Deloitte Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th-32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India

Tel: +91 22 6185 4000
Fax: +91 22 6185 4001

INDEPENDENT AUDITOR'S REPORT

To The Members of JSW Steel (Salav) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **JSW Steel (Salav) Limited** (the "Company"), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Samir R. Shah

Samir R. Shah
Partner
(Membership No. 101708)

Mumbai, 15 May 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **JSW Steel (Salav) Limited** ("the Company") as of 31 March 2019 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 financial 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 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

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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 Company's internal financial controls system over financial reporting.

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.

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Deloitte
Haskins & Sells LLP

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 31 March 2019, based on the internal financial 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 DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

Samir R. Shah
Partner
Membership No. 101708

Mumbai, 15 May 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the registered sale deed/transfer deed/conveyance deed/lease deed provided to us, we report that, the title deeds, comprising all immovable properties of land and acquired buildings which are freehold and leasehold, and disclosed as Property, plant and equipment in the financial statements, are in the name of the Company as at the balance sheet date.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except for inventories lying with third parties where confirmations have been received by the management, and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted during the year any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans, made investment, provided guarantees or securities during the year and hence reporting under paragraph 3(iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit and hence reporting under paragraph 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods & Services Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods & Services Tax, Cess and other material statutory dues in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Value Added Tax, Service Tax, Excise Duty and Customs Duty which have not been deposited as on 31 March 2019 on account of disputes are given below:

(Rs. in crores)

Name of statute	Nature of dues	Forum where dispute is pending	Period(s) to which the amount relates*	Amount unpaid	Amount paid under protest
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	PY: 2012-13 AY: 2013-14	0.02	-
		TDS Circle		0.51	-
The Maharashtra VAT Act, 2005	Value Added tax	Assistant commissioner of Sales Tax (Investigation)	2015-16 2016-17	6.68	0.64
		Deputy Commissioner of Sales Tax	2014-15	0.13	-
		Deputy Commissioner of Sales Tax	2011-12	0.11	0.02
Chapter V of the Finance Act,1994	Service Tax	Commissioner of Central Excise	2006-2008	2.10	-
		Additional Commissioner of Central Excise	2008-09	0.13	-
		Commissioner of Central Excise (Appeals)	2013-14	0.05	0.00
		Principal Commissioner of Central Excise	2015-16	1.58	-
		Customs, Excise and Service Tax Appellate Tribunal	2006-2017	37.26	0.53
		Bombay High Court	2003-2008	2.00	0.03
The Central Excise Act,1944	Excise Duty	Deputy Commissioner of Central Excise	2011-12	0.01	-
		Customs, Excise and Service Tax Appellate Tribunal	2000-2002 2006-2011	1.10	0.23
The Custom Act, 1962	Custom Duty	Commissioner of (Appeals) Customs	2000-2011 2012-2015	13.18	1.24
		Customs, Excise and Service Tax Appellate Tribunal	2008-09 2011-2013	1.47	0.12

*Period represents the earliest year to the latest year.

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There were no dues of Sales Tax and Goods & Services Tax which have not been deposited as at 31 March 2019 on account of dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government or has not issued any debentures.

(ix) The Company has neither raised any moneys by way of initial public offer/ further public offer (including debt instruments)/terms loans nor were such proceeds pending to be applied, during the current year and hence reporting under paragraph 3(ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly paragraph 3(xv) of the Order is not applicable.

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(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm Registration No. 117366W/ W-100018)

Samir R. Shah
Partner
(Membership No. 101708)

Mumbai, date: 15 May 2019

JSW Steel (Salav) Limited

Balance sheet as at March 31, 2019

Rs. in crores

Particulars	**Notes**	**As at March 31, 2019**	**As at March 31, 2018**
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	415.64	415.09
(b) Capital work-in-progress	2	7.21	7.93
(c) Financial assets			
(i) Finance lease receivable	3	573.96	630.72
(ii) Other financial assets	4	3.67	2.58
(d) Deferred tax assets (net)	29	29.58	41.59
(e) Current tax assets (net)	11	10.37	10.04
(f) Other non-current assets	5	5.99	6.16
Total non-current assets		**1,046.42**	**1,114.11**
(2) Current assets			
(a) Inventories	6	234.37	253.42
(b) Financial assets			
(i) Trade receivables	7	11.57	19.18
(ii) Cash and cash equivalents	8	0.43	2.24
(iii) Bank balances other than (ii) above	9	0.16	0.15
(iv) Finance lease receivable	3	66.01	58.76
(v) Other financial assets	10	21.40	10.74
(c) Other current assets	12	20.27	21.55
Total current assets		**354.21**	**366.04**
TOTAL ASSETS		**1,400.63**	**1,480.15**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	13	1,334.86	1,334.86
(b) Other equity	14	(923.18)	(961.28)
Total equity		**411.68**	**373.58**
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	552.26	650.80
(b) Provisions	16	6.01	5.79
Total non-current liabilities		**558.27**	**656.59**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	2.41	3.61
(ii) Trade payables	18		
(A) total outstanding dues of micro enterprises and small enterprises		1.30	0.25
(B) total outstanding of creditors other than micro enterprises and small enterprises		109.78	95.48
(iii) Other financial liabilities	19	105.37	107.06
(b) Other current liabilities	20	211.24	243.36
(c) Provisions	21	0.58	0.22
Total current liabilities		**430.68**	**449.98**
Total liabilities		**988.95**	**1,106.57**
TOTAL EQUITY AND LIABILITIES		**1,400.63**	**1,480.15**

See accompanying notes to the financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

SAMIR R. SHAH
Partner

Place: Mumbai
Date: May 15, 2019

For and on behalf of the Board of Directors

PANKAJ MALIK
Director

PRADEEP BHARGAVA
Director

SANTUN PANDA
Chief Financial Officer
Date: May 04, 2019

BOOPALAN PERIASAMY
Company Secretary

JSW STEEL (SALAV) LTD. SALAV

JSW Steel (Salav) Limited

Statement of Profit and Loss for the year ended March 31, 2019

Rs. in crores

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue			
I. Revenue from operations	22	1,817.36	1,430.67
II. Other income	23	2.85	7.40
III. Total income (I+II)		**1,820.21**	**1,438.07**
IV. Expenses			
Cost of materials consumed		863.75	679.92
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(9.50)	(5.20)
Excise duty expense		-	45.94
Employee benefits expense	25	28.91	28.93
Finance costs	26	98.66	113.29
Depreciation expense	2	13.23	9.71
Power and fuel	27	691.06	448.63
Other expenses	28	83.99	69.29
Total expenses (IV)		**1,770.10**	**1,390.51**
V. Profit before tax (III) - (IV)		**50.11**	**47.56**
VI. Tax expense:			
Current tax		-	-
Deferred tax	29	12.00	12.60
		12.00	**12.60**
VII. Profit for the year (V) - (VI)		**38.11**	**34.96**
VIII. Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurements of defined benefit liability (asset)		(0.01)	(0.56)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	0.19
Other comprehensive income / (loss)		(0.01)	(0.37)
IX. Total comprehensive income for the year		**38.10**	**34.59**
X. Earnings per equity share of Rs. 10 each	35		
Basic		0.29	0.26
Diluted		0.29	0.26

See accompanying notes to the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

SAMIR R. SHAH
Partner

PANKAJ MALIK
Director

PRADEEP BHARGAVA
Director

SANTUN PANDA
Chief Financial Officer
Date: May 04, 2019

BOOPALAN PERIASAMY
Company Secretary

Place: Mumbai
Date: May 15, 2019

JSW STEEL (SALAV) LTD. SALAV

JSW STEEL (SALAV) LIMITED

Statement of Cash flows for the year ended March 31, 2019

	For the year ended March 31, 2019		For the year ended March 31, 2018	
				Rs in crores
Cash flow from operating activities				
Net profit before tax		50.11		47.56
Adjustments for:				
Interest expenses	98.66		113.29	
Depreciation	13.23		9.71	
Unrealised exchange loss/(gain)	(0.43)		(0.32)	
Export obligation deferred income amortization	-		(0.12)	
Interest on Fixed deposit	(0.01)		(0.01)	
Interest on IT refund	-		(0.06)	
Liabilities no longer required written back	(1.05)		(0.33)	
Allowance for doubtful advances/receivables (net)	-		0.10	
		110.40		122.26
Operating profit before working capital changes		**160.51**		**169.82**
Adjustments for :				
(Increase) / decrease in inventories	19.05		(92.46)	
Decrease/ (increase) in trade receivables	7.61		7.35	
Decrease/ (increase) in other financial assets, finance lease receivables and other assets.	49.91		58.93	
(Decrease)/ increase in trade payable and other liabilities	(15.46)		83.36	
Increase / (decrease) in provisions	0.56		(0.44)	
		61.67		56.74
Cash flow from operations		222.18		226.56
Income taxes paid (net)		(0.33)		(4.74)
Net cash generated from operating activities (A)		**221.85**		**221.82**
Cash flow from investing activities				
Purchase of property, plant & equipment including capital advances (net)		(22.68)		(7.72)
Net cash used in investing activities (B)		**(22.68)**		**(7.72)**
Cash flow from financing activities				
Repayment of non current borrowings		(100.00)		(100.00)
Proceeds from/ (repayment) of short-term borrowings (net)		(1.20)		(0.09)
Interest paid		(99.78)		(114.85)
Net cash used in financing activities (C)		**(200.98)**		**(214.94)**
Net decrease in cash and cash equivalents(A+B+C)		(1.81)		(0.84)
Cash and cash equivalents - opening balances		2.24		3.08
Cash and cash equivalents - closing balances		**0.43**		**2.24**

Notes:

i) Cash flow statement is prepared using the 'indirect method' set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash flow ".

ii) Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered, highly liquid bank balances.

iii) Non-cash transaction: During the year the Company has made additions to the Property, plant and equipment of Rs. 9.91 crores (previous year Rs. 2.64 crores) specifically identified in an arrangement in the nature of lease with the holding Company.

See accompanying notes to the financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

SAMIR R. SHAH
Partner

Place: Mumbai
Date: May 15, 2019

For and on behalf of the Board of Directors

PANKAJ MALIK
Director

PRADEEP BHARGAVA
Director

SANTUN PANDA
Chief Financial Officer
Date: May 04, 2019

BOOPALAN PERIASAMY
Company Secretary

JSW STEEL (SALAV) LTD.
SALAV

JSW Steel (Salav) Limited

Statement of changes in equity for the year ended March 31, 2019

(a) Equity share capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Rs. in crores	No. of Shares	Rs. in crores
Balance at the beginning of the year	1,334,857,243	1,334.86	1,334,857,243	1,334.86
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the year	**1,334,857,243**	**1,334.86**	**1,334,857,243**	**1,334.86**

(b) Other equity

Rs. in crores

	Reserves and surplus		Items of other comprehensive income	Total
	Securities premium	Retained earnings	Remeasurements of the net defined benefit plans	
Balance as at April 1, 2017	**21.88**	**(1,017.27)**	**(0.48)**	**(995.87)**
Profit for the year	-	34.96	-	**34.96**
Other comprehensive loss for the year, net of income tax	-	-	(0.37)	**(0.37)**
Balance as at March 31, 2018	**21.88**	**(982.31)**	**(0.85)**	**(961.28)**
Profit for the year	-	38.11	-	**38.11**
Other comprehensive loss for the year, net of income tax	-	-	(0.01)	**(0.01)**
Balance as at March 31, 2019	**21.88**	**(944.20)**	**(0.86)**	**(923.18)**

(a) Securities Premium - Securities premium IS used to record the premium on issue of shares. The reserve can be utilized only for limited purpose such as issuance of bonus shares in accordance with the provisions of the Companies Act 2013.

(b) Retained Earnings - Retained Earnings are profit/ (losses) that the Company has earned/ accumulated till date, less any transfers to reserves and dividend distributions to the shareholders

(c) Remeasurement of net defined benefit plans - It includes impact of actuarial gains and losses on the net obligation due to change in financial assumptions, change in demographic assumptions, experience adjustments etc. recognized through other comprehensive income.

See accompanying notes to the financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

SAMIR R. SHAH
Partner

Place: Mumbai
Date: May 15, 2019

For and on behalf of the Board of Directors

PANKAJ MALIK
Director

PRADEEP BHARGAVA
Director

SANTUN PANDA
Chief Financial Officer
Date: May 04, 2019

BOOPALAN PERIASAMY
Company Secretary

JSW STEEL (SALAV) LTD.
SALAV

1. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

A. General Information

JSW Steel (Salav) Limited is an unlisted public limited company incorporated in India on June 27, 2008 under the Companies Act, 1956. The registered office of the Company is at Welspun City, village Versamedi, taluka Anjar Kutch, Anjar – 370110, Gujarat.

JSW Steel (Salav) Limited ("the Company") is primarily engaged in the business of manufacture of Sponge Iron DRI and HBI which is primarily supplied to JSW Steel Limited (Parent) under long-term arrangement.

The Company has its manufacturing facilities located at Salav, taluka Murud, district Raigad, in Maharashtra.

B. Applicability of new and revised Ind AS:

I. Amendments to Ind AS that are notified and adopted by the Company

The Ministry of Corporate Affairs on 28 March 2018 vide the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the "Rules") notified new revenue standard Ind AS 115, Revenue from Contracts with Customers, and other amendments to certain existing Ind AS effective from the period beginning on or after April 1, 2018.

a. The Company has adopted Ind AS 115, with the date of initial application of April 1, 2018 following the cumulative effective method – i.e. by recognising the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of equity as at April 1, 2018. Therefore, the comparative information has not been restated and continues to be reported under erstwhile Ind AS 18 'Revenue Recognition' and Ind AS 11 'Construction contracts'.

   Ind AS 115 modifies the determination of how much revenue to recognise, and when, and introduces a single principle based five-step model to be applied to all the contracts with the customers. Ind AS 115 replaces the separate models for goods, services and construction contracts currently included in Ind AS 18 'Revenue Recognition' and Ind AS 11 'Construction contracts'.

   As per Ind AS 115, the Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services. In case of the Company, the timing for recognition of revenue under Ind AS 115 coincides with the revenue recognised as per Ind AS 18 following principle of transfer of risk and rewards of ownership in the goods upon its delivery to the customer. Accordingly, the adoption of Ind AS 115 has no material impact on the opening balance of equity as at April 1, 2018.

b. The application of Appendix B, (Foreign Currency Transactions and Advance Considerations) to Ind AS 21, "The Effects of Changes in Foreign Exchange Rates" with effect from April 1, 2018 does not have any impact, as the Company used to determine the exchange rate of the date on which advance consideration in foreign currency been received or paid for the purpose of initial recognition of related asset, expense or income.

II. New standard issued but not yet effective

a. Ind AS 116, Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

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As a practical expedient, it is permitted to not apply this standard to contracts that were not previously identified as containing lease applying Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 01, 2019. The standard permits two possible methods of transition:

i. Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
ii. Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

i. Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
ii. An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

The impact upon adoption of Ind AS 116 is not expected to be material.

b. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments, which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

   The effect on adoption of Ind AS 12 Appendix C is not expected to be material in the Financial Statements.

c. Amendment to Ind AS 12 – Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

   The amendment will be effective from April 01, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

d. Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

   The amendments require an entity:
   i. to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
   ii. to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

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The impact of adoption of this amendment is not expected to be material.

C. Statement of compliance

The financial statements of the Company which comprise the Balance Sheets as at 31st March, 2019, the Statement of Profit and Loss, the Statements of Cash Flows and the Statements of Changes in Equity for the year ended March 31, 2019, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements") have been prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act") (to the extent notified). The Financial Statements have been approved by the Board of Directors in its meeting held on May 04, 2019.

D. Basis of preparation and presentation

The Financial Statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest crore, except otherwise indicated.

E. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

F. Significant Accounting policies

I. Revenue recognition

Sale of goods

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is the point of time when the control over product is transferred to the customer.

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In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items in a contract when they are highly probable to be provided.

The amount of revenue excludes any amount collected on behalf of third parties or government such as goods and service tax levied on sales.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

II. Leasing

Arrangements in the nature of lease

An arrangement comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments is evaluated at its inception to assess whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether it also conveys the right to use such asset or assets. In case of the arrangement which is identified to be in the nature of lease, the payments and other consideration under the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

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

The Company as a lessor

Amount due from the lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Lease receipts are apportioned between finance income and reduction of the revenue so as to achieve a constant rate of interest on the remaining balance of the finance lease receivable. Finance lease income is allocated to the accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

The Company as a lessee

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

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the term of the relevant lease. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

III. Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

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The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

IV. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

V. Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

VI. Employee benefits

a. Short-term employee benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

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b. Long term employee benefits:

Compensated absences which are not expected to be availed or encashed within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as at the Balance Sheet date on the basis of actuarial valuation using projected unit credit method.

c. Retirement benefit costs and termination benefits

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions towards Provident Fund, Employee State Insurance and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the eligible employee renders the related service.

Defined benefit plans:

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @ 15 days' salary for every completed year of service as per the Payment of Gratuity Act, 1972. The Company's liabilities towards gratuity and other post-employment benefit is determined on yearly basis using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

VII. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

VIII. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, import duties and other taxes (other than those subsequently recoverable from the tax authorities), directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Cost of major inspection/overhauling is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

Properties in the course of construction are carried at cost, less any recognised impairment loss, as capital work in progress. Upon completion, such properties are transferred to the appropriate categories of property, plant and equipment and the depreciation commences.

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is stated at historical cost, and not depreciated. Leasehold Land with an option in the lease deed to purchase on outright basis after a certain period at no additional cost, is not amortized.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

IX. Depreciation

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

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Class of assets	Years
Plant and machinery	10 to 35
Ships (mini bulk carriers, self-propelled barges and navigational buoys)	28
Ships - Speed boats	13
Factory buildings: RCC pavement in HBI storage shed, main stores, central workshop, technical and laboratory building, first aid and fire safety building, etc. and; Non-factory building: Other than RCC structure (bore well at Roha jack well and railway siding	30
Non-factory and colony buildings: RCC structure, Jetty, Administrative building, Shopping complex, club, Hospital, staff quarters, retaining wall at new diversion road, water pipe line, water tank, security quarters at Roha, boundary wall, etc.	60
Factory buildings, non-factory and colony buildings: Boundary wall and roads (bitumen), truck parking, etc.	5-10
Furniture and fixtures: Office table, steel almirah, sofa set, executive chairs, dining table, etc.	10
Office equipment: Refrigerators, air conditioners, water cooler, washing machine, color tv, etc.	5
Computers and printers: Servers and network – 6 years End use devices such as laptops, desktops, scanners, printers, etc. – 3 years	3-6
Vehicles Motor cycle – Scooter – 10 years Motor car – ambulance – 8 years	8-10

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

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Freehold land is not depreciated. Leasehold land is amortized over the period of the lease, except where Leasehold land is acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The estimated useful lives, residual value and depreciation method are reviewed annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

X. Impairment of Property, plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

XI. Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on weighted average basis.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XII. Provisions, contingencies and commitments

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A disclosure for contingent liabilities is made where there is-

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognized because:
   i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
   ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

XIII. Financial Instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

(a) Financial assets:

(i) Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement:

Financial assets carried at amortized cost - A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI) - A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL) - A financial asset which is not classified in any of the above categories are fair valued through profit or loss.

Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:
(a) the entity's business model for managing the financial assets and
(b) the contractual cash flow characteristics of the financial asset.

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Equity Investments:

All equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

(iii) Impairment:

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The ·Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12–months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

(iv) Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial

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asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(b) Financial liabilities and equity instruments:

(i) Classification as debt or equity:

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(iii) Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

(iv) Subsequent measurement:

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Derecognition:

Financial liabilities are derecognised when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

(c) Derivative financial instruments:

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is

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recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

(d) Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(e) Fair value measurement:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability, or

ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

XIV. Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XV. Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting 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 and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

XVI. Key sources of estimation and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

A) Key sources of estimation uncertainty and Judgement

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

ii) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

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iv) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

vi) Taxes

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

Critical accounting judgement

Separating payments of lease from the other considerations

If an arrangement contains a lease, the parties to the arrangement shall apply the requirements of Ind AS 17 to the lease element. Therefore, the Company is required to separate the considerations under arrangement into those for the lease and for other elements.

Accordingly, the Company has in respect of its arrangements for DRI Plant has recognized the finance lease receivable at an amount equal to the net investment in the lease by discounting aggregate of minimum lease payments and the estimated unguaranteed residual value, at the interest rate implicit in the lease. The total consideration for the period less payments attributed towards finance lease receivable and imputed finance income are regarded as consideration for elements other than lease.

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Notes to the financial statements

Note 2 Property, plant and equipment **Rs. in crores**

Particulars	Freehold land	Leasehold land	Buildings	Ships	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Cost/Deemed Cost									
As at April 01, 2017	64.34	286.51	58.70	30.57	-	0.20	0.16	0.52	441.00
Additions	-	-	0.55	3.56	2.64	0.03	-	0.27	7.05
Disposals	-	-	-	-	-	-	-	0.02	0.02
Given under finance lease	-	-	(0.55)	-	(2.64)	-	-		(3.19)
As at March 31, 2018	64.34	286.51	58.70	34.13	-	0.23	0.16	0.81	444.88
Additions	0.77	-	-	12.54	9.91	0.27	-	0.19	23.68
Disposals	-	-	-	-	-	(0.00)	-	0.00	0.00
Given under finance lease			-	-	(9.91)	-	-	-	(9.91)
As at March 31, 2019	65.11	286.51	58.70	46.67	-	0.50	0.16	1.01	458.66
Accumulated depreciation									
As at April 01, 2017	-	8.20	5.36	6.16	-	0.09	0.08	0.17	20.06
Depreciation expense	-	4.10	2.25	3.19	-	0.05	0.04	0.08	9.71
Disposals	-	-	-	-	-	-	-	0.02	0.02
As at March 31, 2018	-	12.30	7.61	9.35	-	0.14	0.12	0.27	29.79
Depreciation expense	-	4.10	1.49	7.42	-	0.04	0.01	0.17	13.23
Disposals	-	-	-	-	-	-	-	-	-
Given under finance lease	-	-	-	-	-	-	-	-	-
As at March 31, 2019	-	16.40	9.10	16.77	-	0.18	0.13	0.44	43.02
Carrying amount									
As at March 31, 2019	65.11	270.11	49.60	29.90	-	0.32	0.03	0.57	415.64
As at March 31, 2018	64.34	274.21	51.09	24.78	-	0.09	0.04	0.54	415.09
Useful Life of the assets (years)	NA	95	60	28	8-30	10	8-10	5	
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	
Capital work in progress									
As at March 31, 2019									7.21
As at March 31, 2018									7.93

Notes:

(i) Leasehold land and freehold land admeasuring 8.477 hectares of Rs. 13.70 crores and 3.072 hectares of Rs. 4.58 crores respectively, have been transferred in the Company's name during the year.

(ii) Plant and equipment of Rs. 791.03 crores (March 31, 2018: 782.02 crores) and buildings of Rs. 7.23 crores (March 31, 2018: Rs.7.23 crores) have been specifically identified in an arrangement in the nature of lease with JSW Steel Limited, the holding Comapny. (Refer note 42)

(iii) Rupee term loan is secured by first ranking pari passu charge on all the immovable and movable fixed assets of the Company both present and future. (Refer note 15)

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Notes to the financial statements

Rs. in crores

Particulars	As at March 31, 2019	As at March 31, 2018
Note 3		
Finance lease receivables		
Finance lease receivables (refer note 42)	639.97	689.48
Less: Current finance lease receivables (refer note 42)	66.01	58.76
Non-current finance lease receivables (refer note 42)	**573.96**	**630.72**
Note 4		
Other financial assets (non-current)		
Security deposits	1.82	2.36
Less: Allowance for doubtful deposits	(0.53)	(0.53)
	1.29	1.83
Insurance claim receivable	1.58	1.58
Less: Allowance for doubtful receivable	(1.58)	(1.58)
	-	-
GST Incentive receivable (refer note 41 (b))	2.38	0.75
Total	**3.67**	**2.58**
Note 5		
Other non-current assets (unsecured)		
Capital advances		
Doubtful	4.11	4.79
Less: Allowance for doubtful advances	(4.11)	(4.79)
Considered good	0.34	0.61
	0.34	0.61
Advances to government authorities	1.16	1.16
Less: Allowance for doubtful deposits	(1.16)	(1.16)
	-	-
Indirect tax balance with goverment authorities		
Deposits	2.79	2.70
Credits / refunds	2.56	2.56
Prepayments	0.30	0.29
Total	**5.99**	**6.16**
Note 6		
Inventories (at lower of cost and net realisable value)		
Raw materials	152.98	182.40
Work-in-progress	1.85	1.40
Finished goods	59.46	50.41
Production consumables and stores and spares	20.08	19.21
Total	**234.37**	**253.42**

Inventories have been pledged as security against bank borrowings of the Company

Cost of inventory recognised as an expense		
Cost of materials consumed	863.75	679.92
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(9.50)	(5.20)
Stores and spares	22.93	16.67
Other expenses	691.06	448.63
Total	1,568.24	1,140.02

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Rs. in crores

Particulars	As at March 31, 2019	As at March 31, 2018
Details of Stock-in-transit		
Raw materials	-	6.14
Production consumables and stores and spares	1.38	0.33
Total	**1.38**	**6.47**

Note 7

Trade receivables (Unsecured, considered good)		
Considered good, secured	-	-
Considered good, unsecured (refer note 32)	11.57	19.18
Which has significant increase in credit risk	-	-
Credit impaired	-	-
Total	**11.57**	**19.18**

Ageing of trade receivables

The ageing of trade receivables that were not impaired is as follows.

	Carrying amount (Rs. in crores)	
	As at March 31, 2019	As at March 31, 2018
Neither past due nor impaired	1.14	12.17
less than 30 days	8.08	7.01
31–60 days	1.92	-
61–120 days	0.20	-
Past due 120 days	0.23	-
Total	**11.57**	**19.18**

The credit period on sales of goods ranges from 30 to 90 days generally without security. Interest is charged on trade receivables on overdue balances. Interest of @9% to 10% is charged on overdue balances.

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade receivables are due from firms or private companies respectively in which any director is a partner, director or a member.

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour, extensive analysis of customer credit risk, including underlying customers' credit ratings (if they are available) and the availability of bank guarantees and letters of credit.

An analysis of the credit quality of trade and other receivables that are neither past due nor impaired is evaluated by management on regular intervals and is considered to be good.

The Company has had no history of credit default and based on management expectations about future collections, no amount has been provided for impairment.

Note 8

Cash bank balances		
Balances with banks:		
- in current account	0.41	2.22
Cash on hand	0.02	0.02
Total of cash and cash equivalent	**0.43**	**2.24**

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Notes to the financial statements

Rs. in crores

Particulars	As at March 31, 2019	As at March 31, 2018
Note 9		
Bank balances other than above		
Deposits with original maturity for more than 3 months but less than 12 months	0.16	0.15
Total other bank balance	**0.16**	**0.15**
Note 10		
Other financial assets (current)		
GST Incentive receivable (refer note 41 (b))	21.40	6.75
Unbilled revenue (refer note 32)	-	3.99
Total	**21.40**	**10.74**
Note 11		
Current tax assets (net)		
Advance tax and tax deducted at source (net of provision)	10.37	10.04
Total	**10.37**	**10.04**
Note 12		
Other current assets		
Surplus of gratuity plan assets over obligations (refer note 37)	0.04	0.06
Indirect tax balance with government authoritiers	0.73	0.42
Advances to employees	0.12	0.15
Advances to supplier	15.84	15.55
Prepayments	0.97	1.23
Export benefits receivable	2.57	4.14
Total	**20.27**	**21.55**

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Rs. in crores

Particulars	As at March 31, 2019	As at March 31, 2018
Note 13		
Share Capital		
Authorised :		
1,700,000,000 equity shares of face value of Rs 10/- each	1,700.00	1,700.00
300,000,000 Preference share of face value of Rs 10/- each	300.00	300.00
Total	**2,000.00**	**2,000.00**
Issued, subscribed and paid up:		
1,334,857,243 equity shares of Rs.10/- each fully	1,334.86	1,334.86
Total	**1,334.86**	**1,334.86**
Reconciliation of number of shares outstanding at the beginning and end of the year :		
Equity share :		
Outstanding at the beginning of the year	1,334,857,243	1,334,857,243
Equity shares issued during the year in consideration for cash	-	-
Outstanding at the end of the year	**1,334,857,243**	**1,334,857,243**
Reconciliation of equity share capital outstanding at the beginning and end of the year :		
Equity share capital:		
Outstanding at the beginning of the year	1,334.86	1,334.86
Equity share capital issued during the year in consideration for cash	-	-
Outstanding at the end of the year	**1,334.86**	**1,334.86**

Terms / rights attached to each classes of shares

Equity shares : The Company has one class of equity shares. Each equity shareholder is eligible for one vote per share held. The equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Shares in respect of each class in the Company held by its holding company

Equity share	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Rs. In crores	No. of Shares	Rs. In crores
JSW Steel Limited (Holding 100%)	1,334,857,243	1,334.86	1,334,857,243	1,334.86

Shareholders holding more than 5% shares in the company is set out below:

Equity share	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	%	No. of Shares	%
JSW Steel Limited (Holding 100%)	1,334,857,243	100.00%	1,334,857,243	100.00%

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Notes to the financial statements

Note 14
Other equity

Rs. in crores

Particulars	As at March 31, 2019	As at March 31, 2018
Securities premium	21.88	21.88
Retained earnings	(944.20)	(982.31)
Other comprehensive income (remeasurement of the net defined benefit)	(0.86)	(0.85)
Total	**(923.18)**	**(961.28)**

Note 15
Borrowings (non-current)

Rupee term loan from bank (secured) *	550.00	650.00
Preference shares (unsecured) **	4.81	3.92
Total	**554.81**	**653.92**
Unamortised upfront fees on borrowing	(2.55)	(3.12)
Total	**552.26**	**650.80**

*Rupee term loan of Rs. 650 crores (As at March 31, 2018 Rs.750 crores) from SBI is secured by way of first charge on entire immovable and movable fixed assets of the Company both present and future and is repayable in 9 years in thirty six structured quarterly instalments of Rs. 25 crores each upto September 30, 2020, thereafter Rs. 30 crores per quarter upto September 30, 2023 and thereafter, Rs. 35 crores per quarter upto September 30, 2024.

** 0% Preference share borrowings of Rs. 23.13 crores is repayable as follows:
Rs. 3.74 crores repayable as on December 31, 2032
Rs. 19.39 crores repayable as on October 31, 2033

Note 16
Provisions (non-current)
Provision for employee benefits

Provision for compensated absences	3.73	3.51
Provision for contingency	2.28	2.28
Total	**6.01**	**5.79**

Note 17
Borrowings (current)
From banks

Working capital loans (secured)*	2.41	3.61
Total	**2.41**	**3.61**

* Working capital facility from bank is secured by first charge by way of hypothecation of raw materials, finished goods and goods in process, stores and spares and book debts and export incentives of the Company and second charge on entire immovable and movable fixed assets of the Company both present and future.

Note 18
Trade payables

Other than acceptances (refer note 32)		
(A) total outstanding dues of micro enterprises and small enterprises (refer note 41 (a))	1.30	0.25
(B) total outstanding of creditors other than micro enterprises and small enterprises - other than acceptances	109.78	95.48
Total	**111.08**	**95.73**

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Notes to the financial statements

Rs. in crores

Note 19

Particulars	As at March 31, 2019	As at March 31, 2018
Other financial liabilities (current)		
Interest accrued but not due on borrowing	5.49	6.61
Current maturities of long term debt	100.00	100.00
Other payables	0.45	1.02
	105.94	107.62
Unamortised upfront fees on borrowing	(0.57)	(0.57)
Total	**105.37**	**107.06**

Note 20

Other current liabilities		
Advances from customers (refer note 36)	196.57	230.15
Statutory liabilities	14.67	13.21
Total	**211.24**	**243.36**

Note 21

Provisions (current)		
Provision for employee benefits		
Provision for compensated absences	0.58	0.22
Total	**0.58**	**0.22**

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JSW Steel (Salav) Limited

Notes to the financial statements

Revenue from operations

Rs. in crores

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Note 22		
Sale of products (gross)		
Domestic turnover (refer note 38)	1,622.90	1,147.70
Export turnover	96.70	175.74
Other operating revenue		
Hire charges of ships / barges (refer note 38)	9.27	17.48
Interest income on finance lease receivable (refer note 38)	69.26	74.48
Export incentive	2.95	5.28
Export obligation income	-	0.12
Gain on prepayment of deferred value added tax/ SGST (refer note 41(b))	16.28	9.86
Total	**1,817.36**	**1,430.67**

Note 23

Other income

Interest on fixed deposit	0.01	0.01
Interest on IT refund	-	0.06
Interest on trade receivables	1.32	3.01
Liabilities no longer required written back	1.05	0.33
Insurance claim received	0.02	3.69
Miscellaneous income	0.45	0.30
Total	**2.85**	**7.40**

Note 24

Changes in inventories of finished goods, work-in-progress and stock in trade

Opening Stock :		
Semi finished /finished Goods	50.41	48.47
Work-in-progress	1.40	1.22
A	**51.81**	**49.69**
Closing Stock :		
Semi finished /finished Goods	59.46	50.41
Work-in-progress	1.85	1.40
B	**61.31**	**51.81**
C (A - B)	**(9.50)**	**(2.12)**
Excise duty on stock of finished goods (net) **D**	-	(3.08)
C - D	**(9.50)**	**(5.20)**

Note 25

Employee benefits expense

Salaries and wages	24.60	24.78
Contribution to provident and other funds (refer note 37)	1.42	2.30
Staff welfare expenses	2.89	1.85
Total	**28.91**	**28.93**

Note 26

Finance costs

Interest on borrowings (refer note 38)	91.29	105.04
Other borrowing costs	7.37	8.25
Total	**98.66**	**113.29**

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Notes to the financial statements

Rs. in crores

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Note 27		
Power and fuel	691.06	448.63
Total	**691.06**	**448.63**
Note 28		
Other expenses		
Stores and spares consumed	22.93	16.67
Water charges	5.19	3.59
Repairs and maintenance		
Plant and equipment	17.59	10.31
Buildings	0.43	0.33
Others	4.44	3.16
Lease rent	1.43	1.25
Insurance	1.86	1.45
Rates and taxes	1.51	1.69
Freight	8.21	9.74
Ship operation and maintenance charges	9.85	12.87
Payment to auditors (refer note 39)	0.68	1.23
Miscellaneous expenses	10.23	7.20
Foreign exchange difference (net)	(0.42)	(0.32)
Profit/(loss) on sale of license	0.06	0.02
Allowance for doubtful advances/receivables (net)	-	0.10
Total	**83.99**	**69.29**

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JSW Steel (Salav) Limited

Note 29 Income Taxes

Income tax expense / (benefit)

Rs. in crores

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax	-	-
Deferred Tax	12.00	12.60
Total tax expense	**12.00**	**12.60**

Utilisation of losses:

The Company, based on legal advice, computes book-profit for determining tax liability under provision of Section 115JB of the Income Tax Act, 1961 after deducting lower of opening cumulative losses and opening cumulative depreciation as per the books of account. The amount so deducted are then reduced from such cumulative balance of losses or depreciation whichever is higher, and lower of resultant respective balances is considered eligible for reduction in computation of book profit under aforesaid section of the following year.

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Rs. in crores

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit / (loss) before tax	**50.11**	**47.56**
Enacted tax rate in India	**34.944%**	**34.944%**
Expected income tax expense / (benefit) at statutory tax rate	17.51	16.62
Tax effect of:		
Tax impact of income not subject to tax	(5.51)	(4.61)
Effect of tax pertaining to prior years	-	0.59
Tax expense for the year	**12.00**	**12.60**
Effective income tax rate	23.947%	26.493%

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JSW STEEL (SALAV) LTD. SALAV

JSW Steel (Salav) Ltd

Notes to the financial statements

Note 29 (continued)
Deferred tax assets / (liabilities)

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

Rs. in crores

Deferred tax balance in relation to	As at March 31, 2018	Recognised / reversed through profit or loss	Recognised in / reclassified from other comprehensive income	Others	As at March 31, 2019
Property, plant and equipment	(29.24)	(8.00)	-	-	(37.24)
Employee benefits	0.44	-	-	-	0.44
Expenses allowable on payment basis	0.16	-	-	-	0.16
Finance lease receivable	(240.93)	17.30	-	-	(223.63)
Minimum Alternate tax (MAT)	-	-	-	-	-
Carried forward business loss/ unabsorbed depreciation	311.02	(21.30)	-	-	289.72
Other items	0.13	-	-	-	0.13
Total	**41.58**	**(12.00)**	**-**	**-**	**29.58**

Deferred tax balance in relation to	As at March 31, 2017	Recognised / reversed through profit or loss	Recognised in / reclassified from other comprehensive income	Others #	As at March 31, 2018
Property, plant and equipment	(18.82)	(10.42)	-		(29.24)
Employee benefits	0.25	-	0.19	-	0.44
Expenses allowable on payment basis	0.16	-	-	-	0.16
Finance lease receivable	(255.88)	14.95	-	-	(240.93)
Minimum Alternate tax (MAT)	7.12	-	-	(7.12)	-
Carried forward business loss/ unabsorbed depreciation	328.15	(17.13)	-	-	311.02
Other items	0.13	-	-	-	0.13
Total	**61.11**	**(12.60)**	**0.19**	**(7.12)**	**41.58**

Reversed against provisions no longer required

Deferred tax assets on carry forward business loss / unabsorbed depreciation have been recognised bsed on the long term take or pay arrangement with JSW Steel Limited, the holding Company.

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Note 30

1. Financial instruments – Fair values and risk management

Categories of financial instruments

Particulars	Carrying amount at amotised cost	
	As at March 31, 2019	As at March 31, 2018
Financial assets		
Finance lease receivable	639.97	689.48
Other financial assets	25.07	13.32
Trade receivables	11.57	19.18
Cash and cash equivalents	0.43	2.24
Other bank balances	0.16	0.15
Total	**677.20**	**724.38**
Financial liabilities		
Borrowings	654.67	754.42
Trade payables	111.08	95.73
Other financial liabilities	5.37	7.06
Total	**771.12**	**857.21**

The management consider that the carrying amounts of above mentioned financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Note 31

Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables and cash & cash equivalents.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Foreign currency risk; and
- Interest rate risk.

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

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JSW STEEL (SALAV) LTD. SALAV

JSW Steel (Salav) Limited

Notes to the financial statements

Note 31

Credit risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, finance lease receivable, Cash and cash equivalents.

Trade receivables

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

Trade receivables consist of dues from related parties and others. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

The history of trade receivables does not show any allowance for bad and doubtful debts and accordingly, the Company has not recognised any allowance for expected credit loss on its receivables.

Finance lease receivables

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the assets in return for payment or series of payments. Finance lease receivable under such arrangements are secured against underlying property, plant and equipment.

(At March 31, 2019, the Company's most significant customer, JSW Steel Limited, accounted for Rs. 639.97 crores of the finance lease receivable carrying amount. (March 31, 2018: Rs. 689.49 crores))

Cash and cash equivalents and other bank balances

Credit risks from balances with banks are managed in accordance with the Company policy.

The Company's maximum exposure to the credit risk for the components of balance sheet as at March 31, 2019 and March 31, 2018 is the carrying amounts mentioned in Note no. 7 (trade receivables) except for finance lease receivable. The maximum exposure relating to finance lease receivable is disclosed in Note no. 3.

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JSW STEEL (SALAV) LTD. SALAV

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Notes to the financial statements

Financial instruments – Fair values and risk management (continued)

Note 32

(ii) Liquidity risk

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing.

Maturity profile of financial assets and financial liabilities

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods and its financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The contractual maturity is based on the earliest date on which the Company may be required to pay.

Rs. in crores

Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1-5 years	More than 5 years
As at March 31, 2019					
Financial assets					
Finance lease receivable	639.97	639.97	66.01	342.69	231.27
Other financial assets	25.07	25.07	21.40	2.38	1.29
Trade receivables	11.57	11.57	11.57	-	-
Cash and cash equivalents	0.43	0.43	0.43	-	-
Other bank balances	0.16	0.16	0.16	-	-
Interest on finance lease receivable	-	266.06	63.42	175.04	27.60
Total	**677.20**	**943.26**	**162.99**	**520.11**	**260.16**
Financial liabilities					
Borrowings	654.67	654.67	102.41	480.00	72.26
Interest on term loan	-	189.43	58.75	128.16	2.52
Trade payables	111.08	111.08	111.08	-	-
Other financial liabilities	5.37	5.37	5.37	-	-
Total	**771.12**	**960.55**	**277.61**	**608.16**	**74.78**
As at March 31, 2018					
Financial assets					
Finance lease receivable	689.48	689.48	58.77	305.07	325.64
Other financial assets	13.32	13.32	10.74	-	2.58
Trade receivables	19.18	19.18	19.18	-	-
Cash and cash equivalents	2.24	2.24	2.24	-	-
Other bank balances	0.15	0.15	0.15	-	-
Interest on finance lease receivable	-	331.02	68.80	205.18	57.04
Total	**724.37**	**1,055.39**	**159.88**	**510.25**	**385.26**
Financial liabilities					
Borrowings	754.41	754.41	103.61	450.00	200.80
Interest on term loan	-	260.30	70.87	172.15	17.28
Trade payables	95.73	95.73	95.73	-	-
Other financial liabilities	7.06	7.06	7.06	-	-
Total	**857.20**	**1,117.50**	**277.27**	**622.15**	**218.08**

Collateral

The Company has pledged part of its trade receivables and cash and cash equivalents for the banking facilities extended to the Company.

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Notes to the financial statements

Financial instruments – Fair values and risk management (continued)

Note 33

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates and interest rates.

(iv) Currency risk

Foreign currency risk is the risk that the fair value of future cash flows if an exposure will fluctuate because of changes in foreign exchange rates.

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Company is exposed to exchange rate risk under its trade portfolio.

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are as follows.

Rs. in crores

Currency exposure as at March 31, 2019	USD	INR	Total
Financial assets			
(i) Finance lease receivables	-	639.97	639.97
(ii) Other financial assets	-	25.07	25.07
(iii) Trade receivables	2.19	9.38	11.57
(iv) Cash and cash equivalents	-	0.43	0.43
(v) Bank balances other than (iv) above	-	0.16	0.16
Total	**2.19**	**675.01**	**677.20**
Financial liabilities			
(i) Borrowings	-	654.67	654.67
(ii) Trade payables	0.07	111.01	111.08
(iii) Other financial liabilities	-	5.37	5.37
Total	**0.07**	**771.05**	**771.12**

Rs. in crores

Currency exposure as at March 31, 2018	USD	INR	Total
Financial assets			
(i) Finance lease receivables	-	689.48	689.48
(ii) Other financial assets	-	13.32	13.32
(iii) Trade receivables	2.96	16.22	19.18
(iv) Cash and cash equivalents	-	2.24	2.24
(v) Bank balances other than (iv) above	-	0.15	0.15
Total	**2.96**	**721.41**	**724.37**
Financial liabilities			
Non-current			
(i) Borrowings	-	754.41	754.41
(ii) Trade payables	3.98	91.74	95.72
(iii) Other financial liabilities	-	7.06	7.06
Total	**3.98**	**853.21**	**857.19**

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Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign currency (USD) against Rs in crores would have affected the measurement of financial instruments denominated in USD and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

		Rs. in crores
	Profit / (loss)	
Effect of sensitivity	**Increase**	**Decrease**
As at March 31, 2019		
USD - 10% Movement	0.21	(0.21)
	0.21	**(0.21)**
As at March 31, 2018		
USD - 10% Movement	(0.10)	0.10
	(0.10)	**0.10**

Unhedged foreign currency exposures

	As at March 31, 2019		As at March 31, 2018	
Particulars	**US$ equivalent**	**INR equivalent (crores)**	**US$ equivalent**	**INR equivalent (crores)**
(I) Amounts receivable in foreign currency				
Trade receivables	316,463	2.19	455,343	2.96
Total	**316,463**	**2.19**	**455,343**	**2.96**
(II) Amounts payable in foreign currency				
Trade payables	10,204	0.07	612,580	3.98
Total	**10,204**	**0.07**	**612,580**	**3.98**

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JSW Steel (Salav) Limited

Notes to the financial statements

Financial instruments – Fair values and risk management (continued)
Note 34
(v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

		Rs. in crores
Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Borrowings		
Fixed rate borrowings		
Redeemable preference shares	4.81	3.92
Variable rate borrowings		
Term loans from banks	650.00	750.00
Working capital loans	2.41	3.61
Gross amount	**657.22**	**757.53**
Less : unamortised upfront fees	(3.12)	(3.69)
	654.10	**753.84**

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities, assuming the amount of liability outstanding at the year-end was outstanding for the whole year.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

		Rs. in crores
	Profit or (loss)	
Particulars	**100 bp increase**	**100 bp decrease**
As at March 31, 2019		
Variable-rate instruments	(6.54)	6.54
Cash flow sensitivity (net)	**(6.54)**	**6.54**
As at March 31, 2018		
Variable-rate instruments	(7.54)	7.54
Cash flow sensitivity (net)	**(7.54)**	**7.54**

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Note 35 : Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Rs. in crores

Particulars	As at March 31, 2019	As at March 31, 2018
Profit attributable to equity holders of the Company for basic earnings	**38.11**	**34.96**

ii. Weighted average number of ordinary shares

Particulars	As at March 31, 2019 Nos. of Shares	As at March 31, 2018 Nos. of Shares
Issued ordinary shares at April 1	1,334,857,243	1,334,857,243
Effect of shares issued for cash during the year	-	-
Weighted average number of shares at March 31 for basic EPS	**1,334,857,243**	**1,334,857,243**
Effect of dilution	-	-
Weighted average number of shares at March 31 for diluted EPS	**1,334,857,243**	**1,334,857,243**

Basic and Diluted earnings per share

Particulars	March 31, 2019 (Rs.)	March 31, 2018 (Rs.)
Basic earnings per share	0.29	0.26
Diluted earnings per share	0.29	0.26

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Notes to the financial statements

Note 36

Capital risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.
The Company's capital requirement is mainly to fund its capacity expansion and repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio.
The Company monitors its capital using gearing ratio, which is net debt to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents & bank balances other than cash and cash equivalents.

Gearing ratio

The gearing ratio as at the end of the reporting period was as follows:

Rs. in crores

Particulars	As at March 31, 2019	As at March 31, 2018
Long- term borrowings	552.26	650.80
Current maturities of long- term debt	99.43	99.43
Short term borrowings	2.41	3.61
Less: Cash and cash equivalents	(0.43)	(2.24)
Less: Bank balances other than cash and cash equivalents	(0.16)	(0.15)
Net debt	**653.51**	**751.46**
Total equity	**411.68**	**373.58**
Net debt to equity ratio (%)	**158.74%**	**201.15%**

(i) Equity includes all capital and reserves of the Company that are managed as capital

(ii) Debt is defined as long term borrowings and short term borrowings.

No changes were made in the objections, polices or processed for managing capital during the year ended March 31, 2019 and March 31, 2018

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JSW STEEL (SALAV) LTD. SALAV

Note 37

(i) Defined contribution plans:

The Company operates defined contribution for all qualifying employees.
Company's contribution to provident and other funds recognized in the statement of profit and loss is Rs.1.42 crores (Previous year Rs.2.30 crores).

(ii) Defined benefit plan:

Gratuity

The employees' gratuity fund scheme managed by Life Insurance Corporation of India Limited is a defined benefit plan. The present value of obligation is based on actuarial valuation using the projected unit credit method. The gratuity liability is provided on the basis of independent valuation by actuaries as on March 31, 2019.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2019 by M/s K.A. Pandit Actuaries and Consultants. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The plan in India typically expose the Company to actuarial risks such as : interest risk, salary risk, asset liability matching risk and mortality risk :

a) Interest risk: A fall in the discount rate which is linked to the Government Security rates will increase the present value of the liability requiring higher provisions.

b) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of the members. As such an increase in the salary of the members more than assumed level will increase the plan liability.

c) Asset liability matching risk: The plan faces the ALM risk as to the matching cash flow, the Company has to manage the payment based on pay as you go basis from our funds.

d) Mortality risk: Since the benefits under the plan is not payable for lifetime and payable till retirement age only, plan does not have any longevity risk.

No other post retirement benefits are provided to the employees.

Rs. in crores

	As at March 31, 2019	As at March 31, 2018
Present Value of defined benefit obligation at the end of the year	8.87	8.69
Fair value of plan assets at the end of the year	8.91	8.75
Net liability / (asset) at the end of the year (refer note 12)	**(0.04)**	**(0.06)**

B. Movement in net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

Rs. in crores

Particulars	Gratuity					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Opening balance	8.70	8.50	8.78	9.45	(0.08)	(0.95)
Current service cost	0.38	0.40	-	-	0.38	0.40
Past service cost	-	-	-	-	-	-
Interest cost (income)	0.66	0.64	0.66	0.71	0.00*	(0.07)
	9.74	**9.54**	**9.44**	**10.16**	**0.30**	**(0.62)**
Included in OCI						
Remeasurement loss (gain):						
Financial assumptions	0.00**	(0.02)	-	-	0.00**	(0.02)
Experience adjustment	(0.06)	0.56	-	-	(0.06)	0.56
Return on plan assets excluding interest income	-	-	(0.03)	(0.02)	0.03	0.02
	9.68	**10.08**	**9.41**	**10.14**	**0.27**	**(0.06)**
Other						
Contributions paid by the employer	-	-	0.30	-	(0.30)	-
Benefits paid	(0.81)	(1.39)	(0.80)	(1.39)	(0.01)	0.00
Closing balance	**8.87**	**8.69**	**8.91**	**8.75**	**(0.04)**	**(0.06)**

* (-)Rs.21337
** (-)Rs. 28226

Represented by

Net defined benefit asset (refer note 12)	0.04	0.06
	0.04	**0.06**

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Notes to the financial statements

C. Plan assets

Plan assets comprise the following:

Rs. in crores

	As at March 31, 2019	As at March 31, 2018
Fund managed by insurance company (insurance funds)	8.91	8.75
	8.91	**8.75**

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Rs. in crores

Discount rate	As at March 31, 2019	As at March 31, 2018
Expected return on assets	7.56%	7.51%
Salary escalation rate	6.00%	6.00%
Attrition rate	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	

Assumptions regarding future mortality have been based on published statistics and mortality tables.

ii. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on the reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

Rs. in crores

	As at March 31, 2019		As at March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.48)	0.53	(0.51)	0.56
Future salary growth (1% movement)	0.52	(0.48)	0.57	(0.52)
Rate of employee turnover (1% movement)	0.05	(0.05)	0.05	(0.05)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivitiy analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Expected contribution

The expected contributions for defined benefit plan for the next financial year is prescribed to be Nil.

Expected future benefit payments

The expected future cash flows in respect of gratuity were as follows

Rs. in crores

Particulars	As at March 31, 2019	As at March 31, 2018
0 to 1 year	0.87	0.52
1 to 5 years	3.26	3.14
More than 5 years	6.30	5.71

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JSW Steel (Salav) Limited

Note 38

A. List of related parties:

1 **Holding Company**
JSW Steel Limited

2 **Fellow subsidiary**
Amba River Coke Limited

3 **Key management personnel (KMP)**
Mr. Bhushan Lal Dewangan, WTD (upto February 28, 2018)
Mr. Pankaj Malik, WTD (wef March 01, 2018)
Mr. Pradeep Kumar Gokhroo, CFO (upto June 12, 2018)
Mr. Santun Sundar Panda, CFO (wef November 01, 2018)
Mr. Boopalan Periasamy, Company Secretary
Mr. Jugal Kishore Tandon, Independent Director
Mr. Pradeep Bhargava, Additional Director
Ms. Saswati Goswani, Independent Director

4 **Other related parties**
(Enterprises over which Key Management Personnel of the Company or the holding company and Relatives of such personnel exercise significant influence)
Jindal Stainless Steel Limited
JSW Cement Limited
J Soft Solutions Limited
JSW Global Business Solutiions Limited
JSW IP Holdings Limited
JSW Power Trading Corporation Limited
JSW Steel Coated Products Limited
JSW Dharamtar Port Private Limited
JSW Jaigad Port Limited
Dolvi Coke Projects Limited
JSW Foundations (Trust)

B. Transactions taken place with related parties during the year for which relationship existed:

Rs. in crores

Particulars	Holding Company		Fellow subsidiary		Other related parties		Key management personnel		Grand total	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Purchase of goods and services										
Amba River Coke Limited	-	-	**543.51**	522.34	-	-	-	-	**543.51**	522.34
JSW Steel Limited	**0.21**	0.34	-	-	-	-	-	-	**0.21**	0.34
JSW Dharamtar Port Private Limited	-	-	-	-	**0.38**	-	-	-	**0.38**	-
JSW Jaigad Port Limited	-	-	-	-	**2.65**	-	-	-	**2.65**	-
JSW IP Holdings Limited	-	-	-	-	**0.41**	0.70	-	-	**0.41**	0.70
JSW Cement Limited	-	-	-	-	**0.07**	0.20	-	-	**0.07**	0.20
JSW Power Trading Corporation Limited	-	-	-	-	**0.01**	0.32	-	-	**0.01**	0.32
JSW Coated Products Limited	-	-	-	-	-	0.19	-	-	-	0.19
Jsw Global Business Solution Limited	-	-	-	-	**0.09**	**0.00 ***	-	-	**0.09**	0.00 *
Total	**0.21**	**0.34**	**543.51**	522.34	**3.61**	1.41	-	-	**547.33**	524.09
* Rs. 25,001										
Reimbursement of expenses to the Company										
JSW Steel Limited	**1.09**	3.25		-	-	-	-	-	**1.09**	3.25
Total	**1.09**	3.25		-	-	-	-	-	**1.09**	3.25
Interest expense										
JSW Steel Limited	**19.70**	**17.75**	-	-	-	-	-	-	**19.70**	17.75
Amba River Coke Limited	-	-	**0.72**	**0.09**	-	-	-	-	**0.72**	0.09
Total	**19.70**	17.75	**0.72**	**0.09**	-	-	-	-	**20.42**	17.84

DELOITTE HASKINS & SELLS LLP MUMBAI

JSW STEEL (SALAV) LTD. SALAV

JSW Steel (Salav) Limited
(Formerly known as Welspun Maxsteel Limited)

Rs. in crores

Particulars	Holding Company		Fellow subsidiary		Other related parties		Key management personnel		Grand total	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Sale of goods / services										
JSW Steel Limited	**1,508.08**	886.68	-	-	-	-	-	-	**1,508.08**	886.68
Amba River Coke Limited	-	-	**45.49**	39.40	-	-	-	-	**45.49**	39.40
Jindal Stainless Steel Ltd.	-	-	-	-	**6.42**	3.50	-	-	**6.42**	3.50
JSW Steel Coated Products Limited	-		-		**0.12**	-	-		**0.12**	-
JSW Jaigad Port Limited	-		-		**0.12**	-	-		**0.12**	-
Dolvi Coke Projects Limited	-		-		**0.08**	-	-		**0.08**	-
Total	**1,508.08**	886.68	**45.49**	39.40	**6.74**	3.50	-	-	**1,560.31**	929.58
Reimbursement of expenses by the Company										
JSW Steel Limited	**2.59**	**6.04**	-	-	-	-	-	-	**2.59**	6.04
Amba River Coke Limited	-	-	-	0.00 ##	-	-	-	-	-	0.00 ##
Total	**2.59**	6.04	-	0.00 ##	-	-	-	-	**2.59**	6.04
# Rs. 35,350 ## Rs. 40,200										
Reimbursement of pledge Commission										
JSW Steel Limited	**3.55**	0.28	-	-	-	-	-	-	**3.55**	0.28
Total	**3.55**	0.28	-	-	-	-	-	-	**3.55**	0.28
Interest income										
Jindal Stainless Steel Limited	-	-	-	-	**0.04**	**0.03**	-	-	**0.04**	0.03
Total	-	-	-	-	**0.04**	0.03	-	-	**0.04**	0.03
Interest income under finance lease										
JSW Steel Limited	**69.26**	74.48	-	-	-	-	-	-	**69.26**	74.48
Total	**69.26**	74.48	-	-	-	-	-	-	**69.26**	74.48
Other payments										
JSW Foundation	-	-	-	-	**0.03**	-	-	-	**0.03**	-
Total	-	-	-	-	**0.03**	-	-	-	**0.03**	-
Principal amount repaid under finance lease										
JSW Steel Limited	**58.88**	53.08	-	-	-	-	-	-	**58.88**	53.08
Total	**58.88**	53.08	-	-	-	-	-	-	**58.88**	53.08
Equity share										
JSW Steel Limited	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Repayment of advances										
JSW Steel Limited	**9.71**	0.10	-	-	-	-	-	-	**9.71**	0.10
Total	**9.71**	0.10	-	-	-	-	-	-	**9.71**	0.10
Advances received										
JSW Steel Limited	**1,486.50**	971.85	-	-	-	-	-	-	**1,486.50**	971.85
Total	**1,486.50**	971.85	-	-	-	-	-	-	**1,486.50**	971.85
Remuneration to key managerial personal ****										
Mr. Bhushan Lal Dewangan	-	-	-	-	-	-	-	0.71	-	0.71
Mr. Pankaj Malik	-	-	-	-	-	-	**0.46**	0.02	**0.46**	0.02
Mr.Pradeep Kumar Gokhroo	-	-	-	-	-	-	**0.27**	0.70	**0.27**	0.70
Mr. Santun Sundar Panda	-	-	-	-	-	-	**0.12**	-	**0.12**	-
Mr. Boopalan Periasamy	-	-	-	-	-	-	**0.80**	0.79	**0.80**	0.79
Mrs. Saswati Goswami	-	-	-	-	-	-	**0.01**	0.01	**0.01**	0.01
Mr. Jugal Kishor Tandon	-	-	-	-	-	-	**0.01**	0.01	**0.01**	0.01
Total	-	-	-	-	-	-	**1.67**	2.24	**1.67**	2.24

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JSW STEEL (SALAV) LTD. SALAV

JSW Steel (Salav) Limited

Note 38 (continued)

C. Closing balances of related parties

Rs. in crores

Particulars	Holding Company		Fellow subsidiary		Other related parties		Key management personnel		Grand total	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Advances from customers										
JSW Steel Limited	**192.18**	225.78	-	-	-	-	-	-	**192.18**	225.78
Total	**192.18**	225.78	-	-	-	-	-	-	**192.18**	225.78
Trade payables										
Amba River Coke Limited	-	-	**39.48**	31.52	-	-	-	-	**39.48**	31.52
JSW Steel Limited	**1.22**	3.76	-	-	-	-	-	-	**1.22**	3.76
JSW Cement Limited	-	-	-	-	**0.01**	0.02	-	-	**0.01**	0.02
Jsw Global Business Solution Limited	-	-	-	-	**0.00**	0.14	-	-	**0.00**	0.14
JSW Dharamtar Port Private Limited	-	-	-	-	**0.37**	-	-	-	**0.37**	-
JSW Steel Coated Products Limited	-	-	-	-	-	0.00 #	-	-	-	-
Total	**1.22**	**3.76**	**39.48**	**31.52**	**0.38**	**0.16**	-	-	**41.08**	35.44
Finance lease receivable										
JSW Steel Limited	**639.97**	689.48	-	-	-	-	-	-	**639.97**	689.48
Total	**639.97**	689.48	-	-	-	-	-	-	**639.97**	689.48
Trade receivable										
JSW Steel Limited	**6.57**	4.81	-	-	-	-	-	-	**6.57**	4.81
Jindal Stainless Steel Limited	-	-	-	-	**1.86**	1.95	-	-	**1.86**	1.95
Dolvi Coke Products Limited	-	-	-	-	**0.08**	-	-	-	**0.08**	-
JSW Steel Coated Products Limited	-	-	-	-	**0.12**	-	-	-	**0.12**	-
JSW Jaigad Port Limited	-	-	-	-	**0.12**	-	-	-	**0.12**	-
Total	**6.57**	4.81	-	-	**2.18**	1.95	-	-	**8.75**	6.76

Rs. 9,196

D. Terms and conditions

Sales :

The sales to related parties are in the ordinary course of business. Sale transactions are based on prevailing market price/ long- term arrangements signed with related parties. For the year ended March 31, 2019, the Company has not recorded any loss allowances for trade receivables from related parties.

Purchases :

The purchases from related parties are in the ordinary course of business. Purchase transactions are based on normal commercial terms and conditions and market rates.

**** Remuneration to key managerial person represent short term employee benefits accrued to them. The future liability for gratuity is provided on an acturial basis for the Company as a whole, hence the amount pertaining to individual is not ascertainable and therefore not included above.

JSW STEEL (SALAV) LTD. SALAV

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JSW Steel (Salav) Limited

Notes to the financial statements

Note 39

Contingent liabilities and commitments

Rs. in crores

Particulars	As at March 31, 2019	As at March 31, 2018
Contingent liabilities		
Disputed Claims / levies (excluding interest, if any)		
Service Tax	43.68	41.01
Excise Duty	1.30	1.17
Value Added Tax/ Sales Tax	7.58	7.45
Income Tax	0.53	0.53
Stamp Duty	51.09	51.09
Miscellaneous	3.46	3.46
Claims by suppliers and third parties not acknowledged as debt	18.19	12.97

The Company's management does not believe, based on current available information, that the outcome of the above matters will have a material adverse effect on the Company's financial position, though the outcomes could be material to the Company's operating results for any particular period, depending in part, upon the operating results for such year. It is not practical for the Company to estimate the timings of cash flows, if any, in respect of the above.

Pursuant to share purchase agreement between JSW Steel Limited and Welspun Enterprises Limited dated August 18, 2014, the liability, if any, devolving upon the Company from the outcome of the disputes relating to direct taxes and stamp duty of Rs. 0.53 crores and Rs. 51.09 crores, respectively, is recoverable by the Company from Welspun Enterprises Limited.

Commitments		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	17.20	16.12
b. Other commitments		
Bill discounting (without re-course)	13.79	2.82

Note 40

Payment to auditors (excluding service tax)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
For audit fees	0.40	0.40
For taxation matters	0.08	0.03
For other services	0.18	0.79
For reimbursement of expenses	0.01	0.01
Total	**0.67**	**1.23**

Note 41 (a)

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

Rs. in crores

Particulars	As at 31 March 2019	As at 31 March 2018
Principal amount due outstanding as at end of year	1.30	0.25
Interest due on (1) above and unpaid as at end of year	-	0.02
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	-	-

DELOITTE HASKINS & SELLS LLP MUMBAI

JSW STEEL (SALAV) LTD. SALAV

JSW Steel (Salav) Limited

Notes to the financial statements

Note 41 (b)
PSI Scheme

In terms of the 'Package Scheme of Incentives 1993' of the Government of Maharashtra, the Company is eligible for subsidy in the form of deferment / refund of state taxes (VAT) on sales made from its plants located at Salav, Maharashtra. The Government, vide its resolution dated December 20, 2018 on modalities for sanction and disbursement of the refund of such taxes under the new GST regime, excluded sales made to certain related parties from the ambit of the Scheme. Subsequently, vide government resolution dated March 8, 2019, it was clarified that sales to certain category of related parties are eligible to avail the subsidy in form of refund of State GST if finished product(s) of one unit is raw material / input to production process for the purchaser unit, and the purchaser unit carries out further value addition / processing, which amounts to 'manufacture' as defined in para 2(72) of the CGST Act, 2017. The transactions between the Company and its related parties fall under the aforesaid category. Accordingly, the Company has continued to recognize the subsidy aggregating to Rs. 16.28 crores for the year ended March 31, 2019 (Rs. 7.50 crore for the year ended March 31, 2018).

JSW Steel (Salav) Limited

Notes to the financial statements

Note 42
Operating leases

A. Leases as lessee
As a lessee, the Company has entered into operating lease agreements for facilities/equipments which can be terminated at the option of both the lessor and the lessee by serving a prior written notice of twelve months. The initial tenure of lease is generally for sixty months.

i. Amounts recognised in statement of profit or loss

Rs. in crores

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Lease expense	1.43	1.25
	1.43	**1.25**

Finance leases
A. Leases as lessor
The Company has evaluated certain arrangements for sale of its products based on the facts and circumstances existing at the date of transition to Ind AS and have identified them to be in the nature of lease as the fulfillment of these arrangements depends upon specific assets identified in the respective arrangement and the Company has committed to sell substantially all the production capacity of the assets to the other party. After separating lease payments from the other elements in these agreement, the Company has recognised finance lease receivable for plant and equipment given under finance lease.

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

i. Future minimum lease receivables

Rs. in crores

Particulars	As at March 31, 2019			As at March 31, 2018		
	Future minimum lease receivables	Unearned finance income	Present value of minimum lease receivables	Future minimum lease receivables	Unearned finance income	Present value of minimum lease receivables
Less than one year	129.43	63.42	66.01	127.56	68.80	58.76
Between one and five years	517.73	175.04	342.69	510.25	205.18	305.07
More than five years	258.87	27.60	231.27	382.68	57.04	325.64

The interest rate inherent in the lease is fixed at the contract date for the entire lease term, the average effective interest rate contracted is ranging approx between 10% to 11% per annum

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JSW STEEL (SALAV) LTD. SALAV

JSW Steel (Salav) Limited

Notes to the financial statements

Note 43

The Company has adopted Ind AS 115, with the date of initial application of April 01, 2018 following the cumulative effective method. The application of Ind AS 115 did not have any significant impact on opening equity as at April 01, 2018 and on the Statement of Profit and Loss account for the year ended March 31, 2019.

The Company has assessed and determined the following categories for disaggregation of revenue:

Particulars	Rs. In crores For the year ended March 31, 2019
Revenue from contracts with customer - Sale of sponge iron (including freight income)	1,719.60
Other operating revenue	97.76
Total revenue from contracts with customers	**1,817.36**
Within India	1,622.90
Outside India	96.70
Total revenue from contracts with customers	**1,719.60**
Timing of revenue recognition	
At a point in time	1,719.60
Over a period of time	-
Total revenue from contracts with customers	**1,719.60**

Revenue from operations for periods up to June 30, 2017 includes excise duty, which is discontinued effectively July 01, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with 'Ind AS 115, Revenue', GST is not included in revenue from operation. In view of the aforesaid restructuring of indirect taxes, revenue from operation for the year ended March 31, 2019 are not comparable to the corresponding previous period.

Particulars	Rs. In crores As at March 31, 2019
Trade receivables	11.57
Contract liabilities	196.57

Trade receivables are interest bearing and are generally on terms of 30 to 90 days against LC.

Contract liabilities include short term advances received for sale of goods.

Revenue against contract liabilites shall be adjusted against supply of goods within twelve months from the balance sheet date.

Reconciliation of amount of revenue recognised in profit and loss account with contracted price

Particulars	As at March 31, 2019
Revenue as per contracted price	1,720.78
Adjustments:	
Discount	1.18
Revenue from contract with customers	**1,719.60**

Performance obligation

All sales are either against advance paymrnt or through letter of credit. Performance obligation is complete once goods are delivered.

JSW Steel (Salav) Limited

Notes to the financial statements

Note 44
Subsequent events
There are no material subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

Note 45
Segment reporting

The Company is in the business of manufacturing Sponge Iron having similar economic characteristics, primarily operated in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation.

The information of revenue from external customers and location of non-current assets of its single reportable segment has been disclosed below:

(a) Revenue from operations

Rs. in crores

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
within India	1,622.90	1,147.70
outside India	96.70	175.74
Total	**1,719.60**	**1,323.44**

(b) Non-current operating assets
All non-current assets and deferred tax assets of the company are located in India.

Note 46

Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities
The table below details changes in the Company's financing activities, including both cash and non-cash changes, Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in the Company's Statement of cash flows as cash flows from financing activities:

Rs. in crores

Particulars	As at March 31, 2018	Cash flows (net)	Non-cash changes				As at March 31, 2019
			Fair value changes	Foreign exchange movement	Acquisition	Others	
Long-term borrowings	750.23	(100.00)	-	-	-	1.46	651.69
Short-term borrowings	3.61	1.20	-	-	-	-	2.41
Interest	6.61	(98.66)	-	-	-	97.54	5.49
Total liabilities from financing	**760.45**	**(197.46)**	**-**	**-**	**-**	**99.00**	**659.59**

Particulars	As at March 31, 2017	Cash flows (net)	Non-cash changes				As at March 31, 2018
			Fair value changes	Foreign exchange movement	Acquisition	Others	
Long-term borrowings	849.62	(100.00)	-	-	-	0.61	750.23
Short-term borrowings	3.70	(0.09)	-	-	-	-	3.61
Interest	8.17	(114.85)	-	-	-	113.29	6.61
Total liabilities from financing	**861.49**	**(214.94)**	**-**	**-**	**-**	**113.90**	**760.45**

Cash flow sensitivity (net)

Notes to the financial statements

Note 47
Additional information

(A) C.I.F. value of imports

Rs. in crores

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Raw materials	7.89	10.25
Stores and spare parts	7.06	3.35

(B) Expenditure in foreign currency

Rs. in crores

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Freight and other expenses	25.97*	2.72
Insurance	0.47	0.45

* Includes freight paid to on raw material.

(C) Earnings in foreign currency

Rs. in crores

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
F.O.B. value of exports	95.51	171.83

JSW Steel (Salav) Limited

Notes to the financial statements

Note 48

The Board of Directors of the Company at their meeting held on October 30, 2018, considered and approved the Scheme of Amalgamation pursuant to sections 230-232 and other applicable provisions of the Companies Act, 2013, providing for the merger of the Company with JSW Steel Limited, the holding Company. The said scheme has been filed with National Company Law Tribunal (NCLT) and the merger is subject to regulatory approvals.

For and on behalf of the Board of Directors

PANKAJ MALIK
Director

PRADEEP BHARGAVA
Director

SANTUN PANDA
Chief Financial Officer

BOOPALAN PERIASAMY
Company Secretary

Date: May 04, 2019

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JSW STEEL (SALAV) LTD. SALAV