

**INDEPENDENT AUDITOR'S REPORT**

To the Members of JSW Steel Coated Products Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of JSW Steel Coated Products Limited (the 'Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

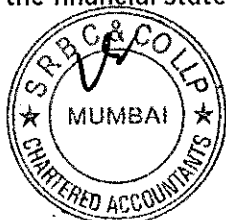
**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



# **S R B C & CO LLP**

Chartered Accountants

JSW Steel Coated Products Limited

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## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its profit, and its cash flows for the year ended on that date.

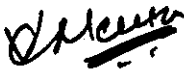
## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report;
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 25 (1) to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP

Chartered Accountants

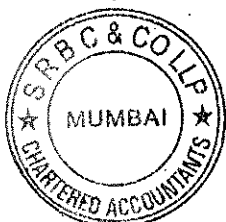
ICAI Firm Registration Number: 324982E/E300003

  
per Vikram Mehta  
Partner

Membership Number: 105938

Place of Signature: Mumbai

Date: April 30, 2016



JSW Steel Coated Products Limited

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Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: JSW Steel Coated Products Limited ("the Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management the title deeds of immovable properties included in Fixed Assets are held in the name of the Company except for certain immovable properties which were transferred to the Company by virtue of scheme of amalgamation approved by High Court and these are in process of being registered in the name of the Company as noted below:

Total Number of cases	Nature of Immovable property	As at March 31, 2016 (Rs. In Crore)	
		Gross block	Net block
4	Freehold land	21.48	21.48
2	Leasehold land	9.67	9.21

- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at 31 March 2016 and no material discrepancies were noticed in respect of such confirmations.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors or to a Company in which the Director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence not commented upon. In respect of loans and advances given, investments made and, guarantees, and securities given provisions of section 186 of the Companies Act 2013 have been complied with by the Company.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of steel coils and sheets, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.



JSW Steel Coated Products Limited

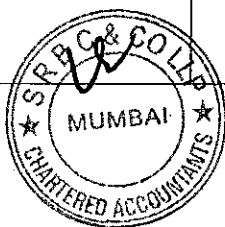
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- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in crores)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	0.36	2002-04	Bombay High Court
	Excise Duty	29.52	2002-14	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
	Excise Duty	0.73	2014-15	Joint Commissioner of Central Excise, Thane
	Excise Duty	0.42	2015	Additional Commissioner of Central Excise, Thane
	Excise Duty	0.16	2011-13	Dy. Commissioner, Central Excise, Boisar
	Excise Duty	75.65	1993-12	The Commissioner of Central Excise, Mumbai
	Excise Duty	27.06	2008 - 14	Additional Commissioner of Central Excise, Nagpur
	Excise Duty	2.78	2013-15	The Commissioner ( Appeals) Central Excise, Nagpur
The Customs Act, 1962	Customs Duty	7.19	2012-13	Commissioner of Customs (Import) Special investigation & intelligence Branch (Import), Mumbai & Commissioner of Customs (Export), Mumbai
	Customs Duty	0.19	2009	Commissioner of Customs (Appeals), Mumbai
	Customs Duty	0.43	1993-94	Commissioner of Customs (Export), Mumbai
	Customs Duty	0.63	1993-96	Commissioner of Customs (Adjudication), Mumbai



Name of the Statute	Nature of Dues	Amount (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending
The Bombay Sales Tax Act, 1959	Sales Tax	3.62	2000-03	The Sales Tax Tribunal, Mumbai
Maharashtra Value Added Tax, 2003	Sales Tax	3.27	2003-05	The Sales Tax Tribunal, Mumbai
	Sales Tax	69.11	2008-09	Jt. Commissioner (Appeals), Sales Tax, Mumbai
Chapter V of the Finance Act, 1994	Service Tax	31.54	2004-14	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
	Service Tax	1.25	2014-16	Additional Commissioner of Central Excise, Mumbai
	Service Tax	3.76	2014-16	Commissioner of Central Excise, Mumbai
	Service Tax	0.38	2014-16	Joint Commissioner of Central Excise, Mumbai
	Service Tax	0.80	2009-14	The Commissioner of Service Tax, Mumbai
	Service Tax	0.65	2006-08	The Commissioner, Central Excise, Nagpur
	Service Tax	0.20	2006-13	Dy. Commissioner, Central Excise, Kalyan
	Service Tax	0.07	2011	Joint Commissioner, Thane- II
	Service Tax	0.49	2005-11	Asst. Commissioner of Central Excise, Nagpur
The Income Tax Act, 1961	Income Tax	4.39	2013-15	Commissioner Appeals, CIT (Appeals), Nagpur

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a bank or government. The Company did not have any outstanding dues in respect of a financial institution or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer/debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.



# **S R B C & CO LLP**

Chartered Accountants

JSW Steel Coated Products Limited

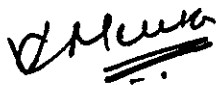
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- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 and General Circular No. 07/2015 issued by MCA dated April 10 2015.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Vikram Mehta

Partner

Membership Number: 105938



Place: Mumbai

Date: April 30, 2016

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**Annexure 2 referred to the Independent Auditor's report of even date on the Financial Statements Of JSW Steel Coated Products Limited**

**Report on the Internal Financial Controls under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

To the Members of JSW Steel Coated Products Limited

We have audited the internal financial controls over financial reporting of JSW Steel Coated Products Limited (the 'Company') as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.



JSW Steel Coated Products Limited  
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**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

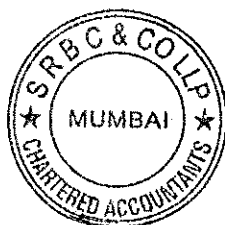
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

  
per Vikram Mehta  
Partner  
Membership Number: 105938  
Place of Signature: Mumbai  
Date: April 30, 2016





**JSW STEEL COATED PRODUCTS LIMITED**  
**CIN - U27100MH1985PLC037346**  
**BALANCE SHEET AS AT MARCH 31, 2016**

(Rupees in crore)


	Note No.	As at March 31, 2016	As at March 31, 2015
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' funds			
Share capital	2	50.05	50.05
Reserves and surplus	3	1,311.09	1,262.51
		1,361.14	1,312.56
(2) Non-current liabilities			
Long-term borrowings	4	740.46	829.40
Deferred tax liabilities (Net)	5	176.47	169.33
Long-term provisions	6	2.31	2.36
		919.24	1,001.09
(3) Current liabilities			
Short-term borrowings	7	271.77	533.34
Trade payables	8	552.23	690.38
Other current liabilities	9	313.68	287.72
Short term provisions	6	52.92	45.00
		1,180.60	1,556.44
<b>TOTAL</b>		<b>3,470.98</b>	<b>3,870.09</b>
<b>II. ASSETS</b>			
(1) Non-current assets			
Fixed assets			
Tangible assets	10a	1,899.20	1,941.77
Intangible assets	10b	6.03	4.04
Capital work-in-progress	10c	42.91	74.63
		1,948.14	2,020.44
Non-current investments	11	49.49	46.10
Long-term loans and advances	12	51.91	75.73
		2,049.54	2,142.27
(2) Current assets			
Inventories	13	716.16	963.91
Trade receivables	14	126.87	146.99
Cash and Bank balances	15	6.50	13.57
Short-term loans and advances	12	558.60	597.82
Other Current Assets	16	13.31	5.63
		1,421.44	1,727.82
<b>TOTAL</b>		<b>3,470.98</b>	<b>3,870.09</b>

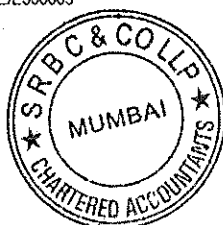
**Significant Accounting Policies**

The accompanying notes are an integral part of the financial statements

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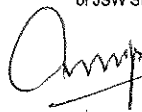
As per our report of even date  
For S R B C & CO LLP  
ICAI Registration No : 324982/E/300003  
Chartered Accountants


  
per Vikram Mehta  
Partner  
Membership No : 105938



Place: Mumbai  
Date : April 30, 2016

For and on behalf of the Board of Directors  
of JSW Steel Coated Products Limited

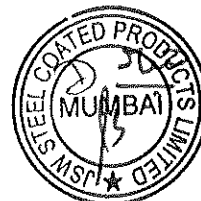
  
Rajeev Pal  
Director

  
Deep Bhatt  
Whole Time Director  
President (Coated Products)

  
Deepti Welawalkar  
Company Secretary

  
Hemant Sheta  
Chief Financial Officer

Place: Mumbai  
Date : April 30, 2016



**JSW STEEL COATED PRODUCTS LIMITED**  
**CIN -U27100MH1986PLC037346**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

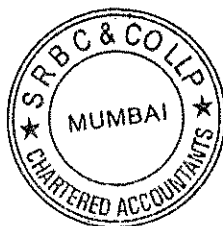
		(Rupees in crore)	
	Note no.	For the Year Ended March 31, 2016	For the Year Ended March 31, 2016
I. Revenue from operations (Gross)	17	7,698.68	9,525.13
Less: Excise duty		577.91	508.62
Revenue from operations (Net)		7,120.77	9,016.51
II. Other Income	18	34.30	25.68
III. Total Revenue (I + II)		7,155.07	9,042.19
IV. Expenses:			
Cost of materials consumed	19	5,445.75	7,167.61
Purchases of traded goods		-	8.65
Changes in inventories of Finished goods, Work-in-progress and traded goods	20	180.99	119.17
Employee benefits expense	21	225.90	218.04
Finance costs	22	140.63	178.89
Depreciation and amortization expense	23	146.27	199.94
Other expenses	24	923.50	1,172.05
Total expenses		7,062.94	9,064.45
V Profit/ (Loss) before Tax (III-IV)		92.13	(22.26)
VI Tax expense:			
Current tax		34.88	-
Excess MAT credit taken in previous year		-	4.91
Deferred tax		7.71	3.12
Excess provision for Deferred tax relating to previous year		(0.67)	(4.91)
		42.02	3.12
VII Profit/(Loss) for the year (V-VI)		50.11	(25.38)
VIII Earnings per equity share:	25(9)		
Basic and Diluted (Face value per share Rs.10)		10.01	(5.07)

**Significant Accounting Policies**

The accompanying notes are an integral part of the financial statements

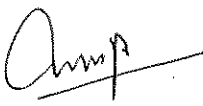
As per our report of even date  
For S R B C & CO LLP  
ICAI Registration No : 324982E/E300003  
Chartered Accountants


  
per Vikram Mehla  
Partner  
Membership No : 105938



Place: Mumbai,  
Date : April 30, 2016

For and on behalf of the Board of Directors  
of JSW Steel Coated Products Limited

  
Rajeev Pal  
Director

  
Deep Bhatt  
Whole Time Director  
President (Coated Products)

  
Deepthi Walawalkar  
Company Secretary

  
Hemant Shete  
Chief Financial Officer

Place: Mumbai,  
Date : April 30, 2016




(Rupees in crore)

	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
<b>A. Cash Flow From Operating Activities</b>		
Net Profit/ (Loss) Before Tax	92.13	(22.26)
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation	146.27	199.94
Profit on sale of Fixed Assets (net)	(1.30)	(0.17)
Interest Income	(32.12)	(8.08)
Dividend Income from Non current investment	(0.88)	(0.36)
Finance cost	140.53	178.99
Unrealised exchange (gain) / loss	4.08	(4.42)
Operating profit before working capital changes	256.58	365.90
	348.71	343.64
Movements in working capital :		
Decrease/ (Increase) in Inventories	247.75	23.90
Decrease/ (Increase) in Trade Receivables	22.22	27.43
Decrease/ (Increase) in Short Term Loans and Advances	39.22	(97.36)
Decrease/ (Increase) in Long Term Loans and Advances	(2.58)	2.17
Decrease/ (Increase) in Other Current Assets	(15.41)	26.04
(Decrease)/ Increase in Long Term Provisions	(0.06)	(14.78)
(Decrease)/ Increase in Trade Payables	(136.36)	(219.52)
(Decrease)/ Increase in Other Current Liabilities	16.44	(43.75)
(Decrease)/ Increase in Short Term Provisions	7.39	28.11
	178.61	(267.76)
Cash generated from / (used in) operations	527.32	75.88
Direct Taxes Paid (net of refunds)	(20.77)	(18.84)
Net cash flow from/ (used in) operating activities (A)	506.55	57.04
<b>B. Cash Flow From Investing Activities</b>		
Purchase of fixed assets and capital advances	(56.40)	(216.49)
Investments in bank deposits (having original maturity of more than twelve months)	-	0.08
Purchase of Non current Investments (Net)	(38.70)	(6.40)
Purchase/Sale of Current Investments (Net)	-	-
Investment in Margin money deposit	-	(0.19)
Proceeds from Margin money deposit	0.19	-
Proceeds from sale of Fixed Assets	2.00	0.90
Loan to related parties	(3.63)	-
Interest received	32.12	8.08
Dividend received	0.88	0.36
Net cash flow from/ (used in) investing activities (B)	(63.54)	(213.66)
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from Long Term Borrowings	-	5.91
Repayment of Long term borrowings	(44.87)	(1.74)
Proceeds from Short term borrowings	271.77	679.71
Repayment of Short term borrowings	(533.43)	(401.26)
Finance cost	(143.36)	(166.99)
Net cash flow from/ (used in) in financing activities (C)	(449.89)	116.63
Net increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(6.88)	(40.99)
Cash & Cash Equivalents at the beginning of the year	13.38	54.37
Cash & Cash Equivalents at the end of the year	6.50	13.38
Components of cash and cash equivalents		
Cash on hand	0.10	0.08
With banks		
- on term deposit	-	1.04
- on cash credit account	1.04	7.45
- on current account	5.36	4.81
Cash and Cash Equivalents - Closing Balance (As per note 15)	6.50	13.38
Add: Margin money (earmarked money)	0.00	0.19
Cash and Bank balances (As per note 15)	6.50	13.57

Significant Accounting Policies


1.3


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

  
per Vikram Mehta  
Partner  
Membership No : 105938




For and on behalf of the Board of Directors  
of JSW Steel Coated Products Limited

  
Rajeev Pal  
Director

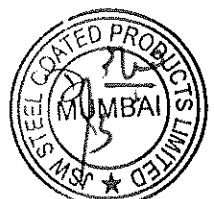
  
Deepesh Bhatt  
Whole Time Director  
President (Coated Products)

  
Deepthi Walawalkar  
Company Secretary

  
Hemant Shete  
Chief Financial Officer

Place: Mumbai,  
Date : April 30, 2016

Place: Mumbai,  
Date : April 30, 2016



## JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

### 1.1 Corporate Information

JSW Steel Coated Products Limited (the "Company") is a public company domiciled in India. The CIN of the Company is U27100MH1985PLC037346. It is a wholly owned subsidiary of JSW Steel Limited. It has three manufacturing facilities in the State of Maharashtra at Vasind, Tarapur and Kalmeshwar. The Company is primarily engaged in the manufacture of value added steel products which mainly consists of Galvanized and Galvalume Coils / Sheets and Colour Coated Coils/ Sheets. The Company caters to both domestic and international markets.

### 1.2 Basis of preparation

The financial Statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial Statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial Statements have been prepared on an accrual basis and under the historical cost convention except assets and liabilities acquired under the Composite Scheme of Amalgamation and Arrangement which are recorded at respective fair value and derivative financial instruments which have been measured at fair value.

### 1.3 Significant Accounting Policies

#### a. Use of estimates

The preparation of the financial Statements in conformity with Indian GAAP requires the Management to make judgements, estimates and assumptions considered in the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### b. Tangible Fixed assets and Depreciation

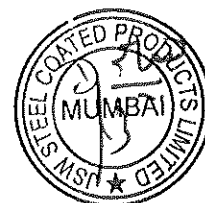
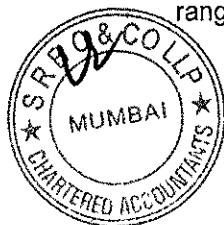
Fixed assets and Capital Work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any, except assets acquired under Composite Scheme of Amalgamation and Arrangement which were recognized at fair value. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The Company follows component accounting as required under Schedule II to the Companies Act, 2013. Accordingly, the Company identifies and determines cost of each component / part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Leasehold land is amortized on a straight line basis over the period of lease which ranges between 95-99 years.



**JSW STEEL COATED PRODUCTS LIMITED****Notes forming part of the Financial Statements for the year ended March 31, 2016**

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following life to provide depreciation on its fixed assets:

Sr. No	Particulars	Useful life estimated by the management (years)
1	Factory Buildings	9-40
2	Other Buildings	5-60
3	Railway Siding	15
4	Plant and Equipments	15-30
5	Rolls used in Cold Rolling Mill (included in Plant and equipments)	1
6	Furniture and Fixtures	10
7	Vehicles	8
8	Office Equipments	5
9	Computers	3 or 6

The useful life of certain factory and other buildings and plant and equipment's are different from those indicated in Schedule II of Companies Act, 2013.

Useful lives and residual value of the above class of assets have been assessed based on management's technical assessment and estimates.

The residual value and useful lives of fixed assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

**c. Intangible asset and amortization**

Intangible assets are recognised only when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. Intangible assets are stated at cost less accumulated amortization and impairment loss, if any.

Computer Software is amortized over the useful life of 5 years as estimated by the management.

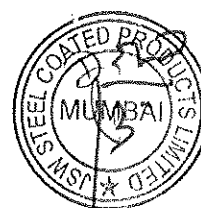
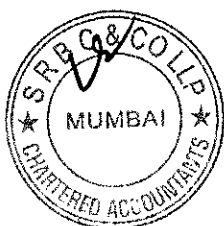
**d. Research and development costs**

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate criteria specified in AS 26.

**e. Impairment of Tangible and Intangible assets**

The carrying amounts of assets/ cash generating units are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.



## JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

### f. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial Statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

### g. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined by the weighted average cost method.

Semi finished goods/ finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### h. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

#### Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on dispatch of the goods. The Company collects sales tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Export turnover includes related export benefits.

#### Sale of Services

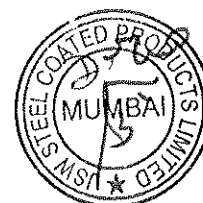
Revenue generated from services provided is accounted for on accrual basis.

#### Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

#### Dividend

Dividend income is accounted for, when the right to receive income is established by the reporting date.



## JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

### i. Borrowing costs

Borrowing costs comprises of interest on borrowing, interest incurred on Letter of credit discounted by Vendors and payable to banks, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

### j. Employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure when an employee renders the related service.

Employee benefits under defined benefit plans, such as gratuity and compensated absences which fall due for payment after a period of twelve months from rendering service or after completion of employment, are measured by the projected unit credit method, on the basis of actuarial valuation carried out by third party actuaries at each balance sheet date. The Company's obligation recognized in the balance sheet represents the present value of obligations as reduced by the fair value of plan assets, where applicable.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

### k. Foreign currency translation-Foreign currency transactions and balances

#### i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### ii. Conversion

Monetary foreign currency assets and liabilities (monetary items) are reported at the exchange rate prevailing on the balance sheet date. All other exchange differences are dealt with in the Statement of Profit and Loss. Non-monetary items such as investments are carried at historical cost using the exchange rates on the date of the transaction.

#### iii. Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

Premium / discount on forward exchange contracts is amortised and recognized as an expense/ income over the period of the contract if such contract relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation/ renewal of such forward exchange contract is also recognized as income or as expense for the period.



## JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

### I. Derivative financial Instruments

The Company enters into derivative financial instruments like foreign exchange forward contracts to manage its exposure to foreign exchange risks.

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date.

The Company designates certain derivatives as either hedges of the fair value of recognized assets or liabilities (fair value hedges) or hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges). The Company does not enter into derivative contracts for trading or speculative purposes. A derivative is presented under "Other Current Assets" or "Other Current Liabilities".

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged item that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognized in the same line of the Statement of Profit and Loss relating to the hedged item.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in a "Hedge Reserve Account". The gain or loss relating to the ineffective portion is recognized immediately in the Statement of Profit and Loss. Amounts deferred in the Hedge Reserve Account are recycled in the Statement of Profit and Loss in the periods when the hedged item is recognized in the Statement of Profit and Loss, in the same line as the hedged item.

Hedge accounting is discontinued when the Company revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. In case of fair value hedges, the adjustment to the carrying amount of the hedged item arising from the hedged risk is amortized in the Statement of Profit and Loss from that date. In case of cash flow hedges, any cumulative gain or loss deferred in the Hedging Reserve Account at that time is retained and is recognized when the forecast transaction is ultimately recognized in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred is recognized immediately in the Statement of Profit and Loss.





## JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

### m. Leases:

#### Where the Company is the lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are recognized as a finance cost in statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term

#### Where the company is the lessor

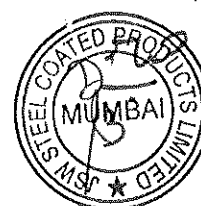
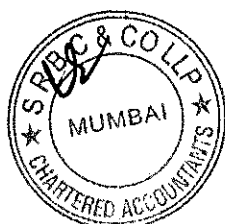
Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset, are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

### n. Taxes on Income

Tax expense comprises of current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the Statement of Profit and Loss.



## JSW STEEL COATED PRODUCTS LIMITED

### Notes forming part of the Financial Statements for the year ended March 31, 2016

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

#### **o. Segment Reporting**

##### **Identification of segments**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

##### **Inter-segment transfers**

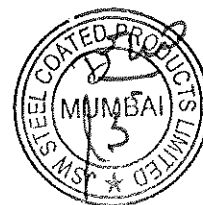
The Company generally accounts for inter-segment sales and transfers at cost plus appropriate margins.

##### **Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

##### **Unallocated items**

Unallocated items include general corporate income and expense items which are not allocated to any business segment.



## JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

### Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial Statements of the Company as a whole.

#### p. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### q. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

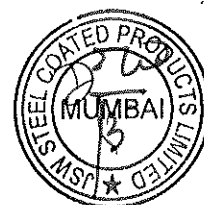
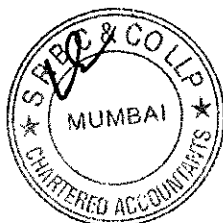
Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit and Loss, net of any reimbursement.

#### r. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

#### s. Cash and cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



**JSW STEEL COATED PRODUCTS LIMITED**

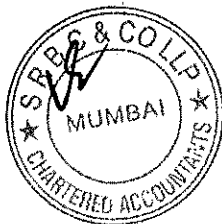
Notes forming part of the Financial Statements for the year ended March 31, 2016

<b>Note 2: Share Capital</b>			<b>(Rupees in crore)</b>	
<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>		
<b>a Authorised Shares:</b>				
55,000,000 Equity Shares of the par value of Rs. 10 each (March 31, 2015 - 55,000,000 Equity Shares of Rs. 10 each)	55.00	55.00		
	<u>55.00</u>	<u>55.00</u>		
<b>b Issued, subscribed and fully paid-up shares:</b>				
50,050,000 Equity Shares of 10 each, fully paid-up (March 31, 2015 - 50,050,000 Equity Shares of Rs.10 each)	50.05	50.05		
	<u>50.05</u>	<u>50.05</u>		
<b>c Reconciliation of number of shares outstanding at the beginning and end of the year :</b>				
Equity Shares				
Outstanding at the beginning of the year	50,050,000	50,050,000		
Issued during the year (at par value)	-	-		
Outstanding at the end of the year	<u>50,050,000</u>	<u>50,050,000</u>		
<b>d Rights, preferences and restrictions attached to Equity shares</b>				
The company has one class of equity share having par value of Rs. 10 each. Each holder of equity share is eligible to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.				

<b>e Shareholders holding more than 5% shares in the Company</b>			
<b>Particulars</b>		<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Equity shares			
JSW Steel Limited (including nominees)	No of Shares %	50,050,000 100.00%	50,050,000 100.00%

As per the records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.  
The Company has not declared any dividend during the current year (March 31, 2015 Rs. Nil).

<b>Note 3: Reserves and Surplus</b>			<b>(Rupees in crore)</b>	
<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>		
<b>a Capital Reserve</b>				
Balance as per the last financial statements	1,263.49	1,263.49		
Closing Balance	<u>1,263.49</u>	<u>1,263.49</u>		
<b>b Hedge Reserve</b>				
Balance as per the last financial statements	10.62	119.07		
Effect of foreign exchange rate variation on hedging instruments outstanding at the end of the year	9.09	10.62		
Amount Transferred to Statement of Profit & Loss	(10.62)	(119.07)		
Closing Balance	<u>9.09</u>	<u>10.62</u>		
<b>c General Reserve</b>				
Balance as per the last financial statements	2.47	2.47		
Closing Balance	<u>2.47</u>	<u>2.47</u>		
<b>d Surplus/ (deficit) In Statement of Profit and Loss</b>				
Balance as per the last financial statements	(14.07)	11.31		
Add: Profit/ (Loss) for the year	50.11	(25.38)		
Net Surplus/ (Deficit) In the Statement of Profit and Loss	<u>36.04</u>	<u>(14.07)</u>		
<b>Total</b>	<u>1,311.09</u>	<u>1,282.51</u>		



**JSW STEEL COATED PRODUCTS LIMITED**

Notes forming part of the Financial Statements for the year ended March 31, 2016

**Note 4 : Long Term Borrowings**

Particulars	(Rupees in crore)			
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
	Non Current		Current Maturities	
<b>Term Loan (Secured)</b>				
(a) Rupee Term Loan from Bank	722.50	807.50	85.00	42.50
	722.50	807.50	85.00	42.50
<b>Deferred Payment Liabilities (Unsecured)</b>				
(b) Deferred Sales Tax/ Value Added Tax	3.98	6.58	2.48	2.37
<b>Loans (Unsecured)</b>				
(c) Sales Tax Loan from Government of Maharashtra	13.98	15.32	1.34	-
	17.96	21.90	3.82	2.37
Amount Disclosed under the head "Other Current Liabilities" (Refer Note 9)			(88.82)	(44.87)
<b>Total</b>	<b>740.46</b>	<b>829.40</b>	<b>-</b>	<b>-</b>

a) Rupee Term Loan from Bank is secured as under:

- i) First charge by way of legal mortgage on 2400 sq feet land at Toranagalku village in the state of Karnataka.  
 ii) First charge on the entire fixed assets of the Company situated at Vasind, Tarapur and Kalmeshwar (both present and future).  
 JSW Steel Ltd. (Holding Company) has provided a Letter of Comfort (LOC) in favour of the Bank for the Term Loan sanctioned and disbursed in favour of the Company.

**Terms of Repayment of Rupee Term Loan**

- (i) Rs.297.50 crore is repayable in 14 quarterly instalments of Rs.21.25 crore each from 31.10.2015 to 31.01.2019.  
 (ii) Rs.95.64 crore is repayable in 4 quarterly instalments of Rs.23.91 crore each from 30.04.2019 to 31.01.2020.  
 (iii) Rs.318.74 crore is repayable in 12 quarterly instalments of Rs.26.56 crore each from 30.04.2020 to 31.01.2023.  
 (iv) Rs.138.12 crore is repayable in 2 quarterly instalments of Rs.69.06 crore each from 30.04.2023 to 31.07.2023.

The present rate of interest applicable on the above term loan is 10.30% to 11% per annum. (March 31, 2015 - 11% per annum)

(b) Deferred Sales Tax Loan is interest free and payable in five equal annual instalments after end of 10 years of respective year of collection and the repayment schedule from the Balance Sheet date is as follows:

Instalments due	March 31, 2016			March 31, 2015		
	Number of Instalments	Non-Current (Rs. in crore)	Current Maturities (Rs. in crore)	Number of Instalments	Non-Current (Rs. in crore)	Current Maturities (Rs. in crore)
Within one year (Note 9)	5	-	2.48	5	-	2.37
In the second year to third year	7	3.23	-	8	4.37	-
In the fourth year to fifth year	2	0.75	-	5	2.09	-
After five years	0	-	-	1	0.12	-
<b>Total</b>	<b>14</b>	<b>3.98</b>	<b>2.48</b>	<b>19</b>	<b>6.68</b>	<b>2.37</b>

(c) Sales tax loan from Government of Maharashtra is interest free and payable in six equal annual instalments starting after 12 years of disbursement and the repayment schedule from the balance sheet date is as follows:

Instalments due	March 31, 2016			March 31, 2015		
	Number of Instalments	Non-Current (Rs. in crore)	Current Maturities (Rs. in crore)	Number of Instalments	Non-Current (Rs. in crore)	Current Maturities (Rs. in crore)
Within one year (Note 9)	5	-	1.34	-	-	-
In the second year to third year	12	3.09	-	11	2.69	-
In the fourth year to fifth year	14	3.14	-	13	3.11	-
After five years	59	7.75	-	66	9.32	-
<b>Total</b>	<b>90</b>	<b>13.98</b>	<b>1.34</b>	<b>90</b>	<b>15.32</b>	<b>-</b>

**Note 5 : Deferred tax liabilities (Net)**

Particulars	(Rupees in crore)	
	As at March 31, 2016	As at March 31, 2015
<b>Deferred tax liabilities (Net)</b>		
Deferred Tax Liability comprises of timing differences on account of		
<b>Deferred Tax Asset</b>		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	21.99	23.15
Provision for doubtful debts and advances	1.25	0.41
	23.24	23.56
<b>Deferred Tax Liability</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	199.71	192.89
	199.71	192.89
	<b>176.47</b>	<b>169.33</b>



**JSW STEEL COATED PRODUCTS LIMITED**

Notes forming part of the Financial Statements for the year ended March 31, 2016

<b>Note 6: Provisions</b>				
(Rupees in crore)				
Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
	Long Term		Short Term	
Provision for Gratuity (Refer note 25 (5)(b))	-	-	35.79	29.71
Provision for Leave encashment	-	-	16.24	14.86
Other Provisions	2.31	2.36	0.38	0.43
Provision for Tax (Net of advance tax)	-	-	0.53	-
<b>Total</b>	<b>2.31</b>	<b>2.36</b>	<b>62.92</b>	<b>45.00</b>

<b>Note 7: Short Term Borrowings</b>				
(Rupees in crore)				
Particulars	As at March 31, 2016	As at March 31, 2015		
Working capital loans from banks (secured)	1.77	-		
Foreign currency loan from bank (unsecured)	-	33.34		
Rupee loans from banks (unsecured)	270.00	500.00		
<b>Total</b>	<b>271.77</b>	<b>533.34</b>		

Above Working Capital Loans are secured by:

- pari passu first charge by way of hypothecation of Stocks of Raw Materials, Finished Goods, Work-in-Progress, Consumable Stores and Spares and Book Debts / Receivables of the Company, both present and future.
- pari passu second charge on movable properties and immovable properties forming part of the Fixed/Blocked assets of the company, both present and future except such properties as may be specifically excluded.

The working capital loan is repayable on demand and carries interest at 9.65% to 10.10% per annum (March 31, 2015 - 10.35% to 11.50% per annum). Foreign currency loan interest rate as on March 31, 2015 - 1.0762% per annum. Rupee loan from banks carry interest at 9.20% per annum (March 31, 2015 - 9.40% to 9.65% per annum).

<b>Note 8: Trade Payables</b>				
(Rupees in crore)				
Particulars	As at March 31, 2016	As at March 31, 2015		
Acceptances*	315.23	350.29		
Other than Acceptances #	237.00	340.09		
<b>Total</b>	<b>552.23</b>	<b>690.38</b>		

# For Micro, Small and Medium Enterprises Act, 2006 disclosure Refer note 25 (17)

\* Acceptances include Letter of credit discounted by Vendors and payable to banks (secured) (Refer note 7) amounting to Rs.92.90 crore on which interest is borne by the Company (March 31, 2015 - Rs. 250.67 crore).

<b>Note 9: Other Current Liabilities</b>				
(Rupees in crore)				
Particulars	As at March 31, 2016	As at March 31, 2015		
Current maturities of Long Term Debt (Refer Note 4)	88.82	44.87		
Deposits Received from Customers	7.50	7.24		
Payables for Capital Projects*	46.81	43.11		
Advances from Customers	92.50	84.72		
Interest Accrued but not due on borrowings	9.17	12.00		
Statutory Liabilities	35.15	39.88		
Payable against investments in Equity Instruments	-	35.31		
Premium on forward contract	5.82	-		
Others (includes customer liabilities)	27.91	20.59		
<b>Total</b>	<b>313.68</b>	<b>287.72</b>		

\* Payables for Capital Projects include Letter of credit discounted by Vendors and payable to banks (secured) (Refer note 7) amounting Rs.41.07 crore on which interest is borne by the company (March 31, 2015 Rs. 23.12 crore).



**JSW STEEL COATED PRODUCTS LIMITED**

Notes forming part of the Financial Statements for the year ended March 31, 2016

**Note 10a - Tangible Assets**

Particulars	Land-Leasehold	Land-Freehold	Buildings	Railway Siding	Plant and equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
(Rupees in crore)										
Cost or valuation										
At April 1, 2014	244.38	280.48	300.01	21.74	1,402.18	1.71	1.46	2.21	2.33	2,256.50
Additions	-	-	12.42	15.77	114.01	0.14	0.70	0.18	0.22	143.44
Disposals	-	-	(0.46)	-	(2.82)	-	(0.32)	-	-	(3.60)
Other adjustments (Exchange Differences) (Refer note (b) below)	-	-	-	-	1.11	-	-	-	-	1.11
At March 31, 2015	244.38	280.48	311.97	37.51	1,514.48	1.85	1.84	2.39	2.55	2,397.45
Additions	19.18	0.34	7.68	1.92	70.20	0.28	1.06	0.37	0.81	101.84
Disposals	-	-	-	-	(5.91)	-	(0.49)	-	(0.01)	(6.41)
At March 31, 2016	263.56	280.82	319.65	39.43	1,578.77	2.13	2.41	2.76	3.35	2,492.88
Depreciation										
At April 1, 2014	6.00	-	19.86	0.61	232.28	0.29	0.22	0.17	0.60	260.03
Charge for the year	3.55	-	11.84	2.94	177.91	0.20	0.24	0.64	1.20	198.52
Disposals	-	-	(0.04)	-	(2.76)	-	(0.07)	-	-	(2.87)
At March 31, 2015	9.55	-	31.66	3.55	407.43	0.49	0.39	0.81	1.80	455.68
Charge for the year	3.64	-	12.37	2.04	124.23	0.21	0.28	0.43	0.51	143.71
Disposals	-	-	-	-	(5.54)	-	(0.16)	-	(0.01)	(5.71)
At March 31, 2016	13.19	-	44.03	5.59	526.12	0.70	0.51	1.24	2.30	593.68
Net Block										
At March 31, 2016	250.37	280.82	275.62	33.84	1,052.65	1.43	1.90	1.52	1.05	1,899.20
At March 31, 2015	234.83	280.48	280.31	33.96	1,107.05	1.36	1.45	1.58	0.75	1,941.77

a) Plant and equipments includes assets held for sale. Gross Block Rs. 89.87 crore (March 31, 2015 Rs. 89.87 crore) Net Block Rs. 11.52 crore (March 31, 2015 Rs. 11.52 crore)

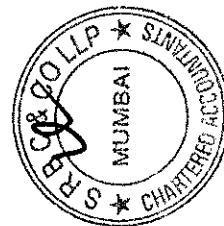
b) Other Adjustment comprises of Foreign Exchange Gain of Rs. Nil (March 31, 2015 Rs. 1.11 crore) in respect of assets capitalised during the year. The unamortized exchange difference lying in the books is Rs. Nil (March 31, 2015 Rs. 1.22 crore)

c) Addition to Plant and equipments Includes Rs Nil (March 31, 2015 Rs. 1.73 crore) capitalised as pre-operative expenses (Refer Note 25(18))

d) For details of assets given on Operating Lease - Refer Note 25(8)(a).

e) Net block of Freehold and Leasehold land includes land transfer to the company by virtue of composite scheme of amalgamation and arrangement which are in process of being registered in the name of the company amounting to Rs. 21.49 crore and Rs. 9.21 crore respectively.

\* Amount less than Rs. 1 lac



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

## Note 10b - Intangible Assets

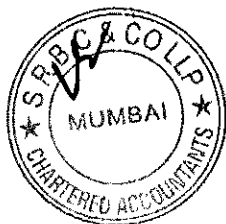
Note 10b - Intangible Assets		(Rupees in crore)	
Particulars	Computer Software	Total	
Cost or valuation			
At April 1, 2014	7.12	7.12	
Additions	-	-	
Disposals	-	-	
At March 31, 2015	7.12	7.12	
Additions	4.55	4.55	
Disposals	-	-	
At March 31, 2016	11.67	11.67	
Amortization			
At April 1, 2014	1.66	1.66	
Charge for the year	1.42	1.42	
Disposals	-	-	
At April 1, 2015	3.08	3.08	
Charge for the year	2.56	2.56	
Disposals	-	-	
At March 31, 2016	5.64	5.64	
Net Block			
At March 31, 2016	6.03	6.03	
At March 31, 2015	4.04	4.04	

## Note 10c - Capital work-in-progress

		(Rupees in crore)	
Particulars	March 31, 2016	March 31, 2015	
Capital Work in Progress	42.91	74.63	
<b>Total</b>	<b>42.91</b>	<b>74.63</b>	

Capital work in progress includes:

- Rolls in transit Rs. 1.02 crore (March 31, 2015 - Rs. 9.16 crore)
- Construction on land for which possession given but not yet transferred in the name of the Company amounting Rs. Nil (March 31, 2015- Rs. 2.43 crore) .





**JSW STEEL COATED PRODUCTS LIMITED**

Notes forming part of the Financial Statements for the year ended March 31, 2016

(Rupees in crore)

**Note 11 - Non-Current Investments**

Particulars	As at March 31, 2016	As at March 31, 2015
<b>Non-trade investment (valued at cost)</b>		
<b>a. Investment in equity instruments (quoted)</b>		
JSW Energy Limited		
43,76,770 (March 31, 2015 : 43,76,770) Equity Shares of Rs 10 each fully paid-up	46.10	46.10
<b>Total</b>	<b>46.10</b>	<b>46.10</b>
<b>b. Investment in equity instruments (unquoted)</b>		
Tarapur Environment Protection Society		
244,885 (March 31, 2015 : Nil) Equity Shares of Rs 100 each fully paid-up	3.39	-
<b>Total</b>	<b>3.39</b>	<b>-</b>
<b>Total</b>	<b>49.49</b>	<b>46.10</b>
<b>c. Summary</b>		
<b>Quoted</b>		
Aggregate Book Value	46.10	46.10
Aggregate Market Value	30.42	52.17
<b>Unquoted</b>		
Aggregate Book Value	3.39	-

\*34,67,770 Equity shares have been transferred in name of the Company on April 7, 2015.

Mode of Valuation - Refer Note 1.3(f)

**Note 12 - Loans and Advances**

(Rupees in crore)

Particulars	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
	<b>Non-Current</b>		<b>Current</b>	
<b>Loans and Advances (Unsecured)</b>				
Capital Advances	4.39	20.83	-	-
Less : Provision for doubtful advances	(0.52)	(0.85)	-	-
	<b>3.87</b>	<b>19.98</b>		
Deposits	6.15	6.27	0.22	0.23
<b>Other loans and advances</b>				
Advance to Suppliers	-	-	7.91	4.08
Loan & Advance to Related Parties	3.63	-	312.17	224.16
Export benefits and entitlements	11.51	14.55	71.98	120.23
Indirect Tax balances/recoverables/credits	18.89	12.88	158.08	228.03
Prepayments and Others	3.57	3.94	8.24	21.34
Advance Tax and Tax Deducted at Source (Net of provision for tax)	4.91	4.83	-	-
Minimum Alternative Tax credit entitlement*	-	13.66	-	-
	<b>48.66</b>	<b>56.13</b>	<b>558.60</b>	<b>598.06</b>
Less : Provision for doubtful loans and advances	(0.62)	(0.38)	-	(0.24)
	<b>48.04</b>	<b>55.75</b>	<b>558.60</b>	<b>597.82</b>
<b>Total</b>	<b>51.91</b>	<b>76.73</b>	<b>558.60</b>	<b>597.82</b>

\* The company has utilised Minimum Alternative Tax credit of Rs. 13.66 crore in current year. (March 31, 2015 - Rs. Nil)

**Capital Advances**

 Considered Good 3.87 19.98  
 Considered Doubtful, Provided 0.52 0.85

**Other Loans and Advances**

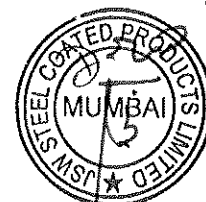
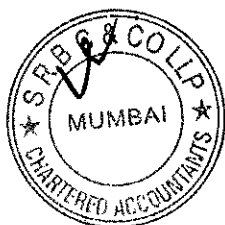
 Considered Good 48.04 55.75  
 Considered Doubtful, Provided 0.62 0.38

**Note 13 - Inventories**

(Rupees in crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Raw Materials	242.35	291.13
Semi Finished/ Finished Goods (Refer note 20)	444.09	630.24
Production Consumables and Stores and Spares (including packing material)	29.72	42.54
<b>Total</b>	<b>716.16</b>	<b>963.91</b>
<b>Details of stock-in-transit included in above</b>		
Raw Materials	98.22	56.18
Production Consumables and Stores and Spares (including packing material)	0.30	0.12

Mode of Valuation - Refer note 1.3(g)



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

**Note 14 : Trade Receivables**

Particulars	(Rupees in crore)			
	As at	As at	As at	As at
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Non - Current		Current	
Unsecured, considered good unless stated otherwise Outstanding for a period exceeding six months from the date they are due for payment	-	-	1.43	2.15
Considered Good	-	-	-	-
Considered Doubtful	2.79	5.28	-	-
Less: Provision for Doubtful debts	(2.79)	(5.28)	-	-
	-	-	1.43	2.15
Other Debts	-	-	125.44	144.84
Considered Good	-	-	-	-
Total	-	-	126.87	146.99

**Note 15 : Cash and Bank Balances**

Particulars	(Rupees in crore)	
	As at	As at
	March 31, 2016	March 31, 2015
	Current	
Cash and Bank balances		
Balances with Banks		
In Current Accounts	5.36	4.81
In Term Deposit Accounts with maturity less than 3 months at inception	-	1.04
In Cash Credit Accounts	1.04	7.45
Cash on hand	0.10	0.08
	6.50	13.38
Others		
In Margin Money with maturity more than 3 months but less than 12 months at inception	0.00*	0.19
Total	6.50	13.57
Earmarked balances		
In Margin Money	0.00*	0.19

Margin money deposits with a carrying amount of Rs. 0.00\* crore (March 31, 2015 Rs. 0.19 crore) are subject to first charge to secure the Company's cash credit loans.

\* Rs.10,000.

**Note 16 : Other Current Assets**

Particulars	(Rupees in crore)	
	As at	As at
	March 31, 2016	March 31, 2015
	Current	
Mark to Market on Forward Contracts	9.17	5.53
Unamortized premium on forward contract	4.14	-
	13.31	5.53



**JSW STEEL COATED PRODUCTS LIMITED**

Notes forming part of the Financial Statements for the year ended March 31, 2016

**Note 17: Revenue from Operations**

Particulars	(Rupees in crore)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
<b>Revenue from operations</b>		
<b>Sale of products</b>		
Domestic Turnover [(Includes Sale of Power Rs. 4.82 crore), (March 31, 2015 - Rs. 8.55 crore)]	5,036.93	4,649.11
Export Turnover [(Includes Export Benefits Rs. 83.21 crore), (March 31, 2015 - Rs. 173.63 crore)] [(Includes prior period income Rs. 3.14 crore), (March 31, 2015 - Rs. 12.65 crore)]	2,646.29	4,952.26
Traded Goods [(Includes Sale of Power Rs. Nil), (March 31, 2015 - Rs. 4.19 crore)]	-	4.19
	<u>7,683.22</u>	<u>9,505.56</u>
<b>Sale of services</b>		
Jobwork Income	2.84	6.01
<b>Other Operating Revenues</b>		
Gain on prepayment of deferred Value Added/ Sales Tax @	0.76	2.06
Miscellaneous Income	11.88	11.50
<b>Revenue from Operations (Gross)</b>	<u>7,698.68</u>	<u>9,525.13</u>
Less: Excise duty #	<u>577.91</u>	<u>508.62</u>
<b>Revenue from Operations (Net)</b>	<u>7,120.77</u>	<u>9,016.51</u>

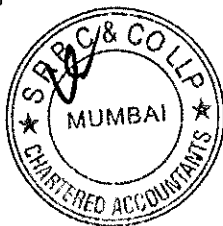
# Excise duty on sales has been reduced from sales in Statement of Profit and Loss and excise duty on increase/ decrease in stock amounting to Rs. 5.16 crore (March 31, 2015 - Rs. 3.99 crore) has been considered in Note 20 of financial statements.

@ Gain arising on prepayment of the Deferred Value Added Tax/Sales Tax liability payable in future years related to Kalmeshwar unit, on net present value basis, in terms of Section 94(2) of Maharashtra Value Added Tax Act, 2002 read with Rule 84 of Maharashtra Value Added Tax Rules, 2005.

Details of products sold	(Rupees in crore)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
<b>Finished Goods Sold</b>		
Galvanized Coils/ Sheets	4,686.16	6,066.39
Cold Rolled Coils/ Sheets	111.19	198.62
Colour Coating Coils/ Sheets	2,496.47	2,725.24
Others	389.40	511.22
	<u>7,683.22</u>	<u>9,501.37</u>
<b>Traded Goods Sold</b>		
Power	-	4.19
	<u>-</u>	<u>4.19</u>
<b>Total</b>	<u>7,683.22</u>	<u>9,505.56</u>

**Note 18: Other Income**

Particulars	(Rupees in crore)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Interest Income	32.12	8.08
Dividend Income from long-term Investments [(Includes prior period income Rs. Nil), (March 31, 2015 - Rs. 0.18 crore)]	0.88	0.36
Net Gain on foreign currency transactions and translation	-	17.07
Profit on sale of fixed assets (net)	1.30	0.17
<b>Total</b>	<u>34.30</u>	<u>25.68</u>



**JSW STEEL COATED PRODUCTS LIMITED**

Notes forming part of the Financial Statements for the year ended March 31, 2016

**Note 19 : Cost of Materials Consumed**

Particulars	(Rupees in crore)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Inventory at the beginning of the year	291.13	200.14
Add: Purchases	5,396.97	7,258.60
	5,688.10	7,458.74
Less: Inventory at the end of the year (Refer note 13)	242.35	291.13
Cost of Materials consumed	5,445.75	7,167.61

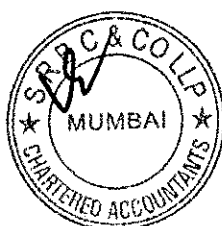
Particulars	Quantity Tonnes	(Rupees in crore)	
		For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Hot Rolled Coils	1,499,860	4,067.60	5,408.10
Cold Rolled Coils	85,954	267.46	333.37
Zinc/ Alloys	63,743	914.89	1,171.06
Paints	12,222	190.41	238.67
Coal/ Coke	15,165	5.46	10.90
Others		0.03	5.51
<b>Total</b>		<b>5,445.75</b>	<b>7,167.61</b>

Note : Excludes consumption of material of Rs. Nil (March 31, 2016 Rs. 54.76 crore for Trial run of Cold Rolling Mill at Kalmeshwar Unit, which has been capitalized).

**Note 20 : Changes in Inventories of Finished goods, Work-in-progress and Traded goods**

Particulars	(Rupees in crore)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Opening Stock : Semi Finished /Finished Goods	630.24	753.40
	630.24	753.40
Closing Stock : Semi Finished /Finished Goods	444.09	630.24
	444.09	630.24
	186.15	123.16
Excise duty on stock of finished goods (net)	(5.16)	(3.99)
<b>Total</b>	<b>180.99</b>	<b>119.17</b>

Particulars	Quantity Tonnes	(Rupees in crore)	
		For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Semi Finished/ Finished Goods			
Galvanized Coils/ Sheets	69,454	234.70	82,831
Cold Rolled Coils/ Sheets	8,167	25.79	6,570
Colour Coating Coils/ Sheets	32,619	157.32	31,896
Others		26.28	
<b>Total</b>		<b>444.09</b>	<b>630.24</b>



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

**Note 21 - Employee Benefits Expense**

Particulars	(Rupees in crore)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Salaries and Wages	201.03	187.92
Contribution to Provident and Other Funds (Refer note 25 (5)(a))	8.55	8.03
Gratuity Expense (Refer note 25 (5) (b))	6.91	9.89
Staff Welfare Expenses [(Includes prior period expense Rs. Nil), (March 31, 2015- Rs. 2.34 crore)]	9.41	12.20
<b>Total</b>	<b>225.90</b>	<b>218.04</b>

**Note 22 - Finance Cost**

Particulars	(Rupees in crore)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Interest	133.38	169.57
Other borrowing costs	7.15	9.42
<b>Total</b>	<b>140.53</b>	<b>178.99</b>

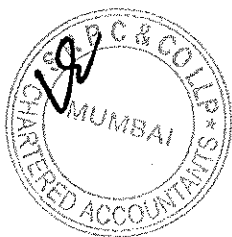
**Note 23 - Depreciation and amortization expense**

Particulars	(Rupees in crore)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Depreciation of Tangible Assets	143.71	198.52
Amortization of Intangible Assets	2.56	1.42
<b>Total</b>	<b>146.27</b>	<b>199.94</b>

**Note 24 - Other Expenses**

Particulars	(Rupees in crore)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Stores and Spares consumed	126.00	145.03
Packing Expenses	97.58	115.83
Power and Fuel	298.72	349.52
Jobwork and Processing Charges	1.85	13.01
Rent	3.74	3.48
Repairs and Maintenance		
Plant and Machinery	17.69	18.58
Buildings	7.02	9.14
Others	1.82	0.98
Carriage and Freight [(Includes prior period expense Rs. Nil), (March 31, 2015- Rs. 2.21 crore)]	205.80	382.09
Commission on Sales	14.07	19.98
Bad Debts written Off	2.49	-
Less: Provision for Bad Debts	(2.49)	-
Net Loss on foreign currency transactions and translation	10.19	-
Premium on forward exchange contract amortized	16.16	5.01
Insurance	5.63	6.45
Rates and Taxes	5.45	1.75
Miscellaneous Expenses#	111.98	101.20
<b>Total</b>	<b>923.50</b>	<b>1,172.05</b>

# Includes Rs. 0.75 crore (March 31, 2015 - Rs. 1.20 crore) incurred towards corporate social responsibility activities.



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

## Note 25

### 1. a. Contingent Liabilities

(Rupees in crore)

Particulars	March 31, 2016	March 31, 2015
Claims against the Company not acknowledged as debts *	1.41	1.42
Disputed Claims/Levies (excluding interest, if any)		
- Excise Duty	78.03	67.56
- Custom Duty	7.38	7.38
- Service Tax	11.31	13.79
- Sales Tax/ Special Entry Tax	83.80	76.19
<b>Total</b>	<b>181.93</b>	<b>166.34</b>

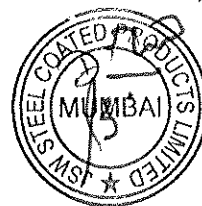
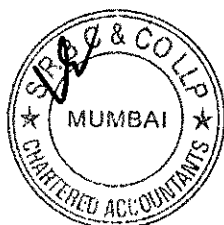
\* The claims against the Company comprises of claims by suppliers, employees and other parties.

In respect of items shown above, future cash outflows are determinable only on receipt of judgments pending at various forums / authorities. The Company does not expect the outcome of matters stated above to have a material adverse effect on the Company's financial conditions, result of operations or cash flows.

- b. There are four litigation cases for which the Company has made a provision in the books aggregating Rs. 23.08 crore (March 31, 2015 Rs.0.08 crore for two cases).

### 2. Capital and Other Commitments

- a. At March 31, 2016, estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. 44.24 crore (March 31, 2015 - Rs. 30.96 crore).
- b. The Company has imported 73,707 MT of Hot Rolled Coils during the year under Advance License Scheme having zero customs duty. There is export obligation to be fulfilled over a period of 18 months. Balance export obligation to be fulfilled as on March 31, 2016 is 19,330 MT having duty liability of Rs.6.33 crore.(March 31, 2015 – Rs.Nil)



## JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

### 3. Employee Share based Payment Plans:

The Holding Company provides share based payment schemes to its employees which is accounted by the Holding Company in its books. During the year ended March 31, 2016, an Employee stock option Plan (ESOP) was in existence. Relevant details are as follows:

ESOP 2012			
Particulars	Year	Initial Grant (Junior Manager & Above)	1st Subsequent Grant (Junior Manager & Above)
Date of grant		26-Jul-12	26-Jul-12
Opening Balance as on	April 1, 2015	119,463	168,109
	April 1, 2014	235,220	176,647
Transfer to JSW Steel	March 31, 2016	4,399	2,127
	March 31, 2015	-	-
Forfeited during the year	March 31, 2016	-	-
	March 31, 2015	200	511
Exercised during the year	March 31, 2016	38,480	47,327
	March 31, 2015	115,557	8,027
Outstanding as on	March 31, 2016	76,584	118,655
	March 31, 2015	119,463	168,109
Vesting Period	March 31, 2016	30-Sep-13 till 30-Sep-17	30-Sep-13 till 30-Sep-17
	March 31, 2015	30-Sep-13 till 30-Sep-17	30-Sep-13 till 30-Sep-17
Method of settlement		Cash	Cash
Exercise Price		700	700

Notes:

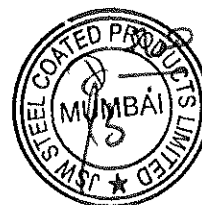
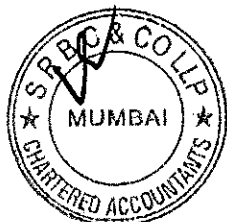
1. No Expense is recognised on account of ESOP Scheme in the books of the Company

### 4. Derivatives:

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy.

The Forward Exchange Contracts entered into by the Company and outstanding are as under:

Year Ended	No. of Contracts	Type	US\$ equivalent \$ in Million	INR Equivalent (Rupees in crore)
March 31, 2016	13	Sell	80.00	543.94
March 31, 2015	68	Sell	307.84	1,956.36
March 31, 2016	18	Buy	42.83	284.09
March 31, 2015	20	Buy	39.04	247.60



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

## Unhedged Foreign Currency

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

### a. Amounts receivable in foreign currency on account of the following:

Particulars	March 31, 2016		March 31, 2015	
	US\$ Equivalent \$in Million	INR Equivalent (Rupees in crore)	US\$ Equivalent \$in Million	INR Equivalent (Rupees in crore)
Trade Receivables	8.42	55.86	2.11	13.22

### b. Amounts payable in foreign currency on account of the following:

Particulars	March 31, 2016		March 31, 2015	
	US\$ Equivalent (Million)	INR Equivalent (crore)	US\$ Equivalent (Million)	INR Equivalent (crore)
Acceptances	9.59	63.64	5.82	36.40
Trade Payables	5.48	36.38	9.37	58.66
Payable for Capital Projects	1.68	11.11	5.56	34.78
Foreign Currency Loan from Bank	-	-	5.33	33.34

## 5. Employee Benefits:

### a. Defined Contribution Plan: Provident Fund

Company's contribution towards Provident Fund for the year Rs.8.51 crore (March 31, 2015 Rs. 8.00 crore).

### b. Defined Benefit Plan: Gratuity and Others

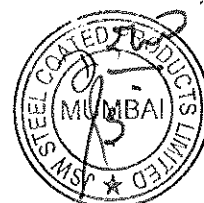
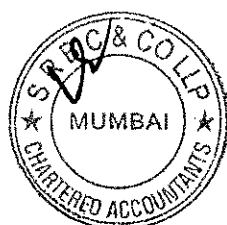
The Company operates defined plans, viz., gratuity and other long term benefits for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for gratuity.

#### Statement of Profit and Loss

Net employee benefit expense recognized in the employee cost

Particulars	(Rupees in crore)	
	March 31, 2016	March 31, 2015
Current service cost	1.81	1.82
Interest cost on benefit obligation	2.35	2.17
Net actuarial loss recognized in the year	2.75	5.90
<b>Net benefit expense</b>	<b>6.91</b>	<b>9.89</b>
Actual return on plan assets	1.23	1.49





# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

Balance sheet Benefit asset/ liability		
	(Rupees in crore)	
Particulars	March 31, 2016	March 31, 2015
Present value of defined benefit obligation	(51.85)	(45.97)
Fair value of plan assets#	16.06	16.26
<b>Plan Liability</b>	<b>(35.79)</b>	<b>(29.71)</b>

Changes in the present value of the defined benefit obligation are as follows:

	(Rupees in crore)	
Particulars	March 31, 2016	March 31, 2015
Opening defined benefit obligation	45.97	36.53
Current service cost	1.81	1.82
Interest cost	3.65	3.45
Benefits paid	(2.27)	(1.93)
Actuarial loss on obligation	2.69	6.10
<b>Closing defined benefit obligation</b>	<b>51.85</b>	<b>45.97</b>

Changes in the fair value of plan assets are as follows:

	(Rupees in crore)	
Particulars	March 31, 2016	March 31, 2015
Opening fair value of plan assets	16.26	14.77
Expected return	1.29	1.29
Contributions by employer	0.50	-
Benefits paid	(1.93)	-
Actuarial gains / (losses)	(0.06)	0.20
<b>Closing fair value of plan assets</b>	<b>16.06</b>	<b>16.26</b>

The Company expects to contribute Rs. 35.79 crore (March 31, 2015 Rs. 29.71 crore) to its Gratuity Plan for the next year.

The major categories of plan assets as a percentage of the fair value of total plan assets are follows:

Particulars	March 31, 2016	March 31, 2015
Share in Plan Assets of JSW Steel Limited	-	100%
HDFC Standard Life Insurance Co. Limited		
- Defensive Managed Fund	9.44%	-
- Secure Managed Fund	87.36%	-
BAJAJ Allianz Secured Fund	3.20%	-

# During the current year, the Company has transferred plan assets in its own Group Gratuity Trust namely "JSW Steel Coated Products Limited Group Gratuity Trust". (March 31, 2015- The Holding Company (JSW Steel Limited) operated a Group Gratuity Scheme and pursuant to Composite Scheme of Amalgamation and Arrangement, the share of the Company in the plan assets of the Holding Company of Rs. 14.77 crore had been transferred in FY 2012-13 and accounted in FY 2013-14).



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	March 31, 2016	March 31, 2015
Discount rate	7.99%	7.92%
Expected rate of return on assets	7.99%	7.92%
Salary Escalation	6.00%	6.00%
Attrition Rate	2.00%	2.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Amounts for the current and previous period are as follows: (Rupees in crore)

Particulars	March 31, 2016	March 31, 2015	March 31, 2014
Defined benefit obligation	(51.85)	(45.97)	(36.53)
Plan assets	16.06	16.26	14.77
Deficit	(35.79)	(29.71)	(21.76)
Experience adjustments on plan liabilities	2.93	9.44	2.00
Experience adjustments on plan assets	-	-	-

## Notes:

This being the third year of the Company's active operations, details prior to March 31, 2014 have not been disclosed.



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

## 6. Segment information:

The Company is primarily engaged in the business of manufacture and sale of Iron and Steel Products. The Company has identified business segments as primary segments, namely Steel and Power (used mainly for captive consumption) and geographical segments as secondary segments namely Within India and Outside India, which in the context of Accounting Standard 17 on "Segment Reporting" constitute reportable segments.

### 1) Information about Primary Business Segments

(Rupees in crore)

	March 31, 2016				March 31, 2015			
	Steel	Power	Eliminations	Total	Steel	Power	Eliminations	Total
<b>INCOME</b>								
External Sales	7,115.95	4.82	-	7,120.77	9,003.77	12.74	-	9,016.51
Inter Segment Revenue	-	124.52	(124.52)	-	-	112.40	(112.40)	-
<b>Total Income</b>	<b>7,115.95</b>	<b>129.34</b>	<b>(124.52)</b>	<b>7,120.77</b>	<b>9,003.77</b>	<b>125.14</b>	<b>(112.40)</b>	<b>9,016.51</b>
<b>SEGMENT RESULTS</b>								
Segment/Operating Results	169.31	30.35	-	199.66	119.08	29.21	-	148.29
Un-allocated Items:								
Financial Income	-	-	-	33.00	-	-	-	8.44
Finance Costs	-	-	-	(140.53)	-	-	-	(178.99)
Exceptional Item (Refer Note 26(5))	-	-	-	-	-	-	-	-
<b>Profit/(Loss) before tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(22.26)</b>
Tax Expense	-	-	-	42.02	-	-	-	3.12
<b>Profit/(Loss) after Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25.38)</b>
Segment Assets	3,290.88	119.17	-	3,410.05	3,673.12	118.38	-	3,791.50
Un-allocated Assets	-	-	-	60.93	-	-	-	78.59
<b>Total Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,470.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,870.09</b>
Segment Liabilities	749.34	30.43	-	779.77	921.93	14.09	-	936.02
Un-allocated Liabilities & Provisions	-	-	-	1,330.07	-	-	-	1,621.51
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,109.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,557.53</b>
Depreciation & Amortization Expenses	141.89	4.38	-	146.27	195.41	4.53	-	199.94
<b>Total Cost Incurred during the year to acquire Segment Assets</b>	<b>58.46</b>	<b>0.96</b>	<b>-</b>	<b>59.42</b>	<b>107.73</b>	<b>0.54</b>	<b>-</b>	<b>108.27</b>

### Notes:

- Inter Segment transfer from the power segment is measured at the rate at which power is Purchased from the respective Electricity Board.

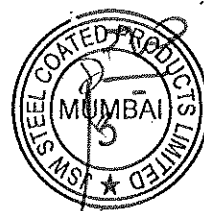
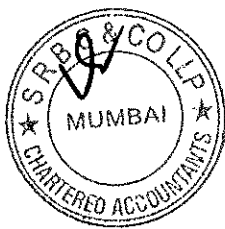


## JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

### II) Information about Secondary Segment – Geographical Segment

Particulars	(Rupees in Crore)					
	March 31, 2016			March 31, 2015		
	Within India	Outside India	Total	Within India	Outside India	Total
Segment Revenue	4,474.48	2,646.29	7,120.77	4,064.25	4,952.26	9,016.51
Segment Assets	3,415.12	55.86	3,470.98	3,771.41	98.68	3,870.09
Capital Expenditure incurred	59.42	-	59.42	108.27	-	108.27



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

## 7. Related Parties disclosure :

### Names of related parties and related party relationship

#### Related parties where control exists

Holding Company

JSW Steel Limited

#### Related parties with whom transactions have taken place during the year

Holding Company

JSW Steel Limited

Fellow Subsidiaries

Amba River Coke Limited

#### Key management personnel

Mr. Jayant Acharya

Mr. Rajeev Pai

Mr. Dileep Bhatt

Mr. Hemant Shete

Ms. Deepti Walawalkar

Mr. Santosh Chandrashekhar

(upto September 26, 2014)

#### Enterprises owned or significantly influenced by key management personnel or their relatives

Jindal Steel & Power Limited

Jindal Saw Limited

JSW Energy Limited

JSW Realty & Infrastructure Private Limited

JSW Projects Limited

JSW Structural Metal Decking Limited

JSW Power Trading Company Limited

JSW Cement Limited

JSW Jaigarh Port Limited

JSW IP Holdings Private Limited (Formerly known  
as JSW Investments Private Limited)

Ganga Ferro Alloy Private Limited

JSL Lifestyle Limited

Jindal Education Trust

JSL Architecture Limited

JSW Vallabh Tinplate Limited

JSW Techno Projects Management Private Limited

JSW Global Business Solution Limited (Formerly  
Known as Sapphire Technologies Limited)

JSW Dharamtar Port Private Limited

Jindal Stainless Limited

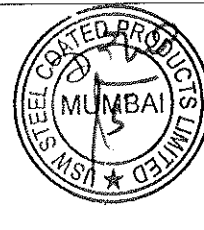
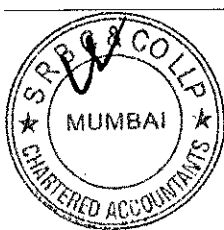
Jindal Stainless Steelway Ltd

JSOFT Solutions Limited

Dolvi Coke Projects Ltd.

Windsor Residency Private Limited

JSW Severfield Structures Limited



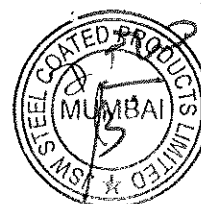
# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

## Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

							(Rupees in crore)
Nature of Transaction	Name of Company	Year	Holding Company	Fellow Subsidiary	Key Management Personnel	Enterprise over which KMP and relatives of such personnel exercise significant influence	Total
<b>Purchase of Goods</b>							
	JSW Steel Limited	March 31, 2016	4,375.26	-	-	-	4,375.26
		March 31, 2015	5,906.17	-	-	-	5,906.17
	Others	March 31, 2016	-	-	-	1.72	1.72
		March 31, 2015	-	-	-	0.86	0.86
	<b>Total</b>	<b>March 31, 2016</b>	<b>4,375.26</b>	<b>-</b>	<b>-</b>	<b>1.72</b>	<b>4,376.98</b>
		<b>March 31, 2015</b>	<b>5,906.17</b>	<b>-</b>	<b>-</b>	<b>0.86</b>	<b>5,907.03</b>
<b>Purchase of Capital Goods</b>							
	JSW Cement Limited	March 31, 2016	-	-	-	0.55	0.55
		March 31, 2015	-	-	-	1.21	1.21
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.55</b>	<b>0.55</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.21</b>	<b>1.21</b>
<b>Purchase of Power &amp; Fuel</b>							
	JSW Energy Limited	March 31, 2016	-	-	-	73.37	73.37
		March 31, 2015	-	-	-	77.91	77.91
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73.37</b>	<b>73.37</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77.91</b>	<b>77.91</b>
<b>Services Received</b>							
	JSW Power Trading Company Limited	March 31, 2016	-	-	-	4.69	4.69
		March 31, 2015	-	-	-	4.50	4.50
	JSW Global Business Solution Limited (Formerly known as Sapphire Technologies Limited)	March 31, 2016	-	-	-	5.73	5.73
		March 31, 2015	-	-	-	7.83	7.83
	Ganga Ferro Alloys Private Limited	March 31, 2016	-	-	-	1.28	1.28
		March 31, 2015	-	-	-	-	-
	Others	March 31, 2016	-	-	-	1.00	1.00
		March 31, 2015	-	-	-	0.39	0.39
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.70</b>	<b>12.70</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.72</b>	<b>12.72</b>
<b>Reimbursement of Expenses incurred on behalf of the Company by</b>							
	JSW Steel Limited	March 31, 2016	52.59	-	-	-	52.59
		March 31, 2015	47.74	-	-	-	47.74
	JSW IP Holdings Private Limited (Formerly known as JSW Investment Private Limited)	March 31, 2016	-	-	-	0.05	0.05
		March 31, 2015	-	-	-	-	-
	<b>Total</b>	<b>March 31, 2016</b>	<b>52.59</b>	<b>-</b>	<b>-</b>	<b>0.05</b>	<b>52.64</b>
		<b>March 31, 2015</b>	<b>47.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47.74</b>
<b>Commission Paid</b>							
	JSW Steel Limited	March 31, 2016	0.21	-	-	-	0.21
		March 31, 2015	0.21	-	-	-	0.21
	<b>Total</b>	<b>March 31, 2016</b>	<b>0.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.21</b>
		<b>March 31, 2015</b>	<b>0.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.21</b>
<b>Interest Paid</b>							
	JSW Steel Limited	March 31, 2016	1.02	-	-	-	1.02
		March 31, 2015	24.57	-	-	-	24.57
	JSW Energy Limited	March 31, 2016	-	-	-	-	-
		March 31, 2015	-	-	-	0.01	0.01
	<b>Total</b>	<b>March 31, 2016</b>	<b>1.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.02</b>
		<b>March 31, 2015</b>	<b>24.57</b>	<b>-</b>	<b>-</b>	<b>0.01</b>	<b>24.58</b>
<b>Branding Fees</b>							
	JSW IP Holdings Private Limited (Formerly known as JSW Investment Private Limited)	March 31, 2016	-	-	-	6.03	6.03
		March 31, 2015	-	-	-	9.94	9.94
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.03</b>	<b>6.03</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.94</b>	<b>9.94</b>



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

							(Rupees in crore)
Nature of Transaction	Name of Company	Year	Holding Company	Fellow Subsidiary	Key Management Personnel	Enterprise over which KMP and relatives of such personnel exercise significant influence	Total
<b>Rent Paid</b>							
	JSW Steel Limited	March 31, 2016	*	-	-	-	*
	(*Rs.33736)	March 31, 2015	0.01	-	-	-	0.01
	<b>Total</b>	<b>March 31, 2016</b>	<b>*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>*</b>
		<b>March 31, 2015</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.01</b>
<b>Sales of Goods</b>							
	JSW Steel Limited	March 31, 2016	59.44	-	-	-	59.44
		March 31, 2015	156.69	-	-	-	156.69
	Amba River Coke Limited	March 31, 2016	-	0.20	-	-	0.20
		March 31, 2015	-	1.33	-	-	1.33
	Jindal Steel & Power Limited	March 31, 2016	-	-	-	9.20	9.20
		March 31, 2015	-	-	-	11.55	11.55
	JSW Structural Metal Decking Limited	March 31, 2016	-	-	-	3.12	3.12
		March 31, 2015	-	-	-	3.92	3.92
	Jindal Saw Limited	March 31, 2016	-	-	-	1.48	1.48
		March 31, 2015	-	-	-	2.14	2.14
	JSW Vallabh Tinplate Private Limited	March 31, 2016	-	-	-	7.41	7.41
		March 31, 2015	-	-	-	0.29	0.29
	Others	March 31, 2016	-	-	-	1.85	1.85
		March 31, 2015	-	-	-	2.19	2.19
	<b>Total</b>	<b>March 31, 2016</b>	<b>59.44</b>	<b>0.20</b>	<b>-</b>	<b>23.06</b>	<b>82.70</b>
		<b>March 31, 2015</b>	<b>156.69</b>	<b>1.33</b>	<b>-</b>	<b>20.09</b>	<b>178.11</b>
<b>Sale of Assets</b>							
	JSW Techno Projects Management Private Limited	March 31, 2016	-	-	-	-	-
		March 31, 2015	-	-	-	0.15	0.15
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.15</b>	<b>0.15</b>
<b>Interest / Dividend Received</b>							
	JSW Steel Limited	March 31, 2016	31.54	-	-	-	31.54
		March 31, 2015	7.59	-	-	-	7.59
	JSW Energy Limited	March 31, 2016	-	-	-	0.88	0.88
		March 31, 2015	-	-	-	0.36	0.36
	JSW Global Business Solution Limited (Formerly known as Sapphire Technologies Limited)	March 31, 2016	-	-	-	0.04	0.04
		March 31, 2015	-	-	-	-	-
	<b>Total</b>	<b>March 31, 2016</b>	<b>31.54</b>	<b>-</b>	<b>-</b>	<b>0.92</b>	<b>32.46</b>
		<b>March 31, 2015</b>	<b>7.59</b>	<b>-</b>	<b>-</b>	<b>0.36</b>	<b>7.95</b>
<b>Other Income</b>							
	JSW Realty & Infrastructure Private Limited	March 31, 2016	-	-	-	1.24	1.24
		March 31, 2015	-	-	-	1.19	1.19
	Jindal Education Trust(# Rs.2) *(Rs. 46)	March 31, 2016	-	-	-	#	#
		March 31, 2015	-	-	-	*	*
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.24</b>	<b>1.24</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.19</b>	<b>1.19</b>
<b>Purchase of Shares of JSW Energy Limited</b>							
	JSW Steel Limited	March 31, 2016	-	-	-	-	-
		March 31, 2015	41.61	-	-	-	41.61
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>March 31, 2015</b>	<b>41.61</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41.61</b>



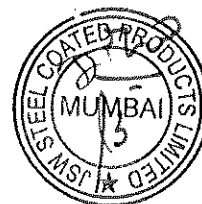
# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

							(Rupees in crore)
Nature of Transaction	Name of Company	Year	Holding Company	Fellow Subsidiary	Key Management Personnel	Enterprise over which KMP and relatives of such personnel exercise significant Influence	Total
<b>Transfer of Investment of</b>							
<b>Tarapur Environment Protection Society</b>							
	JSW Steel Limited	March 31, 2016	0.29	-	-	-	0.29
		March 31, 2015	-	-	-	-	-
	<b>Total</b>	<b>March 31, 2016</b>	<b>0.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.29</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Recovery of Expenses Incurred by the Company on behalf of</b>							
	JSW Steel Limited	March 31, 2016	10.71	-	-	-	10.71
		March 31, 2015	13.46	-	-	-	13.46
	JSW Vallabh Tinplate Private Limited	March 31, 2016	-	-	-	0.56	0.56
		March 31, 2015	-	-	-	-	-
	JSW Energy Limited	March 31, 2016	-	-	-	0.24	0.24
		March 31, 2015	-	-	-	0.11	0.11
	<b>Total</b>	<b>March 31, 2016</b>	<b>10.71</b>	<b>-</b>	<b>-</b>	<b>0.80</b>	<b>11.51</b>
		<b>March 31, 2015</b>	<b>13.46</b>	<b>-</b>	<b>-</b>	<b>0.11</b>	<b>13.57</b>
<b>Loan and Advance Given</b>							
	JSW Global Business Solution Limited (Formerly known as Sapphire Technologies Limited)	March 31, 2016	-	-	-	3.59	3.59
		March 31, 2015	-	-	-	-	-
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.59</b>	<b>3.59</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Remuneration</b>							
	Mr. Dileep Bhatt	March 31, 2016	-	-	1.42	-	1.42
		March 31, 2015	-	-	1.29	-	1.29
	Mr. Hemant Shete	March 31, 2016	-	-	0.82	-	0.82
		March 31, 2015	-	-	0.72	-	0.72
	Mr. Santosh Chandrashekhar (upto September 26, 2014)	March 31, 2016	-	-	-	-	-
		March 31, 2015	-	-	0.07	-	0.07
	Ms. Deepti Walawalkar (w.e.f March 26, 2015)	March 31, 2016	-	-	0.08	-	0.08
		March 31, 2015	-	-	*	-	*
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>2.32</b>	<b>-</b>	<b>2.32</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>2.08</b>	<b>-</b>	<b>2.08</b>

## Notes:

- The Remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.





# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

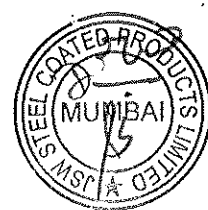
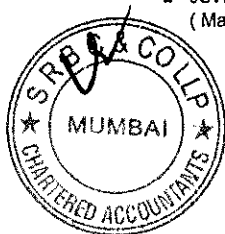
## Closing balance of Related Parties

(Rupees in crore)

Nature of Transaction	Name of Company	Year	Holding Company	Fellow Subsidiary	Key Management Personnel	Enterprise over which KMP and relatives of such personnel exercise significant influence	Total
<b>Trade Payables</b>							
	JSW Energy Limited	March 31, 2016	-	-	-	6.37	6.37
		March 31, 2015	-	-	-	3.31	3.31
	JSW IP Holdings Private Limited (Formerly known as JSW Investment Private Limited)	March 31, 2016	-	-	-	-	-
		March 31, 2015	-	-	-	0.35	0.35
	JSW Global Business Solution Limited (Formerly known as Sapphire Technologies Limited)	March 31, 2016	-	-	-	0.48	0.48
		March 31, 2015	-	-	-	0.50	0.50
	Others	March 31, 2016	-	-	-	0.64	0.64
		March 31, 2015	-	-	-	0.12	0.12
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.49</b>	<b>7.49</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.28</b>	<b>4.28</b>
<b>Advance Received from Customers</b>							
	Jindal Saw Limited	March 31, 2016	-	-	-	0.08	0.08
		March 31, 2015	-	-	-	0.11	0.11
	Jindal Steel & Power Limited	March 31, 2016	-	-	-	-	-
		March 31, 2015	-	-	-	0.83	0.83
	JSW Cement Limited	March 31, 2016	-	-	-	-	-
		March 31, 2015	-	-	-	0.10	0.10
	JSW Jaigarh Port Limited	March 31, 2016	-	-	-	0.05	0.05
		March 31, 2015	-	-	-	0.06	0.06
	Others	March 31, 2016	-	-	-	0.01	0.01
		March 31, 2015	-	-	-	-	-
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.14</b>	<b>0.14</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.10</b>	<b>1.10</b>
<b>Income Received in advance</b>							
	Jindal Education Trust *(Rs. 7 only)	March 31, 2016	-	-	-	-	-
		March 31, 2015	-	-	-	*	*
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00*</b>	<b>0.00*</b>
<b>Loan and Advances</b>							
	JSW Steel Limited	March 31, 2016	311.20	-	-	-	311.20
		March 31, 2015	224.09	-	-	-	224.09
	JSW Global Business Solution Limited (Formerly known as Sapphire Technologies Limited)	March 31, 2016	-	-	-	3.63	3.63
		March 31, 2015	-	-	-	-	-
	JSW Power Trading Company Limited	March 31, 2016	-	-	-	0.04	0.04
		March 31, 2015	-	-	-	0.05	0.05
	JSW IP Holdings Private Limited (Formerly known as JSW Investment Private Limited)	March 31, 2016	-	-	-	0.81	0.81
		March 31, 2015	-	-	-	-	-
	Jindal Steel & Power Limited	March 31, 2016	-	-	-	0.12	0.12
		March 31, 2015	-	-	-	0.01	0.01
	<b>Total</b>	<b>March 31, 2016</b>	<b>311.20</b>	<b>-</b>	<b>-</b>	<b>4.60</b>	<b>315.80</b>
		<b>March 31, 2015</b>	<b>224.09</b>	<b>-</b>	<b>-</b>	<b>0.06</b>	<b>224.15</b>
<b>Trade Receivables</b>							
	Jindal Steel & Power Limited	March 31, 2016	-	-	-	0.71	0.71
		March 31, 2015	-	-	-	-	-
	Dolvi Coke Projects Limited	March 31, 2016	-	-	-	0.67	0.67
		March 31, 2015	-	-	-	-	-
	Amba River Coke Limited *(Rs.35,584)	March 31, 2016	-	*	-	-	*
		March 31, 2015	-	-	-	-	-
	Windsor Residency Private Limited *(Rs. 5,897)	March 31, 2016	-	-	-	*	*
		March 31, 2015	-	-	-	*	*
	<b>Total</b>	<b>March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.38</b>	<b>1.38</b>
		<b>March 31, 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>*</b>	<b>*</b>

Notes:

- 1 JSW Steel Limited (The Holding Company) has provided a Letter of Comfort (LOC) in favor of the Bank for the Term Loan sanctioned and disbursed in favour of the Company.
- 2 JSW Steel Limited (The Holding Company) has provided Corporate Guarantees in favor of the Company for Rs. 24.54 crore (March 31, 2015 Rs. 24.54 crore)



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

## 8. Operating Lease

### a. As Lessor:

- i. The Company has entered into Leave and License arrangements, for renting :

The Company has entered into Leave and License agreements, for renting 642 houses (admeasuring approximately 345,003 square feet) at the rate of Rs. 2 per square feet per annum, for a period of 60 months.

These agreements will expire on March 31, 2019.

The agreements are renewable at the option of the lessee after the end of the lease term.

- ii. Disclosure in respect of assets (building) given on operating lease :

(Rupees in crore)

Particulars	March 31, 2016	March 31, 2015
Gross Carrying amount of Assets	22.94	22.94
Accumulated Depreciation	2.32	1.65
Net Block	20.62	21.29
Depreciation for the year	0.67	0.62

### b. As Lessee:

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

Lease Rentals charged to revenue for right to use following assets are:

(Rupees in crore)

Particulars	March 31, 2016	March 31, 2015
Office Premises, Residential Flats, Plant & Machinery etc.	3.74	3.48

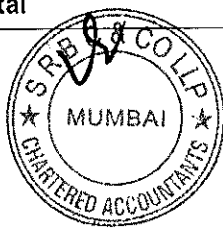
## 9. Earnings Per Share (EPS)

Particulars		March 31, 2016	March 31, 2015
(A) Profit/ (Loss) after Tax	Rupees in crore	50.11	(25.38)
(B) Weighted average number of equity shares for calculating EPS	Nos.	500,50,000	500,50,000
Earnings per share – Basic and Diluted (A/B)	Rupees per share	10.01	(5.07)

## 10. Payment to auditor (Excluding Service Tax)

(Rupees in Crore)

Particulars	March 31, 2016	March 31, 2015
As auditor :		
Audit Fees	0.39	0.34
Tax Audit Fees	0.08	0.08
Limited review	0.18	0.16
In other capacity :		
Other services	0.30	0.33
Reimbursement of expenses	0.03	0.02
<b>Total</b>	<b>0.98</b>	<b>0.93</b>



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

## 11. Installed capacities and production:

Class of Goods	Quantity in Tonnes			
	Installed Capacity		Actual Production(#)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Cold Rolled Coils/Sheets	1,755,000	1,755,000	1,379,796	1,444,745
Galvanised/Galvalume Coils/Sheets	1,761,000	1,761,000	1,483,387	1,537,728
Colour Coating Coils/Sheets	693,000	693,000	433,608	417,440

# includes production used for further processing

Notes:

1. Installed capacity and production as certified by management.
2. Production of Cold Rolled Coils/Sheets includes Nil tonnes (March 31, 2015 24,735 tonnes) from a third party on job work basis.
3. Production of Galvanised / Galvalume Coils/Sheets includes Nil tonnes (March 31, 2015 26,778 tonnes) from a third party on job work basis.
4. Production of Cold Rolled Coils / Sheets excludes Nil tonnes (March 31, 2015 13,993 tonnes) of trial run production for 6 Hi Cold Rolling Mill at Kalmeshwar.



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

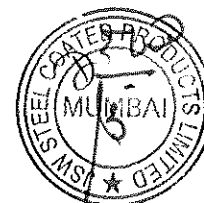
## 12. Opening Stock, Sales and Closing Stock:

### i. Manufactured Goods

Class of Goods	Year	Opening Stock		Sales		Closing Stock	
		Qty in Tonnes	(Rupees in crore)	Qty in Tonnes	(Rupees in crore)	Qty in Tonnes	(Rupees in crore)
Hot Rolled Coils – Pickled	March 31, 2016	3,161	10.67	3,273	11.30	2,147	6.35
	March 31, 2015	2,672	10.42	3,213	12.68	3,161	10.67
Galvanized/Gal valume Coils/ Sheets	March 31, 2016	82,831	386.81	1,068,983	4,686.16	59,454	234.70
	March 31, 2015	94,101	485.27	1,123,968	6,066.39	82,831	386.81
Cold Rolled Coils/Sheets	March 31, 2016	6,570	23.90	40,689	111.19	8,167	25.79
	March 31, 2015	9,564	41.09	44,685	198.52	6,570	23.90
Hot Rolled Steel Plates	March 31, 2016	-	-	-	-	-	-
	March 31, 2015	92	0.31	92	0.28	-	-
Colour Coating Coils/Sheets	March 31, 2016	31,896	180.97	433,411	2,496.47	32,619	157.32
	March 31, 2015	30,109	181.48	415,342	2,725.24	31,896	180.97
Others	March 31, 2016	-	27.89	-	378.10	-	19.93
	March 31, 2015	-	34.83	-	498.26	-	27.89
<b>Total</b>	March 31, 2016		630.24		7,683.22		444.09
<b>Total</b>	March 31, 2015		753.40		9,501.37		630.24

Notes:

- Sales of Cold Rolled Coils / Sheets excludes Nil tonnes of Trial Run sales for 6 Hi Cold Rolling Mill at Kalmeshwar unit. (March 31, 2015 - 13,993 tonnes.)



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

## ii. Traded goods

	(Rupees in crore)	
Particulars	March 31, 2016	March 31, 2015
<b>Purchases</b>		
Power	-	8.65
<b>Total</b>	-	8.65
<b>Sales</b>		
Power	-	4.19
<b>Total</b>	-	4.19

## 13. Imported and indigenous raw materials, components and spare parts consumed:

	March 31, 2016		March 31, 2015	
Description	Value	% of total consumption	Value	% of total consumption
	(Rupees in crore)		(Rupees in crore)	
<b>Raw Materials</b>				
Imported	574.49	10.55	677.47	9.45
Indigenous	4,871.28	89.45	6,490.14	90.55
<b>Total</b>	<b>5,445.77</b>	<b>100.00</b>	<b>7,167.61</b>	<b>100.00</b>
<b>Stores and Spares consumed</b>				
Imported	9.49	7.53	8.93	6.16
Indigenous	116.51	92.47	136.10	93.84
<b>Total</b>	<b>126.00</b>	<b>100.00</b>	<b>145.03</b>	<b>100.00</b>

## 14. Value of imports calculated on CIF basis:

	(Rupees in crore)	
Description	March 31, 2016	March 31, 2015
Capital Goods	11.90	49.79
Raw Materials and Coal purchased	691.92	768.38
Stores and Spares Purchased	7.75	11.98
<b>Total</b>	<b>711.57</b>	<b>830.15</b>



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

## 15. Expenditure in Foreign Currency (accrual basis) :

(Rupees in crore)

Description	March 31, 2016	March 31, 2015
Interest and Finance charges	5.70	6.87
Carriage and Freight	103.81	245.54
Legal and Professional Fees	6.31	-
Commission on sales	6.56	10.19
Technical Know-how	0.78	0.75
Others	1.90	1.70
<b>Total</b>	<b>125.06</b>	<b>265.05</b>

## 16. Earnings in Foreign Currency (accrual basis) :

(Rupees in crore)

Description	March 31, 2016	March 31, 2015
Exports at F.O.B. Value	2,463.93	4,541.63

## 17. Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company) under the MSMED Act, 2006:

(Rupees in crore)

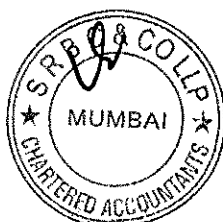
Description	March 31, 2016	March 31, 2015
Principal amount outstanding as at end of year	4.23	1.81
Interest due on above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at end of period	-	-
Amount of further interest remaining due and payable in succeeding year	*	*
*( Amount less than Rs. 1 lac )		

## 18. Capitalization of expenditure

During the year, the Company has capitalized the following expenses of revenue nature to the cost of fixed asset/ capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

(Rupees in crore)

Description	March 31, 2016	March 31, 2015
Salaries and Wages	-	1.35
Stores and Spares consumed	-	1.57
Power and Fuel	-	0.13
Profit on sale of material on Trial run	-	(1.32)
<b>Total</b>	<b>-</b>	<b>1.73</b>



# JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

## 19. Research and development activities


The Company has a separate In-House Research & Development (R&D) Center involved in developmental activities for new products, processes etc. The In House R&D Center is recognised by The Department of Scientific and Industrial Research (DSIR) vide letter No. TU/IV-RD/1424/2012 dated February 23, 2015. The R&D expenditure (Capital and Revenue) has been reflected in the following respective heads of accounts in Balance Sheet and Statement of Profit and Loss in the current year.

(Rupees in crore)		
Description	March 31, 2016	March 31, 2015
Capital Expenditure	0.55	0.11
Revenue Expenditure **	2.58	1.18
Total	3.13	1.29

\*\*Revenue expenditure comprises of cost to R&D employees Rs.2.40 crore and Other related expenses Rs. 0.18 crore,

20. Previous year figures have been regrouped, where necessary, to conform to this year's classification.


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

  
per Vikram Mehta  
Partner  
Membership No: 105938



For and on behalf of the Board of Directors  
of JSW Steel Coated Products Limited

  
Rajeev Pai  
Director

  
Dileep Bhatt  
Whole Time Director  
President (Coated Products)

Place: Mumbai  
Date: April 30, 2016

  
Deepti Walawalkar  
Company Secretary

Place: Mumbai  
Date: April 30, 2016

  
Hemant Shete  
Chief Financial Officer

