

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

(₹ in crores)

	Standalone		Consolidated	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
I Revenue from operations	118,820	70,727	146,371	79,839
II Other income	1,929	669	1,531	592
III Total income (I + II)	120,749	71,396	147,902	80,431
IV Expenses:				
Cost of materials consumed	51,457	28,743	62,337	32,623
Purchases of stock-in-trade	234	199	534	233
Changes in inventories of finished goods, work and semi-finished goods-in-progress and stock-in-trade	(3,112)	(872)	(3,601)	(348)
Mining premium and royalties	13,894	6,972	13,894	6,972
Employee benefits expense	1,870	1,501	3,493	2,506
Finance costs	3,849	3,565	4,968	3,957
Depreciation and amortisation expense	4,511	3,781	6,001	4,679
Other expenses	22,609	14,925	30,707	17,712
Total expenses	95,312	58,814	118,333	68,334
V Profit before share of profit / (losses) from joint ventures (net), exceptional items and tax (III-IV)	25,437	12,582	29,569	12,097
VI Share of profit / (loss) from joint ventures (net)			917	1
VII Profit / (loss) before exceptional items and tax (V+VI)	25,437	12,582	30,486	12,098
VIII Exceptional items	722	386	741	83
IX Profit before tax (VII-VIII)	24,715	12,196	29,745	12,015
X Tax expenses / (credit):				
Current tax	4,411	2,162	4,974	2,467
Deferred tax	3,602	1,641	3,833	1,675
	8,013	3,803	8,807	4,142
XI Profit for the year (IX-X)	16,702	8,393	20,938	7,873
XII Other comprehensive income				
A i) Items that will not be reclassified to profit or loss				
a) Re-measurements of the defined benefit plans	(75)	27	(83)	33
b) Equity instruments through Other Comprehensive Income	2,083	385	2,435	459
ii) Income tax relating to items that will not be reclassified to profit or loss	(246)	(10)	(284)	(12)
Total (A)	1,762	402	2,068	480
B i) Items that will be reclassified to profit or loss				
a) The effective portion of gains and loss on hedging instruments	(22)	369	(9)	426
b) Foreign currency translation reserve (FCTR)			(148)	25
ii) Income tax relating to items that will be reclassified to profit or loss	8	(129)	5	(143)
Total (B)	(14)	240	(152)	308
Total Other comprehensive income / (loss) (A+B)	1,748	642	1,916	788
XIII Total comprehensive income / (loss) (XI+ XII)	18,450	9,035	22,854	8,661
Total Profit / (loss) for the year attributable to:				
- Owners of the company			20,665	7,911
- Non-controlling interests			273	(38)
			20,938	7,873
Other comprehensive income/(loss) for the year attributable to:				
- Owners of the company			1,937	770
- Non-controlling interests			(21)	18
			1,916	788
Total comprehensive income/(loss) for the year attributable to:				
- Owners of the company			22,602	8,681
- Non-controlling interests			252	(20)
			22,854	8,661



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 the state governments and central government diverting substantial funds towards healthcare. In the second quarter, with reduction in caseload, easing of restrictions and steady vaccination ramp up, there was a strong bounce back in economic activity. 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. However, widening reach of vaccines, pent up demand and timely policy measures helped the Indian economy to withstand the challenges. However, with geopolitical tensions in February, global trade was impacted severely. Moreover, use of sanctions by many developed economies has given rise to a medium-term downward risk to global trade.

According to the International Monetary Fund's April World Economic Outlook (WEO) global growth is expected to have grown at 6.1% in CY 2021, but going forward growth will be restrained owing to volatility and rising inflationary pressures across major economies.

On the domestic front, the Indian economy was on a steady footing despite global supply chain disruptions and looming uncertainty with possible resurgence of COVID-19 infections. Due to significant government investments, total consumption is estimated to have grown by 7% during the fiscal, and Gross Fixed Capital Formation has exceeded pre-pandemic levels on the back of ramped up public expenditure on infrastructure. According to the Economic Survey, India's GDP grew by 8.7% in FY 2021-22 after contracting by 6.6% in FY 2020-21.

Declining Chinese steel output drags global steel production

In CY 2021, the global steel industry witnessed volatile trends emanating from unsteady raw material prices, supply chain disruptions and overall demand shifts.

The global steel industry began CY 2021 on positive note with improved demand following accelerated pace

of vaccination programmes in developed countries and gradual opening up of economies. The industry witnessed continued support from uptick in economic activity and improved business sentiment. Hence, in the first quarter, global steel production was at 488 million tonnes (Source: worldsteel), 10% higher as compared to the same period in CY 2020.

As the year progressed, China, the biggest steel market, started witnessing a gradual slowdown. The progress of the economy was marked down slightly by a stronger than anticipated fiscal tightening, uncertainties in the property sector, surging coal prices and supply chain disruptions. In December, China's crude steel production dropped by 6.8% y-o-y, dragging down global output by 3% (y-o-y). On the other hand, World-ex China reported a 2% growth in steel production on a y-o-y basis. However, for CY 2021, global steel production increased by 3.6%, y-o-y to reach 1911 MnT, mostly supported by enhanced output from World-ex China, while China's production declined by 3% y-o-y and was at 1033 MnT.

Indian steel industry displayed its competitiveness and resilience

The Indian steel industry also witnessed some volatility as at the start of FY 2021-22 as the domestic economic growth was temporarily dented in by 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 automobile 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 105.8 MnT, with an 11.5% rise y-o-y. Total finished steel exports for the same period was at 13.49 MnT, a growth of 25.1% over previous year and imports were at 4.67 MnT, y-o-y decline of 1.7%.

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, saleable steel sale volumes and sales realisation. 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, imbibed 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 19.51 MnT 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 ₹146,371 crores due to better realisations and higher sales volume.
- Highest ever consolidated operating EBITDA of ₹39,007 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 at 47% of total retail sales.
- The Company exported 4.57 million tonnes of steel in FY 2021-22, an increase of 8% y-o-y and exports accounted for 28% of total sales (figures excluding 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 capacities 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. 2.83x at the end of FY 2020-21).
- 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 5.83% 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
- Became the first-ever Company in the global steel sector to issue \$500 million Sustainability Linked Bond (SLB)
- Credit Rating upgrade to BB stable from BB negative by Fitch
- 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.

Responsible business

- Obtained Environmental Product Declarations (EPD)- Type III eco-labelling for all finished products from three integrated steel plants
- Received an A-band from CDP for the number of best practices the Company is implementing under climate change



- Flagged off first-ever Electric Vehicle (EV) for material transfer in line with Company's objective reduce carbon emissions at coated business.
- Digitalisation and Industry 4.0 nearing completion, resulting in benefits across operations
- Focused on transition to renewable power usage with the commissioning of the 225 MW of solar capacity in Vijayanagar in collaboration with JSW Energy Limited
- Focused on optimal use of resources via initiatives like setting up of beneficiation plant to upgrade the iron ore fines and using slurry pipeline to efficiently transport the concentrate for pellet manufacturing.

3) Continued Strategic Growth

The Indian government has set an ambitious target of reaching 300 MnT 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 MTPA 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 MTPA from 18 MTPA. 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 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 Melt Shop and 5 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 Vijayanagar Metallics 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 2023-24.
- 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 (CGL) 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 22.
- 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 GI/GL 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 (ACCIL), JSW Vallabh Tinplate Private

Limited (JVTPPL), and Plate and Coil Mill Division (PCMD) of Welspun Corp Limited. The acquisitions concluded in the last financial year have been successfully turned around and integrated with the operations of JSW Steel.

In light of the strong operational and financial performance of BPSL, JSW Steel exercised the option of conversion of the OFCDs, pursuant to which JSW Steel now holds 83.28% equity in PSL, and PSL has become a subsidiary of JSW Steel. JSW Steel controls and manages BPSL through PSL.

Company's other acquisitions like ACCIL and VTPL reported strong performance and the Company achieved operationalisation of the Plate and Coil Mill division at Anjar.

The domestic steel industry has gone through a period of 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.

4) Ensuring Raw Material Security

The Company is a leading integrated steel manufacturer with one of the lowest conversion costs in the industry, primarily due to efficient operations, high people productivity, strategic location of its facilities and its state-of-the-art manufacturing facilities. The Company's integrated operations span mining, raw material processing units such as beneficiation plants, pelletisation and sinter plants, steel manufacturing, to downstream value addition capabilities such as production of cold rolled, galvanised and galvalume, colour-coated and tin plate products.

The Company had successfully bid for thirteen iron ore mines located in Karnataka (nine mines) and Orissa (four mines) 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 outlay of ₹3,450 crores for its iron ore mines in Odisha. The plan focuses on enhancing mining capabilities 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.

5) Focus on Resource Optimisation

In FY 2021-22, the working environment was troubled with challenges owing to rising commodity prices. Hence, 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.

A) 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 requirement of expensive lump iron ore, JSW Steel has set up a pellet plant. The 8 MTPA pellet plant was commissioned in FY 2020-21 and was made operational during the year leading to reduction in procurement of lump ore and thereby 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. The Company has also decided to expand the coke oven capacity by another 1.5 MTPA at Vijayanagar, which is expected to be commissioned in phases from Q4 of FY 2022-23. The projects, cumulatively, will contribute to substantial cost savings.

- **Setting up 175 MW and 60 MW power plants at Dolvi:**

The Company is setting up 175 MW Waste Heat Recovery Boilers (WHRB) and a 60 MW captive power plant to harness flue gases and steam from the Coke Dry Quenching (CDQ). These power plants are expected to be commissioned in the first half of FY 2022-23.

B) Innovation and technology

With the growing scale of the business, the Company is continuously focusing on innovation, to enhance its operational efficiency, resource optimisation and achieve important business goals. In FY 2021-22, JSW Steel continued its innovation journey with focus on digitally transforming and nurturing JSW Steel's ecosystem and creating sustainable value.

During the year, the Company implemented predictive and rule-based AI systems across multiple shops, with the intent to automate decision making on process parameters and remove operator discretion, limitations and estimation errors. The year also saw successful deployment of key projects to enable optimisation of logistics cost, end-to-end finance digital transformation across all locations and



optimisation of in-bound as well as out-bound mines logistic operation.

JSW Steel also focused on upskilling the workforce and equip them with necessary tools to adopt and sustain the digital initiatives implemented during the year. The Company achieved a savings of ₹171 crores during the year as a result of the initiatives.

C) Technical Collaboration with JFE Steel Corporation, Japan (JFE)

The strategic collaboration agreement that was signed between JFE and the Company in the year 2010, was one of the largest FDIs in India in the Metals and Mining space.

The strategic technical collaboration with JFE has added significant value to the Company, both in terms of products and services, thereby enriching the product mix of the Company. The Company has developed a wide range of steel for critical auto end-use applications such as outer body panels, bumper beams and other crash resistant components with strength levels up to 980 MPa. The continuous support received from JFE in the form of technical assistance has resulted in expeditious resolution of issues observed during the commercial production/ approval of stipulated licensed grades.

The Company and JFE have also signed a Memorandum of Understanding to conduct a feasibility study for setting up a manufacturing and sales JV in India for Cold Rolled Grain Oriented (CRGO) Electrical Steel Products. The demand for CRGO in India is met presently by imports. With this facility, the Company is likely to have a first mover advantage to service customers in India with local steel. This would also strengthen the Company's position as India's leading manufacturer of advanced steel products that lead to reduced CO₂ emissions and producing sustainable steel products.

6) Prudent Financial Management

(A) Standalone Results

In FY 2021-22, crude steel production was at 17.62 MnT, with an average capacity utilisation level of 89%. The Company achieved ~95% of its revised crude steel production volume guidance of 18.5 MnT for FY 2021-22. Steel sales volume stood at 16.52 MnT, which grew by 11% y-o-y. The Company exported 3.6 MnT of steel, lower by 4.6% y-o-y, and accounting for 22% of the total sales, as against 25% in FY 2020-21. The Company also achieved 95% of its standalone sales volume guidance of 17.40 MnT for FY 2021-22. Revenue from operations grew 68% y-o-y to ₹118,820 crores, primarily due to an increase in volumes and net sales realisations in the export and domestic market.

Owing to increase in sales volume, better sales realisation, , cost saving initiatives and favourable

product mix, the Company achieved an annual Operating EBITDA of ₹31,868 crores, up by 65% y-o-y with an EBITDA margin of 26.8%. However, this was partly offset by increase in prices of coking coal and higher iron ore prices, which almost doubled in view of the shortage of iron ore in the domestic market due to lower production and higher volume of exports. The depreciation and amortisation charge for the year was ₹ 4,511 crores, registering a 19% increase over the previous year due to depreciation charged on asset capitalisation for projects and sustaining capex. The finance costs for the year was ₹ 3,849 crores, an increase of 8% over the previous year.

The profit after tax increased by 99% to ₹ 16,702 crores as compared to the previous year. The Company's net worth stood at ₹ 63,501 crores as on March 31, 2022 vis-à-vis ₹ 46,977 crores as on March 31, 2021. Gearing (net debt-to-equity) was at 0.63x (as against 0.98x) and net debt to EBITDA stood at 1.25x (as against 2.40x).

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 crores is recorded towards the value of the loans given to overseas subsidiary.

(B) Consolidated Results

In FY 2021-22, the Company's consolidated revenue from operations increased by 83% and was at ₹146,371 crores. Operating EBITDA was recorded at ₹39,007 crores. The operating EBITDA increased to ₹39,007 crores primarily due to better standalone performance, improved performance from the overseas business and better operating margins from the downstream business.

The overseas subsidiaries posted an operating EBITDA of ₹1,389 crores as against an operating EBITDA loss of ₹829 crores during the previous year. The Company's net profit improved to ₹20,938 crores for FY 2021-22 vis-à-vis ₹7,873 crores in the last financial year. The performance and financial position of the subsidiary companies and joint arrangements are included in the consolidated financial statement of the Company. The Company's net worth on March 31, 2022 was ₹68,535 crores compared to ₹44,991 crores on March 31, 2021. The Company's spending on capex expenditure/ acquisitions aggregated to around ₹14,599 crores for the year. The Company's consolidated Net gearing (net debt-to-equity) at the end of the year stood at 0.83x (as against 1.27x as on March 31, 2021) and net debt to EBITDA stood at 1.45x (as against 2.83x as on March 31, 2021).

Subsequent to the year end, a subsidiary 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 ₹710 crores is recorded towards the value of property, plant & equipment, goodwill, other assets and accrual of resultant liabilities. The Company has also recognised a provision of ₹31 crores towards impairment of Capital Work In Progress at Ranchi, Jharkhand based on assessment of the recoverable value. The same is disclosed as an exceptional item.

(C) Performance of Subsidiaries and Joint Venture companies

The Company has 45 direct and indirect subsidiaries and 11 JVs as on March 31, 2022 and acquired or incorporated certain domestic subsidiaries during the year. As per the provisions of Section 129(3) of the Act, a statement containing the salient features of the financial statements of the Company's subsidiaries and JVs in Form AOC-1 is attached to the financial statements of the Company. In accordance with provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company, along with relevant documents and separate audited accounts in respect of the subsidiaries, are available on the website of the Company. The Company will provide the annual accounts of the subsidiaries and the related detailed information to the shareholders of the Company on specific request made to it in this regard by the shareholders.

The details of the major subsidiaries and JVs are given below:

(I) Indian Subsidiaries

1) JSW Steel Coated Products Limited (JSW Steel Coated)

JSW Steel Coated Products Limited is the Company's wholly-owned subsidiary and caters to both domestic and international markets. The Company manufactures value-added flat steel products comprising of tin plates, galvanised and galvalume coils/sheets and colour-coated coils/sheets. The Company has three manufacturing facilities at Vasind, Tarapur and Kalmeshwar in the state of Maharashtra. In FY 2021-22, JSW Steel Coated reported a production (Galvanising/Galvalume products/Tin Product/CRCA) of 2.40 MnT, an increase by 30% y-o-y this year. Its sales volume increased by 22% y-o-y to 2.65 MnT during FY 2021-22. The operating EBITDA for the year increased to ₹2,294 crores compared to ₹1,231 crores in FY 2020-21. The operating EBITDA margin improved to 9% as against 8% in FY 2020-21, primarily due to higher realisations and enhanced sales mix

which 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 ₹ 14,963 crores and net profit of ₹ 733 crores for the year ended March 31, 2021.

2) JSW Vallabh Tinplate Private Limited (JSWVTPL)

JSW Vallabh Tinplate Private Limited (JSW VTPL) 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 at ₹170 crores compared to ₹47 crores the previous year. Its net profit after tax improved from ₹14 crores in FY 2020-21 to ₹108 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 Rajpura, 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 ₹13 crores compared to ₹30 crores in FY 2020-21. In FY 2021-22, its net profit after tax was ₹11 crores compared to ₹25 crores in the previous year.

4) Asian Colour Coated Ispat Limited (ACCIL)

ACCIL is a manufacturer of downstream steel products and has two manufacturing units located at Bawal, Haryana and Khopoli, Maharashtra. ACCIL 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 ACCIL was acquired on October 26, 2020. From the date of acquisition to March 31, 2021. The total production was at 2.55 lakh tonnes, which increased to 5.8 lakh tonne in FY 2021-22. ACCIL profit after tax improved to ₹45 crores versus ₹16 crores in FY 2020-21.

*from the date of acquisition to March 31, 2021

5) Amba River Coke Limited (ARCL)

Amba River Coke Limited (ARCL) is a wholly-owned subsidiary of the Company and has a 1 MTPA coke oven plant and a 4 MTPA pellet



plant. In FY 2021-22, ARCL produced 0.9 MnT of coke and 3.44 MnT 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 ₹174 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 a subscription and Shareholders agreement with JSW Shipping & Logistics Private Limited (JSLPL) through which the Company and JSLPL held equity of Piombino Steel Limited (PSL) in the ratio of 49% and 51% respectively. Further, JSW Steel also held optionally fully convertible debentures ("OFCDs") of PSL with a right to convert them into equity. In accordance with the approved Resolution Plan, BPSL was acquired as wholly-owned subsidiary of PSL.

In FY 2021-22, following BPSL's robust operational and financial performance, JSW Steel on October 1, 2021 exercised the option of conversion of the OFCDs, pursuant to which JSW Steel now holds 83.28% equity in PSL, and PSL has become a subsidiary of JSW Steel with effect from October 1, 2021.

Consequent to the aforesaid conversion, the Company is controlling and managing BPSL through PSL and the financials have consolidated with the Company.

BPSL operates a 2.75 MTPA integrated steel plant located at Jharsuguda, Odisha and also has downstream manufacturing facilities at Kolkata, West Bengal and Chandigarh, Punjab.

For FY 2021-22, BPSL produced 2.72 MnT of crude steel and the total revenue from operations was at ₹21,409 crores as compared to ₹11,402 crores in the previous year. The EBITDA improved from ₹2,243 crores in FY 2020-21 to ₹6,423 crores in FY 2021-22. The overall profit after tax improved to ₹4,259 crores in FY 2021-22 vis-à-vis ₹974 crores in FY 2020-21. Further, Revenue from operations and Profit after tax pertaining to BPSL post acquisition adjustments included in these consolidated results for the year ended 31 March 2022 amount to ₹11,768 crores and ₹1,670 crores respectively. The net profit attributable to Non-Controlling Interests is ₹279 crores for the period April 21 to September 21.

7) JSW Industrial Gases Private Limited (JIGPL)

JSW Industrial Gases Private Limited (JIGPL) is a wholly-owned subsidiary of the Company. The Company sources oxygen, nitrogen and argon from JIGPL for its Vijayanagar plant. The operating EBITDA for the year under review was at ₹57 crores as against ₹55 crores in the previous year. The profit after tax for the year has remained stable at ₹37 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 Salboni project has been put on hold.
- JSW Jharkhand Steel Limited (JJSL) – JJSL was incorporated in relation to the setting up of a 10 MnT steel plant in Jharkhand. The Company is currently in the process of obtaining approvals and clearances necessary for the project.
- JSW Utkal Steel Limited (JUSL) was formed for setting up an integrated steel plant of 13.2 MTPA steel capacity and a 900 MW captive power plant in Odisha.

In April 2022, JUSL, a wholly-owned subsidiary of JSW Steel 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. ₹ 65,000 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. JUSL 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.

JUSL 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 (MNTPA) plate mill and a 0.55 MNTPA 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 MNTPA of plates and 0.012 MNTPA of pipes with capacity utilisation of 31% and 2%, respectively. JSW Steel (USA) witnessed a turnaround during the year as the demand for the plate market picked up and realisations improved in the US. JSW Steel (USA) reported an EBITDA of US\$ 80 million (₹600 crores) compared to the previous year's negative EBITDA of US\$ 9.2 million (₹73 crores). In FY 2021-22, loss after tax was US\$ 10.6 million (₹72 crores) compared to net loss after tax of US\$75.63 million (₹605 crores) in FY 2020-21.
- b) Coal mining operation-Periama Holdings LLC has 100% equity interest in coal mining concessions in West Virginia, US along with permits for coal mining and owns a 500 TPH coal-handling and preparation plant. During the year, total production stood at 83877 NT as against 77,928 NT during FY 2020-21. Its

coal mining operations reported EBITDA of ~US\$ 1 million (₹8 crores) for the year, compared to EBITDA loss of US\$ 5.52 million (₹43 crores) in the previous year. Loss after tax stood at US\$ 104.78 million (₹780 crores) vis-a-vis Loss after tax of US\$ 19.64 million (₹146 crores) in FY 2020-21.

During the year, as a part of the overall exercise and to consolidate its operations and holding structure the following subsidiaries has been merged with their immediate parent companies.

Name of Entity merged	Parent Entity
Keenan Minerals LLC	Purest Energy LLC
R.C. Minerals LLC	
Peace Leasing LLC	
Rolling S Augering LLC	Planck Holdings LLC
Periama Handling LLC	
Prime Coal LLC	Periama Holdings LLC

The merger has been accounted for under the pooling of interest method wherein, investments and share capital of respective entities has been eliminated and all assets and liabilities of the subsidiaries have been transferred at book values as on December 2, 2021.

2) **Acero Junction Holdings Inc (ACERO) and its Wholly-Owned Subsidiary JSW Steel USA OHIO Inc (JSWSUO)**

JSWSUO has steelmaking assets consisting of 1.5 MNTPA electric arc furnace (EAF), 2.8 MNTPA continuous slab caster and a 3.0 MNTPA hot strip mill at Mingo Junction, Ohio in USA. In order to improve yields, enhance production, reduce operating costs, the Ohio unit revamped and modernised its facility at a cost of U.S.\$40 million. The unit has since restarted operations in March 2021 and contributed to volumes and profitability.

JSWSUO 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 (₹895 crores) compared to EBITDA loss of US\$ 68.51 million (₹510 crores) last financial year. Profit after tax for FY 2021-22 was US\$ 72.11 million (₹540 crores) compared to Loss after tax of US\$ 116.09 million (₹863 crores). JSWSUO operations turnaround 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.



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 crores) compared to EBITDA loss of €22.65 million (₹191 crores) last year. Loss after tax for the year amounted to € 11.7 million (₹106 crores) against loss after tax of €30.1 million (₹247 crores) in FY 2020-21.

Liquidation of overseas subsidiaries

During the year, as part of the Company's overall efforts of simplifying the group structure, three overseas wholly owned subsidiaries of the Company domiciled in the Republic of Mauritius which were acquired in the earlier years have undergone winding up and have been liquidated w.e.f 15 March, 2022

- Arima Holdings Limited
- Erebus Limited
- Lakeland Securities Limited

(III) Joint Venture Companies

1) JSW Ispat Special Steel Products Limited (JISPL) (Formerly known as Monnet ISPAT & Energy Limited (MIEL))

In August 2018, Monnet Ispat & Energy Limited (MIEL), was acquired jointly by a consortium of Aion Investments Private Limited (AION) and the Company. Currently, JSW Steel directly and indirectly holds 23.1% of the equity shares of JISPL.

JISPL owns a 1 MnT integrated steel plant with the ability to scale up to 1.5 MnT, along with a 0.8 MnT sponge iron plant, 2.20 MnT pellet plant, a 0.96 MnT sinter plant and a 230 MW captive power plant in Chhattisgarh.

JISPL since its acquisition have taken the following steps to revive and turnaround business operations

- Restarted the pellet plant and incurred capex to increase capacity to 2.2 MTPA and revamping of the pellet plant by introduction of two filter presses, mixer and evacuation system

- Increased the DRI productivity by usage of own manufactured pellets and process improvement
- Revamped the oxygen plant for consistent and reliable operations
- Restarted the Blast Furnace and carried out process improvement to operate at rated capacity and improved efficiencies
- Restart of the steel melt shop and upgradation to special steel by modification 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 JISPL's business operations and JISPL recorded a consolidated operating EBITDA of ₹472 crores for FY 2021-22 as compared to EBITDA of ₹384 crores in the previous year. JISPL recorded a profit before tax of ₹ 1 crore for FY 2021-22 as compared to loss before tax and exceptional items of ₹105 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"), Creixent Special Steels Limited ("CSSL") and JSW Ispat Special Products Limited ("JISPL") 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 JISPL with and into JSWSL; dissolution without winding up of CSSL and JISPL; issuance and allotment of equity shares of JSW Steel Limited to the eligible equity shareholders of CSSL and JISPL 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 ₹ 1 each to the eligible equity shareholders of CSSL as on the record date for every 2 (two) fully paid up equity shares of ₹ 10 each held by such equity shareholders of CSSL; and 1 (one) fully paid up equity share of ₹ 1 each of JSWSL for every 21 (twenty-one) fully paid up equity shares of ₹ 10 each held by eligible

equity shareholders of JISPL; and 1 (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 JISPL

The Scheme is subject to the necessary statutory and regulatory approvals of (i) the shareholders / the creditors of the Transferee Company and other parties to the Scheme, as may be directed by the National Company Law Tribunal, Mumbai Bench, (ii) 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 (JSSL)

JSW Severfield Structures Limited (JSSL) is operating a facility to design, fabricate and erect structural steel work and ancillaries for construction projects. These projects have a total capacity of 55,000 TPA at Bellary, Karnataka. JSSL produced 58244 tonnes (including job work) during FY 2021-22. JSSL's EBITDA increased to ₹65 crores from ₹41 crores in FY 2020-21. The profit after tax for the year also improved to ₹11 crores versus a loss after tax of ₹16 crores in FY 2020-21.

JSW Structural Metal Decking Limited (JSWSMD), a subsidiary company of JSSL, is engaged in the business of designing and roll forming of structural metal decking and accessories such as edge trims and shear studs. The plant's total capacity is 10,000 TPA. In FY 2021-22, JSWSMD's EBITDA improved to ₹17 crores from ₹6 crores in FY 2020-21. The profit after tax for the year was at ₹9 crores compared to ₹2 crores in FY 2020-21.

3) JSW MI Steel Service Centre Private Limited (MISI JV)

The Company and Marubeni-Itochu Steel signed a JV agreement on September 23, 2011 to set up steel service centres in India. The JV Company had started the commercial operation of its steel service centre in western India (near Pune), with 0.18 MTPA initial installed capacity in March 2015. MISI JV has also commissioned its steel service centre in Palwal, Haryana, with MISI JV 0.18 MTPA initial capacity. On May 24 2021, MISI

JV acquired JSW MI Chennai Steel Service Center Private Limited (formerly known as MI Steel Processing India Private Limited) from Marubeni Itochu Inc. 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 ₹51 crores as compared to ₹41 crores in FY 2020-21. MISI JV earned a profit after tax of ₹25 crores during the year as compared to ₹18 crores during FY 2020-21.

(D) Dividend

The Board of Directors of the Company had approved a Dividend Distribution Policy on January 31, 2017, in accordance with the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is available on the Company's website: www.jsw.in/investors/investorrelations-steel.

In terms of the Policy, Equity Shareholders of the Company may expect dividend if the Company has surplus funds and after taking into consideration the relevant internal and external factors enumerated in the policy for declaration of dividend.

The policy also enumerates that efforts will be made to maintain a dividend payout (including dividend distribution tax and dividend on preference shares, if any) in the range of 15% to 20% of the consolidated net profits of the Company after tax, in any financial year, subject to compliance of covenants with Lenders / Bond holders.

In line with the said policy, the Board of Directors has recommended dividend at ₹17.35 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 20% of the consolidated net profit of the year ended March 31, 2022. The total outflow on account of equity dividend will be ₹4,194 crores, vis à vis ₹1,571 crores paid for 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 toward climate change. Over the years, JSW Steel has fortified its commitment to conserve natural resources, reduce emissions by undertaking long-term measures 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 (CAG) with cross-functional expertise, encompassing R&D, strategy, operations, communications etc. Facilitated by the Corporate Sustainability Team, the CAG operates as a central think-tank, to formulate and drive the climate change mitigation strategy and actions for the Company towards a low carbon road ahead. 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. 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, representing a 23% reduction from its 2020 levels.

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 BFs
- 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 it 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 III eco-labelling for all finished products of its three integrated steel plants. EPDs 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 2.21m³/tcs 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 1,00,000 m³/h commissioned at RMHS in Vijayanagar, which covers around 11 dust sources effectively and reduces work zone emissions. Similarly, dedusting systems of capacity 1,20,000 m³/h and 90,000 m³/h were commissioned at Pellet Plant -3 Product Storage Building and at Pellet Plant -3 HLS Building respectively.

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 acre 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 flora and fauna of core area. JSW Steel is planning to develop a Jubilee Park 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 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 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 ₹176.73 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 (DIZ) villages.



Art, Culture & Heritage

The Company has focused on developing a long-term preservation and restoration strategy to protect the country's heritage for future generations. Through active collaborations with organisations and initiatives that preserve and promote the art, culture, and heritage of India, JSW Foundation is involved in establishing art precincts, restoring heritage structures, and preserving history.

Promoting Sports

JSW Steel has pioneered the success of rural sporting talent in India with focus on providing holistic and integrated solutions ranging from infrastructure, equipment, training of trainers to partnering with government bodies and other associations for growth.

Pursuant to the of the Companies (Corporate Social Responsibilities Policy) Amendment Rules, 2021, Company has adopted a revised CSR policy in line with the above amendment. The policy has been approved by the Company's Board of Directors and the same is available on the website of the Company at <https://www.jswsteel.in/investors/jsw-steel-investor-information-corporate-social-responsibility-policy>.

In view of the solid foundation laid for the long-term projects in this fiscal and the envisioned scaling up of the on-going CSR projects, the Company will continue to create value for its as well for a wider range of stakeholders. The disclosure as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) is annexed to this Report as Annexure C.

9) Health and Safety

JSW Steel is committed to providing a healthy and safe working environment for the employees, contractors, business associates and visitors on premises and community impacted by its operations.

The Company aims to be compliant with all applicable health and safety legal requirements and the world-class Occupational Health and Safety (OHS) management systems are being implemented and maintained across the locations. JSW Steel has consistently focused on safeguarding the lives of people, with an aim to create a zero harm working environment.

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. The participants underwent training and appeared for exams.

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 employment market, following which the grades were redistributed and re-designated to bring parity between JSW Steel and market peers.

At JSW Steel, all employees have a variable component in their salary structure. The nature (in terms of payout frequency, business parameters, weightage of business result vs individual contribution, etc.) of the variable component may differ depending on business category, department & employee's grade. For some employees, this component is called PIB (production incentive bonus), for some 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 15% by FY 2024-25. 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 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 well-rounded 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'21 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.
- Honoured with Golden Bird Platinum Award 2020 towards Excellence in Environment Protection.
- Received Gold Occupational Health & Safety Award 2021 from OHSSAI 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 7th National Conclave on 5S 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 (CCQC) 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 DOSOKAI 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 while integrating a balanced utilisation of natural resources and social development in its business decisions. An Integrated Report intends to give a holistic picture of an organisation's performance and prospects to the providers of financial capital and other stakeholders. It is thus widely regarded as the future of corporate reporting.

The previous Integrated Reports of the Company have been well-received by various stakeholders and have been recognised internationally for its disclosures. Over the past four years, the reporting approach of the Company has further evolved. Together with the integrated reporting framework, its disclosures have been mapped with other leading frameworks and guidelines.

These include:

- Global Reporting Initiative (GRI) Standards
- United Nations Sustainable Development Goals (UN SDGs)
- Carbon Disclosure Project (CDP)
- Principles under United Nations Global Compact (UNGC)
- National Guidelines on Responsible Business Conduct (NGRBC)

The necessary disclosures under these guidelines, together with the articulation of Company's approach to long-term value creation, has improved the Company's corporate reporting practices.

5) Corporate Governance Report

JSW Steel has complied with the requirements of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 regarding corporate governance. A report on the Company's Corporate Governance practices and

the Auditors' Certificate on compliance of mandatory requirements thereof are given as an annexure to this Report and the same is also available on the website of the Company at <https://www.jswsteel.in/investors/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, 2019 and consequent amendments carried out to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has made the Business Responsibility and Sustainability Report (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 'capitals 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 fulfil the requirements of the BRSR as per SEBI's directive. The Report which forms a part of the Annual Report, can along with all the related policies, be also viewed on the Company's website <https://www.jswsteel.in/investors/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 00106543), retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

Ms. Fiona Jane Mary Paulus (DIN 09618098), who was appointed as an Additional Director of the Company,

in the category of Independent Director, by the Board of Directors with effect from May 27, 2022, in terms of Section 161 of the Companies Act, 2013 and Article 123 of the Company's Articles of Association, holds office until the date of this Annual General Meeting. The Company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, in the category of Independent Director, for a term up to 26th May 2027. A brief profile of Ms. Fiona Jane Mary Paulus is given in the notice convening the 28th Annual General Meeting, for the perusal of the shareholders.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 27th May, 2022, has subject to the approval of the members at the forthcoming 28th Annual General Meeting of the Company scheduled on 20 July, 2022, approved the re-appointment of Mr. Sajjan Jindal. (DIN 00017762) as the Managing Director of the Company, for a period of five years, with effect from 07.07.2022.

The proposals regarding the re-appointment of the aforesaid Directors are placed for approval by the Shareholders.

Dr. Vinod Nowal, Dy. Managing Director (DIN No. 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. Consequently, he has also stepped down from the Board as a Director.

Following the superannuation of Dr. Vinod Nowal, Mr. Jayant Acharya, who was appointed as a Whole time Director of the Company, designated as Director (Commercial & Marketing) of the Company, for a period of five years, i.e., from 07th May, 2019 to 06th 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. Seturaman Mahalingam has been appointed as the Lead Independent Director in place of Late Mr. Malay Mukherjee w.e.f May 27, 2022.

Karnataka State Industrial Infrastructure and Development Corporation Limited (KSIIDC) had nominated Mr. K P Mohanraj, IAS (DIN 06965604) as its nominee on the Company's Board with effect from 21st October, 2021 in place of Dr. V Ram Prasath 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 Dr. M. 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.

DEMISE 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 later 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 benefitted from his vision and leadership during his tenure both as 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

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 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:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2021-22 (₹ in crores)	% Increase/ (Decrease) in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Sajjan Jindal Chairman & Managing Director	134.80	0%	1859:1	Profit before tax (before exceptional items) increased by 102% in financial year 2021-22
2.	Seshagiri Rao MVS Joint Managing Director & Group CFO	6.28	0%	87:1	
3.	Dr. Vinod Nowal Dy. Managing Director	4.87	0%	67:1	
4.	Jayant Acharya Director (Commercial & Marketing)	4.53	8.5%	62:1	
5.	Rajeev Pai Chief Financial Officer	2.40	7%	N.A.	
6.	Lancy Varghese Company Secretary	0.91	16.4%	N.A.	

- (ii) The median remuneration of employees of the Company during the financial year was ₹7.25 lakhs.
- (iii) In the Financial year, there was an increase of 4.26% in the median remuneration of employees;
- (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 increase 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 ₹89.25 crores to ₹153.79 crores which includes the profit linked commission to Chairman & Managing Director of ₹121.70 crores (Previous Year ₹60.42 crores)

Key Managerial Personnel remuneration excluding the profit linked commission to Chairman & Managing Director increased by 11.30%(From ₹28.83 crores in FY 2020-21 to ₹32.09 crores in FY 2021-22) increase of 11.30% is mainly

on account of yearly salary increment, restoration of previous year salary moderation and one-time Chairman Bonus during the year. Profit before Tax before 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 0.60 %.

a) Market capitalisation of the Company & Price Earnings ratio:

Date	Market Price ₹	Face value of Share ₹	EPS in ₹	P/E Ratio	Market Capitalisation ₹	% Change
March 31,2021	468.45	1	34.92	13.41	112,698	
March 31,2022	732.65	1	69.48	10.54	175,873	56.06%

The Company has made initial public offer in the year 1995 for ₹10/- per share at par. Subsequent to sub-division of equity shares on 06/01/2017, the face value of share of the Company was reduced from ₹10/- to ₹1/- .The market price of the Company share as on March 31, 2022 is ₹732.65.

- (vii) Average percentage increase made in the salaries of employees other than the managerial personnel in FY 2021-22 was 8.29%.
- (viii) The key parameter for the variable component of remuneration in case of the Chairman and Managing Director is linked with Company performance. In case of other key managerial personnel(s) the same is linked with Company performance and Individual performance.
- (ix) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable.
- (x) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in Annexure E to this Report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary.

9) Policy on Directors' Appointment and Remuneration
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.

The current policy is to have a balanced mix of executive and non-executive Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As at March 31, 2022 the Board of Directors comprised of 11 Directors, of which seven are non-executive, including two women directors and two Nominee Directors. The number of Independent Directors is five.

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 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. Details of the same are given in the Report on Corporate Governance annexed hereto.

12) Auditors and Auditor's Report

(A) STATUTORY AUDITOR'S AND AUDIT REPORT

At the Company's 23rd AGM held on June 29, 2017, M/s. S R B C & CO. LLP (324982E / E300003), Chartered Accountants, were appointed as the Statutory Auditors of the Company for a term of 5 years to hold office from the conclusion of the 23rd Annual General Meeting until the conclusion of the 28th Annual General Meeting of the Company.



The 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 141(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(1) 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 to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

(B) COST RECORDS & COST AUDITOR

Pursuant to Section 148(1) of the Companies Act, 2013 the Company is required to maintain cost records as specified by the Central Government and accordingly such accounts and records are made and maintained.

Pursuant to Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is also required to get its cost accounting records audited by a Cost Auditor. Accordingly, the Board, at its meeting held on 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, 2021 was 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. Srinivasan & Co., a firm of Company 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, has re-appointed M/s. S. Srinivasan & 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

M/s. Vanita Sawant & Associates, Practicing Company Secretaries, had undertaken secretarial audit of the Company's material subsidiary i.e., JSW Steel Coated Products Limited for the FY 2021 - 22. The Audit Report confirms that the material subsidiary has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances. As per the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Report of the Secretarial Audit is annexed herewith as Annexure B 1.

Annual Secretarial Compliance Report

During the period under review, the Company has complied with the applicable Secretarial Standards notified by the Institute of Company Secretaries of India. The Company has also undertaken an audit for the FY 2021 - 22 pursuant to SEBI Circular No. CIR/CFD/CMO/1/27/2019 dated February 08, 2019 for all applicable compliances as per the Securities and Exchange Board of India Regulations and Circular/ Guidelines issued thereunder. The Report (Annual Secretarial Compliance Report) has been submitted to the Stock Exchanges on May 13, 2022 which is within 60 days of the end of the financial year ended March 31, 2022.

13) Risk Management

The Company follows the globally recognised 'COSO' framework of Enterprise Risk Management (ERM). ERM brings together the understanding of the potential upside and downside of all those factors which can affect the organisation with an objective to add maximum sustainable value to all the activities of the organisation and to various stakeholders.

The Company recognises that the emerging and identified risks need to be managed and mitigated to –

- Protect its shareholders and other stakeholders' interest
- Achieve its business objective
- Enable sustainable growth

Pursuant to the requirement of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, the Company has a Risk Management Framework in place. It has constituted a sub-committee of Directors to oversee the ERM framework to ensure resilience such that –

- Intended risks are taken prudently so as to plan for the best and be prepared for the worst
- Execution of decided strategies and plan with focus on action
- Unintended risks like performance, incident, process and transaction risks are avoided, mitigated, transferred (like in insurance) or shared (like through sub-contracting). The probability or impact thereof is reduced through tactical and executive management, policies, processes, inbuilt systems controls, MIS, internal audit reviews etc.

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 control: 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 COSO framework in its audit process to enhance the quality of its financial reporting, compatible with business ethics, effective controls and governance.

The Company extensively practices delegation of authority across its team, which creates effective checks and balances within the system to arrest all possible gaps. The internal audit team has access to all information in the organisation – this is largely facilitated by ERP implementation across the organisation.

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 (SOP) 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 polices (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 procure to pay, order to cash, hire 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 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, 1966 and Companies (Accounts) Rules, 2014.

16) Share Capital

The Company's Authorised Share capital during the financial year ended March 31, 2022, remained at ₹9015,00,00,000 (Rupees Nine Thousand Fifteen crores only) consisting of 6015,00,00,000 (Six Thousand Fifteen crores) shares of ₹ 1/- (Rupee One only) each and 300,00,00,000 (Three Hundred crores) preference shares of ₹10/- (Rupees Ten only) each.

The Company's paid-up equity share capital remained at ₹241,72,20,440 comprising of 241,72,20,440 equity shares of ₹1 each whereas the paid-up preference share capital of the Company as at the financial year ended March 31, 2022 is Nil.

17) Foreign Currency Bonds

As on March 31, 2022, the outstanding Notes issued by the Company aggregate to US\$ 2.40 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 ₹1,000 Crores (Rupees One Thousand crores) to Investors on private placement basis.

As on March 31, 2022, the outstanding NCDs issued by the Company aggregate to ₹9,670 Crore and outstanding NCD's 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 Periana 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 rating on Periana Holdings LLC and the Ba2 rating on the \$40 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 Periana 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 and has reaffirmed the ratings for the Short Term Bank facilities and Commercial Paper at "CARE A1+".

In August 2021, ICRA Limited Ltd. has upgraded the Company's rating for Long Term Bank Facilities and Non-Convertible Debentures to "[ICRA] AA"; Stable Outlook, from "[ICRA] AA- "; Positive Outlook and has reaffirmed the ratings for the Short Term Bank facilities and Commercial Paper at "[ICRA] 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 JSWSL 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 a continuing 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 secondary market.

ESOP 2016 Plan

A total of 2,86,87,000 (Two crores Eighty-Six Lakhs Eighty-Seven Thousand) options were available for grant to the eligible employees of the Company and its Director(s), excluding Independent Directors and promoter Directors, and a total of 31,63,000 (Thirty-One Lakh Sixty Three Thousand) options were available for grant to the eligible employees of the Indian Subsidiaries of the Company and their Director(s), excluding Independent Directors, under the ESOP 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.

OPJ ESOP Plan

A total of 47,00,000 (Forty Seven lakhs only) 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 3,00,000 (Three lakhs only) 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 OPJ ESOP Plan.

Accordingly, 13,35,285 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, 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.

JSWSL ESOP Committee Meeting	Total No. of options granted	No. of Options Granted to Whole-time Directors of the Company					
		Mr. Seshagiri Rao M.V.S		Dr. Vinod Nowal		Mr. Jayant Acharya	
		ESOP 2016 Plan	OPJ ESOP Plan	ESOP 2016 Plan	OPJ ESOP Plan	ESOP 2016 Plan	OPJ ESOP Plan
May 17, 2016 (1 st Grant)	7,436,850	1,92,680	--	1,79,830	--	1,79,830	--
May 16, 2017 (2 nd Grant)	5,118,977	1,27,968	--	1,27,968	--	1,19,436	--
May 15, 2018 (3 rd Grant)	3,388,444	87,841	--	87,841	--	81,985	--
Total	1,59,44,271 *	4,08,489	--	3,95,639	--	3,81,251	--
August 7, 2021 (1 st Grant)	13,03,401	--	11,667	--	11,667	--	11,667
January 31, 2022 (1 st Supplementary grant)	8,900	--	--	--	--	--	--
March 31, 2022 (2 nd Supplementary grant)	22,984	--	--	--	--	--	--
Total	13,35,285**	--	11,667	--	11,667	--	11,667

* 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 Samruddhi Plan 2019

The JSWSL Employees Samruddhi Plan 2019 ("Plan") was approved by a special resolution passed by the shareholders of the Company by way of a postal ballot on May 17, 2019. The Plan 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 – 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 equity 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 Employee 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 0.517% 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 5,638 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 have become free of the 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 Samruddhi Plan - 2021

JWSWL Shri. O.P.JINDAL SAMRUDDHI PLAN 2021 ("JWSWL OPJ Samruddhi 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 (JWSWL) – 2021.

Grant of stock options under the Plan shall be as per the terms and conditions as may be decided by the ESOP Committee from time to time in accordance with the provisions of Companies Act, 2013, the rules made thereunder and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("ESOP Regulations"). The Plan implemented through the JSW Steel Employees Welfare Trust ("ESOP Trust") involves acquisition of equity shares of the Company from the secondary 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, 79,09,150 options have been granted during FY 2021-22 under this plan by the JWSWL 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:

- In the preparation of the annual accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures.
- Such accounting policies have been selected and applied consistently and 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.

- Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual financial statements have been prepared on a Going Concern Basis.
- Internal financial controls were laid down to be followed and that such internal financial controls were adequate and operating effectively.
- Proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24) Related Party Transactions

All Related Party Transactions (RPT) that were entered into during the financial year were at arm's length basis and predominantly in the ordinary course of business. Specific approvals as required under the Companies Act 2013 has been obtained for transactions that are not in the ordinary course of business.

The policy on dealing with RPT as approved by the Board is uploaded on the Company's website (<https://www.jsw.in/investors/investor-relations-steel>).

SEBI carried out amendments to the SEBI (LODR) Regulations, 2015 (SEBI Listing Regulations) vide the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 wherein certain amendments into force from April 1, 2022 while remaining would come into force from April 1, 2023.

Regulation 23(4) states that all RPTs with an aggregate value exceeding ₹1,000 crores or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall be treated as Material Related Party Transaction (MRPTs) and shall require approval of shareholders by means of an ordinary resolution. The provisions of Regulations 23(4) requiring approval of the shareholders are not applicable for the RPTs entered into between a holding company and its wholly owned subsidiary and RPT transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval

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)(zc) 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 obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries 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 RPT are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of RPT under the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The disclosure of Material RPT is required to be made under Section 134(3)(h) read with Section 188(2) of the Companies Act, 2013 in Form AOC 2. The details of the material RPT, entered into during the year by the Company as per the policy on RPTs approved by the Board, is given in Annexure D to this Report.

Please refer to Note No 39 to the Standalone financial statements, which sets out related party disclosures.

The Company is seeking Shareholders approval for Material Related Party transactions (MRPTs) to be entered by the Company as set out in the accompanying Notice to the shareholders for approval. The Audit Committee of the Company has approved these MRPTs and further noted that these MRPTs transactions are at an arms' length basis and in the ordinary course of business of the Company. Accordingly, basis the approval of the Audit Committee, the Board of Directors recommend the resolutions contained in the Notice for approval of the shareholders.

25) Disclosures

(A) NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year, five Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulations 17 of the Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulation, 2015.

(B) AUDIT COMMITTEE

Pursuant to the reconstitution of the Audit Committee by the Board in its meeting held on 27.05.2022, the Audit Committee comprises of three Non-Executive Independent Directors. Mr. Seturaman Mahalingam is the Chairman of the Audit Committee. The Members possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. There are no recommendations of the Audit Committee that have not been accepted by the Board.

(C) COPY OF ANNUAL RETURN

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible at the web-link: <http://www.jsw.in/investors/investor-relations-steel>.

(D) WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company has a vigil mechanism named Whistle Blower Policy / Vigil Mechanism to deal with instances of fraud and mismanagement, if any. Details of the same are given in the Corporate Governance Report.

(E) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SEC. 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

(F) DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant or material orders passed by the Regulators/ Courts/ Tribunals that could impact the going concern status of the Company and its future operations.

However, Members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.

(G) PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy,



technology absorption and foreign exchange earnings and outgo, is given in the statement annexed (Annexure A) hereto and forms a part of this Report.

(H) DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has also complied with the provisions related to constitution of Internal Complaints Committee (ICC) under the said Act to redress complaints received regarding sexual harassment. The Company received no complaints pertaining to sexual harassment during FY 2021-22.

(I) OTHER DISCLOSURES / REPORTING

The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.

3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOPs referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

26) Acknowledgment

The Directors take this opportunity to express their appreciation for the cooperation and assistance received from the Government of India, Republic of Chile, Mauritius, Mozambique, Italy, the US and the UK, the State Governments of Karnataka, Maharashtra, Tamil Nadu, 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

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 27, 2022

Sd/
Sajjan Jindal
Chairman

ANNEXURE - A TO DIRECTORS' REPORT

INFORMATION IN ACCORDANCE WITH THE PROVISIONS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013, READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Energy Conservation

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 management function implements global best practices and carries out energy consumption 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 at Blast Furnace.
- Generated 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 (TIs) 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 80TPH coal grinding mill.

- Reduced use of solid fuel in sinter by utilising micro pellet at around 60kg/tonne of sinter in sinter plants, resulting in 5-6kg/tonne of solid fuel reduction.
- 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.

Dolvi

- Initiated usage of Coke Oven Gas in place of Natural Gas across Direct Reduced Iron (DRI), Tunnel Furnace for slab heating, SMS ladle preheater HSM Boiler and BF Cast house, which has helped achieve substantial energy savings.
- Decreased Sinter Plant heat rate by 2% by optimising the processes
- Replaced existing steam trap with inverted bucket steam trap resulting in steam loss reduction to the tune of 1.5 TPH.
- Commissioned Dry Gas Cleaning Plant (GCP) in BF-2 which leads to increased power generation from Top-Pressure Recovery Turbine Plant (TRT).
- Commissioned BF gas holder to minimise the network pressure and increase the gas utilisation.
- Commissioned CDQ Boilers leading to reduction in coke moisture and resulting in lower fuel consumption.
- Commissioned LD Convertor Waste Heat Recovery Boiler resulting in steam generation of 45 TPH.
- Increased Pulverized Coal Injection (PCI) consumption in BF up to 190 Kg/ton of hot metal, leading to lower coke consumption.

Salem

- 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.

The steps taken by the company for utilising alternate 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.



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 60MW 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 36MW Top Pressure Recovery Turbine (TRT) in BF-2 along with a dry Gas Cleaning Plant (GCP).

Salem

The Company installed a Solar unit of 60KWp capacity in Salem plant canteen and office roofs. The facility has also started blending Biofuel in place of thermal coal for power generation. JSW Steel has signed a Power Purchase Agreement with a subsidiary of JSW Energy Limited for purchase of 38 MW of wind power and the wind power unit is expected to be commissioned by the FY 2023-24.

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 demonstration of pilot scale facilities.
- New application developments and promotion of slag usage in the country.
- New process technology development for process intensification and productivity.

JSW Steel R&D is actively involved in Industry-Institute partnership and has initiated several collaborative projects with leading academic

and research institutes in India -- IISc Bangalore, IIT Bombay, NCCBM Ballabgarh, CSIR-NML Jamshedpur, CSIR-IMMT Bhubaneswar, CSRI-CBRI Roorkee, CECRI Karaikudi, BBQI Bangalore, NIT Surathkal, etc.

2. Benefits derived as a result of R&D efforts

A) VIJAYANAGAR

Key Projects Completed

- i) Reduced tailing loss at ore beneficiation plant- 2 (OBP-2) by carrying out detailed lab scale beneficiation studies to optimise various operating parameters for Cyclone and Magnetic separator. Based on the encouraging lab results, plant trials were carried out with optimised parameters and the tailing loss was reduced by 2.6%.
- ii) Maximised Flyash as binder in micropellet making by optimisation of process parameters. The initiative has led to increased use of flyash as binder at 70% level.
- iii) 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.
- iv) Carried out beneficiation study on iron ore tailing sample to recover the iron values. Using magnetic separation method, the tailing was upgraded to the concentrate of 60.6% Fe and silica and alumina content in the concentrate was reduced.
- v) Carried out lab scale studies to find out application of iron ore tailing in brick making for construction purpose. The test results showed that bricks prepared with a combination of iron ore tailing, fly ash and cement resulted in achieving the brick with desired compressive strength.
- vi) Developed a process of 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 99% pure solid iron.
- vii) Developed mix 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.
- viii) 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 Tumbler 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 clinker making at cement plant as a replacement of laterite.
- xi) Developed High Strength Bainitic Steel to meet weight reduction of automotive components customers. 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 9 grades in advanced high strength Steel (AHSS) 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 size ranges within 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 trials 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 porous plugs 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 COJET 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 Ruhrstahl Heraeus (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 (QST) 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 powdering 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 coiling 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 (CRCA), 1 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 flaking 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.

C. Technology Absorption, Adoption and Innovation

A) VIJAYANAGAR

- Commissioned Ladle Hearth Furnace (LHF) and Kanbara reactor (KR) unit at SMS- 3
- Commissioned Cut to length (CTL) line-8 and 0.30 MTPA Colour coating line
- Commissioned 80 TPH coal grinding mill

B) DOLVI

- Phase 2 commissioning, and operationalised BF-2, SMS-2, Raw Material Handling System (RMHS-2) and other utilities
- Commissioned 0.75 MTPA Coke Oven Battery, Pellet plant -2 and HSM -2
- Commissioned one 140TPH Coke Dry Quenching (CDQ) and two more CDQs of 190 TPH each
- Commissioned three Lime Calcination Plants (LCPs)

C) SALEM

- Commissioned slag raking system in Ladle Furnace
- Commissioned automatic mold powder system and slag detection system in Continuous Casting Machine-3 (CCM)
- Successful commissioning of Liquefied Natural Gas heating system for ladle and tundish preheating

3. Intellectual Property

3.1 Patents

VIJAYANAGAR

Patents filed - 13 Nos.

1. Cold rolled steel for tin plate having excellent anisotropy and method for its manufacturing.
2. Cold rolled steel sheet for tin plate having excellent ageing resistance and method for its manufacturing.
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.
5. A method of manufacturing iron ore sinter with enhanced micro-fines and improved quality and product yield.
6. A process for beneficiation of fly ash by reducing its unburned carbon content.
7. High strength and ultra-high strength low-carbon-medium manganese bainitic steel and a process for its manufacturing.
8. Cold rolled high strength steel sheet with improved formability and method of manufacturing.
9. A method to recover iron from dust in iron and steel plant.
10. Ultra high strength low-carbon-bainitic steel and a process for its manufacturing
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 continuous de-siliconisation and de-sulphurisation of hot metal
4. A process for stage-wise beneficiation of medium to high grade banded hematite quartzite (BHQ)
5. Wire rod steel with improved drawability for thin electrodes and a process for its production
6. Low carbon bake-hardening steel sheets produced through batch annealing route and a process for its production
7. A system for controlled centering and alignment of submerged entry nozzle (SEN) in the mold in continuous caster and a method thereof

DOLVI

Patents Filed - 3 Nos.

1. Method for recovery of iron rich magnetic portions suitable for sinter/pellet plants from steel making process waste sludge and a system therefore
2. High strength high ductile thermo- mechanically-treated(TMT) rebars with yield strength of 550mpa (min), ultimate tensile strength/yield strength (UTS/YS) ratio of 1.15 minimum and a process for its production
3. A method for sinter making using granulated coal/ coke for achieving improved sinter properties

Patents Granted - 6 Nos.

1. Low carbon high strength hot rolled steel sheets and a process for its manufacturing
2. Low carbon coil break-free hot rolled steel sheets and a process for its production

3. Hot rolling mill run out table real-time current monitoring and archiving system
4. Operating pellet plant with 100% Coke Oven Gas (COG)
5. Method for slew bearing change of Mobile Harbour Crane
6. A portable conveyor speed sensing system for detecting conveyor belt speed

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 bed permeability and sinter productivity using granular burnt lime
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

SALEM

Total number of 4 technical papers have been published

The benefits derived like process improvements, cost reduction, product development or import substitution

The R&D projects in process improvement, product development, energy optimisation and cost reduction have helped in substantial savings in operational costs. The Company achieved ₹96 crores worth of savings as result of the R&D initiatives.

4. Expenditure on R&D (2021-22)

Item	₹in Crs
Capital	5
Revenue	34
Total	39
Total as % PAT	0.23%



INFORMATION REGARDING TECHNOLOGY IMPORTED DURING THE LAST THREE YEARS RECKONED FROM THE BEGINNING OF THE FINANCIAL YEAR - 2019-20, 20-21 and 21-22

Particulars	Year of Commissioning	Status
A) VIJAYANAGAR		
Commissioning of Maximum Emission Reduction of Sintering (MEROS) and Waste Gas Recirculation (WGR) system at Sinter Plant-4.	2019-20	Commissioned
Upgradation of Continuous Pickling Line No.2 at CRM-1	2019-20	Commissioned
Commissioning of Hot forming Press at R&D Dept.	2019-20	Commissioned
Commissioning of Drop weight Tester at R&D Dept.	2019-20	Commissioned
Commissioning of Horizontal Tube Furnace at R&D Dept.	2019-20	Commissioned
Installation of Simulia 3D Experience platform at R&D Dept.	2019-20	Commissioned
Down Hill Conveyor 1 (Devdhari to Bhujangnagar)	2020-21	Commissioned
Wire Rod Mill #2	2020-21	Commissioned
Continuous Galvanizing Line #2	2020-21	Commissioned
PLTCM Upgradation to 1.8 MTPA	2020-21	Commissioned
Pellet Plant #3	2020-21	Commissioned
Zero Power Furnace (ZPF)	2020-21	Commissioned
Thin Film XRF	2020-21	Commissioned
Fatigue Testing Equipment	2020-21	Commissioned
Induced dry belt magnetic separator	2020-21	Commissioned
Ladle Hearth Furnace at SMS#3	2021-22	Commissioned
KR Unit at SMS#3	2021-22	Commissioned
CTL#8 line	2021-22	Commissioned
0.30 MTPA Colour coating line	2021-22	Commissioned
80 TPH coal grinding mill	2021-22	Commissioned
B) DOLVI		
Revamping of Stove-4 in Blast Furnace-1	2019-20	Commissioned
Commissioning of new cyclone at Blast Furnace-1	2019-20	Commissioned
2200 TPD Oxygen Plant-B (including 3 Nitrogen Compressors)	2020-21	Commissioned
Hot Metal Granulation Plant (5000 TPD)	2020-21	Commissioned
Coke Oven Battery-D (0.75 MTPA)	2020-21	Commissioned
Chilled Water Plant (4000 TR)	2020-21	Commissioned
Soft DM water for SMS#2 & CPP#2&3 (140 m ³ /hr)	2020-21	Commissioned
Coke Oven Battery-C (0.75 MTPA)	2021-22	Commissioned
Coke Dry Quenching (140 TPH)	2021-22	Commissioned
Coke Dry Quenching (190 TPH) 2 Nos	2021-22	Commissioned
Pellet Plant#2	2021-22	Commissioned
Hot Strip Mill#2	2021-22	Commissioned
Steel Melting Shop#2 (BOF, Caster)	2021-22	Commissioned
Blast Furnace#2	2021-22	Commissioned
RMHS#2 for Phase#2 project	2021-22	Commissioned
Lime Calcining Plant-5,6,7	2021-22	Commissioned
Utilities for Phase#2 project	2021-22	Commissioned
C) SALEM		
25 kg melting capacity Induction Furnace	2019-20	Commissioned
Online size measurement device for bar products and Garret Coiler wire rod products	2019-20	Commissioned
Commissioning of slag detection system in CCM 2	2020-21	Commissioned
Slag raking system commissioned in EOF2	2020-21	Commissioned
Cold abrasive saw facility for blooming mill products	2020-21	Commissioned
Online bloom size measurement system in CCM 2	2020-21	Commissioned
Agitated thin film dryer for pickling plant effluent treatment	2020-21	Commissioned
Slag raking system commissioned in LF	2021-22	Commissioned
Automatic mold powder system in CCM3	2021-22	Commissioned
Liquefied Natural Gas heating system for ladle and tundish preheating	2021-22	Commissioned
Slag detection system in CCM 3	2021-22	Commissioned

B. Foreign Exchange Earnings and Outgo: Total Foreign exchange used and earned during the year:

₹ in crores

	FY 2021 - 22	FY 2020 - 21
Foreign Exchange earned	23,543	14,327
Foreign Exchange used	35,036	17,054

Annexure – B to Directors' Report

Form No. MR- 3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JSW STEEL LIMITED
JSW Centre, Bandra Kurla Complex,
Bandra (East), Mumbai,
Maharashtra- 400 051

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JSW STEEL LIMITED bearing CIN: L27102MH1994PLC152925 (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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 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.

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.
- iii. The Depositories Act, 1996, and the Regulations and Byelaws framed there under.
- iv. Foreign Exchange Management Act, 1999, and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as may be appropriately applicable for the period under review:

- 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.
The provisions of the said regulations were not applicable to the Company during the year under review.
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014.
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
The provisions of the said regulations were not applicable to the Company during the year under review.
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
The provisions of the said regulations were not applicable to the Company during the year under review.
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and
- j. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Redeemable Preference Shares) Regulation, 2013.
The provisions of the said regulations were not applicable to the Company during the year under review.

All other relevant applicable laws including those specifically applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to



whether there are adequate systems and processes are in place to monitor and ensure compliance with those laws.

We have also examined compliance with the applicable clauses of the following Secretarial Standards:

The Secretarial Standards issued and notified by the Institute of Company Secretaries of India SS-1 & SS-2 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 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:

1. The Company had acquired from Welspun Corp Limited ("Welspun"), on a slump sale basis, the business of

manufacturing high-grade steel plates and coils ("PCMD Business") on March 31, 2021.

2. The Company redeemed 10.34% secured NCDs of ₹ 10,00,00,000 each aggregating to ₹ 3,30,00,00,000 on January 18, 2022.
3. The Company allotted 10,000 8.76% Secured, Listed, Redeemable Rated, Non-Convertible Debentures (NCDs) amounting to ₹10,00,00,00,000 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 winding 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, 2021:
 - Keenan Minerals, LLC, R.C. Minerals, LLC and Peace Leasing, LLC with its Holding Company Purest Energy, LLC
 - Periana Handling, LLC and Rolling S Augering, LLC with its Holding Company Planck Holdings, LLC
 - Prime Coal, LLC with its Holding Company Periana Holdings LLC
7. The Company had acquired from Everbest Consultancy Services Pvt Ltd. and its wholly owned subsidiary Neotrex Steel Wires Private Limited their entire holding (51%) in Neotrex Steel Private Limited (NSPL), both by way of Equity Shares and by way of zero coupon CCDs, at a value of ₹ 11,45,07,490. In addition to acquisition of holding in NSPL from Everbest Consultancy Services Pvt Ltd. and its wholly owned subsidiary Neotrex Steel Wires Private Limited, the Company has also infused, a sum of ₹ 32,55,60,510 in NSPL towards subscription money and has been allotted, Equity Shares and zero coupon CCDs of NSPL at par value aggregating to ₹ 1,45,000 and ₹ 32,54,15,510 respectively, thereby 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
FCS: 2286 | CP. No.: 748
UDIN: F002286D000310506

Place: Mumbai
Date: 12.05.2022

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

Place: Mumbai
Date: 12.05.2022

Sd/
S. Srinivasan
Practicing Company Secretary
FCS: 2286 | CP. No.: 748
UDIN: F002286D000310506

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 conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the digital documents provided of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and 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 Securities Contracts (Regulation) Act, 1956 ('SCRA') & the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the applicable rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (no foreign exchange transactions during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

(SEBI regulations are not applicable since the company is not a listed company.)

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India ((Registrar to an Issue and Share Transfer Agents) Regulations, 1993;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) Other applicable laws:
 - Factories Act, 1948
 - The Payment of Gratuity Act, 1972

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable (Not applicable);

During the period under review, based on my examination and verification of the books, papers, minute books, forms and returns filed and other records produced to me and according to information and explanations given to me by the Company, I report that the Company has in my opinion, complied with the provisions of the Companies Act, 2013 (Act) and the Rules made thereunder, the Memorandum and Articles of Association of the Company and also applicable provisions of the aforesaid laws, standards, guidelines, agreements, etc., subject to the following observations: NIL



I report that, during the year under review:

1. The status of the Company during the financial year has been that of a Unlisted Public Company.
2. The Company is a subsidiary of another listed company.
3. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice generally is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that:

During the audit period the Company has effected the following activities/ events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:-

- (i) Consequent to the resignation of Mr. Manish Mathur as CFO of the company, Mr Gopikrishnan Sarathy was appointed as the CFO w.e.f. September 1, 2021.

- (ii) Consequent to the resignation of Ms Deepti Walawalkar as Company Secretary of the company, Mr. Mohammed Faisal Qureshi was appointed as Company Secretary w.e.f January 14, 2022.
- (iii) Availed Credit facilities upto ₹ 250 crore from RBL Bank
- (iv) Availed Rupee Term Loan of ₹ 500 crore from Axis Bank
- (v) Inter Corporate Deposits aggregating ₹ 55 crores placed with JM Financial Asset Reconstruction Company.
- (vi) Inter Corporate Deposits aggregating ₹ 47 crores placed with JM Financial Asset Reconstruction Company.
- (vii) Inter Corporate Deposits aggregating ₹ 50 crores placed with Paisalo Digital Ltd.
- (viii) Approved the setting up of new colour coating line in Rajpura, Ludhiana with project cost of ₹ 200 crores.
- (ix) Approved the increase in project cost for setting up Tin Plate project at Tarapur Pickling Linked Tandem Cold Mill (PLTCM) project at Vasind by ₹ 82 crores.
- (x) Approved additional budget of ₹ 98 crores for the Pickling Linked Tandem Cold Mill (PLTCM) Project of the Company at Vasind and Tarapur
- (xi) Approved the increase in project cost for Continuous Annealing Line at Vasind by ₹ 94 crores.
- (xii) Approved the setting up of a new colour coating line in the Union Territory of Jammu & Kashmir at a project cost of ₹ 100 crores.
- (xiii) Approved the increase in project cost for residential township at Vasind by ₹ 43.95 crores.

Vanita Sawant & Associates

Place: Mumbai

Date: 15th April 2022

Practising Company Secretary

FCS 6210. CP No. 10072

Note: This report is to be read with our letter of even date, which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To
The Members
JSW Steel Coated Products Limited
JSW Centre,
Bandra Kurla Complex,
Bandra (E),
Mumbai 400 051
UDIN numberF006210D000111997

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. Due to the COVID 19 pandemic and the consequent lockdown, I have relied upon documents, forms and minutes provided to me through email. I have followed the audit practices and processes as were appropriate under the circumstances to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to check whether correct facts are reflected in secretarial records. I believe that the processes and practices that were followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
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.

Place: Mumbai
Date: 15th April 2022

Vanita Sawant & Associates
Practising Company Secretary
FCS 6210. CP No. 10072



Annexure – C to Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

- Brief outline on CSR Policy of the Company:- The Company's CSR Policy is available on the Company's website at www.jsw.in

- Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
01.	Mrs. Nirupama Rao	Independent Director	2	2
02.	Mr. Seshagiri Rao MVS	Jt. Managing Director & Group CFO	2	2
03.	Dr. Vinod Nowal	Dy. Managing Director	2	2
04.	Mr. Jayant Acharya	Director (Commercial & Marketing)	2	2
05.	Dr. Punita Kumar Sinha	Independent Director	2	2
06.	Dr. M.R. Ravi (IAS)	Nominee Director of KSIIDC	2	1

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:-

The Company's CSR Committee; CSR Policy and CSR Projects are disclosed on the website : www.jsw.in

- 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.

- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2021-22	NA	NA
2	2020-21	NA	NA
3	2019 - 20	NA	NA

- Average net profit of the company as per section 135(5) : ₹9,970.50 crores .
- Two percent of average net profit of the company as per section 135(5) : ₹199.41 crores
 - Surplus arising out of the CSR projects or programs or activities of the previous financial years. NIL
 - Amount required to be set off for the financial year, if any : NIL
 - Total CSR obligation for the financial year (7a+7b- 7c) : ₹199.41 crores .
- CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year. (in ₹ in Crores)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (₹ in crores)	Date of transfer	Name of the Fund	Amount	Date of transfer
200.34	-	-	-	-	-

b) Details of CSR amount spent against ongoing projects for the financial year:

(₹ In Crs)

1	2	4	5	6	7	8	9	10	11		
Sl. No.	Name of the Project	Local area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135 (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	CSR Registration number
1	Educational infrastructure & systems strengthening	Yes	Jharkhand, Karnataka, Maharashtra, Tamil Nadu, Gujarat, Odisha, Andhra Pradesh	Hazaribagh, Bellary, Raigad, Palghar, Thane, Nagpur, Keonjhar, Salem, Bangalore, Ahmedabad, Tirupati, Sambhalpur, Jharsuguda	4 years	70.14	70.73	-	Both	JSW Foundation	CSR00003978
2	General community infrastructure support & welfare initiatives	Yes	Jharkhand, Karnataka, Maharashtra, Tamil Nadu, Odisha, Gujarat	Hazaribagh, Bellary, Raigad, Palghar, Thane, Mumbai Nagpur, Keonjhar, Salem, Mumbai, Ahmedabad, Sambhalpur, Jharsuguda	4 years	23.89	23.83	-	Both	JSW Foundation	CSR00003978
3	COVID 19 Support & rehabilitation program	Yes	Maharashtra	Raigad	2 years	21.78	21.78	-	Both	JSW Foundation	CSR00003978
4	Public health infrastructure, capacity building & support programs	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha	Bellary, Raigad, Palghar, Thane, Mumbai, Nagpur, Keonjhar, Salem, Satara, Sambhalpur, Jharsuguda	4 years	41.01	41.01	-	Both	JSW Foundation	CSR00003978
5	Integrated water resources management	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha	Bellary, Raigad, Palghar, Thane, Nagpur, Keonjhar, Salem, Sambhalpur, Jharsuguda	4 years	9.28	9.62	-	Both	JSW Foundation	CSR00003978
6	Enhance Skills & rural livelihoods through nurturing of supportive ecosystems & innovations	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha	Bellary, Raigad, Palghar, Thane, Nagpur, Keonjhar, Salem, Dharwad, Sambhalpur, Jharsuguda	4 years	8.20	8.20	-	No	JSW Foundation	CSR00003978



1	2	4	5	6	7	8	9	10	11
Sl. No.	Name of the Project	Local area (Yes/No)	Location of the project. State District	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135 (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
									Registration number
7	Sports promotion & institution building	Yes	Karnataka, Bellary, Palghar, Nagpur. Maharashtra, Odisha, Harayana Keonjhar, Hisat, Bhubaneswar, Sambhalpur, Jharsuguda	4 years	6.68	6.68	-	No	JSW Foundation CSR000003978
8	Waste management & sanitation initiatives	Yes	Karnataka, Bellary, Raigad, Maharashtra, Tamil Nadu, Odisha Palghar, Thane, Nagpur, Keonjhar, Salem, Satara, Mumbai, Sambhalpur, Jharsuguda	4 years	3.54	3.54	-	No	JSW Foundation CSR000003978
9	Promotion & preservation of art, culture & heritage	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha, Jammu & Kashmir Bellary, Raigad, Palghar, Thane, Nagpur, Keonjhar, Salem, Bangalore, Srinagar	4 years	3.59	3.59	-	No	JSW Foundation CSR000003978
10	Nurturing aquatic & terrestrial ecosystems for better environment & reduced emissions	Yes	Karnataka, Maharashtra, Tamil Nadu, Odisha Bellary, Raigad, Palghar, Thane, Nagpur, Keonjhar, Salem	4 years	1.81	1.81	-	No	JSW Foundation CSR000003978
11	Nurture women entrepreneurship & employability	Yes	Karnataka, Maharashtra Bellary, Raigad	4 years	0.71	0.71	-	No	JSW Foundation CSR000003978
12	Project Management Cost	Yes			8.78	8.78	-	Both	JSW Foundation CSR000003978
Total					199.41	200.28	-		

- (c) Details of CSR amount spent against other than ongoing projects for the financial year: NIL
- (d) Amount spent in Administrative Overheads: NIL
- (e) Amount spent on Impact Assessment, if applicable: ₹0.06 crores.
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹200.34 crores.
- (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ Crores)
(i)	Two percent of average net profit of the company as per section 135(5)	199.41
(ii)	Total amount spent for the Financial Year	200.34
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.93
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.93

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ crores)	Amount spent in the reporting Financial Year (in ₹ crores)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years. (in ₹ crores)
				Name of the Fund	Date of transfer.	
1.	2020-21	86.49	73.27			13.22
2.	2019-20	-	-			-
3.	2018-19	-	-			-
	Total	86.49	73.27			13.22

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹ crores)	Amount spent on the project in the reporting Financial Year (in ₹ crores)	Cumulative amount spent at the end of reporting Financial Year. (in ₹ crores)	Status of the project - Completed /Ongoing
1.		COVID 19 Support & rehabilitation program	2020-21	2 years	57.81	26.69	44.60	Ongoing
2.		Educational infrastructure & systems strengthening	2020-21	4 years	14.82	7.20	14.82	Ongoing
3.		Enhance Skills & rural livelihoods through nurturing of supportive eco systems & innovation	2020-21	4 years	5.84	2.03	5.84	Ongoing
4.		General community infrastructure support & welfare initiatives	2020-21	4 years	26.91	13.50	26.91	Ongoing
5.		Integrated water resources management	2020-21	4 years	10.68	6.68	10.68	Ongoing
6.		Nurture women entrepreneurship & employability	2020-21	4 years	1.31	0.23	1.31	Ongoing
7.		Nurturing aquatic & terrestrial ecosystems for better environment & reduced emissions	2020-21	4 years	11.08	7.61	11.08	Ongoing
8.		Project Management Cost	2020-21	4 years	3.99	0.07	3.99	Ongoing
9.		Public health infrastructure, capacity building & support program	2020-21	4 years	19.87	5.16	19.87	Ongoing
10.		Sports promotion & institution building	2020-21	4 years	7.04	1.55	7.04	Ongoing
11.		Waste management & sanitation initiatives	2020-21	4 years	5.26	2.55	5.26	Ongoing
	Total				164.61	73.27	151.39	



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/-

Sd/-

SAJJAN 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:

(a)	Name(s) of the related party and nature of relationship	
(b)	Nature of contracts / arrangements/ transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e)	Justification for entering into such contracts or arrangements or transactions	(All contracts or arrangements or transactions with related parties are at arm's length basis)
(f)	date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	JSW Steel Coated Products Limited (JSW Coated) and JSW International Tradecorp Pte. Limited (JITPL)
(b)	Nature of contracts / arrangements/ transactions	Sale/purchase of steel products to/from JSW Coated, recovery/ reimbursement of expenses, interest income/expenses, investment, adjustment of receivable/ (payable), inter corporate loans; Procurement of iron ore, coking coal, coke and other raw materials from JITPL
(c)	Duration of the contracts/ arrangements/ transactions	April 2021 to March 2022
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Value of transactions with JSW Coated amounted to ₹22,363 crores and procured raw material from JITPL amounted to ₹ 28,176 crores during FY 2021-22
(e)	Date(s) of approval by the Board, if any	For JITPL – The Board of Directors approved transactions with JITPL on May 24, 2019 and shareholders also approved these transactions in the Annual General Meeting held on July 25, 2019; For JSW Coated – The transactions with JSW Coated does not require approval of the Board of Directors, since JSW Coated is wholly owned subsidiary. However, these transactions have been approved by the Audit Committee.
(f)	Amount paid as advances, if any	For JITPL – NIL; For JSW Coated – As per the terms and conditions of the contract