

Independent Auditor's Report on the Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2021 of JSW Steel Limited Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To

The Board of Directors of
JSW Steel Limited,

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying Statement of Audited Standalone Financial Results of JSW Steel Limited (the "Company") for the quarter ended March 31, 2021 and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2021 and for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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



per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 21105938AAAACS4045
Place: Mumbai
Date: May 21, 2021



JSW Steel Limited

Registered Office : JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai- 400051
CIN: L27102MH1994PLC152925

Statement of Audited Standalone Financial Results for the quarter and year ended 31 March 2021

{Rs. in Crores}

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		Audited (refer note 15)	Unaudited	Audited (refer note 15)	Audited	Audited
I	Revenue from operations					
	a) Gross Sales	23,993	18,960	15,020	69,458	62,315
	b) Other operating Income	405	279	257	1,269	1,231
	c) Fees for assignment of procurement contract	-	-	-	-	250
	d) Government grant Income -VAT/ GST Incentive relating to earlier years	-	-	-	-	466
	Total Revenue from operations	24,398	19,239	15,277	70,727	64,262
II	Other Income	195	169	146	669	628
III	Total income (I + II)	24,593	19,408	15,423	71,396	64,890
IV	Expenses					
	a) Cost of materials consumed	8,398	7,555	7,358	28,743	33,073
	b) Purchases of stock-in-trade	118	30	70	199	420
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(408)	(1,213)	(153)	(872)	(27)
	d) Mining premium and royalties	3,097	3,064	88	6,972	651
	e) Employee benefits expense	391	393	394	1,501	1,496
	f) Finance costs	868	879	954	3,565	4,022
	g) Depreciation and amortisation expense	1,011	979	929	3,781	3,522
	h) Power and fuel	1,588	1,290	1,337	5,210	5,533
	i) Other Expenses	3,193	2,487	2,963	9,715	10,599
	Total Expenses (IV)	18,256	15,464	13,940	58,814	59,289
V	Profit before exceptional Items and Tax (III - IV)	6,337	3,944	1,483	12,582	5,601
VI	Exceptional Items (refer note 5)	386	-	1,309	386	1,309
VII	Profit before Tax (V - VI)	5,951	3,944	174	12,196	4,292
VIII	Tax Expense/ (Credit) (net of credit of Rs. 137 crores relating to previous year)					
	a) Current tax	1,120	642	246	2,162	789
	b) Deferred tax	813	473	(314)	1,641	(1,788)
	Total Tax Expense/ (Credit)	1,933	1,115	(68)	3,803	(999)
IX	Net Profit after Tax for the period / year (VII-VIII)	4,018	2,829	242	8,393	5,291
X	Other Comprehensive Income (OCI)					
	A. i) Items that will not be reclassified to profit or loss	193	92	(237)	412	(274)
	ii) Income tax relating to items that will not be reclassified to profit or loss	(9)	2	3	(10)	6
	B. i) Items that will be reclassified to profit or loss	(57)	39	(499)	369	(632)
	ii) Income tax relating to items that will be reclassified to profit or loss	20	(14)	175	(129)	221
	Total Other Comprehensive Income/(Loss)	147	119	(558)	642	(679)
XI	Total Comprehensive Income/ (loss) for the period/year (Comprising Profit and Other Comprehensive Income/ (loss) for the period/year) (IX+X)	4,165	2,948	(316)	9,035	4,612
XII	Paid up Equity Share Capital (face value of Re.1 per share)	241	241	240	241	240
XIII	Other Equity excluding Revaluation Reserves				46,675	38,061
XIV	Earnings per equity share (not annualised)					
	Basic (Rs.)	16.70	11.77	1.01	34.92	22.03
	Diluted (Rs.)	16.62	11.70	1.00	34.72	21.89
XV	Capital Redemption Reserve /Debenture Redemption Reserve				774	774
XVI	Networth				42,285	34,315
XVII	Debt Service Coverage Ratio (refer (i) below)				2.60	1.12
XVIII	Interest Service Coverage Ratio (refer (ii) below)				6.52	3.61
XIX	Debt-Equity Ratio (refer (iii) below)				1.02	1.33

- i) Debt Service Coverage Ratio : Profit before Tax, Exceptional Items, Depreciation, Net Finance Charges and including Government grant Income -VAT/ GST Incentive accrued in relation to earlier years disclosed separately above. / (Net Finance Charges + Long Term Borrowings scheduled principal repayments (excluding prepayments/ refinancing) during the period) (Net Finance Charges : Finance Costs - Interest Income - Net Gain / (Loss) on sale of current investments)
- ii) Interest Service Coverage Ratio : Profit before Tax, Exceptional Items, Depreciation, Net Finance Charges and including Government grant Income -VAT/ GST Incentive accrued in relation to earlier years disclosed separately above/ Net Finance Charges.
- iii) Debt Equity : Total Borrowings / Total Equity.

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES :

(Rs. in Crores)

Particulars		As at	As at
		31.03.2021	31.03.2020
		Audited	Audited
A	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	46,167	46,117
	(b) Capital work-in-progress	28,914	23,810
	(c) Right-of- Use Assets	4,161	4,102
	(d) Intangible assets	1,614	323
	(e) Intangible assets under development	128	331
	(f) Investments in subsidiaries, associates and joint ventures	6,676	4,757
	(g) Financial Assets		
	(i) Investments	5,782	1,747
	(ii) Loans	5,382	8,705
	(iii) Derivative assets	110	-
	(iv) Others financial assets	1,971	562
	(h) Current tax assets (net)	230	340
	(i) Other non-current assets	2,394	2,378
	Total Non-current assets	103,529	92,667
2	Current assets		
	(a) Inventories	10,692	9,623
	(b) Financial Assets		
	(i) Trade receivables	3,333	3,166
	(ii) Cash and cash equivalents	11,121	3,438
	(iii) Bank balances other than (ii) above	625	7,963
	(iv) Loans	733	321
	(v) Derivative Assets	86	275
	(vi) Others financial assets	1,348	2,794
	(c) Other current assets	1,765	1,795
	Total Current assets	29,703	29,375
	TOTAL ASSETS	133,232	122,042
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	302	301
	(b) Other equity	46,675	38,061
	Total Equity	46,977	38,362
2	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	39,551	39,247
	(ii) Lease Liabilities	2,413	2,716
	(iii) Derivative liabilities	57	130
	(iv) Other financial liabilities	1,173	1,308
	(b) Provisions	753	322
	(c) Deferred tax liabilities (Net)	3,095	1,315
	(d) Other non-current liabilities	2,173	3,048
	Total Non-current liabilities	49,215	48,086
3	Current Liabilities		
	(a) Financial liabilities		
	(i) Borrowings	1,285	6,813
	(ii) Trade payables		
	(a) Total outstanding, dues of micro and small enterprises	205	56
	(b) Total outstanding, dues of creditors other than micro and small enterprises	11,945	13,298
	(iii) Derivative liabilities	96	189
	(iv) Lease Liabilities	925	773
	(v) Other financial liabilities	18,550	11,980
	(b) Other current liabilities	3,254	2,302
	(c) Provisions	243	64
	(d) Current tax liabilities (Net)	537	119
	Total Current liabilities	37,040	35,594
	TOTAL EQUITY AND LIABILITIES	133,232	122,042

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STANDALONE CASH FLOW STATEMENT :

(Rs. in crores)

Particulars	Year Ended	
	31.03.2021	31.03.2020
	Audited	Audited
Cash flow from operating activities		
Profit before tax	12,196	4,292
Adjustments for :		
Depreciation and amortization expenses	3,781	3,522
Loss on sale of property, plant & equipment (net)	30	29
Gain on sale of financial investments designated as Fair value through profit & loss account ('FVTPL')	(6)	(4)
Interest income	(593)	(528)
Gain arising of financial instruments designated as FVTPL	(6)	(16)
Unwinding of interest on financial assets carried at amortised cost	(51)	(45)
Dividend income	(9)	(31)
Interest expense	3,410	3,831
Share based payment expense	20	37
Export obligation deferred income amortization	(239)	(140)
Unrealised exchange (gain)/ loss (net)	(415)	566
Allowance for doubtful debts, loans, advances and others	58	96
Loss arising of financial instruments designated as FVTPL	19	17
Non - Cash Expenditure	-	14
Exceptional items	386	1,309
	6,385	8,657
Operating profit before working capital changes	18,581	12,949
Adjustments for :		
(Increase)/ Decrease in inventories	(1,069)	1,192
(Increase)/ Decrease in trade receivables	(183)	3,514
(Increase) in other assets	(178)	(1,393)
(Decrease) in trade payable	(1,203)	(373)
Increase/ (Decrease) in other liabilities	3,252	(873)
Increase in provisions	193	80
	812	2,147
Cash flow from operations	19,393	15,096
Income tax paid (net of refund received)	(1,660)	(986)
Net cash generated from operating activities (A)	17,733	14,110
Cash flow from investing activities		
Purchase of property, plant and equipment, intangible assets (including under development and capital advances)	(6,715)	(10,740)
Proceeds from sale of Property ,Plant & Equipment	13	41
Investment in subsidiaries and joint ventures including advances, preference shares and optionally fully convertible debentures	(5,785)	(939)
Purchase of current investments	(600)	(762)
Sale of current investments	606	765
Bank deposits not considered as cash and cash equivalents (net)	7,427	(7,524)
Loans to related parties	(4,277)	(1,623)
Loans repaid by related parties	6,181	1,236
Interest received	532	423
Dividend received	9	31
Net cash used in investing activities (B)	(2,609)	(19,092)
Cash flow from financing activities		
Proceeds from sale of treasury shares	39	107
Payment for Purchase of treasury shares	-	(101)
Proceeds from non current borrowings	9,365	18,561
Repayment of non current borrowings	(6,053)	(10,320)
Proceeds from/ (Repayment) of Current borrowings (net)	(5,528)	1,443
Repayment of lease liabilities	(776)	(503)
Interest paid	(4,005)	(4,371)
Dividend paid (including corporate dividend tax)	(483)	(1,190)
Premium paid on redemption of debentures	-	(572)
Net cash used in/ generated from financing activities (C)	(7,441)	3,054
Net increase/ (decrease) in cash and cash equivalents(A+B+C)	7,683	(1,928)
Cash and cash equivalents - opening balances	3,438	5,366
Cash and cash equivalents - closing balances	11,121	3,438

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Notes

1. The Board of Directors has recommended a dividend of Rs. 6.50 (Rupees six and paise fifty only) per equity share of Re. 1 each for the year ended 31 March 2021 subject to approval of the members at the ensuing Annual General Meeting.
2. Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for Bhushan Power and Steel Limited ('BPSL') was approved by the Hon'ble National Company Law Tribunal (NCLT) vide order dated 5 September 2019 and subsequently an appeal preferred by the Company has been allowed by the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 17 February 2020. The erstwhile promoters of BPSL, certain operational creditors and the Directorate of Enforcement ('ED') preferred an appeal before the Hon'ble Supreme Court against the NCLAT Order which are pending for adjudication.

On 26 March 2021 the Company has completed the acquisition of BPSL by implementing the resolution plan approved under IBC Code basis an agreement entered with erstwhile committee of creditors that provides an option/right to the Company to unwind the transaction in case of unfavorable ruling on certain specified matters by Hon'ble Supreme Court.

On Implementation of Resolution Plan, the Company has also entered an arrangement with JSW Shipping & Logistics Private Limited ('JSLPL') through which the Company and JSLPL holds equity of Piombino Steel Limited ('PSL') in the ratio of 49% and 51% respectively giving joint control of PSL to the Company and JSLPL.

The Company has invested Rs. 980 crores, Rs. 4,100 crores and Rs. 7 crores in equity shares, Optionally Fully Convertible Debentures (OFCD) and share warrants respectively. PSL has received additional equity contribution from JSLPL amounting to Rs. 1,027 crores (including share warrants) and raised further debt. PSL has invested Rs. 8,550 crores in Makler Private Limited ('Makler') and Makler has raised further debt and paid Rs. 19,350 crores to the financial creditors of BPSL in accordance with approved Resolution Plan. Pursuant to merger of Makler with BPSL in accordance with Resolution Plan, BPSL has become wholly owned subsidiary of PSL.

BPSL operates a 2.5 MTPA integrated steel plant located at Jharsuguda, Odisha and also have downstream manufacturing facilities at Kolkata, West Bengal and Chandigarh, Punjab.

3. The Company entered into an assignment agreement on 31 March 2021 with Laptev Finance Private Limited (Laptev), a JSW Group company whereby Laptev assigned to the Company all rights and obligations of Laptev under the Business Transfer Agreement with Welspun Corp Limited (Welspun). In accordance with the Business Transfer Agreement, the Company acquired from Welspun, the business of manufacturing of high-grade steel plates and coils (PCMD Business) as a going concern on slump sale, for a consideration of Rs. 848.50 crores subject to closing adjustments towards net working capital. As a part of the transaction, the Company also purchased a parcel of land pertaining to PCMD Business from Welspun Steel Limited for Rs. 1.50 crores.

The facility has a manufacturing capacity of 1.2 MTPA of steel plates or coils.

As per Ind AS 103, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities which resulted in Nil goodwill/capital reserve as at 31 March 2021. The acquisition does not have material impact on the financial result for the quarter and year ended 31 March 2021.

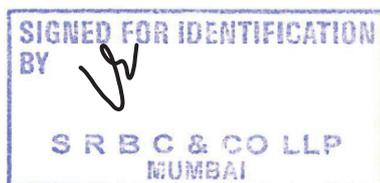


4. The Company has completed acquisition of 1,32,37,227 equity shares representing 26.45% of the issued and paid-up share capital of JSW Vallabh Tinplate Private Limited (JSW VTPL) and as a result JSW VTPL has become wholly owned subsidiary of the Company.
5. Exceptional items for the quarter and year ended 31 March 2021 represents impairment provision of Rs. 386 crores on value of loans given and interest receivable from overseas subsidiaries on the assessment of recoverable value of the US operations determined by independent external valuers using cash flow projections.
6. The Company acquired mining blocks viz: -Nuagaon, Narayanposhi, Jajang and Gania in the Auctions held by the Government of Odisha in February 2020. The Company has signed the Mine Development and Production agreement(s) for all the four blocks and executed the lease deed(s) with Government of Odisha after complying with all regulatory aspects. Acquisition cost incurred for these mines such as stamp duty, registration fees and other such costs amounting to Rs. 817 crores have been capitalized as Intangible Assets. Further, the Company had also paid upfront premium payment amounting to Rs. 1,290 crores which was subsequently adjusted against the premium payment due to the Government. The Company had started mining operations at all the above said blocks since 1 July 2020.
7. The Company is in the business of manufacturing steel products and hence has only one reportable operating segment as per Ind AS 108 - Operating Segments.
8. As at end of 31 March 2021, the domestic credit rating for long term debt/facilities/non-convertible debentures by CARE Ratings Ltd, was "CARE AA-" with Stable Outlook. Further, the term issuer rating and rating for the non-convertible debentures of the Company by India Ratings and Research was "IND AA" with Stable Outlook. The domestic credit rating for long term debt /facilities/ non-convertible debentures by ICRA Ltd was "ICRA AA-" with Positive outlook.
9. The listed non-convertible debentures (NCDs) of the Company aggregate to Rs. 10,000 crores as on 31 March 2021. Out of these, NCDs amounting to Rs. 9,000 crores are secured by way of mortgage/charge on specific Fixed Assets of the Company with minimum fixed assets cover of 1.25 times and NCDs of Rs 1,000 crores are unsecured.

The details of interest and principal payments last made and the next payment dates for the NCDs as on 31 March 2021 are given below:

Non-Convertible Debentures	Previous Payment Date*		Next payment Date*	
	Principal	Interest	Principal	Interest
10.34% Secured NCD	N.A.	18 January 2021	18 January 2022	19 April 2021
10.02% Secured NCD	N.A.	20 February 2021	20 May 2023	20 May 2021
10.02% Secured NCD	N.A.	19 January 2021	19 July 2023	19 April 2021
8.79% Secured NCD	N.A.	18 January 2021	18 October 2026	19 April 2021
8.90% Secured NCD	N.A.	25 January 2021	23 January 2027	23 April 2021
8.50% Unsecured NCD	N.A.	N.A.	3 September 2021 with call/ put option on 15 June 2021	3 September 2021 with call/ put option on 15 June 2021
8.50% Secured NCD	N.A.	N.A.	12 October 2027 with call/ put option on 10 October 2025	12 April 2021

*All payments have been made on the respective due dates, as per terms of the respective debenture trust deed.



10. The Company has outstanding listed Commercial Paper of NIL as on 31 March 2021.

Commercial Paper	Previous Payment Date	
	Principal	Interest
INE019A14IM3	3 April 2020	NA
INE019A14IQ4	28 April 2020	NA
INE019A14IR2	29 April 2020	NA
INE019A14IT8	5 May 2020	NA
INE019A14JB4	5 May 2020	NA
INE019A14IJ9	20 May 2020	NA
INE019A14IK7	22 May 2020	NA
INE019A14IW2	28 May 2020	NA
INE019A14IV4	29 May 2020	NA
INE019A14IG5	1 June 2020	NA
INE019A14IH3	4 June 2020	NA
INE019A14II1	5 June 2020	NA
INE019A14IL5	10 June 2020	NA
INE019A14IO9	12 June 2020	NA
INE019A14IN1	15 June 2020	NA
INE019A14IP6	18 June 2020	NA
INE019A14IS0	15 July 2020	NA
INE019A14IU6	29 July 2020	NA
INE019A14JD0	17 August 2020	19 May 2020
INE019A14IZ5	2 September 2020	NA
INE019A14JC2	8 September 2020	NA
INE019A14JA6	10 September 2020	NA
INE019A14JF5	29 October 2020	21 August 2020
INE019A14JE8	2 November 2020	3 August 2020
INE019A14JH1	10 November 2020	3 September 2020
INE019A14JL3	13 November 2020	8 September 2020
INE019A14JM1	18 November 2020	11 September 2020
INE019A14JG3	26 November 2020	27 August 2020
INE019A14JJ7	1 December 2020	4 September 2020
INE019A14JK5	4 December 2020	7 September 2020
INE019A14JN9	10 December 2020	21 September 2020
INE019A14JI9	2 March 2021	3 September 2020
INE019A14JP4	22 December 2020	29 October 2020
INE019A14JO7	30 December 2020	20 October 2020
INE019A14JR0	25 January 2021	29 October 2020
INE019A14JQ2	27 January 2021	29 October 2020
INE019A14JT6	28 January 2021	29 October 2020
INE019A14JS8	29 January 2021	29 October 2020

11. The Company has complied with the requirements of SEBI circular dated 26 November 2018 applicable to large corporate borrowers with credit rating of AA and above.



12. The Company has assessed the possible impact of COVID-19 in assessing the recoverability of carrying amounts of Company's assets such as property, plant & equipment, investments and other assets etc, considering the various internal and external information up to the date of approval of these financial results and concluded that they are recoverable based on the estimate of values of the businesses and assets by independent external valuers which was based on cash flow projections, fair values and implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to operational performance including significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, and capacity expansion/availability of infrastructure facilities for mines. The Company continues to monitor any material changes to the future economic conditions.
13. The President has given his assent to the Code on Social Security, 2020 ("Code") in September 2020. On 13 November 2020 the Ministry of Labour and Employment released draft rules for the Code. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact to its financial statements in the period in which the Code becomes effective.
14. Previous period/year figures have been regrouped /reclassified wherever necessary.
15. The figures of the quarter ended 31 March 2021 and 31 March 2020 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures upto third quarter of the relevant financial year.
16. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 20 May 2021 and 21 May 2021 respectively.

For JSW Steel Limited



Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
21 May 2021



Independent Auditor's Report on the Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2021 of JSW Steel Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To

**The Board of Directors of
JSW Steel Limited,**

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Statement of Audited Consolidated Financial Results of JSW Steel Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its joint ventures for the quarter ended March 31, 2021 and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements and other financial information of the subsidiaries and joint ventures, the Statement:

- i. includes the results of the entities as mentioned in Annexure I to this audit report;
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2021 and for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group and its joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including joint ventures in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.



In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its joint ventures of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.



Other Matters

The accompanying Statement includes the audited financial statements and other financial information, in respect of:

- 27 subsidiaries, whose financial statements and other financial information include total assets of Rs 11,958 crores as at March 31, 2021, total revenues of Rs 3,443 crores and Rs 9,328 crores, total net loss after tax of Rs 193 crores and Rs 287 crores, total comprehensive loss of Rs 138 crores and Rs 182 crores, for the quarter and the year ended on that date respectively, and net cash outflows of Rs 347 crore for the year ended March 31, 2021, as considered in the Statement, whose financial statements and other financial information have been audited by their respective independent auditors.
- 5 joint ventures, whose financial statements and other financial information include Group's share of net profit / (loss) of Rs 12 crores and Rs (1) crores and Group's share of total comprehensive profit of Rs 12 crores and Rs 1 crores, for the quarter and for the year ended March 31, 2021 respectively, as considered in the Statement, whose financial statements and other financial information have been audited by their respective independent auditors.

The independent auditor's report on the financial statements and other financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Certain of these subsidiaries and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements and other financial information of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

The accompanying Statement includes unaudited financial statements and other unaudited financial information in respect of:

- 3 subsidiaries, whose financial statements and other financial information reflect total assets of Rs 0.01 crores as at March 31, 2021, and total revenues of Rs 33 crores and Rs 33 crores, total net loss after tax of Rs 6 crores and Rs 6 crores, total comprehensive loss of Rs 6 crores and Rs 6 crores, for the quarter and the year ended on that date respectively and net cash outflows of Rs 1 crores for the year ended March 31, 2021, as considered in the Statement, whose financial statements and other financial information have not been audited by their auditors.
- 3 joint ventures, whose financial statements and other financial information includes the Group's share of net loss of Rs Nil and Rs 0.03 crores and Group's share of total comprehensive loss of Rs Nil crores and Rs 0.03 crores, for the quarter and for the year ended March 31, 2021 respectively, as considered in the Statement, whose financial statements and other financial information have not been audited by their auditors.

These unaudited financial statements and other unaudited financial information have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.



SRBC & COLLP

Chartered Accountants

JSW Steel Limited

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The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For SRBC & COLLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Vikram Mehta

Partner

Membership No.: 105938

UDIN: 21105938AAAACU7104

Place: Mumbai

Date: May 21, 2021

Annexure I - List of entities included in the Audit Report

Subsidiaries:	Joint ventures:
<ol style="list-style-type: none"> 1. JSW Steel (Netherlands) B.V. 2. Periana Holdings, LLC 3. JSW Steel (USA), Inc 4. Planck Holdings, LLC 5. Prime Coal, LLC 6. Purest Energy, LLC 7. Caretta Minerals, LLC 8. Lower Hutchinson Minerals, LLC 9. Periana Handling, LLC 10. Rolling S Augering, LLC 11. Hutchinson Minerals, LLC 12. Keenan Minerals, LLC 13. Meadow Creek Minerals, LLC 14. Peace Leasing, LLC 15. R.C. Minerals, LLC 16. JSW Panama Holdings Corporation 17. Inversiones Eurosh Limitada 18. Santa Fe Mining 19. Santa Fe Puerto S.A. 20. JSW Natural Resources Limited 21. JSW Natural Resources Mozambique Limitada 22. JSW ADMS Carvao Limitada 23. Acero Junction Holdings, Inc 24. JSW Steel (USA) Ohio, Inc. 25. JSW Steel Italy S.r.L 26. JSW Steel Italy Piombino S.p.A (formerly known as Acciaierie e Ferriere di Piombino S.p.A.) 27. Piombino Logistics S.p.A. - A JSW Enterprise (formerly known as Piombino Logistics S.p.A.) 28. GSI Lucchini S.p.A. 29. Nippon Ispat Singapore (PTE) Limited 30. Arima Holdings Limited 31. Erebus Limited 32. Lakeland Securities Limited 33. JSW Steel (UK) Limited 34. Amba River Coke Limited 35. JSW Steel Coated Products Limited 36. Hasaud Steel Limited 37. JSW Jharkhand Steel Limited 38. JSW Bengal Steel Limited 39. JSW Natural Resources India Limited 40. JSW Energy (Bengal) Limited 41. JSW Natural Resources Bengal Limited 42. Peddar Realty Private Limited 43. JSW Realty & Infrastructure Private Limited 44. JSW Industrial Gases Private Limited 45. JSW Utkal Steel Limited 46. JSW One Platforms Limited (formerly known JSW Retail Limited) 47. Piombino Steel Limited (upto March 25, 2021) 48. Makler Private Limited (upto March 25, 2021) 49. Vardhman Industries Limited 50. JSW Vallabh Tin Plate Private Limited 51. JSW Vijayanagar Metallics Limited 52. Asian Color Coated Ispat Limited (w.e.f. October 31, 2020) 53. JSW Retail and Distribution Limited (w.e.f. March 15, 2021) 	<ol style="list-style-type: none"> 1. Vijayanagar Minerals Private Limited 2. Rohne Coal Company Private Limited 3. Gourangdih Coal Limited 4. JSW MI Steel Service Center Limited 5. JSW Severfield Structures Limited 6. JSW Structural Metal Decking Limited 7. Creixent Special Steels Limited (Consolidated) 8. Piombino Steel Limited (Consolidated) (w.e.f. March 26, 2021)



Statement of Audited Consolidated Financial Results for the quarter and year ended 31 March 2021

(Rs. in Crores)

Sr. No.	Particulars	Quarter ended			Year ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		Audited (refer note - 10)	Unaudited	Audited (refer note - 10)	Audited	Audited
I	Revenue from operations					
	a) Gross sales	26,456	21,487	17,556	78,059	71,116
	b) Other operating income	478	372	331	1,780	1,494
	c) Fees for assignment of procurement contract	-	-	-	-	250
	d) Government grant income -VAT/ GST Incentive relating to earlier years	-	-	-	-	466
	Total Revenue from operations	26,934	21,859	17,887	79,839	73,326
II	Other Income	161	147	122	592	546
III	Total Income (I+II)	27,095	22,006	18,009	80,431	73,872
IV	Expenses					
	a) Cost of materials consumed	9,180	8,652	8,810	32,623	38,865
	b) Purchases of stock-in-trade	178	21	89	233	135
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(387)	(886)	6	(348)	(270)
	d) Mining premium and royalties	3,097	3,064	88	6,972	651
	e) Employee benefits expense	653	626	718	2,506	2,839
	f) Finance costs	1,005	977	1,036	3,957	4,265
	g) Depreciation and amortisation expense	1,253	1,230	1,108	4,679	4,246
	h) Power and fuel	1,845	1,481	1,528	5,985	6,272
	i) Other expenses	3,928	2,955	3,673	11,727	12,961
	Total expenses (IV)	20,752	18,120	17,056	68,334	69,964
V	Profit before share of profit/(loss) of joint ventures (net) (III-IV)	6,343	3,886	953	12,097	3,908
VI	Share of profit/(loss) of joint ventures (net)	12	(5)	(29)	1	(90)
VII	Profit before exceptional items and tax (V+VI)	6,355	3,881	924	12,098	3,818
VIII	Exceptional items (refer note - 4)	83	-	805	83	805
IX	Profit before tax (VII-VIII)	6,272	3,881	119	12,015	3,013
X	Tax expense / (credit) (net of credit of Rs.137 crores relating to previous year)					
	a) Current tax	1,244	752	285	2,467	943
	b) Deferred tax	837	460	(354)	1,675	(1,849)
	Total tax expenses / (credit)	2,081	1,212	(69)	4,142	(906)
XI	Net Profit for the period / year (IX-X)	4,191	2,669	188	7,873	3,919
XII	Other comprehensive income (OCI)					
	(A) (i) Items that will not be reclassified to profit or loss	229	110	(284)	492	(327)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(9)	1	4	(12)	7
	(B) (i) Items that will be reclassified to profit or loss	(68)	67	(768)	451	(1,054)
	(ii) Income tax relating to items that will be reclassified to profit or loss	25	(15)	100	(143)	253
	Total other comprehensive income/(loss)	177	163	(860)	788	(1,121)
XIII	Total comprehensive income for the period / year (Comprising Profit and Other comprehensive income / (loss) for the period/year) (XI+XII)	4,368	2,832	(672)	8,661	2,798
XIV	Net Profit / (loss) for the period/year attributable to:					
	-Owners of the Company	4,198	2,681	231	7,911	4,030
	-Non-controlling interests	(7)	(12)	(43)	(38)	(111)
		4,191	2,669	188	7,873	3,919
XV	Other comprehensive income / (loss):					
	-Owners of the Company	182	156	(829)	770	(1,076)
	-Non-controlling interests	(5)	7	(31)	18	(45)
		177	163	(860)	788	(1,121)
XVI	Total comprehensive income / (loss) for the period/year attributable to:					
	-Owners of the Company	4,380	2,837	(598)	8,681	2,954
	-Non-controlling interests	(12)	(5)	(74)	(20)	(156)
		4,368	2,832	(672)	8,661	2,798
XVII	Paid up Equity Share Capital (face value of Re. 1 per share)	241	241	240	241	240
XVIII	Other Equity excluding Revaluation Reserves				46,462	36,298
XIX	Earnings per equity share (not annualised)					
	Basic (Rs.)	17.45	11.15	0.96	32.91	16.78
	Diluted (Rs.)	17.37	11.09	0.95	32.77	16.67

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CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES:

		(Rs. in crores)	
Particulars		As at 31.03.2021	As at 31.03.2020
		Audited	Audited
A	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	58,857	57,625
	(b) Capital work-in-progress	32,433	26,857
	(c) Investment property	259	224
	(d) Right-of-use assets	3,816	3,471
	(e) Goodwill	336	415
	(f) Others intangible assets	1,649	350
	(g) Intangible assets under development	133	334
	(h) Investments in joint ventures	2,969	283
	(i) Financial assets		
	(i) Investments	5,604	974
	(ii) Loans	1,022	772
	(iii) Derivative assets	110	-
	(iv) Others financial assets	2,154	696
	(i) Current tax assets (net)	275	385
	(j) Other non-current assets	2,848	2,956
	Total Non-current assets	112,465	95,342
2	Current assets		
	(a) Inventories	14,249	13,773
	(b) Financial assets		
	(i) Investments	8	2
	(ii) Trade receivables	4,486	4,505
	(iii) Cash and cash equivalents	11,943	3,966
	(iv) Bank balances other than (iii) above	870	8,037
	(v) Loans	622	742
	(vi) Derivative assets	102	294
	(vii) Other financial assets	1,467	2,858
	(c) Current tax assets	6	6
	(d) Other current assets	2,091	2,286
	(e) Assets classified as held for sale	8	9
	Total Current assets	35,852	36,478
	TOTAL ASSETS	148,317	131,820
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	302	301
	(b) Other equity	46,462	36,298
	Equity attributable to owners of the Company	46,764	36,599
	Non controlling interests	(619)	(575)
	Total Equity	46,145	36,024
2	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	49,731	44,673
	(ii) Lease liabilities	1,939	1,744
	(iii) Derivative liabilities	57	130
	(iv) Other financial liabilities	588	464
	(b) Provisions	852	348
	(c) Deferred tax liabilities (net)	3,509	1,677
	(d) Other non-current liabilities	2,197	3,072
	Total Non-current liabilities	58,873	52,108
3	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	1,999	8,325
	(ii) Trade payables		
	(a) Total outstanding, dues of micro and small enterprises	230	142
	(b) Total outstanding, dues of creditors other than micro and small enterprises	15,013	17,776
	(iii) Derivative liabilities	110	251
	(iv) Lease liabilities	405	306
	(v) Other financial liabilities	21,347	14,143
	(b) Other current liabilities	3,365	2,455
	(c) Provisions	274	161
	(d) Current tax liabilities (net)	556	129
	Total Current liabilities	43,299	43,688
	TOTAL EQUITY AND LIABILITIES	148,317	131,820

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CONSOLIDATED STATEMENT OF CASH FLOWS

(Rs. in crores)

Particulars	Year Ended	
	31.03.2021	31.03.2020
	Audited	Audited
A. Cash flow from operating activities		
Profit before tax	12,015	3,013
Adjustments for :		
Depreciation and amortization expenses	4,679	4,246
Loss on sale of property, plant & equipment (net)	37	30
Gain on sale of financial investments designated as Fair value through profit & loss account ('FVTPL')	(7)	(5)
Export obligation deferred income amortization	(239)	(144)
Interest income	(481)	(439)
Dividend income	(11)	(10)
Interest expense	3,745	3,924
Unrealised exchange (gain) / loss (net)	(436)	687
Gain on financial instruments designated as FVTPL	-	(4)
Unwinding of interest on financial assets carried at amortised cost	(52)	(45)
Fair value gain on joint venture's previously held stake on acquisition of control	-	(13)
Share based payment expense	20	37
Share of loss from joint ventures (net)	(1)	90
Fair value loss on financial instruments designated as FVTPL	2	2
Allowance for doubtful receivable and advances	101	113
Non - cash expenditure	-	14
Exceptional items	83	805
	<u>7,440</u>	<u>9,288</u>
Operating profit before working capital changes	<u>19,455</u>	<u>12,301</u>
Adjustments for :		
(Increase) / Decrease in inventories	(335)	744
Decrease in trade receivables	72	2,458
(Increase) in other assets	(423)	(1,837)
Increase in trade payable and other liabilities	1,306	183
Increase in provisions	644	91
	<u>1,264</u>	<u>1,639</u>
Cash flow from operations	<u>20,719</u>	<u>13,940</u>
Income tax paid (net of refund received)	(1,930)	(1,155)
Net cash generated from operating activities (A)	<u>18,789</u>	<u>12,785</u>
B. Cash flow from investing activities		
Purchase of property, plant and equipment, intangibles assets (including under development and capital advances)	(9,258)	(12,810)
Proceeds from sale of property, plant and equipment	51	43
Cash outflow on acquisition of a subsidiary / acquisition of NCI (refer note - 2(C) and 3)	(1,575)	(64)
Investment in joint ventures (refer note - 2(A))	(5,087)	-
Proceeds from sale of stake in joint venture	-	164
Inter corporate deposit	(293)	-
Purchase of current investments	(606)	(762)
Sale of current investments	612	847
Bank deposits not considered as cash and cash equivalents (net)	7,407	(7,517)
Interest received	619	503
Dividend received	11	10
Net cash used in investing activities (B)	<u>(8,119)</u>	<u>(19,586)</u>
C. Cash flow from financing activities		
Proceeds of sale of treasury shares	39	107
Payment for purchase of treasury shares	-	(101)
Proceeds from non-current borrowings	15,897	20,814
Repayment of non-current borrowings	(7,562)	(11,107)
Proceeds from / (repayment) of current borrowings (net)	(6,326)	1,940
Repayment of lease liabilities	(335)	(177)
Interest paid	(4,340)	(4,520)
Dividend paid (including corporate dividend tax)	(483)	(1,195)
Premium paid on redemption of debentures	-	(572)
Net cash (used in) / generated from financing activities (C)	<u>(3,110)</u>	<u>5,189</u>
Net (decrease) / increase in cash and cash equivalents(A+B+C)	<u>7,560</u>	<u>(1,612)</u>
Cash and cash equivalents at the beginning of the year	3,966	5,581
Add: Translation adjustment in cash and cash equivalents	(3)	(6)
Add: Cash and cash equivalents pursuant to business combinations (refer note - 2(C))	420	3
Cash and cash equivalents at the end of the year	<u>11,943</u>	<u>3,966</u>

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Notes

1. The Board of Directors has recommended a dividend of Rs. 6.50 (Rupees six and paise fifty only) per equity share of Re. 1 each for the year ended 31 March 2021 subject to approval of the members at the ensuing Annual General Meeting.
2. (A) Pursuant to the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, the Resolution Plan submitted by the Company for Bhushan Power and Steel Limited ('BPSL') was approved by the Hon'ble National Company Law Tribunal (NCLT) vide order dated 5 September 2019 and subsequently an appeal preferred by the Company has been allowed by the Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated 17 February 2020. The erstwhile promoters of BPSL, certain operational creditors and the Directorate of Enforcement ('ED') preferred an appeal before the Hon'ble Supreme Court against the NCLAT Order, which are pending for adjudication.

On 26 March 2021 the Company completed the acquisition of BPSL by implementing the resolution plan approved by NCLT basis an agreement entered with BPSL's committee of creditors that provides an option/right to the Company to unwind the transaction in case of unfavourable ruling on certain specified matters by Hon'ble Supreme Court.

On Implementation of Resolution Plan, the Company has also entered an arrangement with JSW Shipping & Logistics Private Limited ('JSLPL') through which the Company and JSLPL holds equity of Piombino Steel Limited ('PSL') in the ratio of 49% and 51% respectively giving joint control of PSL to the Company and JSLPL.

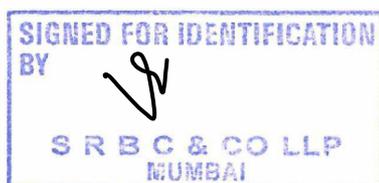
The Company has invested Rs. 980 crores, Rs. 4,100 crores and Rs. 7 crores in equity shares, Optionally Fully Convertible Debentures (OFCD) and share warrants respectively. PSL has received additional equity contribution from JSLPL amounting to Rs. 1,027 crores (including share warrants) and raised further debt. PSL has invested Rs. 8,550 crores in Makler Private Limited ('Makler') and Makler has raised further debt and paid Rs. 19,350 crores to the financial creditors of BPSL in accordance with approved Resolution Plan. Pursuant to merger of Makler with BPSL in accordance with Resolution Plan, BPSL has become wholly owned subsidiary of PSL.

The Company has accounted its investment in PSL by applying equity method of accounting in accordance with Ind-AS 28 'Investments in Associates and Joint Ventures' basis unaudited consolidated financial statements of PSL wherein purchase consideration has been allocated on a provisional basis in accordance with Ind-AS 103 'Business Combinations' pending final determination of fair value of the acquired assets and liabilities. Accordingly, the Company has recognised its share of capital reserve amounting to Rs. 1,552 crores.

BPSL operates a 2.5 MTPA integrated steel plant located at Jharsuguda, Odisha and also have downstream manufacturing facilities at Kolkata, West Bengal and Chandigarh, Punjab.

- (B) The Company entered into an assignment agreement on 31 March 2021 with Laptev Finance Private Limited (Laptev), a JSW Group company whereby Laptev assigned to the Company all rights and obligations of Laptev under the Business Transfer Agreement with Welspun Corp Limited (Welspun). In accordance with the Business Transfer Agreement, the Company acquired from Welspun, the business of manufacturing of high-grade steel plates and coils ("PCMD Business") as a going concern on slump sale, for a consideration of Rs. 848.50 crores subject to closing adjustments towards net working capital. As a part of the transaction, the Company also purchased a parcel of land pertaining to PCMD Business from Welspun Steel Limited for Rs. 1.50 crores.

The facility has a manufacturing capacity of 1.2 MTPA of steel plates or coils.



As per Ind AS 103, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities which resulted in Nil goodwill/ capital reserve as at 31 March 2021.

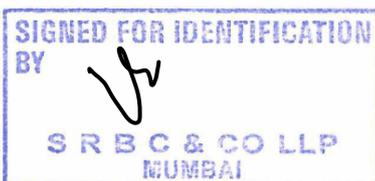
(C) Pursuant to the Corporate Insolvency Resolution Process under the Insolvency Bankruptcy Code, 2016 the Resolution Plan submitted by JSW Steel Coated Products Limited ("JSCPL"), a wholly owned subsidiary of the Company for acquiring Asian Colour Coated Ispat Limited ("ACCIL") has been approved with certain modifications by the Hon'ble National Company Law Tribunal, New Delhi on 19 October 2020. JSCPL completed the acquisition of ACCIL through its wholly owned subsidiary Hasuad Steel Limited on 27 October 2020 by infusing Rs. 1,550 crores as per approved resolution plan.

As per Ind AS 103, purchase consideration has been allocated on a provisional basis, pending final determination of the fair value of the acquired assets and liabilities which resulted in recognizing a capital reserve of Rs. 363 crores.

ACCIL manufactures downstream steel products and has two manufacturing units located at Khopoli, Maharashtra and Bawal, Haryana.

All these acquisitions do not materially affect the comparability of the profits for the quarter and year ended 31 March 2021.

3. The Company has completed acquisition of 1,32,37,227 equity shares representing 26.45% of the issued and paid-up share capital of JSW Vallabh Tinplate Private Limited ("JSW VTPL") and as a result JSW VTPL has become wholly owned subsidiary of the Company. The difference between consideration paid and balance of non-controlling interest has been accounted in equity in consolidated financial statements of the Company.
4. Exceptional items for the quarter and year ended 31 March 2021 represents impairment provision of Rs. 83 crores relating to the US coal business towards the value of Property, plant and equipment and Goodwill on the basis of values determined by independent external valuers using cash flow projections of respective businesses and assets.
5. The Company acquired mining blocks viz: -Nuagaon, Narayanposhi, Jajang and Ganua in the Auctions held by the Government of Odisha in February 2020. The Company has signed the Mine Development and Production agreement(s) for all the four blocks and executed the lease deed(s) with Government of Odisha after complying with all regulatory aspects. Acquisition cost incurred for these mines such as stamp duty, registration fees and other such costs amounting to Rs. 817 crores have been capitalized as Intangible Assets. Further, the Company had also paid upfront premium payment amounting to Rs. 1,290 crores which was subsequently adjusted against the premium payment due to the Government. The Company had started mining operations at all the above said blocks since 1 July 2020.
6. The Group is majorly in the business of manufacturing steel products and hence has only one reportable operating segment as per IND AS 108 - Operating Segments.
7. The Group has assessed the possible impact of COVID-19 in assessing the recoverability of carrying amounts of Group's assets such as property, plant & equipment, goodwill and other assets etc, considering the various internal and external information up to the date of approval of these financial results and concluded that they are recoverable based on the estimate of values of the businesses and assets by independent external valuers which was based on cash flow projections, fair values and implied multiple approach. In making the said projections, reliance has been placed on estimates of future prices of iron ore and coal, mineable resources, and assumptions relating to operational performance including significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, and capacity expansion/ availability of infrastructure facilities for mines. The Group continues to monitor any material changes to the future economic conditions.



8. The President has given his assent to the Code on Social Security, 2020 ("Code") in September 2020. On 13 November 2020 the Ministry of Labour and Employment released draft rules for the Code. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact once the subject rules are notified and will give appropriate impact to its financial statements in the period in which the Code becomes effective.
9. Previous period/year figures have been regrouped /reclassified wherever necessary.
10. The figures of the quarter ended 31 March 2021 and 31 March 2020 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures upto third quarter of the relevant financial year.
11. The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meetings held on 20 May 2021 and 21 May 2021 respectively.

For JSW Steel Limited



Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO
21 May 2021

