swaps</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Total</td>
<td>24</td>
<td>24</td>
</tr>
</tbody>
</table>

Deferred Payment Liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preference Shares</td>
<td>29</td>
<td>29</td>
</tr>
<tr>
<td>Total</td>
<td>323</td>
<td>373</td>
</tr>
</tbody>
</table>

Rent and other deposits

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest rate swaps</td>
<td>127</td>
<td>132</td>
</tr>
<tr>
<td>Total</td>
<td>843</td>
<td>49</td>
</tr>
</tbody>
</table>

Provision for compensated absences (refer note 43)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>25% and above</td>
<td>237</td>
<td>58</td>
</tr>
<tr>
<td>Total</td>
<td>237</td>
<td>58</td>
</tr>
</tbody>
</table>

Provision for gratuity (refer note 43)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>25% and above</td>
<td>379</td>
<td>52</td>
</tr>
<tr>
<td>Total</td>
<td>379</td>
<td>52</td>
</tr>
</tbody>
</table>

Provision for long term service award

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>25% and above</td>
<td>10</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td>2</td>
</tr>
</tbody>
</table>

Provision for COVID assistance

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>25% and above</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>3</td>
</tr>
</tbody>
</table>

Provision for onerous contracts

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>25% and above</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>4</td>
<td>8</td>
</tr>
</tbody>
</table>

Balance at the end of the year

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1,481</td>
<td>256</td>
</tr>
</tbody>
</table>


b. Current

24. Other financial liabilities (non-current)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent and other deposits</td>
<td>126.76</td>
<td>126</td>
</tr>
<tr>
<td>Total</td>
<td>126.76</td>
<td>126</td>
</tr>
</tbody>
</table>

Provision for compensated absences (refer note 43)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>25% and above</td>
<td>112</td>
<td>74</td>
</tr>
<tr>
<td>Total</td>
<td>112</td>
<td>74</td>
</tr>
</tbody>
</table>

Provision for COVID assistance

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>25% and above</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>7</td>
</tr>
</tbody>
</table>

Provision for onerous contracts

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>25% and above</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Total</td>
<td>22</td>
<td>22</td>
</tr>
</tbody>
</table>

Balance at the end of the year

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>12</td>
<td>12</td>
</tr>
</tbody>
</table>

23. Derivative liabilities
b. Current

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest rate swaps</td>
<td>0.50 crore</td>
<td>0.50 crore</td>
</tr>
<tr>
<td>Total</td>
<td>0.50 crore</td>
<td>0.50 crore</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

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 2021-22 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 file 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 (IDES) and 3.9% for the Regional Tax on Productive Activities (RAP), calculated on a different tax base.

a) Income tax expense/(benefit)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022 (in crores)</th>
<th>For the year ended 31 March, 2021 (in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current tax</td>
<td>4,974</td>
<td>2,467</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>1,583</td>
<td>286</td>
</tr>
<tr>
<td>(Restoration)/Reversal of MAT credit entitlement relating to earlier years on finalisation of income tax returns</td>
<td>9</td>
<td>172</td>
</tr>
<tr>
<td>Deferred tax provision/reversal for earlier years on finalisation of income tax returns</td>
<td>9</td>
<td>(263)</td>
</tr>
<tr>
<td>Total</td>
<td>6,553</td>
<td>2,947</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022 (in crores)</th>
<th>For the year ended 31 March, 2021 (in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before tax</td>
<td>29,745</td>
<td>12,015</td>
</tr>
<tr>
<td>Enacted tax rate in India</td>
<td>34,945</td>
<td>34,945</td>
</tr>
<tr>
<td>Expected income tax expense at statutory tax rate</td>
<td>10,304</td>
<td>4,109</td>
</tr>
<tr>
<td>Expenses not deductible in determining taxable profits</td>
<td>91</td>
<td>71</td>
</tr>
<tr>
<td>Income exempt from taxation / tax free separately</td>
<td>(140)</td>
<td>(77)</td>
</tr>
<tr>
<td>Tax holiday allowances</td>
<td>(83)</td>
<td>(54)</td>
</tr>
<tr>
<td>Effect of different tax rates of subsidiaries</td>
<td>(261)</td>
<td>(231)</td>
</tr>
<tr>
<td>Deferred tax assets not recognised / Utilisation of losses on which deferred was not recognised</td>
<td>(735)</td>
<td>384</td>
</tr>
<tr>
<td>Tax provision/reversal for earlier years on finalisation of income tax returns</td>
<td>51</td>
<td>(137)</td>
</tr>
<tr>
<td>Others</td>
<td>31</td>
<td>(93)</td>
</tr>
<tr>
<td>Total</td>
<td>8,807</td>
<td>4,142</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>29.61%</td>
<td>34.47%</td>
</tr>
</tbody>
</table>

b) Deferred tax assets / (liabilities)

The following is the analysis of deferred tax assets / (liabilities) balances presented in the balance sheet:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022 (in crores)</th>
<th>As at 31 March, 2021 (in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred tax liabilities</td>
<td>(7,621)</td>
<td>(3,509)</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>1,675</td>
<td>2,947</td>
</tr>
<tr>
<td>Total</td>
<td>(7,621)</td>
<td>(3,509)</td>
</tr>
</tbody>
</table>

Significant component of deferred tax assets / (liabilities) and movement during the year are as under:

<table>
<thead>
<tr>
<th>Deferred tax balance in relation to</th>
<th>As at 31 March, 2022 (in crores)</th>
<th>As at 31 March, 2021 (in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred tax provision/reversal for earlier years on finalisation of income tax returns</td>
<td>(25)</td>
<td>(263)</td>
</tr>
<tr>
<td>Total</td>
<td>(29)</td>
<td>(288)</td>
</tr>
</tbody>
</table>

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.

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.

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 ₹ 1,057 crores (31 March, 2021: ₹ 71 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.
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

Expiry schedule of losses on which deferred tax assets is not recognised is as under:

<table>
<thead>
<tr>
<th>Expiry of losses (as per local tax laws)</th>
<th>Total</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Business losses</td>
<td>97</td>
<td>122</td>
<td>1,981</td>
</tr>
<tr>
<td>II. Unabsorbed depreciation</td>
<td>1</td>
<td>-</td>
<td>2,025</td>
</tr>
<tr>
<td>III. Long term capital losses</td>
<td>-</td>
<td>665</td>
<td>665</td>
</tr>
<tr>
<td>IV. Short term capital losses</td>
<td>-</td>
<td>665</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>98</td>
<td>122</td>
<td>1,981</td>
</tr>
</tbody>
</table>

- Less than ₹ 50.0 crores

27. Other non-current liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advance from customer</td>
<td>0.50 crores</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>0.50 crores</td>
<td></td>
</tr>
</tbody>
</table>

28. Borrowings (current) (at amortised cost)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan repayable on demand</td>
<td>1,080</td>
<td>2,060</td>
</tr>
</tbody>
</table>

29. Trade payables

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total outstanding, dues of micro and small enterprises</td>
<td>497</td>
<td>230</td>
</tr>
</tbody>
</table>

i) It includes vendors classified as part of other financial liabilities in note 30 relating to payable for capital projects amounting to ₹ 173 crores as at 31 March, 2022 (₹ 38 crores as at 31 March, 2021).

Ageing as at 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>15,013</td>
<td>15,013</td>
</tr>
</tbody>
</table>

Ageing as at 31 March, 2021

<table>
<thead>
<tr>
<th>Particulars</th>
<th>FY 2021-22</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>14,652</td>
<td>14,652</td>
</tr>
</tbody>
</table>

Borrowing have been drawn at following rate of interest

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Rates of Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Papers</td>
<td>3.66% p.a. to 3.80% p.a.</td>
</tr>
</tbody>
</table>
Notes to the Consolidated Financial Statements as at and for the year ended 31 March, 2022

Payables other than acceptances are normally settled within 180 days.
Trade payables related parties have been disclosed in note 45.

### 30. Other financial liabilities (current)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current dues of other financial liabilities (refer note 24)</td>
<td>1,137</td>
<td>1,200</td>
</tr>
<tr>
<td>Payables for capital projects</td>
<td>1,563</td>
<td>1,323</td>
</tr>
<tr>
<td>Interest accrued but not due on borrowings</td>
<td>1,262</td>
<td>892</td>
</tr>
<tr>
<td>Payables for bid premium and royalty</td>
<td>2,498</td>
<td>2,544</td>
</tr>
<tr>
<td>Payables to employees</td>
<td>430</td>
<td>375</td>
</tr>
<tr>
<td>Unclaimed matured debentures and accrued interest thereon</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Unclaimed dividends</td>
<td>45</td>
<td>32</td>
</tr>
<tr>
<td>Unclaimed amount of sale proceeds of fractional shares</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Purchase consideration payable on acquisition of business</td>
<td>811</td>
<td></td>
</tr>
<tr>
<td>Refund liabilities</td>
<td>1,233</td>
<td>864</td>
</tr>
<tr>
<td>Others</td>
<td>236</td>
<td>180</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,415</strong></td>
<td><strong>6,894</strong></td>
</tr>
</tbody>
</table>

@: less than ₹ 0.50 crores

### 31. Other current liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advances from customers</td>
<td>2,133</td>
<td>1,984</td>
</tr>
<tr>
<td>Statutory liabilities</td>
<td>2,461</td>
<td>847</td>
</tr>
<tr>
<td>Export obligation deferred income</td>
<td>125</td>
<td>513</td>
</tr>
<tr>
<td>Others</td>
<td>19</td>
<td>21</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,759</strong></td>
<td><strong>3,805</strong></td>
</tr>
</tbody>
</table>

Advance from customer includes current portion ₹ 1,010 crores (as at 31 March, 2021) - ₹ 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 on purchase of property, plant and equipment accounted for as government grant and accounted in revenue on fulfilment of export obligation.

### 32. Revenue from operations

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of products (including shipping services)</td>
<td>143,829</td>
<td>78,059</td>
</tr>
<tr>
<td>Other operating revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government grant income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant income recognised under PSI 2007 and 2013 scheme (refer note a below)</td>
<td>651</td>
<td>261</td>
</tr>
<tr>
<td>Deferred income (GST government / Sales tax loan)</td>
<td>434</td>
<td>242</td>
</tr>
<tr>
<td>Export obligation deferred income amortization</td>
<td>526</td>
<td>239</td>
</tr>
<tr>
<td>Export benefits and entitlements income</td>
<td>444</td>
<td>446</td>
</tr>
<tr>
<td>Unclaimed liabilities written back</td>
<td>66</td>
<td>52</td>
</tr>
<tr>
<td>Miscellaneous income** (refer note c below)</td>
<td>431</td>
<td>531</td>
</tr>
<tr>
<td><strong>Total Revenue from operations</strong></td>
<td><strong>146,371</strong></td>
<td><strong>79,839</strong></td>
</tr>
</tbody>
</table>

*Includes income from scrap sales, CST incentive etc.
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

Notes

Product wise turnover

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>MS slabs</td>
<td>107</td>
<td>428</td>
</tr>
<tr>
<td>Hot rolled coils/steel plates/sheets</td>
<td>47,194</td>
<td>38,023</td>
</tr>
<tr>
<td>Galvanized coils/sheets</td>
<td>21,445</td>
<td>10,252</td>
</tr>
<tr>
<td>Color coated galvanized and flat rolled coils/sheets</td>
<td>10,387</td>
<td>5,407</td>
</tr>
<tr>
<td>Cold rolled coils/sheets</td>
<td>18,251</td>
<td>7,967</td>
</tr>
<tr>
<td>Steel billets &amp; beams</td>
<td>1,558</td>
<td>1,451</td>
</tr>
<tr>
<td>Long rolled products</td>
<td>25,999</td>
<td>15,528</td>
</tr>
<tr>
<td>Plates and pipes</td>
<td>6,875</td>
<td>2,527</td>
</tr>
<tr>
<td>Tubing</td>
<td>6,412</td>
<td>2,188</td>
</tr>
<tr>
<td>Others</td>
<td>6,101</td>
<td>4,278</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>143,829</strong></td>
<td><strong>78,059</strong></td>
</tr>
</tbody>
</table>

Contract Balances

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Receivables (refer note 17)</td>
<td>7,457</td>
<td>4,460</td>
</tr>
<tr>
<td>Contract liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advance from customers (refer note 27 and 31)</td>
<td>3,157</td>
<td>4,018</td>
</tr>
</tbody>
</table>

The credit period on sales of goods ranges from 7 to 120 days with or without security. The acquisition of the subsidiaries resulted in increase in trade receivables of ₹1,140 crores in FY 2021-22. As at 31 March, 2022, ₹273 crores (previous year: ₹205 crores) were 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 recognized from amounts included in the contract liabilities at the beginning of the year ₹1,984 crores (previous year: ₹1,459 crores) and performance obligations satisfied in previous years is ₹Nil (previous year: ₹Nil) Out of total contract liabilities outstanding as on 31 March, 2022 ₹2,133 crores (previous year ₹1,984 crores) will be recognized by 31 March, 2023 and remaining thereafter.

Refund liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arising from volume rebates and discount (included in Other financial liabilities - Note 30)</td>
<td>1,233</td>
<td>664</td>
</tr>
</tbody>
</table>

The Group does not have any significant adjustments between the contracted price and revenue recognized in the consolidated statement of profit and loss.

c) During the previous year, miscellaneous income includes an amount of ₹200 crores income recognised from a one time disputed claims settlement and Government Grant received at the US operations of the Group.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

33. Other income

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income earned on financial assets that are not designated as FVTPL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans to related parties</td>
<td>221</td>
<td>102</td>
</tr>
<tr>
<td>Bank deposits</td>
<td>181</td>
<td>300</td>
</tr>
<tr>
<td>Others</td>
<td>198</td>
<td>79</td>
</tr>
<tr>
<td>Dividend income from non-current investments designated as FVTPL</td>
<td>25</td>
<td>11</td>
</tr>
<tr>
<td>Gain on sale of current investments designated as FVTPL</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>Fair value gain on financial instruments designated as FVTPL (refer note a below)</td>
<td>707</td>
<td>-</td>
</tr>
<tr>
<td>Guarantee commission</td>
<td>27</td>
<td>-</td>
</tr>
<tr>
<td>Unwinding of interest on financial assets carried at amortised cost</td>
<td>68</td>
<td>52</td>
</tr>
<tr>
<td>Net loss/(gain) on foreign currency transactions and translation</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Gain on sale of investment property (refer note b below)</td>
<td>35</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous income (insurance claim received, rent income etc.)</td>
<td>77</td>
<td>40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,731</strong></td>
<td><strong>582</strong></td>
</tr>
</tbody>
</table>

(a) Includes ₹702 crores fair value gain on Optionally Fully Convertible Debentures of Piombino Steel Limited (refer note 41)

(b) Gain on sale of investment property is net of goodwill impairment of ₹24 crores.

34. Changes in inventories of finished goods and semi-finished goods, work-in-progress and stock-in-trade

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening stock:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semi-finished /finished goods /stock-in-trade</td>
<td>5,218</td>
<td>4,903</td>
</tr>
<tr>
<td>Work-in-progress</td>
<td>595</td>
<td>461</td>
</tr>
<tr>
<td><strong>A</strong></td>
<td>5,813</td>
<td>5,364</td>
</tr>
<tr>
<td>Acquired pursuant to business combination (refer note 41):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semi-finished /finished goods /stock-in-trade</td>
<td>1,879</td>
<td>72</td>
</tr>
<tr>
<td>Work-in-progress</td>
<td>207</td>
<td>-</td>
</tr>
<tr>
<td><strong>B</strong></td>
<td>2,086</td>
<td>72</td>
</tr>
<tr>
<td>Closing stock:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semi-finished /finished goods /stock-in-trade</td>
<td>10,483</td>
<td>5,218</td>
</tr>
<tr>
<td>Work-in-progress</td>
<td>1,090</td>
<td>556</td>
</tr>
<tr>
<td><strong>C</strong></td>
<td>11,483</td>
<td>5,774</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,193</td>
<td>(348)</td>
</tr>
</tbody>
</table>

35. Employee benefits expense

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, wages and bonus</td>
<td>2,981</td>
<td>2,121</td>
</tr>
<tr>
<td>Contribution to provident and other funds (refer note 43)</td>
<td>333</td>
<td>262</td>
</tr>
<tr>
<td>Gratuity expense</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Expense on employees stock ownership plan</td>
<td>154</td>
<td>20</td>
</tr>
<tr>
<td>Staff welfare expenses</td>
<td>143</td>
<td>101</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,489</td>
<td>2,508</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

The Company in FY 2020 launched a one-time scheme (‘Samruddhi’) applicable only for certain permanent employees (Eligible Employee) of the Group. 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 Group 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 ₹ 5 crores. (₹ 13 crores in 31 March, 2021). The scheme has been completed in September 2021.

36. Finance costs

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022 (₹ in crores)</th>
<th>For the year ended 31 March, 2021 (₹ in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest expense</td>
<td>1,465</td>
<td>1,359</td>
</tr>
<tr>
<td>On loans and debentures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>2,463</td>
<td>2,295</td>
</tr>
<tr>
<td>Interest on finance lease obligations</td>
<td>259</td>
<td>241</td>
</tr>
<tr>
<td>Unwinding of interest on financial liabilities carried at amortised cost</td>
<td>88</td>
<td>40</td>
</tr>
<tr>
<td>Exchange differences regarded as an adjustment to borrowing costs</td>
<td>378</td>
<td>7</td>
</tr>
<tr>
<td>Other borrowing costs</td>
<td>310</td>
<td>152</td>
</tr>
<tr>
<td>Interest on income tax</td>
<td>327</td>
<td>35</td>
</tr>
<tr>
<td>Total</td>
<td>4,969</td>
<td>3,957</td>
</tr>
</tbody>
</table>

37. Depreciation and amortisation expense

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022 (₹ in crores)</th>
<th>For the year ended 31 March, 2021 (₹ in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation of property, plant and equipment</td>
<td>5,462</td>
<td>4,231</td>
</tr>
<tr>
<td>Depreciation of investment property</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Amortisation of intangible assets</td>
<td>189</td>
<td>199</td>
</tr>
<tr>
<td>Depreciation of right-of-use assets</td>
<td>346</td>
<td>286</td>
</tr>
<tr>
<td>Total</td>
<td>6,001</td>
<td>4,679</td>
</tr>
</tbody>
</table>

38. Other expenses

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022 (₹ in crores)</th>
<th>For the year ended 31 March, 2021 (₹ in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stores and spares consumed</td>
<td>5,012</td>
<td>5,057</td>
</tr>
<tr>
<td>Power and fuel</td>
<td>11,289</td>
<td>5,986</td>
</tr>
<tr>
<td>Rent</td>
<td>76</td>
<td>50</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>1,513</td>
<td>1,123</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>1,513</td>
<td>1,123</td>
</tr>
<tr>
<td>Buildings</td>
<td>75</td>
<td>41</td>
</tr>
<tr>
<td>Others</td>
<td>74</td>
<td>47</td>
</tr>
<tr>
<td>Insurance</td>
<td>269</td>
<td>196</td>
</tr>
<tr>
<td>Rates and taxes</td>
<td>92</td>
<td>102</td>
</tr>
<tr>
<td>Carriage and freight</td>
<td>2,223</td>
<td>2,113</td>
</tr>
<tr>
<td>Jobwork and processing charges</td>
<td>1,360</td>
<td>646</td>
</tr>
<tr>
<td>Commission on sales</td>
<td>118</td>
<td>56</td>
</tr>
<tr>
<td>Net loss (gain) on foreign currency transactions and translation</td>
<td>472</td>
<td>(104)</td>
</tr>
<tr>
<td>Donations and contributions</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Fair value loss on financial instruments designated at FVTPL</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mining and development cost</td>
<td>553</td>
<td>251</td>
</tr>
<tr>
<td>Miscellaneous expenses</td>
<td>3,954</td>
<td>2,012</td>
</tr>
<tr>
<td>Allowance for doubtful debts and advances</td>
<td>56</td>
<td>101</td>
</tr>
<tr>
<td>Loss on sale of property, plant and equipment (net)</td>
<td>107</td>
<td>37</td>
</tr>
<tr>
<td>Total</td>
<td>30,707</td>
<td>17,712</td>
</tr>
</tbody>
</table>

39. Earnings per share

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022 (₹ in crores)</th>
<th>For the year ended 31 March, 2021 (₹ in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted average number of equity shares for basic EPS (B)</td>
<td>2,403,942,787</td>
<td>2,403,812,821</td>
</tr>
<tr>
<td>Effect of dilution</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighted average number treasury shares held through ESOP trust</td>
<td>13,277,663</td>
<td>13,407,619</td>
</tr>
<tr>
<td>Weighted average number equity shares adjusted for the effect of dilution (C)</td>
<td>2,417,220,440</td>
<td>2,417,220,440</td>
</tr>
<tr>
<td>Earnings per share of Re. 1 each</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic (₹)</td>
<td>0.50</td>
<td>0.50</td>
</tr>
<tr>
<td>Diluted (₹)</td>
<td>0.50</td>
<td>0.50</td>
</tr>
</tbody>
</table>

For details regarding treasury shares held through ESOP trust (refer note 20(a) and 40).

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 authorized 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 at 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, 2022 is summarized below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>ESOP 2016</th>
<th>3rd grant (l-16 and above Grade)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of grant</td>
<td>3rd grant</td>
<td>3rd grant</td>
</tr>
<tr>
<td>Original grant</td>
<td>17 May, 2016</td>
<td>14 May, 2018</td>
</tr>
<tr>
<td>Supplementary grant</td>
<td>5 December, 2019</td>
<td>5 December, 2019</td>
</tr>
<tr>
<td>Share price on the date of grant</td>
<td>259.80</td>
<td>259.80</td>
</tr>
<tr>
<td>Average fair value on date of grant</td>
<td>259.80</td>
<td>259.80</td>
</tr>
<tr>
<td>Outstanding as on 01 April, 2020</td>
<td>5,220,260</td>
<td>3,260,951</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>1st grant (5-16 and above Grade)</th>
<th>2nd grant (5-16 and above Grade)</th>
<th>3rd grant (5-16 and above Grade)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer in</td>
<td>29,100</td>
<td>23,247</td>
<td>18,244</td>
</tr>
<tr>
<td>Transfer out</td>
<td>17,185</td>
<td>27,732</td>
<td>25,823</td>
</tr>
<tr>
<td>Forfeited/ lapsed during the year</td>
<td>64,225</td>
<td>46,219</td>
<td>67,460</td>
</tr>
<tr>
<td>Exercised during the year</td>
<td>2,289,495</td>
<td>675,644</td>
<td>12,007</td>
</tr>
<tr>
<td>Outstanding as on 31 March, 2021</td>
<td>2,831,440</td>
<td>3,693,198</td>
<td>3,170,958</td>
</tr>
</tbody>
</table>

**Supplementary grants**

- Original grants 103.65 161.36 263.24
- Transfer out during the year 29,100 23,247 16,284
- Weighted average share price for shares exercised for the year 2.25 per share

**Original grants**

- Original grants 18 months 30 months 42 months 42 months
- Exercise Price - Original grants 153.85 161.36 263.24
- Supplementary grants 207.84 207.84
- Weighted average share price for shares exercised during the year 696.17 696.17

The description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

- **Expected volatility**
  - 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) & 6.90% (for 4 years vesting)

- **Risk-free interest rate**
  - The rate used for calculation is 5.76% for options with 3 year vesting and 7.50% for options with 4 years vesting
  - The method used and the assumptions made to incorporate the effects of expected early exercise

- **Expected option life**
  - The expected option life is assumed to be midway between the option vesting and expiry. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different.
  - The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2

- **Risk-free interest rate**
  - The rate used for calculation is 5.76% for options with 3 year vesting and 7.50% for options with 4 years vesting

**ESOP PLAN 2021**

The Board of Directors of the Company at its meeting held on 21 May, 2021, formulated the Shri OP Jindal Employees Stock Ownership Plan ("OPJ ESOP Plan"). At the said meeting, the Board authorized the ESOP Committee for the superintendence of the ESOP Plan.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its subsidiaries in India.

Three grants would be made under OPJ ESOP plan 2021 to eligible present and future employees on the rolls of the Company as at date of the grant.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 25% of the grant would vest at the end of the first year, 25% of the grant would vest at the end of the second year and 50% of the grant would vest at the end of the third year with a vesting condition that the employee is in continuous employment with the Company till the date of vesting.

The exercise price is determined by the ESOP committee at Rs. 1 per share.

A total of 47,00,000 options are available for grant to the eligible employees of the Company and a total of 3,000,000 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 Board of Directors of the Company at its meeting held on 21 May, 2021, formulated the Shri OP Jindal Samruddhi Plan ("OPJ Samruddhi Plan"). At the said meeting, the Board authorized the ESOP Committee for the superintendence of the ESOP Plan.

Samruddhi plan is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its subsidiaries in India.

Single grants would be made under OPJ Samruddhi Plan 2021 to eligible employees on the rolls of the Company as at the date of the grant.

The maximum value and share options that can be awarded to eligible employees is calculated by reference to certain percentage of individuals fixed salary compensation. 25% of the grant would vest at the end of the second year, 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 Re. 1 per share.

A total of 67,00,000 options are available for grant to the eligible employees of the Company and a total of 13,00,000 options would be available for grant to the eligible employees of the Indian subsidiaries of the Company under the ESOP Plan.

These options are equity settled and are accounted for in accordance with the requirement applying to equity settled transactions.

The outstanding position as at 31 March, 2022 is summarised below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>OPJ Samruddhi Plan 2021</th>
<th>OPJ eSOP Plan 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of grant</td>
<td>17 August, 2021</td>
<td>7 August, 2021</td>
</tr>
<tr>
<td>Share Price on date of grant</td>
<td>750.70</td>
<td>750.70</td>
</tr>
<tr>
<td>Average fair value on date of grant</td>
<td>716.46</td>
<td>722.67</td>
</tr>
<tr>
<td>Granted during the year</td>
<td>78,99,150</td>
<td>13,56,565</td>
</tr>
<tr>
<td>Transfer In</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer Out</td>
<td>1,50,900</td>
<td></td>
</tr>
<tr>
<td>Forfeited during the period</td>
<td>3,26,900</td>
<td>15,860</td>
</tr>
<tr>
<td>Outstanding as on 31 March, 2022</td>
<td>75,65,800</td>
<td>13,16,735</td>
</tr>
<tr>
<td>of above - vested outstanding options</td>
<td>7,600</td>
<td>8,634</td>
</tr>
<tr>
<td>of above - unvested outstanding options</td>
<td>75,58,200</td>
<td>13,08,101</td>
</tr>
</tbody>
</table>

**Vesting Period**

- The vesting schedule is 25% at the end of 2nd year (first tranche), 25% at the end of 3rd year (second tranche) and the remaining 50% at the end of 4th year (third tranche) from the date of grant respectively.

**Exercise Period**

- 4 years from the date of vesting.

**Weighted average remaining contract life**

- 4 years from the date of vesting.

**Weighted exercise price**

- Rs.1

**A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information**

<table>
<thead>
<tr>
<th>Expected volatility</th>
<th>OPJ Samruddhi Plan 2021</th>
<th>OPJ eSOP Plan 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volatility has been calculated using standard deviation of daily change in stock price for the expected life of the option for each tranche.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The volatility used for vesting year 2nd Year - 39.17%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3rd Year - 37.47%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4th Year - 36.72%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The expected option life is assumed to be mid-way between the option vesting and mid-way between the option vesting and expiry. Accordingly, expected option life is calculated as Year to Vesting + (Exercise Period) / 2. Based on vesting and exercise schedule, expected option term for first tranche is 4 years, second tranche is 5 years, and third tranche is 6 years.

**41. Business combination**

a) 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 its 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.

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 the Hon’ble Supreme Court.

On Implementation of Resolution Plan, the Company also entered into an arrangement with JSW Shipping & Logistics Private Limited (‘JSWPL’), through which the Company and JSWPL holds equity of Riomento Steel Limited (‘PSL’) in the ratio of 49% and 51% respectively giving joint control of PSL to the Company and JSWPL.

The Company had invested ` 980 crores, ` 4,100 crores and ` 7 crores in equity shares, Optionally Fully Convertible Debentures (‘OFCD’) and share warrants respectively. PSL received additional equity contribution from JSWPL amounting to ` 1,027 crores (including share warrants) and raised further debt. PSL has invested ` 8,850 crores in Makler Private Limited (‘Makler’), its wholly owned subsidiary, 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, the Company had accounted its investment in PSL by applying equity method of accounting 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 during the financial year ended 31 March, 2021.

During the current year, the Company has finalised the fair values of assets and liabilities, on acquisition date, taken over which has resulted in capital reserve of ` 398 crores and accordingly, the difference of ` 1,154 crore between the capital reserve recognised on provisional basis and capital reserve on finalisation of fair values has been recognised as an adjustment to Investment in PSL and capital reserve on bargain purchase in previous period in accordance with Ind-AS 103 ‘Business Combinations’.
Further, pursuant to the Subscription and Shareholders agreement between the Company JSLPL and PSL, the Company had subscribed to certain Optionally Fully Convertible Debentures (‘OFCDs’) of PSL. As per the terms of OFCDs, including revisions, the Company had the option to convert the OFCDs into equity shares at any time at the option of the Company. Accordingly, the Company has exercised the option of conversion of 410,00,00,000 OFCDs held by the Company in PSL into 410,00,00,000 equity shares of PSL of face value of ₹ 10/- each on 1 October, 2021. Pursuant to the conversion, the Company holds 83.28% equity in PSL and JSLPL holds 16.72% equity in PSL. Consequent to the aforesaid conversion, PSL has become a Subsidiary of the Company and the Company is controlling and managing BPSL through PSL w.e.f. 1 October, 2021.

As per Ind AS 103 ‘Business Combinations’, purchase consideration has been allocated on the basis of the fair value of the acquired assets and liabilities. The resulting differential has been accounted as capital reserve. The financial statements include results of PSL and BPSL for the period 1 October, 2021 to 31 March, 2022.

Details of the purchase consideration, net assets acquired, and bargain purchase are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Property Plant and Equipment</td>
<td>15,104</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>48</td>
</tr>
<tr>
<td>Inventories</td>
<td>3,996</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>1,060</td>
</tr>
<tr>
<td>Other receivables</td>
<td>769</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>3,192</td>
</tr>
<tr>
<td><strong>Total (A)</strong></td>
<td>24,169</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Borrowings (net of upfront fees)</td>
<td>11,531</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>11</td>
</tr>
<tr>
<td>Trade Payables</td>
<td>2,500</td>
</tr>
<tr>
<td>Other current liabilities and provision</td>
<td>769</td>
</tr>
<tr>
<td><strong>Total (B)</strong></td>
<td>22</td>
</tr>
<tr>
<td><strong>Total identifiable net assets acquired at fair value (C) = (A-B)</strong></td>
<td>22</td>
</tr>
<tr>
<td><strong>Purchase Consideration transferred in cash (D)</strong></td>
<td>6,640</td>
</tr>
<tr>
<td><strong>Bargain purchase arising on acquisition (E)</strong></td>
<td>962</td>
</tr>
</tbody>
</table>

The Company has recognized a capital reserve on bargain purchase of ₹ 962 crores, basis the purchase price allocation carried out by independent valuation expert. The significant time gap between the bid date and final acquisition date, resulted in the generation of working capital, out of the operations performed in the intermediate period. Accordingly, the Company was able to recognised 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 of control, PSL has contributed to ₹ 11,768 crores of revenue and a net profit after tax of ₹ 1,670 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.

b) On 1 October, 2021, the Company acquired 80% shareholding in Neotrex Steel Private Limited (‘NSPL’) by way of acquisition of Equity Shares and Zero Coupon Compulsory Convertible Debentures (‘CCDs’) from Everbest Consultancy Services Private Limited and its wholly owned subsidiary Neotrex Steel Wires Private Limited at a value of ₹ 11.45 crores and infused a further sum of ₹ 32.55 crores in NSPL towards subscription money and has been allotted, Equity Shares and Zero Coupon CCDs of NSPL at par value.

As per Ind AS 103 ‘Business Combinations’, purchase consideration has been allocated on the basis of the fair value of the acquired assets and liabilities, which resulted into no goodwill / capital reserve as on 31 March, 2022.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Capital work in progress</td>
<td>22</td>
</tr>
<tr>
<td>Intangibles under development</td>
<td>9</td>
</tr>
<tr>
<td>Other assets</td>
<td>10</td>
</tr>
<tr>
<td>Bank Balance other than cash and cash equivalents</td>
<td>10</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total (A)</strong></td>
<td>44</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Trade Payables</td>
<td>9</td>
</tr>
<tr>
<td>Other current liabilities and provision</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total (B)</strong></td>
<td>22</td>
</tr>
<tr>
<td><strong>Total identifiable net assets acquired at fair value (C) = (A-B)</strong></td>
<td>22</td>
</tr>
<tr>
<td><strong>JSW Share in the identifiable net assets</strong></td>
<td>11</td>
</tr>
<tr>
<td><strong>Purchase Consideration transferred in cash (D)</strong></td>
<td>11</td>
</tr>
<tr>
<td><strong>Goodwill/ (Bargain purchase) arising on acquisition (E)</strong></td>
<td>0</td>
</tr>
</tbody>
</table>

- less than ₹ 0.50 crores

At the date of the acquisition, the Company and the Company is controlling and managing BPSL through PSL w.e.f. 1 October, 2021. JSLPL holds 16.72% equity in PSL. Consequent to the aforesaid conversion, PSL has become a Subsidiary of the Company.

Consequent to the aforesaid acquisition, WWMASPL has become a Subsidiary of the Company w.e.f. 24 November, 2021. As per Ind AS 103 ‘Business Combinations’, purchase consideration has been allocated on the basis of the fair value of the acquired assets and liabilities.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Loan</td>
<td>2,500</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>9</td>
</tr>
<tr>
<td>Other receivables</td>
<td>106</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total (A)</strong></td>
<td>2,606</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>2,500</td>
</tr>
<tr>
<td>Trade Payables</td>
<td>30</td>
</tr>
<tr>
<td>Other current liabilities and provision</td>
<td>196</td>
</tr>
<tr>
<td><strong>Total (B)</strong></td>
<td>2,686</td>
</tr>
<tr>
<td><strong>Total identifiable net assets acquired at fair value (C) = (A-B)</strong></td>
<td>9</td>
</tr>
<tr>
<td><strong>Purchase Consideration transferred in cash (D)</strong></td>
<td>11</td>
</tr>
<tr>
<td><strong>Goodwill/ (Bargain purchase) arising on acquisition (E)</strong></td>
<td>-</td>
</tr>
</tbody>
</table>

- less than ₹ 0.50 crores

At the date of the acquisition, the Company and the Company is controlling and managing BPSL through PSL w.e.f. 1 October, 2021. JSLPL holds 16.72% equity in PSL. Consequent to the aforesaid conversion, PSL has become a Subsidiary of the Company.
It the above acquisition had taken place at the beginning of the period, management estimates that the consolidated revenue from operation and profit for the combined entity would be ₹156,572 crores and ₹22,979 crores respectively. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been same if the acquisition would have occurred on 1 April, 2021.

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Written India</td>
<td>Outside India</td>
<td>Total</td>
</tr>
<tr>
<td>Revenue from operations</td>
<td>100,558</td>
<td>45,813</td>
</tr>
</tbody>
</table>

Revenue from operations has been allocated on the basis of location of customers.

b) Non-current assets

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Property, plant and equipment</td>
<td>87,056</td>
<td>8,890</td>
</tr>
<tr>
<td>(b) Capital work-in-progress</td>
<td>16,184</td>
<td>664</td>
</tr>
<tr>
<td>(c) Investment property</td>
<td>27</td>
<td>153</td>
</tr>
<tr>
<td>(d) Right-of-use assets</td>
<td>4,076</td>
<td>39</td>
</tr>
<tr>
<td>(e) Goodwill</td>
<td>3</td>
<td>107</td>
</tr>
<tr>
<td>(f) Other intangible assets</td>
<td>1,189</td>
<td>34</td>
</tr>
<tr>
<td>(g) Intangible assets under development</td>
<td>145</td>
<td>4</td>
</tr>
<tr>
<td>(h) Investment in joint ventures</td>
<td>397</td>
<td>367</td>
</tr>
<tr>
<td>(i) Other non-current assets</td>
<td>4,526</td>
<td>105</td>
</tr>
<tr>
<td>(j) Current tax assets (net)</td>
<td>880</td>
<td>258</td>
</tr>
<tr>
<td>(k) Financial assets</td>
<td>8,798</td>
<td>275</td>
</tr>
<tr>
<td>Total non-current assets</td>
<td>115,371</td>
<td>6,942</td>
</tr>
</tbody>
</table>

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 recognized in the Consolidated Statement of Profit and Loss is ₹145 crores (previous year: ₹94 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.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March, 2022 by independent qualified 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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended 31 March, 2022</th>
<th>For the year ended 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funded</td>
<td>Unfunded</td>
<td>Funded</td>
</tr>
<tr>
<td>(i) Present value of obligation</td>
<td>345</td>
<td>14</td>
</tr>
<tr>
<td>Service cost</td>
<td>28</td>
<td>-</td>
</tr>
<tr>
<td>Interest cost</td>
<td>25</td>
<td>1</td>
</tr>
<tr>
<td>Actuarial loss / (gain) on obligation</td>
<td>82</td>
<td>0</td>
</tr>
<tr>
<td>Benefit paid</td>
<td>28</td>
<td>(31)</td>
</tr>
<tr>
<td>Demographic adjustments</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Experience adjustments</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Transfer on business combination</td>
<td>54</td>
<td>-</td>
</tr>
<tr>
<td>Liability In</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Liability transfer</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Closing balance</td>
<td>318</td>
<td>21</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

\[ \text{£ in crores} \]

### ii) Fair value of plan assets

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (a+b)</td>
<td>129</td>
<td>96</td>
</tr>
<tr>
<td>Comp. of def benefit cost recognized in other comprehensive income (b)</td>
<td>83</td>
<td>63</td>
</tr>
<tr>
<td>Net liability arising from def benefit obligation</td>
<td>431</td>
<td>269</td>
</tr>
</tbody>
</table>

g) The Group expects to contribute ₹ 114 crores (previous year ₹ 87 crores) to its gratuity plan for the next year.

h) The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years (31 March, 2021: 8 years).

### l) Plan assets

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short Term Debt Fund</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Initial Fund</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Balanced Fund</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Stable Managed Fund</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>Deferred Managed Fund</td>
<td>11</td>
<td>13</td>
</tr>
<tr>
<td>Secure Managed Fund</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>Stable Managed Fund</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>Total (a+b)</td>
<td>72</td>
<td>90</td>
</tr>
</tbody>
</table>

### e) Principal actuarial assumptions

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan assets</td>
<td>109</td>
<td>90</td>
</tr>
<tr>
<td>Net liability arising from defined benefit obligation</td>
<td>431</td>
<td>269</td>
</tr>
</tbody>
</table>

**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.

\[ \text{£ in crores} \]

### f) Experience adjustments

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit obligation</td>
<td>540</td>
<td>360</td>
<td>368</td>
<td>315</td>
<td>270</td>
</tr>
<tr>
<td>Plan assets</td>
<td>109</td>
<td>90</td>
<td>90</td>
<td>97</td>
<td>97</td>
</tr>
<tr>
<td>Surplus / (deficit)</td>
<td>(431)</td>
<td>(269)</td>
<td>(275)</td>
<td>(218)</td>
<td>(175)</td>
</tr>
<tr>
<td>Experience adjustments on plan liabilities - loss/(gain)</td>
<td>72</td>
<td>33</td>
<td>25</td>
<td>19</td>
<td>5</td>
</tr>
<tr>
<td>Experience adjustments on plan assets - gain/(loss)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
</tr>
</tbody>
</table>

### h) Expected return on plan assets

- The 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.
- 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.
- 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:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit obligation</td>
<td>540</td>
<td>360</td>
</tr>
<tr>
<td>Plan assets</td>
<td>109</td>
<td>90</td>
</tr>
<tr>
<td>Net liability arising from defined benefit obligation</td>
<td>431</td>
<td>269</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

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 recognized 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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>JSW</th>
<th>HDP</th>
<th>ICICI</th>
<th>Bajaj Allianz</th>
<th>Reliance</th>
<th>LIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt</td>
<td>87.70%</td>
<td>34.50%</td>
<td>38.59%</td>
<td>12.54%</td>
<td>28.00%</td>
<td>20.00%</td>
</tr>
<tr>
<td>Equity</td>
<td>6.87%</td>
<td>14.12%</td>
<td>9.91%</td>
<td>17.79%</td>
<td>25.93%</td>
<td>3.90%</td>
</tr>
<tr>
<td>Others</td>
<td>5.43%</td>
<td>2.01%</td>
<td>19.56%</td>
<td>9.27%</td>
<td>18.00%</td>
<td>3.90%</td>
</tr>
</tbody>
</table>

Maturity analysis of projected benefit obligation

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Less than a year</th>
<th>Between 1 to 5 years</th>
<th>Over 5 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 31 March, 2022</td>
<td>66</td>
<td>202</td>
<td>650</td>
<td>918</td>
</tr>
<tr>
<td>As at 31 March, 2021</td>
<td>49</td>
<td>122</td>
<td>450</td>
<td>621</td>
</tr>
</tbody>
</table>

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analyzed in terms of risk and return profiles.

(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 recognize 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 maximize 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.

### As at 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long term borrowings</td>
<td>57,929</td>
</tr>
<tr>
<td>Short term borrowings</td>
<td>12,046</td>
</tr>
<tr>
<td>Total borrowings</td>
<td>69,975</td>
</tr>
<tr>
<td>Leases</td>
<td>6,848</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>8,575</td>
</tr>
<tr>
<td>Current investments</td>
<td>8</td>
</tr>
<tr>
<td>Net debt</td>
<td>52,584</td>
</tr>
<tr>
<td>Total equity</td>
<td>66,535</td>
</tr>
</tbody>
</table>

Solvency ratio: 0.77

(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, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amortised cost</th>
<th>Fair value through other comprehensive income</th>
<th>Fair value through profit and loss</th>
<th>Derivatives in hedging relationships</th>
<th>Total Carrying Value</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>884</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>884</td>
<td>884</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>5,373</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,373</td>
<td>5,373</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>7,457</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7,457</td>
<td>7,457</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>8,808</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,808</td>
<td>8,808</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>8,575</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,575</td>
<td>8,575</td>
</tr>
<tr>
<td>Derivative assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>117</td>
<td>333</td>
<td>450</td>
</tr>
<tr>
<td>Investments</td>
<td>807</td>
<td>3,708</td>
<td>56</td>
<td>-</td>
<td>4,573</td>
<td>4,586</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>31,904</td>
<td>3,708</td>
<td>175</td>
<td>333</td>
<td>36,120</td>
<td>36,133</td>
</tr>
</tbody>
</table>

Financial liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term borrowings</td>
<td>57,929</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>2,262</td>
</tr>
<tr>
<td>Short-term borrowings</td>
<td>12,046</td>
</tr>
<tr>
<td>Trade payables</td>
<td>30,889</td>
</tr>
<tr>
<td>Derivative liabilities</td>
<td>-</td>
</tr>
</tbody>
</table>

Total financial liabilities: 112,240
Note: To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

As at 31 March, 2021

<table>
<thead>
<tr>
<th>Particulars</th>
<th>INR (crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans</td>
<td>972</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>4,293</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>4,486</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11,943</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>870</td>
</tr>
<tr>
<td>Derivative assets</td>
<td>487</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>9,419</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>23,051</td>
</tr>
</tbody>
</table>

Financial liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>INR (crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leases</td>
<td>4,731</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>2,344</td>
</tr>
<tr>
<td>Short-term borrowings</td>
<td>14,652</td>
</tr>
<tr>
<td>Trade payables</td>
<td>15,243</td>
</tr>
<tr>
<td>Derivative liabilities</td>
<td>4,149</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>9,419</td>
</tr>
<tr>
<td>Total financial liabilities</td>
<td>91,389</td>
</tr>
</tbody>
</table>

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 minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of derivative 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. Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result 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 tenor 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 and 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.

The forward exchange contracts entered into by the Group and outstanding are as under:

As at 31 March, 2022

<table>
<thead>
<tr>
<th>Nature</th>
<th>No. of Contracts</th>
<th>Type</th>
<th>US$ Equivalent (millions)</th>
<th>INR Equivalent (crores)</th>
<th>MTM (INR in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March, 2022</td>
<td>Assets</td>
<td>63</td>
<td>1,354</td>
<td>10,004</td>
<td>208</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>1</td>
<td>20</td>
<td>152</td>
<td>18</td>
</tr>
<tr>
<td>31 March, 2021</td>
<td>Assets</td>
<td>14</td>
<td>540</td>
<td>4,006</td>
<td>103</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>7</td>
<td>397</td>
<td>2,257</td>
<td>77</td>
</tr>
</tbody>
</table>

Currency options to hedge against fluctuations in changes in exchange rate:

As at 31 March, 2022

<table>
<thead>
<tr>
<th>Nature</th>
<th>No. of Contracts</th>
<th>Type</th>
<th>US$ Equivalent (millions)</th>
<th>INR Equivalent (crores)</th>
<th>MTM (INR in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March, 2022</td>
<td>Assets</td>
<td>63</td>
<td>1,354</td>
<td>10,004</td>
<td>208</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>1</td>
<td>20</td>
<td>152</td>
<td>18</td>
</tr>
<tr>
<td>31 March, 2021</td>
<td>Assets</td>
<td>14</td>
<td>540</td>
<td>4,006</td>
<td>103</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>7</td>
<td>397</td>
<td>2,257</td>
<td>77</td>
</tr>
</tbody>
</table>

- less than INR 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, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>INR (crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments</td>
<td>4,520</td>
</tr>
<tr>
<td>Loans</td>
<td>864</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>4,731</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>8,712</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>8,512</td>
</tr>
<tr>
<td>Derivative assets</td>
<td>21</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>5,329</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>32,711</td>
</tr>
<tr>
<td>Borrowings</td>
<td>26,788</td>
</tr>
<tr>
<td>Trade payables</td>
<td>8,586</td>
</tr>
<tr>
<td>Derivative liabilities</td>
<td>6</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>2,221</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>7,188</td>
</tr>
<tr>
<td>Total financial liabilities</td>
<td>44,888</td>
</tr>
</tbody>
</table>
As at 31 March, 2021

<table>
<thead>
<tr>
<th>Particulars</th>
<th>INR</th>
<th>USD</th>
<th>Euro</th>
<th>JPY</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>5,549</td>
<td>-</td>
<td>23</td>
<td>-</td>
<td>40</td>
<td>5,612</td>
</tr>
<tr>
<td>Loans</td>
<td>972</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>972</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>2,686</td>
<td>1,006</td>
<td>817</td>
<td>-</td>
<td>3</td>
<td>4,406</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11,852</td>
<td>36</td>
<td>54</td>
<td>-</td>
<td>1</td>
<td>11,943</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>672</td>
<td>197</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>870</td>
</tr>
<tr>
<td>Derivative assets</td>
<td>10</td>
<td>202</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>212</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>4,259</td>
<td>36</td>
<td>7</td>
<td>-</td>
<td>1</td>
<td>4,293</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>25,985</td>
<td>1,476</td>
<td>905</td>
<td>-</td>
<td>46</td>
<td>29,399</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Particulars</td>
<td>INR equivalent</td>
<td>$ equivalent</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>236</td>
<td>1,779</td>
</tr>
</tbody>
</table>

b) Amounts payable in foreign currency on account of the following:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Particulars</td>
<td>INR equivalent</td>
<td>$ equivalent</td>
</tr>
<tr>
<td>Borrowings</td>
<td>3314</td>
<td>26,637</td>
</tr>
<tr>
<td>Trade payables and acceptances</td>
<td>204</td>
<td>1,548</td>
</tr>
<tr>
<td>Payables for capital projects</td>
<td>81</td>
<td>611</td>
</tr>
<tr>
<td>Interest accrued but not due on borrowings</td>
<td>61</td>
<td>461</td>
</tr>
</tbody>
</table>

The following table details the Group’s sensitivity to a 1% increase in the INR against the relevant foreign currencies net of hedging accounting impact.

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Quantity (Millions)</th>
<th>INR equivalent</th>
<th>$ equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iron ore</td>
<td>(1,161)</td>
<td>(595)</td>
<td>(1,161)</td>
</tr>
<tr>
<td>Coal/Coke</td>
<td>(1,398)</td>
<td>(692)</td>
<td>(1,398)</td>
</tr>
<tr>
<td>Zinc</td>
<td>(61)</td>
<td>(5)</td>
<td>(61)</td>
</tr>
</tbody>
</table>

The commodity forward and option contracts entered into by the Group and outstanding at the year-end are as under:

<table>
<thead>
<tr>
<th>Nature</th>
<th>No. of Contracts</th>
<th>Commodity</th>
<th>Quantity (Millions)</th>
<th>INR equivalent</th>
<th>$ equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas</td>
<td>7</td>
<td>3,795,000</td>
<td>14</td>
<td>108</td>
<td>52</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>31 March, 2022</td>
<td>7</td>
<td>3,795,000</td>
<td>14</td>
<td>108</td>
</tr>
</tbody>
</table>

Impact on Profit / (loss) for the year for a 1% change:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Increase for the year ended</th>
<th>Decrease for the year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD /INR</td>
<td>659</td>
<td>615</td>
</tr>
<tr>
<td>Taka/INR</td>
<td>20</td>
<td>50</td>
</tr>
<tr>
<td>Yen/INR</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

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 purchases primarily all of its iron ore and coal requirements in the open market at prevailing price during the year ended 31 March, 2022.

The Group aims to sell its 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:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Increase for the year ended</th>
<th>Decrease for the year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iron ore</td>
<td>(1,161)</td>
<td>(595)</td>
</tr>
<tr>
<td>Coal/Coke</td>
<td>(1,398)</td>
<td>(692)</td>
</tr>
<tr>
<td>Zinc</td>
<td>(61)</td>
<td>(5)</td>
</tr>
</tbody>
</table>

The commodity forward and option contracts entered into by the Group and outstanding at the year-end are as under:

G. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Group hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Group hedges up to 20% of interest risk in US dollars. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating interest rates.
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

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:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed rate borrowings</td>
<td>29,135</td>
<td>28,195</td>
</tr>
<tr>
<td>Floating rate borrowings</td>
<td>31,294</td>
<td>31,294</td>
</tr>
<tr>
<td>Total borrowings</td>
<td>60,429</td>
<td>59,489</td>
</tr>
<tr>
<td>Add: Fair value adjustment on interest rate swap</td>
<td>381</td>
<td>381</td>
</tr>
<tr>
<td>Total gross borrowings</td>
<td>60,810</td>
<td>59,870</td>
</tr>
</tbody>
</table>

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, 2022 would decrease / increase by ₹ 312 crores (for the year ended 31 March, 2021: decrease / increase by ₹ 285 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.

<table>
<thead>
<tr>
<th>As at</th>
<th>Nature</th>
<th>No. of Contracts</th>
<th>US$ Equivalent of notional value (million)</th>
<th>MTM of IRS (₹ in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March, 2022</td>
<td>Assets</td>
<td>7</td>
<td>110</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>10</td>
<td>110</td>
<td>18</td>
</tr>
<tr>
<td>31 March, 2021</td>
<td>Assets</td>
<td>2</td>
<td>50</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>22</td>
<td>335</td>
<td>(80)</td>
</tr>
</tbody>
</table>

The following table details the nominal amounts and remaining terms of interest rate swap contracts to hedge against fluctuations in fair value of borrowing outstanding at the year-end.

<table>
<thead>
<tr>
<th>As at</th>
<th>Nature</th>
<th>No. of Contracts</th>
<th>US$ Equivalent of notional value (millions)</th>
<th>MTM of IRS (₹ in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March, 2022</td>
<td>Assets</td>
<td>4</td>
<td>25</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>6</td>
<td>575</td>
<td>(11)</td>
</tr>
<tr>
<td>31 March, 2021</td>
<td>Assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Interest rate benchmark reform
The Group is exposed to LIBORs through various financial instrument including borrowings and derivatives. Existing LIBOR-referencing contracts that mature beyond their respective LIBOR cessation dates are generally expected to be transitioned to Alternative Reference Rates (ARRs). The company is closely monitoring the market and managing the transition to new benchmark interest rates.

Progress towards implementation of alternative benchmark interest rates:
As a part of the Group’s risk management policy for transition, the following measures have been initiated:

- New contracts/facilities are being linked to the relevant ARRs or other benchmarks like EURIBOR that are not expected to cease.
- The existing facilities/ contracts are a mix of fixed and floating rates denominated in USD, EUR and JPY.

Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

1. The Group’s USD floating rate exposure is primarily linked to USD 6 month LIBOR and these exposures are proposed to be transitioned to SOFR (the ARR recommended for USD exposures) for contracts/ facilities that mature beyond 30 June 2023 (cessation date for the 6 month USD LIBOR).
2. The JPY facility was linked to JPY LIBOR and has already been transitioned to Tokyo Term Risk Free Rate (TQRF), the term RFR applicable for JPY currency.
3. The EUR facilities are linked to EURIBOR, which is presently not expected to be phased out.

Derivative contract: Interest rate swap linked to LIBOR 3 months’ Derivative contract will be transition as per International Swaps and Derivatives Association (“ISDA”) protocol.

The tables below show the company’s exposure to significant LIBORs subject to reform that have yet to transition to RFRs as at 31 March 2022.

<table>
<thead>
<tr>
<th>Interest Rate Benchmark</th>
<th>Non-derivative financial assets</th>
<th>Non-derivative financial liabilities</th>
<th>Derivative financial assets</th>
<th>Derivative financial liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD LIBOR (6 Months)</td>
<td>-</td>
<td>12,046</td>
<td>185</td>
<td>-</td>
</tr>
<tr>
<td>External Commercial Borrowings / Loans</td>
<td>-</td>
<td>12,046</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>USD LIBOR (1 Months)</td>
<td>-</td>
<td>795</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Advance Payment and Supply Agreement</td>
<td>-</td>
<td>795</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>USD LIBOR (3 Months)</td>
<td>-</td>
<td>795</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest Rate Swap</td>
<td>-</td>
<td>-</td>
<td>24</td>
<td>9</td>
</tr>
</tbody>
</table>

H. Equity Price Risk:
The Group is exposed to equity price risk arising from equity investments (other than subsidiaries and joint ventures, which are carried at cost).

Equity price sensitivity analysis:
The sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period.

If equity prices of the quoted investments increase / decrease by 5%, other comprehensive income for the year ended 31 March, 2022 would increase / decrease by ₹ 185 crores (As at 31 March, 2021 - ₹ 48 crores).

I. 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 for the Group’s products and services, and the financial strength of the customers in respect of whom amounts are receivable. Basing this assessment, the allowance for doubtful trade receivables as at 31 March, 2022 is considered adequate.

Movements in allowances for bad and doubtful debts

<table>
<thead>
<tr>
<th>As at</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March, 2020</td>
<td>181</td>
</tr>
<tr>
<td>Movement during the year</td>
<td>24</td>
</tr>
<tr>
<td>As at 31 March, 2021</td>
<td>205</td>
</tr>
<tr>
<td>Movement during the year</td>
<td>58</td>
</tr>
<tr>
<td>As at 31 March, 2022</td>
<td>273</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

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 ₹ 36,120 crores as at 31 March, 2022 and ₹ 28,388 crores as at 31 March, 2021, being the total carrying value of trade receivables, balances with bank, bank deposits, current investments, loans and other financial assets.

In respect of financial guarantees provided by the 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.

3. 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.

Liquidity exposure as at 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>&lt;1 year</th>
<th>1-5 years</th>
<th>&gt;5 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>8</td>
<td>4,565</td>
<td>4,979</td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>7,467</td>
<td>-</td>
<td>7,467</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>8,908</td>
<td>-</td>
<td>8,908</td>
<td></td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>8,857</td>
<td>-</td>
<td>8,857</td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>759</td>
<td>94</td>
<td>853</td>
<td></td>
</tr>
<tr>
<td>Derivative assets</td>
<td>402</td>
<td>24</td>
<td>426</td>
<td></td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,289</td>
<td>4,076</td>
<td>5,365</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>27,302</td>
<td>4,131</td>
<td>31,433</td>
<td></td>
</tr>
</tbody>
</table>

Liquidity exposure as at 31 March, 2021

<table>
<thead>
<tr>
<th>Particulars</th>
<th>&lt;1 year</th>
<th>1-5 years</th>
<th>&gt;5 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>8</td>
<td>5,604</td>
<td>5,612</td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>4,486</td>
<td>-</td>
<td>4,486</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11,943</td>
<td>-</td>
<td>11,943</td>
<td></td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>870</td>
<td>-</td>
<td>870</td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>475</td>
<td>200</td>
<td>675</td>
<td></td>
</tr>
<tr>
<td>Derivative assets</td>
<td>302</td>
<td>110</td>
<td>412</td>
<td></td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,610</td>
<td>2,683</td>
<td>4,293</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>19,498</td>
<td>2,993</td>
<td>22,491</td>
<td></td>
</tr>
</tbody>
</table>

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, 2022

K. Level wise disclosure of financial instruments

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Level</th>
<th>Valuation technique and key inputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quotated investments in the equity shares measured at FVTPL</td>
<td>3,071</td>
<td>893</td>
<td>I</td>
<td>quoted bid prices in an active market.</td>
</tr>
<tr>
<td>Quotated investments in the equity shares measured at FVTOCI</td>
<td>8</td>
<td>8</td>
<td>I</td>
<td>quoted bid prices in an active market.</td>
</tr>
<tr>
<td>Derivative assets</td>
<td>460</td>
<td>212</td>
<td>II</td>
<td>inputs other than quoted prices included with-in level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).</td>
</tr>
<tr>
<td>Derivative liabilities</td>
<td>212</td>
<td>167</td>
<td>II</td>
<td>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).</td>
</tr>
<tr>
<td>Non-current investments in unquoted DFCD measured at FVTOCIColor</td>
<td></td>
<td>4,100</td>
<td>II</td>
<td>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).</td>
</tr>
<tr>
<td>Unquoted investments in the equity shares measured at FVTOCI</td>
<td>13</td>
<td>13</td>
<td>III</td>
<td>net asset value of share arrived has been considered as fair value.</td>
</tr>
<tr>
<td>Unquoted investments in the equity shares measured at FVTPL</td>
<td>554</td>
<td>-</td>
<td>III</td>
<td>discounted cash flow - Future cash flows are based on projections discounted at a rate reflected market risks.</td>
</tr>
<tr>
<td>Unquoted investments in the equity shares measured at FVTPL</td>
<td>66</td>
<td>66</td>
<td>III</td>
<td>cost is approximate estimate of fair value.</td>
</tr>
<tr>
<td>Non-current investments in unquoted Preference Shares measured at FVTPL</td>
<td>55</td>
<td>50</td>
<td>III</td>
<td>discounted cash flow- Future cash flows are based on terms of Preference Shares discounted at a rate reflected market risks.</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Valuation technique</th>
<th>Significant unobservable inputs</th>
<th>Change</th>
<th>Sensitivity of the input to fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments in unquoted Preference shares</td>
<td>DCF method</td>
<td>Discounting rate 9.00%</td>
<td>0.50%</td>
</tr>
<tr>
<td>Investments in unquoted equity shares</td>
<td>DCF and CCM method</td>
<td>Discounting rate of 25%</td>
<td>0.50%</td>
</tr>
<tr>
<td>Investments in unquoted equity shares</td>
<td>NW method</td>
<td>Cost is approximate estimate of fair value</td>
<td>-</td>
</tr>
</tbody>
</table>

Reconciliation of Level III fair value measurement:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Level</th>
<th>Valuation technique and key inputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>129</td>
<td>117</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases / (sale) (net)</td>
<td>300</td>
<td>80</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquired pursuant to business combination (refer note 41)</td>
<td>-</td>
<td>17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain / (loss) recognised in the Consolidated statement of Profit and Loss</td>
<td>4</td>
<td>(5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain / (loss) recognised in the Consolidated other comprehensive income</td>
<td>258</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closing balance</td>
<td>691</td>
<td>129</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Details of financial assets / liabilities measured at amortised but fair value disclosed in category wise

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Level</th>
<th>Valuation technique and key inputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long term borrowings</td>
<td>68,002</td>
<td>58,049</td>
<td>II</td>
<td>discounted cash flow method - Future cash flows are discounted by using rates which reflect market risks.</td>
</tr>
<tr>
<td>Fair value</td>
<td>67,927</td>
<td>58,188</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>807</td>
<td>487</td>
<td>II</td>
<td>discounted cash flow method - Future cash flows are discounted by using rates which reflect market risks.</td>
</tr>
<tr>
<td>Fair value</td>
<td>820</td>
<td>498</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans - Financial assets</td>
<td>884</td>
<td>972</td>
<td>II</td>
<td>discounted cash flow method - Future cash flows are discounted by using rates which reflect market risks.</td>
</tr>
<tr>
<td>Fair value</td>
<td>884</td>
<td>972</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Undertaking</th>
<th>Nature of Risk being hedged</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow Hedges</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forwards Currency Contracts</td>
<td>Highly probable</td>
<td>Forecast Sales</td>
<td>Exchange rate movement risk</td>
<td>29</td>
<td>(18)</td>
</tr>
<tr>
<td>Interest rate Swap</td>
<td>Long-term Foreign currency borrowings</td>
<td>Interest rate Risk</td>
<td>24</td>
<td>(8)</td>
<td>16</td>
</tr>
<tr>
<td>Commodity Contract</td>
<td>Purchase of Natural gas</td>
<td>Price Risk</td>
<td>52</td>
<td>-</td>
<td>52</td>
</tr>
<tr>
<td>Options contract</td>
<td>Long-term Foreign currency borrowings</td>
<td>Exchange rate movement risk</td>
<td>161</td>
<td>-</td>
<td>161</td>
</tr>
<tr>
<td>Designated and Ineffective Hedges</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forwards Currency Contracts</td>
<td>Highly probable</td>
<td>Forecast Sales</td>
<td>Exchange rate movement risk</td>
<td>64</td>
<td>(5)</td>
</tr>
<tr>
<td>Fair Value Hedges</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

### Particulars Underlying Nature of Risk being hedged

<table>
<thead>
<tr>
<th>Nature of Risk being hedged</th>
<th>As at 31 March, 2022</th>
<th>As at 31 March, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly probable Forecast Sales</td>
<td>- -</td>
<td>20 (40) (20)</td>
</tr>
<tr>
<td>Exchange rate movement risk</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Long-term Foreign currency borrowings</td>
<td>- (75) (8)</td>
<td>- -</td>
</tr>
<tr>
<td>Exchange rate movement risk</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Trade payable and acceptances</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Exchange rate movement risk</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Inflation swap long-term Foreign currency borrowings</td>
<td>@ (1) (1)</td>
<td>- -</td>
</tr>
<tr>
<td>Inflation rate Risk</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Forwards Currency Contracts</td>
<td>Trade payables &amp; Acceptance</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Exchange rate movement risk</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Long-term Foreign currency borrowings</td>
<td>Options Contract</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Exchange rate movement risk</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Trade payable and acceptances</td>
<td>Options Contract</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Exchange rate movement risk</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Non Designated Hedges</td>
<td>Trade payables &amp; Acceptance</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Exchange rate movement risk</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Forwards Currency Contracts</td>
<td>Long-term Foreign currency borrowings</td>
<td>Options Contract</td>
</tr>
<tr>
<td>Exchange rate movement risk</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Trade payable and acceptances</td>
<td>Options Contract</td>
<td>Exchange rate movement risk</td>
</tr>
<tr>
<td>Exchange rate movement risk</td>
<td>- -</td>
<td>- -</td>
</tr>
<tr>
<td>Receivable/ payable from cancelled/settled derivative contracts</td>
<td>47 (11) 36 12 (6) 6</td>
<td></td>
</tr>
<tr>
<td>Fair Value in crores</td>
<td>31 March, 2022</td>
<td>31 March, 2021</td>
</tr>
<tr>
<td>Long term borrowings</td>
<td>658 (317) 625 (180)</td>
<td></td>
</tr>
<tr>
<td>Acceptances</td>
<td>138 (52) 121 (25)</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>696 (370) 816 (209)</td>
<td></td>
</tr>
<tr>
<td>Movement in cash flow hedge:</td>
<td>308 258</td>
<td></td>
</tr>
<tr>
<td>Opening Balance</td>
<td>256 723</td>
<td></td>
</tr>
<tr>
<td>FX-recognised in other comprehensive income</td>
<td>(34) (273)</td>
<td></td>
</tr>
<tr>
<td>Hedge ineffectiveness recognised in P&amp;L</td>
<td>24 78</td>
<td></td>
</tr>
<tr>
<td>Amount Reclassified to P&amp;L during the year</td>
<td>18 (250)</td>
<td></td>
</tr>
<tr>
<td>Closing balance</td>
<td>308 258</td>
<td></td>
</tr>
</tbody>
</table>

### 45. Related party disclosures

#### A List of related parties

1. **Joint ventures**
   - Vayayanagore Minerals Private Limited
   - Rohme Coal Company Private Limited
   - JSW Sheffield Structures Limited
   - Gourangpith Coal Limited
   - JSW Structural Metal Decking Limited
   - JSW M Steel Service Center Private Limited
   - JSW M Chennai Steel Service Center Private Limited (with effect from 24 May, 2021)
   - Creventx Special Steels Limited
   - JSW Ispat Special Products Limited (formerly known as Monnet Ispat & Energy Limited)
   - Piombino Steel Limited (with effect from 27 March, 2021 and upto 30 September, 2021)
   - Bhushan Power & Steel Limited (with effect from 27 March, 2021 and upto 30 September, 2021)
   - JSW One Platforms Limited (with effect from 1 February, 2022)
   - JSW One Distribution Limited (with effect from 1 February, 2022)

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**
      - Dr. M.R.Ravi, IAS - Nominee Director, KSIIDC (with effect from 21 January, 2022)
      - Mr. K.P. Mohan Raj, IAS - Nominee Director, KSIIDC (with effect from 21 October, 2021, upto 21 January, 2022)
      - Dr. V. Ram Prasad Manohar, IAS - Nominee Director, KSIIDC (with effect from 21 May, 2021, upto 21 October, 2021)
      - Mr. M S Sirkar, IAS - Nominee Director, KSIIDC (upto 21 May, 2021)
      - Nirojika Ojha - Nominee Director, JSW Steel Corporation
      - Dr. (Mrs.) Punita Kumar Sinha
      - Mr. Malay Mukherjee (upto 29 January, 2022)
      - Mr. Harsh Charandas Mariwala
   c) **Mr. Rajeev Pai - Chief Financial Officer**
   d) **Mr. Lancy Varghese - Company Secretary**

3. **Relatives of KMP**
   - Mrs. Savitri Devi Jindal
   - Mr. Prithvi Raj Jindal
   - Mr. Naveen Jindal
   - Mrs. Nirmala Goyal
   - Mrs. Urmila Bhuwalka
   - Mrs. Seema Jajodia
   - Mrs. Sangita Jhunjhnuwala
   - Mrs. Sanj Bhatia
   - Mrs. Aashika Goyal
   - Mrs. Urmi Ahuwalia
   - Mrs. Seema Jagdale
   - Mrs. Sankha Ushnishwar
   - Mrs. Sanj Bhatia
   - Mrs. Ashika Goyal
   - Mrs. Urmi Ahuwalia
   - Mrs. Priyanka Bhatia
   - 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

Note: The above list is not exhaustive and may include other related parties as well.
Notes

To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

JSW Future Energy Limited
JSW Renewable Energy (Vijayanagar) Limited
Jindal Stainless Limited
Jindal Stainless (Hisar) Limited
JSL Lifestyle Limited
Jindal Saw Limited
3TF Urban Infrastructure Limited
3TF Commodity Traders Limited
Jindal Tubular (India) Limited
Jindal Urban Waste Management (Vizagapattanam) Limited
Jindal Rail Infrastructure Limited
Jindal Steel & Power Limited
India Flysafe Aviation Limited
3SW Infrastructures Limited
Sapphire Airlines Private Limited
3SW Jaigarh Port Limited
South West Port Limited
3SW Oharamnath Port Private Limited
3SW Paradip Terminal Private Limited
Mangalore Coal Terminal Private Limited
Jaipurni Digs Rial Limited
3SW Cement Limited
3SW Energy Limited
JSW Projects Limited
BMM Ispat Limited (w.e.f 27 October, 2020)
JSW IP Holdings Private Limited
Reynold Traders Private Limited
JSW Techno Projects Management Limited
JSW Global Business Solutions Limited
Jindal Industries Private Limited
JSW Foundation
Inspire Institute of Sports
Jindal Technologies & Management Services Private Limited
Epsilon Carbon Private Limited
3SW Living Private Limited
3SW International Trade Corp PTE Limited
Jindal Education Trust
3SW Paints Private Limited
Talbudar 3SW Power System Private Limited
MoJo Coal Limited
3SW Bengaluru Football Club Private Limited
3SW Shipping & Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited)
Nestree Steel Private Limited (w.e.f 30 September, 2022)
3SW Minerals Trading Private Limited
Khilanji & Company
Eurosoda International Private Limited
3S Saga Associates
Shiva Cement Limited
TehriGanga Waste to Electricity Projects Limited
Encorp Powertrains Private Limited
Nourish Organic Foods Private Limited
Brahmani River Pellets Limited
Barilla Enterprises Private Limited
Glebe Trading Private Limited

3) Post-Employment Benefit Entity
JSW Steel EPF Trust (upto 31 December, 2020)
JSW Steel Group Gratuity Trust
JSW Steel Limited Employee Gratuity Fund
JSW Steel (Salav) Limited Employee Group Gratuity Trust

B) Transactions with related parties

<table>
<thead>
<tr>
<th>Party’s Name</th>
<th>Purchase of Goods / Power &amp; fuel / Services / Branding expenses</th>
<th>Reimbursement of expenses incurred on our behalf by</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Energy Limited</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW International Tradecorp PTE Limited</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>2,235</td>
<td>207</td>
</tr>
<tr>
<td>Total</td>
<td>2,235</td>
<td>207</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Party’s Name</th>
<th>Sales of Goods/Power &amp; Fuel/Services/Assets</th>
<th>Other income/ Interest income/ Dividend income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Piombino Steel Limited</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW Ispat Special Products Limited</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>244</td>
<td>62</td>
</tr>
<tr>
<td>Total</td>
<td>3,204</td>
<td>1,217</td>
</tr>
</tbody>
</table>

5) Other income/ Interest income/ Dividend income

<table>
<thead>
<tr>
<th>Party’s Name</th>
<th>Others</th>
<th>31 March, 2022</th>
<th>FY 2021-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pemfro Steel Limited</td>
<td>123</td>
<td>3</td>
<td>123</td>
</tr>
<tr>
<td>JSW Ispat Special Products Limited</td>
<td>48</td>
<td>26</td>
<td>48</td>
</tr>
<tr>
<td>India Flysafe Aviation Limited</td>
<td>-</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>JSW Projects Limited</td>
<td>-</td>
<td>26</td>
<td>26</td>
</tr>
<tr>
<td>JSW Shipping &amp; Logistics Private Limited</td>
<td>-</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>Others</td>
<td>9</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Total</td>
<td>180</td>
<td>32</td>
<td>110</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

Consolidated Financials
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

### Notes:
- **1.** As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
- **2.** The Group gives or receives trade advances during normal course of business. The transactions against those trade advances are part of above-mentioned purchases or sales and accordingly, such trade advances have not been shown separately.
- **3.** The Company has recognised an expenses of 0.50 crores (previous year 1.00 crores) towards employee stock options to individual is not ascertainable and therefore not included above.
- **4.** During the year, the Company has transferred hospital (including land) to JSW Foundation by way of a gift amounting to 73 crores for no consideration.

### Nature of Transaction

<table>
<thead>
<tr>
<th>Nature of Transaction</th>
<th>FY 2022-23</th>
<th>FY 2021-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term employee benefits</td>
<td>154</td>
<td>88</td>
</tr>
<tr>
<td>Other long-term benefits</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Termination benefits</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total compensation to key management personnel</td>
<td>154</td>
<td>89</td>
</tr>
</tbody>
</table>

**Notes:**
1. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
2. The Company has recognised an expenses of ₹ 2 crores (previous year ₹ 2 crores) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

3. Dividend paid to KMP is ₹ 0.28 crores (FY 2020-21: ₹ 0.00 crores), not included above.

4. The Independent Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable to the Non-Executive Directors is based on the number of meetings of the Board attended by them and their Chairmanship/Membership of Audit Committee during the year, subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹ 20,000/- for each meeting of the Board and sub-committees attended by them. The amount paid to them by way of commission and sitting fees during FY 2021-22 is ₹ 3 crores (FY 2020-21 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, 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

The transactions other than mentioned above are also in the ordinary course of business and at arms’ length basis.

C) Amount due to or from related parties

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Joint ventures</th>
<th>Other related parties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As at 31 March, 2021</td>
<td>As at 31 March, 2022</td>
<td>As at 31 March, 2021</td>
</tr>
<tr>
<td></td>
<td>As at 31 March, 2021</td>
<td>As at 31 March, 2022</td>
<td>As at 31 March, 2021</td>
</tr>
<tr>
<td>Party’s Name</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Energy Limited</td>
<td>-</td>
<td>384</td>
<td>8</td>
</tr>
<tr>
<td>JSW International Tradecorp Pvt Limited</td>
<td>-</td>
<td>5,434</td>
<td>1,152</td>
</tr>
<tr>
<td>Others</td>
<td>181</td>
<td>34</td>
<td>361</td>
</tr>
<tr>
<td>Total</td>
<td>181</td>
<td>34</td>
<td>6,679</td>
</tr>
<tr>
<td>Advance received from customers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Structural Metal Decking Limited</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>JSW One Platforms Limited</td>
<td>-</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>JSW Energy (Kutcher) Limited</td>
<td>-</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Jindal Saw Limited</td>
<td>-</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Jindal Rail Infrastructure Limited</td>
<td>-</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Bhushan Jindal Ropan Pallet Limited</td>
<td>-</td>
<td>7</td>
<td>13</td>
</tr>
<tr>
<td>Others</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td>1</td>
<td>15</td>
</tr>
<tr>
<td>Lease &amp; other deposits received</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Severfield Structures Limited</td>
<td>13</td>
<td>13</td>
<td>-</td>
</tr>
<tr>
<td>JSW Energy Limited</td>
<td>-</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Jindal Saw Limited</td>
<td>-</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>JSW Cement Limited</td>
<td>-</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Others</td>
<td>12</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>13</td>
<td>13</td>
<td>39</td>
</tr>
<tr>
<td>Trade receivables</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW AI Steel Service center Private Limited</td>
<td>71</td>
<td>59</td>
<td>-</td>
</tr>
<tr>
<td>JSW Ispat Special Products Limited</td>
<td>192</td>
<td>13</td>
<td>-</td>
</tr>
</tbody>
</table>

Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

- 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, 2022, the fair value of plan assets was as ₹ 79 crores (As at 31 March, 2021: ₹ 74 crores).
### Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

#### 46. Contingent liabilities:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 31 March, 2022</td>
<td>As at 31 March, 2021</td>
</tr>
<tr>
<td>(i) Guarantees</td>
<td>34</td>
</tr>
<tr>
<td>(ii) Disputed claims/levies (excluding interest, if any), in respect of:</td>
<td></td>
</tr>
<tr>
<td>Excise duty</td>
<td>491</td>
</tr>
<tr>
<td>Custom duty</td>
<td>760</td>
</tr>
<tr>
<td>Income tax</td>
<td>181</td>
</tr>
<tr>
<td>Sales tax / VAT / Special entry tax / Electricity duty</td>
<td>1,674</td>
</tr>
<tr>
<td>Service tax / Good and Service tax</td>
<td>328</td>
</tr>
<tr>
<td>Levies by local authorities – Statutory</td>
<td>137</td>
</tr>
<tr>
<td>Levies relating to Energy / Power Obligations</td>
<td>31</td>
</tr>
<tr>
<td>Claims by suppliers, other parties and Government</td>
<td>798</td>
</tr>
</tbody>
</table>

- Excise duty cases includes disputes pertaining to availing 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 SHS licences for clearance of imported equipment, payment of customs duty Steel 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 / Goods & Service tax cases includes disputes pertaining to availing of service tax credit on ineligible services, denial of credit as 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 Limited, 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.
- Claims by Suppliers, other parties and Government includes quality/shortfall claims issues raised by suppliers and others. Refer note 47 (d) for demand relating to MDPA shortfall.
- The Group has given guarantees to the Commissioner of Customs in respect of goods imported. 130 | 127

### Commitments

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 31 March, 2022</td>
<td>As at 31 March, 2021</td>
</tr>
<tr>
<td>(ii) Claims related to Forest Development Tax / Fee</td>
<td>3,710</td>
</tr>
</tbody>
</table>

- The Company has received a show cause demand notice ("SCN") for additional bid premium and royalty to be paid arising out of grade variation on the iron ore sold by the Company, basis joint sample collected before dispatch amounting to ₹ 375 crores. The Company has contested the SCN as the iron ore grade is determined on the basis of the analysis report issued by the Deputy Director Chemical Analysis Government Laboratory. Accordingly, the Company believes that the outflow of resources is remote and no provision is made in the financial statements as at 31 March, 2022.

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 vide its judgement 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 FDF and based on merits of the case duly supported by a legal opinion and a favorable order and their decision in the Court, the Company has not recognised provision for FDF amount of ₹ 2,687 crores (including paid under protest – ₹ 265 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.

#### 47. Commitments

<table>
<thead>
<tr>
<th>Capital commitments</th>
<th>₹ in crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 31 March, 2022</td>
<td>As at 31 March, 2021</td>
</tr>
<tr>
<td>Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)</td>
<td>19,922</td>
</tr>
</tbody>
</table>

- a) The Group has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports. Such export obligations at year end aggregate to ₹ 2,747 crores.
- b) The Group has given guarantees to the Commissioner of Customs in respect of goods imported. 127 |

- In March 2018, the Company has entered into a five-year Advance Payment and Supply Agreement ("APSA") agreement with Dufenco S.A. ("DSA") for supply of Steel Products. Dufenco S.A has provided an in-breast bearing advance amount of US $700 million under this agreement, secured by committed export of steel products to Dufenco S.A. Out of this US $296 million is pending towards fulfilment.

- 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.
During the year, the State Government issued a show cause notice alleging shortfall of minimum production quantity and issued a demand notice dated 13 August, 2021 raising a demand of ₹ 697 crores (including penalty) as prescribed in the MDPA. The Company has filed a writ petition with the High Court of Odisha (High Court) contesting the demand and the High court has granted stay on the above matter vide its order dated 27 September, 2021. As a prudence, the demand has been disclosed under contingent liabilities as at 31 March, 2022.

48. Exceptional items for the year ended 31 March, 2022 consist of:

a) Impairment provision of ₹ 710 crores recorded towards the value of Property, plant & equipment of ₹ 400 crores, goodwill of ₹ 199 crores, other assets and accrual of resultant liabilities of ₹ 111 crores pertaining to Caretta Minerals LLC (‘Caretta’), a subsidiary in USA which, subsequent to year end, received a final arbitration order on its dispute with the lessors of coking coal mining lease and Plant lease and consequential notice of termination of lease.

b) Impairment provision CWIP of ₹ 31 crores relating to Integrated Steel Complex at Ranchi, Jharkhand on the basis of current status of the project.

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.

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 ₹ 8,702 crores (₹ 8,130 crores as at 31 March, 2021) 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 reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

i. PPE (including CWIP and advances) of ₹ 4,200 crores (₹ 4,262 crores as at 31 March, 2021) 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 13.1%. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure and future margins on the said operations.

ii. Goodwill, PPE, CWIP and Capital advances of ₹Nil (₹ 196 crores as at 31 March, 2021), ₹Nil (₹ 410 crores as at 31 March, 2021), ₹Nil (₹ 163 crores as at 31 March, 2021) and ₹Nil (₹ 322 crores as at 31 March, 2021) respectively relating to coal mines at West Virginia, USA (refer note 48(a)).

iii. PPE (including CWIP) of ₹ 1,776 crores (₹ 1,756 crores as at 31 March, 2021) and goodwill of ₹ 59 crores (₹ 96 crores as at 31 March, 2021) 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 17.0%. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure and future margins.

iv. PPE (including CWIP) of ₹ 465 crores (₹ 528 crores as at 31 March, 2021) relating to steel operations at Piombino, Italy - Estimate of values of the businesses and assets by independent external valuers based on cash flow projections at a pre-tax discount rate ranging from 11.4% to 11.9%. The said assessment includes significant assumptions such as discount rate, increase in operational performance on account of committed capital expenditure and future margins.

v. Integrated Steel Complex at Salboni, Bengal [PPE ₹ 204 crores (₹ 212 crores as at 31 March, 2021), CWIP ₹ 14 crores as at 31 March, 2021], ROU assets ₹ 76 crores (₹ 77 crores as at 31 March, 2021) and advances ₹ 148 crores (₹ 148 crores as at 31 March, 2021) - 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 (₹ 46 crores as at 31 March, 2021), CWIP ₹ Nil (₹ 31 crores as at 31 March, 2021) and Advances Re.1 crore (Re.1 crore as at 31 March, 2021)] - 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. PPE ₹ 104 crores including mining development and projects ₹ 93 crores (₹ 98 crores including mining development and projects ₹ 87 crores as at 31 March, 2021) and goodwill ₹ 8 crores (₹ 8 crores as at 31 March, 2021) 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.

viii. PPE (including CWIP and capital advance) of ₹ 635 crores (₹ 477 crores as at 31 March, 2021) 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.

ix. Investment in equity shares (net of share of profits), preference shares and non-convertible debentures of Crexent Special Steels Limited, a joint venture, ₹ 800 crores (₹ 507 crores as at 31 March, 2021) and loans and interest receivable (including of JSW Ispat Special Products Limited) of ₹ 287 crores (previous year ₹ 262 crores) - Valuation of PPE by an independent expert.

50. Research and development activities

The manufacturing and other expenses include ₹ 39 crores (previous year - ₹ 31 crores) in respect of research and development activities undertaken during the year. Depreciation expenditure includes ₹ 14 crores (previous year - ₹ 17 crores) in respect of research and development activities undertaken during the year.

51. Joint ventures

Details of the Group’s material joint ventures are as follows:

<table>
<thead>
<tr>
<th>Name of the Joint venture</th>
<th>Place of incorporation and operation</th>
<th>Proportion of ownership interest and voting power held by the Group</th>
<th>Principal activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Severfield Structures Limited</td>
<td>India</td>
<td>50%</td>
<td>50% Design, fabrication and erection of structural steel works</td>
</tr>
<tr>
<td>JSW Structural Metal Decking Limited</td>
<td>India</td>
<td>33.33%</td>
<td>33.33% Metal Deckings</td>
</tr>
<tr>
<td>Rohne Coal Company Private Limited</td>
<td>India</td>
<td>49%</td>
<td>49% Coal mining company</td>
</tr>
<tr>
<td>JSW Hi-Mate Service Center Private Limited</td>
<td>India</td>
<td>50%</td>
<td>50% Steel service centre</td>
</tr>
<tr>
<td>JSW Hi-Mech Service Center Private Limited</td>
<td>India</td>
<td>55%</td>
<td>55% Steel service centre</td>
</tr>
<tr>
<td>Saurashtra Coal Limited</td>
<td>India</td>
<td>49%</td>
<td>40% Supply of iron ore</td>
</tr>
<tr>
<td>Crexent Special Steels Limited</td>
<td>India</td>
<td>48%</td>
<td>48% Investment in steel related &amp; allied businesses and trading in steel products</td>
</tr>
<tr>
<td>JSW Ispat Special Projects Limited</td>
<td>India</td>
<td>23.10%</td>
<td>23.10% Manufacturing &amp; marketing of sponge iron, steel &amp; Ferro-alloys</td>
</tr>
<tr>
<td>Plumbico Steel Limited</td>
<td>India</td>
<td>-</td>
<td>- Manufacturing of sponge iron, steel &amp; Ferro-alloys</td>
</tr>
<tr>
<td>Bhushan Power &amp; Ispat Limited</td>
<td>India</td>
<td>-</td>
<td>- Investment in steel related &amp; allied businesses and trading in steel products</td>
</tr>
<tr>
<td>JSW One Platforms Limited (formerly known as JSW Retail Limited) (w.e.f 1 February, 2022)</td>
<td>India</td>
<td>75%</td>
<td>75% E-commerce platform for dealing in steel, cement, paint and their allied products and providing management and technical consultancy services</td>
</tr>
<tr>
<td>JSW One Distribution Limited (w.e.f 1 February, 2022)</td>
<td>India</td>
<td>75%</td>
<td>75% Trading in steel, cement, paint and other products</td>
</tr>
</tbody>
</table>

The above joint ventures are accounted using the equity method in these consolidated financial statements.
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

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, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>JSW Severfield Structures Limited</th>
<th>JSW MI Steel Private Center Limited</th>
<th>Crecient Special Steels Limited</th>
<th>JSW One Platforms Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>1,005</td>
<td>265</td>
<td>1,805</td>
<td>19</td>
</tr>
<tr>
<td>Non-current Assets</td>
<td>288</td>
<td>386</td>
<td>3,440</td>
<td>19</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>938</td>
<td>140</td>
<td>1,473</td>
<td>17</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>19</td>
<td>153</td>
<td>3,107</td>
<td>1</td>
</tr>
<tr>
<td>The above amount of assets and liabilities include the following:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>23</td>
<td>114</td>
<td>59</td>
<td>6</td>
</tr>
<tr>
<td>Current financial liabilities (excluding trade and other payables and provisions)</td>
<td>151</td>
<td>57</td>
<td>527</td>
<td>4</td>
</tr>
<tr>
<td>Non-current financial liabilities (excluding trade and other payables and provisions)</td>
<td>15</td>
<td>139</td>
<td>3,090</td>
<td>1</td>
</tr>
<tr>
<td>Revenue</td>
<td>1,122</td>
<td>748</td>
<td>6,061</td>
<td>16</td>
</tr>
<tr>
<td>Profit / (loss) for the period / year</td>
<td>20</td>
<td>22</td>
<td>(76)</td>
<td>(28)</td>
</tr>
<tr>
<td>Other comprehensive income for the period / year</td>
<td>- (1)</td>
<td>(1)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total comprehensive income for the period / year</td>
<td>20</td>
<td>21</td>
<td>(88)</td>
<td>(28)</td>
</tr>
<tr>
<td>Dividends received from the joint venture during the period / year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>The above profit / (loss) for the period / year include the following:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>21</td>
<td>11</td>
<td>221</td>
<td>1</td>
</tr>
<tr>
<td>Interest income</td>
<td>1</td>
<td>3</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Interest expense</td>
<td>38</td>
<td>5</td>
<td>358</td>
<td>4</td>
</tr>
<tr>
<td>Income tax expense (income)</td>
<td>3</td>
<td>16</td>
<td>(9)</td>
<td>(2)</td>
</tr>
<tr>
<td>Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets of the joint venture</td>
<td>925</td>
<td>378</td>
<td>14</td>
<td>17</td>
</tr>
<tr>
<td>Proportion of the Group’s ownership interest in the joint venture</td>
<td>50%</td>
<td>50%</td>
<td>48%</td>
<td>48%</td>
</tr>
<tr>
<td>Other adjustments</td>
<td>- (3)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Carrying amount of the Group’s interest in the joint venture</td>
<td>163</td>
<td>180</td>
<td>11</td>
<td>1</td>
</tr>
</tbody>
</table>

b) Financial information of joint ventures as at 31 March, 2021

<table>
<thead>
<tr>
<th>Particulars</th>
<th>JSW Severfield Structures Limited</th>
<th>JSW MI Steel Private Center Limited</th>
<th>Crecient Special Steels Limited</th>
<th>JSW One Platforms Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>625</td>
<td>139</td>
<td>1,555</td>
<td>6,654</td>
</tr>
<tr>
<td>Non-current Assets</td>
<td>304</td>
<td>227</td>
<td>3,459</td>
<td>17,578</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>587</td>
<td>80</td>
<td>1,267</td>
<td>1,830</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>24</td>
<td>59</td>
<td>3,040</td>
<td>16,430</td>
</tr>
<tr>
<td>The above amount of assets and liabilities include the following:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>@</td>
<td>36</td>
<td>14</td>
<td>2,652</td>
</tr>
<tr>
<td>Current financial liabilities (excluding trade and other payables and provisions)</td>
<td>165</td>
<td>23</td>
<td>373</td>
<td>-</td>
</tr>
<tr>
<td>Non-current financial liabilities (excluding trade and other payables and provisions)</td>
<td>22</td>
<td>92</td>
<td>3,002</td>
<td>-</td>
</tr>
<tr>
<td>Revenue</td>
<td>496</td>
<td>483</td>
<td>4,188</td>
<td>34</td>
</tr>
<tr>
<td>Profit / (loss) for the period / year</td>
<td>(13)</td>
<td>18</td>
<td>136</td>
<td>(2)</td>
</tr>
<tr>
<td>Other comprehensive income for the period / year</td>
<td>(13)</td>
<td>(1)</td>
<td>10</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income for the period / year</td>
<td>(26)</td>
<td>18</td>
<td>146</td>
<td>(27)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Particulars</th>
<th>JSW Severfield Structures Limited</th>
<th>JSW MI Steel Private Center Limited</th>
<th>Crecient Special Steels Limited</th>
<th>JSW One Platforms Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>1,005</td>
<td>265</td>
<td>1,805</td>
<td>19</td>
</tr>
<tr>
<td>Non-current Assets</td>
<td>288</td>
<td>386</td>
<td>3,440</td>
<td>19</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>938</td>
<td>140</td>
<td>1,473</td>
<td>17</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>19</td>
<td>153</td>
<td>3,107</td>
<td>1</td>
</tr>
</tbody>
</table>

Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

Integrating the summarised financial information with the Group financial statements:

- The net assets of the joint venture
- The proportion of the Group’s ownership interest in the joint venture
- Other adjustments
- Carrying amount of the Group’s interest in the joint venture

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
- Proportion of the Group’s ownership interest in the joint venture
- Total comprehensive income

52. Subsidiaries
Details of the Group’s subsidiaries at the end of reporting period are as follows:

- **JSW Steel (Netherlands) B.V.**
  - Place of incorporation: Netherlands
  - Proportion of ownership interest and voting power held by the Group: 100%
  - Principal activity: Acquisition and investment in steel related & allied businesses and trading in steel products

- **JSW Steel Italy S.p.A.**
  - Place of incorporation: Italy
  - Proportion of ownership interest and voting power held by the Group: 100%
  - Principal activity: Trading in steel products and holding company of JSW Steel Italy Pambio S.p.A., Pambio Logistics S.p.A. - a JSW Enterprise and GSI Lucchini S.p.A.

- **JSW Steel Italy Pambio S.p.A.**
  - Place of incorporation: Italy
  - Proportion of ownership interest and voting power held by the Group: 100%
  - Principal activity: Produces & distributes special long steel products

- **Pambio Logistics S.p.A. - a JSW Enterprise and GSI Lucchini S.p.A.**
  - Place of incorporation: Italy
  - Proportion of ownership interest and voting power held by the Group: 100%
  - Principal activity: Manages the logistics infrastructure of piombino’s port area

<table>
<thead>
<tr>
<th>Name of the subsidiary</th>
<th>Place of incorporation and operation</th>
<th>Proportion of ownership interest and voting power held by the Group</th>
<th>Principal activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Steel (Netherlands) B.V.</td>
<td>Netherlands</td>
<td>100%</td>
<td>Acquisition and investment in steel related &amp; allied businesses and trading in steel products</td>
</tr>
<tr>
<td>JSW Steel Italy S.p.A.</td>
<td>Italy</td>
<td>100%</td>
<td>Trading in steel products and holding company of JSW Steel Italy Pambio S.p.A., Pambio Logistics S.p.A. - a JSW Enterprise and GSI Lucchini S.p.A.</td>
</tr>
<tr>
<td>JSW Steel Italy Pambio S.p.A. (formerly known as Alpieri S.p.A.)</td>
<td>Italy</td>
<td>100%</td>
<td>Produces &amp; distributes special long steel products</td>
</tr>
<tr>
<td>Pambio Logistics S.p.A. - a JSW Enterprise and GSI Lucchini S.p.A.</td>
<td>Italy</td>
<td>100%</td>
<td>Manages the logistic infrastructure of piombino’s port area</td>
</tr>
<tr>
<td>GSI Lucchini S.p.A. (refer note a)</td>
<td>Italy</td>
<td>100%</td>
<td>Producers of forged steel balls</td>
</tr>
<tr>
<td>Penamia Holdings, LLC</td>
<td>United States of America</td>
<td>100%</td>
<td>Trading in steel products and holding company of JSW Steel USA Inc. and West Virginia operations</td>
</tr>
<tr>
<td>JSW Steel (USA) Inc.</td>
<td>United States of America</td>
<td>100%</td>
<td>Manufacturing plates, pipe and double jointing</td>
</tr>
<tr>
<td>Pambio Energy, LLC</td>
<td>United States of America</td>
<td>100%</td>
<td>Trading in steel products and holding company</td>
</tr>
<tr>
<td>Meadow Creek Minerals, LLC</td>
<td>United States of America</td>
<td>100%</td>
<td>Mining company</td>
</tr>
<tr>
<td>Hutchinson Minerals, LLC</td>
<td>United States of America</td>
<td>100%</td>
<td>Mining company</td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

Name of the subsidiary | Place of incorporation and operation | Proportion of ownership interest | Principal activity
--- | --- | --- | ---
R.C. Minerals, LLC (merged with Purest Energy, LLC) (refer note (b) below) | United States of America | 100% | Mining company
Keenan Minerals, LLC (merged with Purest Energy, LLC) (refer note (b) below) | United States of America | 100% | Mining company
Peace Leasing, LLC (merged with Purest Energy, LLC) (refer note (b) below) | United States of America | 100% | Mining company
Prime Coal, LLC (merged with Periama Holdings, LLC) (refer note (b) below) | United States of America | 100% | Management company
Planck Holdings, LLC (merged with Planck Holdings, LLC) (refer note (b) below) | United States of America | 100% | Mining company
Periama Handling, LLC (merged with Planck Holdings, LLC) (refer note (b) below) | United States of America | 100% | Coal loading company
Lower Hutchinson Minerals, LLC | United States of America | 100% | Mining company
Caretta Minerals, LLC | United States of America | 100% | Mining company
Ascro Shonkin 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% | Manufacturing of slabs and hot rolled coils.
JSW Panama Holdings Corporation | Republic of Panama | 100% | Holding company for Chile based companies and trading in iron ore
Inversiones Eurozul Limitada | Chile | 100% | Holding company (LLP) of Santa Fe Mining
Santa Fe Mining | Chile | 100% | 70% Mining company and Holding company of Santa Fe Puerto S.A.
Santa Fe Puerto S.A. | Chile | 100% | 70% Port company
JSW Natural Resources Limited | Republic of Mauritius | 100% | 100% holding company of JSW Natural Resources Mozambique Limited and JSW Malawi Resources SA
JSW Natural Resources Mozambique Limitada | Mozambique | 100% | Mining company
JSW KAMR Carvão Limitada | Mozambique | 100% | Mining company
JSW Steel (UK) Limited | United Kingdom | 100% | 100% Investment in steel related and steel allied businesses
JSW Steel Global Trade Pte Limited (w.e.f 27 January, 2022) | Singapore | 100% | - Trading in steel and allied activities
Nippon-Isozak Singapore (PTE) Limited | Singapore | 100% | 100% Mining company
Erausus limited (refer note c below) | Republic of Mauritius | 100% | Mining company
Alima Holdings Limited (refer note c below) | Republic of Mauritius | 100% | Mining company
Lakeside Securities Limited (refer note c below) | Republic of Mauritius | 100% | Mining company
JSW Steel Coated Products Limited | India | 100% | Mining company
Hasad Steel Limited | India | 100% | 100% Investment in steel related activities
Asian Color Coated Limited (w.e.f 27 October, 2020) | India | 100% | Steel plant
Vardhman Industries Limited | India | 100% | Steel plant
JSW Valiath Tin Plate Private Limited | India | 100% | Steel plant
Amba River Coke Limited | India | 100% | Coke oven and Pellet plant

a) The Company through its wholly owned subsidiary JSW Steel Italy S.R.L. has completed acquisition of 30.73% equity shares of GSI Lucchini S.p.A. (‘GSI’) and as a result GSI 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.

b) During the year, as a part of the overall exercise and to consolidate its operations and holding structure the following wholly owned subsidiaries of the Company have been merged with their immediate parent effective 2 December, 2021

Name of the Company | Merged with
--- | ---
R.C. Minerals, LLC | Purest Energy LLC
Keenan Minerals, LLC | Purest Energy LLC
Peace Leasing, LLC | Purest Energy LLC
Prime Coal LLC | Periama Holdings LLC
Rolling S Augering, LLC | Planck Holdings LLC
Periama Handling, LLC | Planck Holdings LLC

INTEGRATED REPORT | MANAGEMENT DISCUSSION AND ANALYSIS | STATUTORY REPORTS | FINANCIAL STATEMENTS
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

Since the merger is a common control transaction it does not have any impact on the consolidated financial statements of the Company.

c) During the year, as a part of the overall exercise to simplify the group structure, three wholly owned overseas subsidiaries of the Company domiciled in the Republic of Mauritius namely Arina Holdings Limited, Erebus Limited and Lakeland Securities Limited have undergone winding up and liquidated effective 15 March, 2022. 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 is before inter-company elimination.

Financial information of non-controlling interest as on 31 March, 2022

<table>
<thead>
<tr>
<th>Particulars</th>
<th>JSW Realty &amp; Infrastructure Limited</th>
<th>JSW Steel (USA), Inc.</th>
<th>Plambo Steel Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td>591</td>
<td>0</td>
<td>4,209</td>
</tr>
<tr>
<td>Current assets</td>
<td>51</td>
<td>8</td>
<td>2,118</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>407</td>
<td>0</td>
<td>6,003</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>103</td>
<td>525</td>
<td>1,449</td>
</tr>
<tr>
<td>Equity attributable to owners of the company</td>
<td>132</td>
<td>(362)</td>
<td>(640)</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>152</td>
<td>(155)</td>
<td>(584)</td>
</tr>
<tr>
<td>Revenue</td>
<td>61</td>
<td>-</td>
<td>3,408</td>
</tr>
<tr>
<td>Expenses</td>
<td>93</td>
<td>19</td>
<td>3,382</td>
</tr>
<tr>
<td>Profit / (loss) for the year</td>
<td>(24)</td>
<td>(18)</td>
<td>(79)</td>
</tr>
<tr>
<td>Profit / (loss) attributable to owners of the company</td>
<td>(24)</td>
<td>(13)</td>
<td>(71)</td>
</tr>
<tr>
<td>Profit / (loss) attributable to the non-controlling interest</td>
<td>(24)</td>
<td>(6)</td>
<td>(8)</td>
</tr>
<tr>
<td>Other comprehensive income attributable to owners of the company</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive income attributable to the non-controlling interests</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive income attributable for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net cash inflow / (outflow) from operating activities</td>
<td>38</td>
<td>2</td>
<td>(364)</td>
</tr>
<tr>
<td>Net cash inflow / (outflow) from investing activities</td>
<td>39</td>
<td>2</td>
<td>434</td>
</tr>
<tr>
<td>Net increase / (decrease) in cash and cash equivalents</td>
<td>2</td>
<td>(4)</td>
<td>135</td>
</tr>
</tbody>
</table>

53. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company, except for an instance of transfer of Sale proceeds of fractional shares arising out of a composite schedule of Arrangement and Amalgamation amongst JSW ISPAT Steel Limited, JSW Building Systems Limited, Maharashtra Sponge Iron Limited, JSW Steel Limited, their respective shareholders and creditors, amounting to ₹ 2.94 crores and were required to be transferred during F.Y. 2020-21. The said amount was subsequently transferred to IEPF.

Further, amounts aggregating to 0.11 crore, is held in abeyance due to dispute/ pending legal cases.

54. Subsequent events

On 27 May, 2022, the board of directors recommended a final dividend of ₹ 17.35 (Rupees Seventeen and fifty seven paise thirty five only) per equity share of Re. 1 each to be paid to the shareholders for the financial year 2021-22, which is subject to approval by the shareholders at the Annual General Meeting to be held on 20 July, 2022. If approved, the dividend would result in cash outflow of ₹ 4,194 crores.

55. The Board of Directors of the Company at their meeting held on 27 May, 2022 considered and approved the Scheme of Amalgamation pursuant to Section 230-232 and other applicable provisions of the Companies Act 2013, providing for amalgamation of its wholly owned subsidiary JSW Special Products Limited with the Company.

56. The Indian Bureau of Mines (IBM) had carried out upward revision of already published average selling prices of iron ore for the month of September and October 2021. Based on a legal opinion obtained, the Company believes that the methodology used by IBM for arriving at such revised average selling price by excluding certain bona fide sale transactions of iron ore by the Company is not in accordance with the provisions of Mineral Conservation and Development Rules, 2017. Accordingly, the Company contested the same before the Honourable High Court of Odisha. The Honourable High Court of Odisha in its order dated 16 March, 2022 has held that fixation of average selling prices of iron ore by IBM is in accordance with the Minerals (other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016.

Accordingly, the Company has recognised the expenditure towards Mining Premium and Royalties payable based on such revised average selling prices published by IBM.

57. 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.
58. Other statutory information
(a) The Group do not have any significant transactions with the struck off companies during the current and previous years.
(b) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
(c) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

59. Ratios:

<table>
<thead>
<tr>
<th>No</th>
<th>Ratios</th>
<th>Numerator</th>
<th>Denominator</th>
<th>FY 21-22</th>
<th>FY 20-21</th>
<th>% Change</th>
<th>Reason for variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Current Ratio</td>
<td>Current Assets</td>
<td>Current liabilities</td>
<td>1.14</td>
<td>0.83</td>
<td>37.2%</td>
<td>Current ratio has improved to 1.14 primarily on account of increase in the value of inventories and trade receivables</td>
</tr>
<tr>
<td>2</td>
<td>Debt Equity Ratio</td>
<td>Total Borrowings</td>
<td>Total Equity</td>
<td>1.02</td>
<td>1.40</td>
<td>(28.6%)</td>
<td>Debt equity ratio has improved to 1.02 mainly due to increase in equity on account of current year’s profit</td>
</tr>
<tr>
<td>3</td>
<td>Debt service coverage ratio</td>
<td>Net Finance Charges + Long Term Borrowings + principal repayments (excluding prepayments/ refinancing) during the year (Net Finance Charges : Finance Costs - Interest Income - Net Gain /(Loss) on sale of current investments</td>
<td>3.56</td>
<td>2.22</td>
<td>60.8%</td>
<td>Debt service coverage ratio has improved to 3.56 mainly due to increase in current year’s profit</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Return on Equity</td>
<td>Profit after tax</td>
<td>Average Shareholder’s equity</td>
<td>36.9%</td>
<td>19.2%</td>
<td>92.5%</td>
<td>Return on equity has increased due to increase in current year’s profit</td>
</tr>
<tr>
<td>5</td>
<td>Inventory Turnover (no. of days)</td>
<td>Average inventory</td>
<td>Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories + Mining premium and royalties + Power and fuel + Stores &amp; spares consumed + Repairs &amp; Maintenance + Job work charges + Labour charges + MDD cost</td>
<td>94</td>
<td>101</td>
<td>(6.7%)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Trade receivables turnover (no. of days)</td>
<td>Average receivables</td>
<td>Sale of products</td>
<td>15</td>
<td>21</td>
<td>(27.3%)</td>
<td>Decrease is primarily on account of increase in sales in the current year</td>
</tr>
<tr>
<td>7</td>
<td>Trade payables turnover (no. of days)</td>
<td>Average trade payables</td>
<td>Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories</td>
<td>142</td>
<td>186</td>
<td>(23.7%)</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Net capital turnover</td>
<td>Net Sales</td>
<td>Current assets - Current liabilities</td>
<td>18.39</td>
<td>(10.48)</td>
<td>(275.4%)</td>
<td>Increase is primarily on account of increase in sales in the current year</td>
</tr>
</tbody>
</table>

60. Disclosure of additional information pertaining to the Parent Company, Subsidiaries and Joint ventures as per Schedule III of Companies Act, 2013

<table>
<thead>
<tr>
<th>Name of entity in the group</th>
<th>Net Assets, i.e., total assets minus total liabilities</th>
<th>Share in profit or loss</th>
<th>Share in other comprehensive income</th>
<th>As % of consolidated net assets</th>
<th>Amount</th>
<th>As % of consolidated profit or loss</th>
<th>Amount</th>
<th>As % of total comprehensive income</th>
<th>Amount</th>
<th>In crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>PARENT COMPANY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Steel Limited</td>
<td>60.51</td>
<td>41,473</td>
<td>78.34</td>
<td>18,402</td>
<td>91.23</td>
<td>1,748</td>
<td>79.42</td>
<td>18,170</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUBSIDIARIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INDIAN</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vardhaman Industries Limited</td>
<td>0.10</td>
<td>67</td>
<td>0.05</td>
<td>11</td>
<td>-</td>
<td>@</td>
<td>0.05</td>
<td>11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Bengal Steel – Group</td>
<td>0.66</td>
<td>444</td>
<td>(0.05)</td>
<td>10</td>
<td>-</td>
<td>(10)</td>
<td>-</td>
<td>(0.04)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amba River Coke Limited</td>
<td>4.63</td>
<td>3,172</td>
<td>1.10</td>
<td>236</td>
<td>7.15</td>
<td>137</td>
<td>1.61</td>
<td>367</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Steel Coated Products Limited</td>
<td>6.94</td>
<td>4,759</td>
<td>6.59</td>
<td>1,380</td>
<td>851</td>
<td>163</td>
<td>6.75</td>
<td>1,543</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Polambro Steel Limited – Group</td>
<td>14.90</td>
<td>10,212</td>
<td>6.56</td>
<td>1,373</td>
<td>0.37</td>
<td>7</td>
<td>6.04</td>
<td>1,380</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Hardknight Steel Limited</td>
<td>0.07</td>
<td>46</td>
<td>(0.16)</td>
<td>34</td>
<td>-</td>
<td>(0.15)</td>
<td>-</td>
<td>(34)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peddar Realty Private Limited</td>
<td>0.06</td>
<td>36</td>
<td>0.09</td>
<td>18</td>
<td>-</td>
<td>(0.08)</td>
<td>-</td>
<td>(18)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Valatin Tungate Private Limited</td>
<td>0.56</td>
<td>386</td>
<td>0.54</td>
<td>113</td>
<td>-</td>
<td>(0.49)</td>
<td>113</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Realty &amp; Infrastructure Private Limited</td>
<td>0.06</td>
<td>445</td>
<td>0.15</td>
<td>31</td>
<td>-</td>
<td>(0.14)</td>
<td>31</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Industrial Kases Private Limited</td>
<td>0.44</td>
<td>299</td>
<td>0.18</td>
<td>37</td>
<td>-</td>
<td>(0.16)</td>
<td>37</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Utkal Steel Limited</td>
<td>0.29</td>
<td>202</td>
<td>(0.02)</td>
<td>5</td>
<td>-</td>
<td>(0.02)</td>
<td>-</td>
<td>(5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hassaud Steel Limited</td>
<td>0.04</td>
<td>30</td>
<td>0.16</td>
<td>34</td>
<td>-</td>
<td>(0.15)</td>
<td>-</td>
<td>(34)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian Color Coated Ispat Limited</td>
<td>2.53</td>
<td>1,804</td>
<td>2.54</td>
<td>352</td>
<td>0.31</td>
<td>6</td>
<td>2.35</td>
<td>538</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Vijayanagar Metals Limited</td>
<td>2.37</td>
<td>1,627</td>
<td>(0.02)</td>
<td>(4)</td>
<td>-</td>
<td>(0.02)</td>
<td>(4)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW One Platforms Limited – Group</td>
<td>-</td>
<td>-</td>
<td>(0.07)</td>
<td>(15)</td>
<td>-</td>
<td>(0.07)</td>
<td>(15)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Retail &amp; Distribution Limited</td>
<td>0.00</td>
<td>1</td>
<td>0.00</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Steel Private Limited</td>
<td>0.22</td>
<td>153</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FOREIGN</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Steel (Netherlands) B.v</td>
<td>(1.36)</td>
<td>(948)</td>
<td>(0.31)</td>
<td>(65)</td>
<td>-</td>
<td>(0.26)</td>
<td>(65)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perama Holding LLC – Group</td>
<td>(0.00)</td>
<td>(609)</td>
<td>(3.78)</td>
<td>(792)</td>
<td>-</td>
<td>(0.47)</td>
<td>(792)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Panama Holdings Corporation – Group</td>
<td>0.22</td>
<td>153</td>
<td>0.00</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Steel (UK) Limited</td>
<td>0.20</td>
<td>135</td>
<td>(0.03)</td>
<td>(6)</td>
<td>-</td>
<td>(0.03)</td>
<td>-</td>
<td>(6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Natural Resources Limited – Group</td>
<td>0.20</td>
<td>135</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arima Holding Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lakeland Securities Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enplus Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nippon Ispat Singapore (PTE) Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JSW Steel Italy S.R.L.</td>
<td>0.00</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Notes
To the Consolidated Financial Statements as at and for the year ended 31 March, 2022

<table>
<thead>
<tr>
<th>Name of entity in the group</th>
<th>Net Assets, i.e., total assets minus total liabilities</th>
<th>Share in profit or loss</th>
<th>Share in other comprehensive income</th>
<th>Share in total comprehensive income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As % of consolidated net assets</td>
<td>Amount</td>
<td>As % of consolidated profit or loss</td>
<td>Amount</td>
</tr>
<tr>
<td>Acero Holdings Junction Inc. – Group</td>
<td>2.13</td>
<td>1,461</td>
<td>3.24</td>
<td>678</td>
</tr>
<tr>
<td>JSW Steel Italy Ponsino S.P.A</td>
<td>1.90</td>
<td>1,302</td>
<td>(0.65)</td>
<td>(137)</td>
</tr>
<tr>
<td>Piombino Logistics S.P.A</td>
<td>0.02</td>
<td>15</td>
<td>(0.18)</td>
<td>(37)</td>
</tr>
<tr>
<td>JSW Luchin S.P.A</td>
<td>0.19</td>
<td>129</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW Steel Global Trade PTE Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Acero Holdings Junction Inc. – Group</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Note: The balances and amounts presented above are net of intercompany eliminations and consolidation adjustments.

61. Previous year figures have been re-grouped / re-classified wherever necessary.
<table>
<thead>
<tr>
<th>Name of the Subsidiary</th>
<th>Reporting Currency</th>
<th>Exchange Rate</th>
<th>Share Capital</th>
<th>Reserves and Surplus</th>
<th>Total Assets</th>
<th>Total Liabilities</th>
<th>Investment</th>
<th>Turnover</th>
<th>Profits / (Losses) before Taxes</th>
<th>Provision for Taxation</th>
<th>Profits / (Losses) after Taxes</th>
<th>Proposed Dividend</th>
<th>% of shareholding</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW One Platforms Limited</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>JSW One Distribution Limited</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>JSW Steel (USA) Inc.</td>
<td>USD</td>
<td>75.81</td>
<td>6,087.31</td>
<td>(7,522.57)</td>
<td>6,296.20</td>
<td>7,731.46</td>
<td>INR</td>
<td>-</td>
<td>0.11</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW Steel (USA) Ohio, Inc.</td>
<td>USD</td>
<td>75.81</td>
<td>248.16</td>
<td>(2,139.95)</td>
<td>3,096.97</td>
<td>4,988.76</td>
<td>INR</td>
<td>-</td>
<td>3.71</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW Steel Italy Piombino S.p.A.</td>
<td>USD</td>
<td>75.81</td>
<td>178.40</td>
<td>(260.44)</td>
<td>1,941.48</td>
<td>2,023.52</td>
<td>INR</td>
<td>-</td>
<td>7.11</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Piombino logistics S.p.A.</td>
<td>USD</td>
<td>75.81</td>
<td>12.03</td>
<td>(62.84)</td>
<td>108.09</td>
<td>158.90</td>
<td>INR</td>
<td>-</td>
<td>2.30</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>GSI luchini S.p.A.</td>
<td>USD</td>
<td>75.81</td>
<td>23.16</td>
<td>94.83</td>
<td>356.35</td>
<td>238.36</td>
<td>INR</td>
<td>-</td>
<td>14.45</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JSW Steel Global Trade Pte Limited</td>
<td>USD</td>
<td>75.81</td>
<td>0.11</td>
<td>(1,249.49)</td>
<td>0.11</td>
<td>-</td>
<td>INR</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>&amp; Caretta Minerals</td>
<td>USD</td>
<td>75.81</td>
<td>614.39</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Planck holdings</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>Rolling S Augering</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>Periama handling</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>Planck Holdings</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>JSW Steel (Netherlands) b.V.</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>Periama Holdings</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>Acero Junction holdings, Inc.</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>JSW Natural Resources limited</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>JSW Steel (UK) limited</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>JSW Panama Holdings Corporation</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>Inversiones eurosh limitada Santa Fe Mining</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>Santa Fe Puerto S.A.</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
<tr>
<td>JSW Natural Resources</td>
<td>USD</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>INR</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>NA</td>
</tr>
</tbody>
</table>

Note: The financial statements of subsidiaries are converted into Indian Rupees on the basis of exchange rates as on closing day of the financial year.
<table>
<thead>
<tr>
<th>Subsidiary Name</th>
<th>Whether Acquired</th>
<th>Date of Acquisition</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW Bengal Steel Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
<tr>
<td>JSW Natural Resources India Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
<tr>
<td>JSW Energy (Bengal) Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
<tr>
<td>JSW Natural Resources Bengal Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
<tr>
<td>JSW Utkal Steel Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
<tr>
<td>JSW Coal India Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
<tr>
<td>JSW Power Solutions Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
<tr>
<td>JSW Logistics India Private Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
<tr>
<td>JSW Energy (Mozambique) Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
<tr>
<td>JSW Energy (Indonesia) Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
<tr>
<td>JSW Energy (South Africa) Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
<tr>
<td>JSW Steel Global Trade Pte Limited</td>
<td>Yes</td>
<td>15 September, 2021</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of Associates/Joint Ventures</th>
<th>Latest Audited Balance Sheet Date</th>
<th>Shares of Associate/Joint Ventures Held by the Company on the Year End</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vijaynagar Minerals Private Limited</td>
<td>31 March, 2022</td>
<td>4,000,000,000 shares</td>
</tr>
<tr>
<td>Rohne Coal Company Private Limited</td>
<td>31 March, 2022</td>
<td>490,000,000 shares</td>
</tr>
<tr>
<td>JSW Severfield Structures Limited</td>
<td>31 March, 2022</td>
<td>197,937,940 shares</td>
</tr>
<tr>
<td>JSW Structural Metal Decking Limited</td>
<td>31 March, 2022</td>
<td>4,482,905 shares</td>
</tr>
<tr>
<td>Gourangdih Coal Limited</td>
<td>31 March, 2021</td>
<td>2,450,000 shares</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of Associates/Joint Ventures</th>
<th>Latest Audited Balance Sheet Date</th>
<th>Shares of Associate/Joint Ventures Held by the Company on the Year End</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW MI Steel Service Centre Private Limited</td>
<td>31 March, 2022</td>
<td>130,615,385 shares</td>
</tr>
<tr>
<td>JSW MI Chennai Steel Service Centre Private Limited</td>
<td>31 March, 2022</td>
<td>51,530,609 shares</td>
</tr>
<tr>
<td>JSW Ispat Special Products Limited</td>
<td>31 March, 2022</td>
<td>108,448,611 shares</td>
</tr>
<tr>
<td>Creixent Special Steels Limited</td>
<td>31 March, 2022</td>
<td>4,800,000 shares</td>
</tr>
<tr>
<td>Piombino Steel Limited</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Part B: Associates and Joint Ventures

<table>
<thead>
<tr>
<th>Name of Associates/Joint Ventures</th>
<th>Description of how there is significant influence</th>
<th>Networth attributable to Shareholding as per latest audited Balance Sheet</th>
<th>Profit / Loss for the Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vijaynagar Minerals Private Limited</td>
<td>Joint Venture Agreement</td>
<td>1.78</td>
<td>1.22</td>
</tr>
<tr>
<td>Rohne Coal Company Private Limited</td>
<td>Joint Venture Agreement</td>
<td>-6.45</td>
<td>-2.43</td>
</tr>
<tr>
<td>JSW Severfield Structures Limited</td>
<td>Joint Venture Agreement</td>
<td>156.71</td>
<td>5.22</td>
</tr>
<tr>
<td>JSW Structural Metal Decking Limited</td>
<td>Joint Venture Agreement</td>
<td>10.28</td>
<td>3.11</td>
</tr>
<tr>
<td>Gourangdih Coal Limited</td>
<td>Joint Venture Agreement</td>
<td>1.51</td>
<td>-0.04</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of Associates/Joint Ventures</th>
<th>Description of how there is significant influence</th>
<th>Networth attributable to Shareholding as per latest audited Balance Sheet</th>
<th>Profit / Loss for the Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>JSW MI Steel Service Centre Private Limited</td>
<td>Joint Venture Agreement</td>
<td>189.08</td>
<td>12.09</td>
</tr>
<tr>
<td>JSW MI Chennai Steel Service Centre Private Limited</td>
<td>Joint Venture Agreement</td>
<td>20.99</td>
<td>-1.81</td>
</tr>
<tr>
<td>JSW Ispat Special Products Limited</td>
<td>Joint Venture Agreement</td>
<td>321.79</td>
<td>-0.03</td>
</tr>
<tr>
<td>Creixent Special Steels Limited</td>
<td>Joint Venture Agreement</td>
<td>-101.87</td>
<td>-42.57</td>
</tr>
<tr>
<td>Piombino Steel Limited</td>
<td>Joint Venture Agreement</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Financial Highlights (Standalone)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE ACCOUNTS (₹ in crores)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Turnover</td>
<td>66,235</td>
<td>75,210</td>
<td>62,315</td>
<td>69,458</td>
<td>116,928</td>
</tr>
<tr>
<td>Net Turnover</td>
<td>64,976</td>
<td>75,210</td>
<td>62,315</td>
<td>69,458</td>
<td>116,928</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>13,741</td>
<td>18,512</td>
<td>12,517</td>
<td>19,259</td>
<td>24,715</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>3,054</td>
<td>3,421</td>
<td>3,522</td>
<td>3,781</td>
<td>4,511</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>3,591</td>
<td>3,789</td>
<td>4,022</td>
<td>3,565</td>
<td>3,849</td>
</tr>
<tr>
<td>Exceptional Items</td>
<td>234</td>
<td>1,309</td>
<td>386</td>
<td>722</td>
<td></td>
</tr>
<tr>
<td>Profit before Taxes</td>
<td>7,075</td>
<td>11,707</td>
<td>4,292</td>
<td>12,196</td>
<td>24,715</td>
</tr>
<tr>
<td>Provision for Taxation</td>
<td>2,450</td>
<td>3,586</td>
<td>1,309</td>
<td>3,849</td>
<td>8,013</td>
</tr>
<tr>
<td>Profit after Taxes</td>
<td>4,625</td>
<td>8,121</td>
<td>2,983</td>
<td>8,347</td>
<td>16,702</td>
</tr>
</tbody>
</table>

| **CAPITAL ACCOUNTS (₹ in crores)** | | | | | |
| Net Fixed Asset (including ROU assets) | 49,568 | 51,772 | 50,542 | 51,942 | 71,646 |
| Debt* | 36,181 | 48,539 | 58,713 | 58,007 | 55,219 |
| Net Debt | 35,580 | 42,725 | 47,312 | 46,260 | 39,691 |
| Equity Capital | 241 | 240 | 240 | 241 | 240 |
| Other Equity (Reserve & Surplus) | 27,605 | 34,592 | 38,061 | 46,675 | 63,200 |
| Shareholders' Funds | 27,907 | 34,893 | 38,362 | 46,977 | 63,501 |

| **RATIOS** | | | | | |
| Book Value Per Share (₹) | 115.45 | 144.35 | 158.70 | 194.34 | 262.70 |
| Market price Per Share (₹) | 288.15 | 293.05 | 146.25 | 468.45 | 732.65 |
| Earning per Share (Diluted) (₹) | 19.14 | 33.60 | 21.89 | 34.72 | 69.10 |
| Market Capitalisation (₹ in crores) | 69,652 | 70,837 | 35,352 | 113,235 | 177,098 |
| Equity Dividend per Share (₹) | 3.20 | 4.10 | 2.00 | 6.50 | 17.35 |
| Fixed Assets Turnover Ratio | 1.31 | 1.45 | 1.23 | 1.34 | 1.63 |
| Operating EBITDA Margin | 20.7% | 24.0% | 19.5% | 27.2% | 26.8% |
| Interest Service Coverage Ratio | 4.05 | 5.28 | 3.61 | 6.52 | 11.31 |
| Net Debt Equity Ratio | 1.27 | 1.22 | 1.23 | 0.98 | 0.63 |
| Net Debt to EBITDA | 2.59 | 2.31 | 3.78 | 2.40 | 1.25 |

* Including lease liabilities, APSA and excluding acceptance
## Financial Highlights (Consolidated)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE ACCOUNTS (₹ in crores)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Turnover</td>
<td>71,349</td>
<td>82,499</td>
<td>71,116</td>
<td>78,059</td>
<td>143,829</td>
</tr>
<tr>
<td>Net Turnover</td>
<td>70,071</td>
<td>82,499</td>
<td>71,116</td>
<td>78,059</td>
<td>143,829</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>14,794</td>
<td>18,952</td>
<td>11,873</td>
<td>20,141</td>
<td>39,007</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>3,387</td>
<td>4,041</td>
<td>4,246</td>
<td>4,679</td>
<td>6,001</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>3,701</td>
<td>3,917</td>
<td>4,265</td>
<td>3,957</td>
<td>4,968</td>
</tr>
<tr>
<td>Exceptional Items</td>
<td>264</td>
<td>805</td>
<td>83</td>
<td>741</td>
<td></td>
</tr>
<tr>
<td>Profit Before Taxes</td>
<td>7,651</td>
<td>11,168</td>
<td>3,013</td>
<td>12,015</td>
<td>29,745</td>
</tr>
<tr>
<td>Provision for Taxation</td>
<td>1,538</td>
<td>3,644</td>
<td>4,142</td>
<td>8,807</td>
<td></td>
</tr>
<tr>
<td>Profit after Taxes</td>
<td>6,113</td>
<td>7,524</td>
<td>3,919</td>
<td>7,873</td>
<td>20,938</td>
</tr>
<tr>
<td><strong>CAPITAL ACCOUNTS (₹ in crores)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Fixed Asset (including ROU assets)</td>
<td>57,141</td>
<td>61,804</td>
<td>61,670</td>
<td>64,581</td>
<td>99,761</td>
</tr>
<tr>
<td>Debt**</td>
<td>39,393</td>
<td>52,238</td>
<td>65,477</td>
<td>69,771</td>
<td>74,271</td>
</tr>
<tr>
<td>Net Debt</td>
<td>38,019</td>
<td>45,969</td>
<td>53,473</td>
<td>56,950</td>
<td>56,880</td>
</tr>
<tr>
<td>Equity Capital</td>
<td>241</td>
<td>241</td>
<td>240</td>
<td>241</td>
<td>240</td>
</tr>
<tr>
<td>Other Equity (Reserve &amp; Surplus)</td>
<td>27,696</td>
<td>34,494</td>
<td>36,298</td>
<td>45,308</td>
<td>66,996</td>
</tr>
<tr>
<td>Shareholders’ Funds</td>
<td>27,534</td>
<td>34,346</td>
<td>36,024</td>
<td>44,991</td>
<td>68,535</td>
</tr>
<tr>
<td><strong>RATIOS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Book Value Per Share (₹)</td>
<td>113.91</td>
<td>142.08</td>
<td>149.03</td>
<td>186.12</td>
<td>283.53</td>
</tr>
<tr>
<td>Market price Per Share (₹)</td>
<td>288.15</td>
<td>293.05</td>
<td>146.25</td>
<td>468.45</td>
<td>732.65</td>
</tr>
<tr>
<td>Earning per Share (Diluted) (₹)</td>
<td>25.71</td>
<td>31.60</td>
<td>16.27</td>
<td>32.73</td>
<td>85.49</td>
</tr>
<tr>
<td>Market Capitalisation (₹ in crores)</td>
<td>69,652</td>
<td>70,837</td>
<td>35,352</td>
<td>113,235</td>
<td>177,098</td>
</tr>
<tr>
<td>Equity Dividend per Share (₹)</td>
<td>3.20</td>
<td>4.10</td>
<td>0.00</td>
<td>6.50</td>
<td>17.35</td>
</tr>
<tr>
<td>Fixed Assets Turnover Ratio</td>
<td>1.23</td>
<td>1.33</td>
<td>1.15</td>
<td>1.21</td>
<td>1.44</td>
</tr>
<tr>
<td>Operating EBITDA Margin</td>
<td>20.6%</td>
<td>22.4%</td>
<td>16.2%</td>
<td>25.2%</td>
<td>26.7%</td>
</tr>
<tr>
<td>Interest Service Coverage Ratio</td>
<td>4.15</td>
<td>5.02</td>
<td>3.11</td>
<td>5.62</td>
<td>9.32</td>
</tr>
<tr>
<td>Net Debt Equity Ratio</td>
<td>1.28</td>
<td>1.34</td>
<td>1.48</td>
<td>1.27</td>
<td>1.40</td>
</tr>
<tr>
<td>Net Debt to EBITDA</td>
<td>2.57</td>
<td>2.43</td>
<td>4.50</td>
<td>2.83</td>
<td>1.40</td>
</tr>
</tbody>
</table>

* Including lease liabilities, APSA and excluding acceptance
JSW Steel is the flagship business of the diversified, US$ 22 billion JSW Group. As one of India’s leading business houses, JSW Group also has interests in energy, infrastructure, cement, paints, sports, and venture capital. JSW Steel, certified by Great Places To Work in 2021, has emerged as an organisation with a strong cultural foundation. Over the last three decades, it has grown from a single manufacturing unit to become India’s leading integrated steel company with a capacity of 28.5 MTPA in India and the USA (including capacities under joint control).

Its next phase of growth in India will take its total capacity to 38.5 MTPA 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 Steel to access new and state-of-the-art technologies to produce and offer high-value special steel products to its customers. These products are extensively used across industries and applications including construction, infrastructure, automobile, electrical applications, and appliances. JSW Steel is widely recognised for its excellence in business and sustainability practices.

Some of these recognitions include World Steel Association’s Steel Sustainability Champion (consecutively from 2019 to 2022), Leadership Rating (A-) in CDP (2020 and 2021), Deming Prize for TQM for its facilities at Vijayanagar (2018), and Salem (2019). It is part of the S&P Dow Jones Sustainability Index (DJSI) for Emerging Markets (2021) and S&P Global’s Sustainability Yearbook (consecutively for 2020 and 2021). JSW Steel is the only Indian company to be ranked among the top 15 global steel producers by World Steel Dynamics for 13 consecutive years since 2008. As a responsible corporate citizen, JSW Steel’s carbon reduction goals are aligned with India’s Climate Change commitments under the Paris Accord.