



Regd. Office : JSW Centre,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
CIN. : L27102MH1994PLC152925
Phone : +91 22 4286 1000
Fax : +91 22 4286 3000
Website : www.jsw.in

THIS ANNOUNCEMENT IS NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD BE UNLAWFUL

December 14, 2020

To

| | |
|--|--|
| <p>1. National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No.C/1, G Block Bandra-Kurla Complex Bandra (East), Mumbai 400 051 Tel: (022) 26598100-14 / 66418100 Fax No.: (022) 26598120</p> <p>Kind Attn.: President (Listing)</p> | <p>2. BSE Limited Corporate Relationship Department First Floor, New Trading Ring Rotunda Building, P J Towers Dalal Street, Fort Mumbai 400 001 Tel: 91-22-22721233/4, 91-22-66545695 Fax No.: 91-22-22721919</p> <p>Security Code: 500228 Kind Attn: The General Manager (CRD).</p> |
|--|--|

Dear Sir/Madam,

Sub: Intimation under Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") – Raising of funds by wholly owned subsidiary.

We refer to our letter dated October 20, 2020, informing you that Periana Holdings, LLC, incorporated under the laws of Delaware (the "Issuer"), one of the wholly owned indirect subsidiaries of JSW Steel Limited (the "Company"), had raised U.S.\$ 500 million by allotment of fixed rate convertible debentures ("Notes") which were guaranteed by the Company. The Company is currently conducting an international offering of U.S. "Additional Notes" and such issuance, the Company has obtained the necessary regulatory approvals. The Additional Notes would be guaranteed by the Company. The proceeds of the Issue will be used for repayment of part of the existing indebtedness owed to the Company including interest thereon and for general corporate purposes, in accordance with the provisions of the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004 and the Master Directions on Direct Investment by Residents in Joint Venture (JV) /Wholly Owned Subsidiary (WOS) Abroad dated 1 January 2016 and the applicable provisions of the Master Direction on Reporting under the Foreign Exchange Management Act, 1999.





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The pricing of the Additional Notes, including the aggregate principal amount, the offer price and the interest rate, would be determined through a book building exercise to be conducted by joint lead managers and bookrunners (the "**Joint Lead Managers**") appointed by the Issuer. Upon finalizing the terms of the Additional Notes, the Company and the Issuer would enter into a subscription agreement with the Joint Lead Managers with respect to the Issue.

In terms of Regulation 30 of the SEBI Listing Regulations, we would like to inform you that the Company and Issuer intend to engage in discussions with certain potential investors commencing on December 14, 2020 to discuss the Issue and the potential terms thereof.

A preliminary offering circular ("**OC**") has been prepared and shall be made available to the prospective investors in relation to the contemplated issue of Additional Notes. The Additional Notes will not be offered or sold in India.

The OC contains certain unpublished material information about the Company. In accordance with the Company's disclosure obligations on account of its securities being listed in India, the Company would like to make such unpublished information available to the public, in the form of reviewed standalone and consolidated condensed interim financial statements of the Company as at and for the six months period ended September 30, 2020, as attached, and the investor presentation, which is available on the Company's website www.jsw.in.

Thanking you,

Yours faithfully,

For **JSW Steel Limited**

Lancy Varghese
Company Secretary

For **Singapore Exchange Securities Trading Limited**

11 North Buona Vista Drive, #06-07, The Metropolis Tower 2, Singapore 138589
Hotline: (65) 6236 8863
Fax: (65) 6535 0775



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This information relates to an offering of the Additional Notes offered and sold pursuant to Regulation S under the United States Securities Act of 1933, as amended (the "Securities Act"). This information is not an offer of securities for sale in the United States. The Additional Notes referred to herein have not been and will not be registered under the Securities Act or the laws of any state of the United States or elsewhere and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state securities laws of the United States. There is no intention to register any portion of any offering in the United States or to conduct a public offering of securities in the United States or in any other jurisdiction. Nothing in this communication shall constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction in which such offer or sale would be unlawful. No money, securities or other consideration is being solicited by this announcement or the information contained herein and, if sent in response to this announcement or the information contained herein, will not be accepted.



Report on Review of Unaudited Condensed Standalone Interim Financial Statements

To the Board of Directors of JSW Steel Limited

We have reviewed the accompanying Unaudited Condensed Standalone Interim Financial Statements of JSW Steel Limited ("the Company"), which comprise the Unaudited Condensed Standalone Interim Balance Sheet as at September 30, 2020, the Unaudited Condensed Standalone Interim Statement of Profit and Loss (including other comprehensive income), the Unaudited Condensed Standalone Interim Statement of Cash Flow and the Unaudited Condensed Standalone Interim Statement of Changes in Equity for the six months period then ended, and selected explanatory notes (together hereinafter referred to as the "Unaudited Condensed Standalone Interim Financial Statements"). The Unaudited Condensed Standalone Interim Financial Statements have been prepared by the Company for the purpose of raising additional capital / debts by the Company or its subsidiaries.

Management's Responsibility for the Unaudited Condensed Standalone Interim Financial Statements

The Company's Board of Directors is responsible for the preparation of these Unaudited Condensed Standalone Interim Financial Statements in accordance with the requirements of Indian Accounting Standard 34 - Interim Financial Reporting ("Ind AS 34"), specified under section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other recognised accounting principle and policies.

Auditor's Responsibility for the Unaudited Condensed Standalone Interim Financial Statements

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Unaudited Condensed Standalone Interim Financial Statements are not prepared, in all material respects, in accordance with the requirements of Indian Accounting Standard 34, Interim Financial Reporting ("Ind AS 34") as specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies.



S R B C & C O L L P

Chartered Accountants

JSW Steel Limited

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Other matters

The accompanying Unaudited Condensed Standalone Interim Financial Statements have been prepared by the Company solely for the purpose of raising additional capital / debts by the Company or its subsidiaries. Accordingly, this report should not be used, referred to or distributed for any other purpose.

For S R B C & C O L L P

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Vikram Mehta

Partner

Membership Number: 105938

UDIN: 20105938AAAAGV5747

Place of Signature: Mumbai

Date: December 12, 2020

UNAUDITED CONDENSED STANDALONE INTERIM BALANCE SHEET

| | | Rs. in crores | |
|--|-------|-------------------|----------------|
| | Notes | As at | As at |
| | | 30 September 2020 | 31 March 2020 |
| I ASSETS | | | |
| Non-current assets | | | |
| (a) Property, plant and equipment | 3A | 45,082 | 46,117 |
| (b) Capital work-in-progress | | 26,651 | 23,810 |
| (c) Right of use assets | | 3,836 | 4,102 |
| (d) Intangible assets | 3B | 1,235 | 323 |
| (e) Intangible assets under development | | 356 | 331 |
| (f) Investments in subsidiaries and joint ventures | | 4,866 | 4,757 |
| (g) Financial assets | | | |
| (i) Investments | | 1,389 | 1,242 |
| (ii) Loans | | 5,967 | 8,705 |
| (iii) Other financial assets | | 863 | 562 |
| (h) Current tax assets (net) | | 180 | 340 |
| (i) Other non-current assets | | 2,346 | 2,378 |
| Total non-current assets | | 92,771 | 92,667 |
| Current assets | | | |
| (a) Inventories | | 7,896 | 9,623 |
| (b) Financial assets | | | |
| (i) Trade receivables | | 2,693 | 3,166 |
| (ii) Cash and cash equivalents | | 1,708 | 3,438 |
| (iii) Bank balances other than (ii) above | | 5,372 | 7,963 |
| (iv) Loans | | 3,968 | 321 |
| (v) Derivative Assets | | 141 | 275 |
| (vi) Other financial assets | | 2,426 | 2,794 |
| (c) Other current assets | | 3,155 | 1,795 |
| Total current assets | | 27,359 | 29,375 |
| Total Assets | | 120,130 | 122,042 |



UNAUDITED CONDENSED STANDALONE INTERIM BALANCE SHEET (Continued)

Rs. in crores

| | Notes | As at 30 September 2020 | As at 31 March 2020 |
|---|-------|----------------------------|------------------------|
| II EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | | 301 | 301 |
| (b) Other equity | | 39,530 | 38,061 |
| Total equity | | 39,831 | 38,362 |
| Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 4A | 37,939 | 39,247 |
| (ii) Lease liabilities | | 2,376 | 2,716 |
| (iii) Derivative liabilities | | 120 | 130 |
| (iv) Other financial liabilities | | 1,337 | 1,308 |
| (b) Provisions | | 354 | 322 |
| (c) Deferred tax liabilities(net) | | 1,808 | 1,315 |
| (d) Other non-current liabilities | | 2,543 | 3,048 |
| Total non-current liabilities | | 46,477 | 48,086 |
| Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 4B | 3,954 | 6,813 |
| (ii) Trade payables | | | |
| (a) Total outstanding, dues of micro and small enterprises | | 264 | 56 |
| (b) Total outstanding, dues of creditors other than micro and small enterprises | | 12,434 | 13,298 |
| (iii) Derivative Liabilities | | 180 | 189 |
| (iv) Other financial liabilities | | 13,267 | 11,980 |
| (v) Lease liabilities | | 678 | 773 |
| (b) Provisions | | 74 | 64 |
| (c) Other current liabilities | | 2,821 | 2,302 |
| (d) Current tax liabilities(net) | | 150 | 119 |
| Total current liabilities | | 33,822 | 35,594 |
| Total liabilities | | 80,299 | 83,680 |
| Total equity and liabilities | | 120,130 | 122,042 |

See accompanying notes forming part of Unaudited Condensed Standalone Interim Financial Statements

As per our report of even date

For and on behalf of the Board of Directors

 For S R B C & CO LLP
 Chartered Accountants
 ICAI Firm Reg. No.: 324982E/E300003



per VIKRAM MEHTA
 Partner
 Membership No.:105938
 Place: Mumbai
 Date : 12 December 2020




RAJEEV PAI
 Chief Financial Officer



LANCY VARGHESE
 Company Secretary
 ICSI Membership No. FCS 9407
 Place: Mumbai
 Date : 12 December 2020



SESHAGIRI RAO M.V.S
 Jt. Managing Director & Group CFO
 DIN 00029136



JAYANT ACHARYA
 Director (Commercial & Marketing)
 DIN 00186543
 Place: Mumbai
 Date : 12 December 2020

UNAUDITED CONDENSED STANDALONE INTERIM STATEMENT OF PROFIT AND LOSS

Rs.in crores

| | Notes | For the half year ended | |
|---|-------|-------------------------|----------------------|
| | | 30 September 2020 | 30 September 2019 |
| I | | | |
| Revenue from operations | 5 | 27,090 | 32,752 |
| Government grant income – VAT/GST incentive relating to earlier years | | - | 466 |
| Total revenue from operations | | 27,090 | 33,218 |
| II | | | |
| Other income | | 305 | 347 |
| III Total income (I + II) | | 27,395 | 33,565 |
| IV Expenses: | | | |
| Cost of materials consumed | | 12,790 | 18,089 |
| Purchases of stock-in-trade | | 51 | 259 |
| Changes in inventories of finished goods and work-in-progress | | 749 | (817) |
| Employee benefits expense | | 717 | 728 |
| Finance costs | | 1,818 | 2,080 |
| Depreciation and amortization expense | | 1,791 | 1,700 |
| Other expenses | | 7,178 | 8,331 |
| Total expenses | | 25,094 | 30,370 |
| V Profit before tax (III-IV) | | 2,301 | 3,195 |
| VI Tax expense/(credit): | | | |
| Current tax | | 400 | 527 |
| Deferred tax | | 355 | (1,688) |
| | | 755 | (1,161) |
| VII Profit for the period (V-VI) | | 1,546 | 4,356 |



UNAUDITED CONDENSED STANDALONE INTERIM STATEMENT OF PROFIT AND LOSS (continued)

| | | Re. in crores |
|--|--|--------------------|
| VIII Other comprehensive income/ (loss) | | |
| A | i) Items that will not be reclassified to profit or loss | |
| | (a) Re-measurements of the defined benefit plans | 10 (6) |
| | (b) Equity instruments through other comprehensive income | 117 (64) |
| | ii) Income tax relating to items that will not be reclassified to profit or loss | (3) 2 |
| | Total (A) | 124 (68) |
| B | i) Items that will be reclassified to profit or loss | |
| | (a) The effective portion of gains and loss on hedging | 387 (177) |
| | (b) Changes in Foreign Currency Monetary Item translation difference (FCMITDA) account | - 27 |
| | ii) Income tax relating to items that will be reclassified to profit or loss | (135) 52 |
| | Total (B) | 252 (98) |
| | Total Other comprehensive income/ (loss) (A+B) | 376 (166) |
| IX | Total comprehensive income (VII + VIII) | 1,922 4,190 |
| X | Earnings per equity share of Re. 1 each (not annualised) | 12 |
| | Basic (in Rs.) | 6.43 18.14 |
| | Diluted (in Rs.) | 6.40 18.02 |
| | See accompanying notes forming part of Unaudited Condensed Standalone Interim Financial Statements | |

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

For and on behalf of the Board of Directors




RAJEEV PAI
Chief Financial Officer


SESHAGIRI RAO M.V.S
Jt. Managing Director & Group CFO
DIN 00029136

Place: Mumbai
Date : 12 December 2020




LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date : 12 December 2020


JAYANT ACHARYA
Director (Commercial & Marketing)
DIN 00106543
Place: Mumbai
Date : 12 December 2020

UNAUDITED CONDENSED STANDALONE INTERIM STATEMENT OF CASH FLOW

Rs.in crores

| | For the half year ended | |
|---|-------------------------|----------------------|
| | 30 September 2020 | 30 September 2019 |
| Cash flow from operating activities | 2,301 | 3,195 |
| | 1,791 | 1,700 |
| | 6 | 1 |
| | - | (4) |
| | (263) | (282) |
| | (7) | (7) |
| used cost | (24) | (22) |
| | (9) | (31) |
| | 1,767 | 1,999 |
| | 10 | 18 |
| | (104) | (17) |
| | (136) | 257 |
| | 4 | 10 |
| Operating profit before | 5,336 | 6,817 |
| Adjustments for : | | |
| Decrease in inventories | 1,727 | 151 |
| Decrease in trade receivables | 492 | 2,453 |
| (Increase) in other assets | (1,249) | (988) |
| (Decrease) in trade payable | (534) | (777) |
| Increase/ (Decrease) in other liabilities | 30 | (861) |
| Increase in provisions | 52 | 22 |
| | 518 | - |
| Cash flow from operations | 5,854 | 6,817 |
| Income taxes paid (net of refund received) | (210) | (294) |
| Net cash generated from operating activities (A) | 5,644 | 6,523 |
| Cash flow from investing activities | | |
| Purchase of property, plant & equipment, intangible assets (including under development and capital advances) | (3,480) | (5,360) |
| Proceeds from sale of property, plant & equipment | 11 | 26 |
| Investment in subsidiaries and joint ventures including advances | (10) | (759) |
| Purchase of current investments | - | (762) |
| Sale of current investments | - | 671 |
| Bank deposits not considered as cash and cash equivalents (net) | 2,620 | (1,733) |
| Loans to related parties | (1,177) | (1,019) |
| Loans repaid by related parties | - | 346 |
| Interest received | 284 | 306 |
| Dividend received | - | 31 |
| Net cash used in investing activities (B) | (1,743) | (8,253) |



Rs. in crores

| | For the half year ended | |
|---|-------------------------|----------------------|
| | 30 September 2020 | 30 September 2019 |
| Cash flow from financing activities | | |
| Proceeds from sale of treasury shares | 20 | 160 |
| Payment for purchase of treasury shares | - | (144) |
| Proceeds from/Repayment of current borrowings | 2,913 | 5,473 |
| Repayment of non-current borrowings | (2,611) | (2,227) |
| Proceeds from/Repayment of current borrowings (net) | (2,860) | 4,155 |
| Repayment of lease liabilities | (441) | (195) |
| Interest paid | (2,169) | (2,037) |
| Dividend paid (including corporate dividend tax) | (483) | (1,190) |
| Net cash (used in)/ generated from financing activities (C) | (5,631) | 3,995 |
| Net increase/ (decrease) in cash and cash equivalents(A+B+C) | (1,730) | 2,265 |
| Cash and cash equivalents - opening balances | 3,438 | 5,366 |
| Cash and cash equivalents - closing balances | 1,708 | 7,631 |

See accompanying notes forming part of Unaudited Condensed Standalone Interim Financial Statements

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

per VIKRAM MEHTA
Partner
Membership No.:105938

Place: Mumbai
Date : 12 December 2020



For and on behalf of the Board of Directors
(Signature)
RAJEEV PAI
Chief Financial Officer

SESHAGIRI RAO M.V.S
Jt. Managing Director &
Group CFO
DIN 00029136

(Signature)
LANCY VARGHESE
Company Secretary

ICSI Membership No. FCS 9407
Place: Mumbai
Date: 12 December 2020

(Signature)
JAYANT ACHARYA
Director (Commercial &
Marketing)
DIN 00106543
Place: Mumbai
Date : 12 December 2020

UNAUDITED CONDENSED STANDALONE INTERIM STATEMENT OF CHANGE

UNAUDITED CONDENSED STANDALONE

For the half year ended 30 September 2019

A. Equity Share Capital

As at 1 April 2019

301

*Rs. 0.22 crores

B. Other Equity

| Particulars | Capital reserve | Securities premium reserve | Capital redemption reserve | Debt redemption reserve |
|--|-----------------|----------------------------|----------------------------|-------------------------|
| | | | | |
| Opening balance as at 1 April 2019 | | | | 285 |
| Profit for the period | - | - | - | - |
| Other comprehensive income/ (loss) for the period, net of income tax | - | - | - | - |
| Dividend including dividend distribution tax | - | - | - | - |
| Impact of ESOP trust consolidation | - | - | - | - |
| Recognition of share-based payments | - | - | - | - |
| Transfer to Capital redemption reserve | - | - | 121 | - |
| Closing balance as at 30 September 2019 | 4,359 | 5,439 | 653 | 285 |

See accompanying notes forming part of Unaudited Condensed Standalone Interim Financial Statements

Rs. in crores

September 2019

IN EQUITY

Movement during the period

| Retained earnings | Equity settled share based payment reserve | General reserve | Items of Other Comprehensive Income/(Loss) | |
|-------------------|--|-----------------|---|---|
| | | | Equity instruments through other comprehensive income | Effect of revaluation of financial assets |
| 13,611 | 91 | 9,895 | 403 | |

Rs. in crores

| Particulars | Retained earnings | Equity settled share based payment reserve | General reserve | Items of Other Comprehensive Income/(Loss) | | Total |
|--|-------------------|--|-----------------|---|---|---------------|
| | | | | Equity instruments through other comprehensive income | Effect of revaluation of financial assets | |
| Opening balance as at 1 April 2019 | | | | 33 | (56) | 34,592 |
| Profit for the period | - | - | - | - | - | 4,356 |
| Other comprehensive income/ (loss) for the period, net of income tax | - | - | - | (64) | (115) | (166) |
| Dividend including dividend distribution tax | - | - | - | - | - | (1,190) |
| Impact of ESOP trust consolidation | - | - | - | - | - | 16 |
| Recognition of share-based payments | - | - | - | - | - | 19 |
| Transfer to Capital redemption reserve | - | - | - | - | - | - |
| Closing balance as at 30 September 2019 | 13,611 | 91 | 9,895 | 339 | (82) | 37,627 |



| | | |
|---------------|------------|-------------|
| 4,356 | - | - |
| (4) | - | - |
| (1,190) | - | - |
| 16 | - | - |
| - | 19 | - |
| - | - | (121) |
| 16,789 | 110 | 9,77 |

UNAUDITED CONDENSED STANDALONE INTERIM STATEMENT OF CHANGE

For the half year ended 30 September 2020

A. Equity Share Capital

As at 1 April 2020

301

*Rs. 0.17 crores

B. Other Equity

Particulars

| Particulars | Rs. in crores | | | | | | | | | | |
|------------------------------------|-----------------|----------------------------|----------------------------|--------------------------|-------------------|--|-----------------|---|---------------------------------------|---------|--------|
| | Capital reserve | Securities premium reserve | Capital redemption reserve | Reserve for depreciation | Retained earnings | Equity settled share based payment reserve | General reserve | Equity instruments through other comprehensive income | Effective portion of cash flow hedges | FCMITDA | Total |
| Opening balance as at 1 April 2020 | 4,359 | 5,439 | 775 | - | 17,709 | 122 | 9,943 | 148 | (434) | - | 39,061 |
| Change during the period, net | - | - | - | - | 1,546 | - | - | - | - | - | 1,546 |
| | - | - | - | - | 7 | - | - | 117 | 252 | - | 376 |
| | - | - | - | - | (483) | - | - | - | - | - | (483) |
| | - | - | - | - | 20 | - | - | - | - | - | 20 |
| | - | - | - | - | - | 10 | - | - | - | - | 10 |
| | - | - | - | - | - | (12) | 12 | - | - | - | - |
| As at 30 September 2020 | 4,359 | 5,439 | 775 | - | 18,799 | 120 | 9,955 | 265 | (182) | - | 39,530 |

Unaudited Condensed Standalone Interim Financial Statements



[Signature]

RAJEEV PAI
Chief Financial Officer

[Signature]

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 12 December 2020

For and on behalf of the Board of Directors

[Signature]

SESHAGIRI RAO M.V.S
Jt. Managing Director & Group CFO
DIN 00029136

[Signature]

JAYANT ARHARYA
Director (Commercial & Marketing)
DIN 00108543
Place: Mumbai

Date: 12 December 2020

NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

1. General Information

JSW Steel Limited ("the Company") is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Company is an integrated manufacturer of diverse range of steel products with its manufacturing facilities located at Vijaynagar Works in Karnataka, Dolvi Works in Maharashtra and Salem works in Tamil Nadu.

JSW Steel Limited is a public limited company incorporated in India on 15 March 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

2. Significant Accounting policies

I. Statement of compliance

These Unaudited Condensed Standalone Interim Financial Statements have been prepared in accordance with the requirements of Indian Accounting Standards 34 'Interim Financial Reporting' ('Ind AS 34'), specified under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)

II. Basis of preparation and presentation

The Company has prepared these Unaudited Condensed Standalone Interim Financial Statements which comprise the Unaudited Condensed Standalone Interim Balance Sheet as at 30 September 2020, the Unaudited Condensed Standalone Interim Statement of Profit and Loss, the Unaudited Condensed Standalone Interim Statement of Cash Flows and the Unaudited Condensed Standalone Interim Statement of Changes in Equity for the half year ended 30 September 2020, and other explanatory information (together hereinafter referred to as "Unaudited Condensed Standalone Interim Financial Statements" or "Standalone financial statements").

The Unaudited Condensed Standalone Interim Financial Statements have been prepared by the Company for the purpose of raising additional capital / debts by the Company or its subsidiaries.

The Unaudited Condensed Standalone Interim Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period.

The Unaudited Condensed Standalone Interim Financial Statements do not include all the information and disclosures normally included in annual financial statements. Accordingly, these statements are to be read in conjunction with annual financial statements for the year ended 31 March 2020 and any public announcement made during interim reporting period.

Accounting policies and methods of computation followed in the Unaudited Condensed Standalone Interim Financial Statements are same as compared with the annual financial statements for the year ended 31 March 2020.



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

III. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies, 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.

The area where estimates are significant to the Unaudited Condensed Standalone Interim Financial Statements, or areas involving high degree of judgement or complexity, are same as those disclosed in the annual financial statements for the year ended 31 March 2020.



NOTES TO

THE UNAUDITED CONDENSED STATEMENTS

FOR ONE INTERIM

FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

3.

A. Property, plant and equipment

| Particulars | Rs. in crores | | | | | | |
|-------------------------------------|---------------|-----------|---------------------|------------------------|------------------------|------------------|--------|
| | Freehold land | Buildings | Plant and equipment | Furniture and fixtures | Vehicles and aircrafts | Office equipment | Total |
| Cost/deemed cost | 1,043 | | | | | | |
| At 1 April 2020 | - | 7,398 | 50,807 | 125 | 152 | 91 | 59,616 |
| Transfer Out to Right of Use Assets | 2 | - | 10 | - | - | - | 10 |
| Additions | - | 55 | 11 | 3 | 4 | 7 | 482 |
| Deductions | - | - | 60 | - | 4 | - | 64 |
| Other adjustments* | 1,045 | - | (11) | - | - | - | (11) |
| At 30 September 2020 | 2,088 | 7,453 | 51,137 | 128 | 152 | 98 | 60,013 |
| Accumulated depreciation | | | | | | | |
| At 1 April 2020 | - | 1,468 | 11,856 | 63 | 57 | 55 | 13,499 |
| Transfer Out to Right of Use Assets | - | - | 6 | - | - | - | 6 |
| Depreciation | - | 153 | 1,312 | 6 | 8 | 8 | 1,487 |
| Deductions | - | - | 47 | - | 2 | - | 49 |
| At 30 September 2020 | - | 1,621 | 13,115 | 69 | 63 | 63 | 14,931 |
| Net book value | 1,045 | 5,832 | 38,022 | 59 | 89 | 35 | 45,082 |
| At 30 September 2020 | 1,043 | 5,930 | 38,951 | 62 | 95 | 36 | 46,117 |
| At 31 March 2020 | | | | | | | |

* Other adjustments comprise foreign exchange loss and borrowings cost.



B. Intangible Assets

| Particulars | Rs. in crores | | | |
|--|-------------------|--------------|---------------|-------|
| | Computer software | License fees | Mining Assets | Total |
| Cost/deemed Cost | | | | |
| At 1 April 2020 | 154 | 26 | 277 | 457 |
| Additions | 12 | - | 930* | 942 |
| At 30 September 2020 | 166 | 26 | 1,207 | 1,399 |
| Accumulated amortisation and impairment | | | | |
| At 1 April 2020 | 88 | 24 | 22 | 134 |
| Amortization expense | 10 | 2 | 18 | 30 |
| At 30 September 2020 | 98 | 26 | 40 | 164 |
| Net book value | | | | |
| At 30 September 2020 | 68 | - | 1,167 | 1,235 |
| At 31 March 2020 | 66 | 2 | 255 | 323 |

*refer note 14



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

4. Borrowings

A. Long Term Borrowing

| Particulars | Rs. in crores | |
|--|-------------------------|---------------------|
| | As at 30 September 2020 | As at 31 March 2020 |
| Non-Current Borrowings | 37,939 | 39,247 |
| Current Maturities of Long Term Borrowings (grouped under Other Financial Liabilities) | 6,136 | 5,109 |
| Total | 44,075 | 44,356 |

Movement in Borrowings during the half year ended 30 September 2020

| Particulars | Foreign currency bonds | Debentures | Term loans-FCL | loans-RTL | Acceptance for Capital Projects with maturity more than 1 year | Sales tax deferral loan | Upfront Fees RTL | Upfront Fees FCL | Rs. in crores |
|---|------------------------|--------------|----------------|---------------|--|-------------------------|------------------|------------------|------------------|
| | | | | | | | | | Total borrowings |
| Opening balance as on 1 April 2020 | 10,554 | 5,000 | 13,467 | 3,733 | 1,755 | 160 | (40) | (273) | 44,356 |
| Add : Disbursements | | | | | | | | | |
| Unsecured Debentures | - | 1,000 | - | - | - | - | - | - | 1,000 |
| Secured rupee term loan | - | - | - | 193 | - | - | - | - | 1,193 |
| Secured Acceptance | - | - | - | - | 5 | - | - | - | 5 |
| Unsecured foreign currency loans | - | - | 481 | - | - | - | - | - | 481 |
| Unsecured Acceptance | - | - | - | - | 19 | - | - | - | 19 |
| Sales tax deferral | - | - | - | - | - | 215 | - | - | 215 |
| Others | - | - | - | - | - | - | (23) | - | (23) |
| | - | 1,000 | 481 | 1,193 | 24 | 215 | (23) | - | 2,990 |
| Less : Redemption/Repayment | | | | | | | | | |
| Secured rupee term loan | - | - | - | (803) | - | - | - | - | (803) |
| Unsecured rupee term loan | - | - | - | (275) | - | - | - | - | (275) |
| Secured foreign currency loans | - | - | (49) | - | - | - | - | - | (49) |
| Unsecured foreign currency loans | - | - | (1,448) | - | - | - | - | - | (1,448) |
| Unsecured Acceptance | - | - | - | - | (19) | - | - | - | (19) |
| Sales tax deferral | - | - | - | - | - | (17) | - | - | (17) |
| | - | - | (1,497) | (1,078) | (19) | (17) | - | - | (2,691) |
| Add: Other movements | (222) | - | (196) | - | (14) | (154) | 11 | - | (575) |
| Total borrowings as on 30 September 2020 | 10,332 | 6,000 | 12,255 | 13,848 | 1,746 | 204 | (52) | - | 44,075 |



**NOTES TO THE UNAUDITED CONDENSED STANDALONE
HALF YEAR ENDED 30 SEPTEMBER 2020**

B. Short Term Borrowing

| Particulars | | |
|----------------------------------|--------------|--------------|
| Working capital loans from banks | | |
| Rupee loan | | |
| Rupee loans from banks | | |
| Commercial papers | 2,129 | 3,883 |
| Total | 3,954 | 6,813 |

C. Pursuant to the COVID 19 pandemic, the Reserve Bank of India (RBI), vide its notification reference RBI/2019-20/186 dated 27 March 2020, announced a "COVID 19 Regulatory Package" to mitigate the adverse impact of the pandemic and ensure continuity of viable businesses. As per this package banks were inter alia permitted to grant a moratorium of 3 months on payment of all installments (principal and interest) on Term loans falling due between 1 March 2020 and 31 May 2020, the same was extended for further 3 months by the RBI, vide its notification reference RBI/2019-20/244 dated 23 May 2020 till 31 August 2020. The Company opted to avail the package relating to term loans and the same was approved by the lenders in line with RBI's notification. Accordingly, the condensed financial statement has been prepared giving effect to the above.

5. Revenue from operations

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure

| Particulars | Rs.in crores | |
|---|-------------------------|-------------------|
| | For the half year ended | |
| | 30 September 2020 | 30 September 2019 |
| Revenue from contracts with customer - Sale of products (including shipping services) | 26,505 | 32,096 |
| Government grant income – VAT/GST incentive relating to earlier years | - | 466 |
| Other operating revenue | 585 | 656 |
| Total revenue from operations | 27,090 | 33,218 |
| Timing of revenue recognition | | |
| At a point in time | 27,090 | 33,218 |

| Particulars | Rs.in crores | |
|-----------------------------|-------------------------|---------------------|
| | As at 30 September 2020 | As at 31 March 2020 |
| Contract Balances | | |
| Trade Receivables | 2,693 | 3,166 |
| Contract liabilities | | |
| Advance from customers | 3,952 | 4,531 |

| Particulars | Rs. in crores | |
|--------------------------------------|-------------------------|-------------------|
| | For the half year ended | |
| | 30 September 2020 | 30 September 2019 |
| MS slabs | 160 | 417 |
| Hot rolled coils/steel plates/sheets | 15,065 | 16,423 |
| Galvanized coils/sheets | 1,109 | 948 |
| Cold rolled coils/sheets | 2,847 | 4,368 |
| Steel billets & blooms | 1,691 | 821 |
| Long rolled products | 4,625 | 7,339 |
| Others | 1,009 | 1,780 |
| Total | 26,505 | 32,096 |



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

6. Categories of financial Instruments

As at 30 September 2020

| Particulars | Rs. in crores | | | | | |
|--|----------------|---|------------------------------------|-------------------------------------|----------------------|------------------|
| | Amortised cost | Fair value through other comprehensive income | Fair value through profit and loss | Derivatives in hedging relationship | Total carrying value | Total fair value |
| Financial assets | | | | | | |
| Investments | 441 | 495 | 453 | - | 1,389 | 1,397 |
| Trade receivables | 2,693 | - | - | - | 2,693 | 2,693 |
| Cash and cash equivalents | 1,708 | - | - | - | 1,708 | 1,708 |
| Bank balances other than cash and cash equivalents | 5,372 | - | - | - | 5,372 | 5,372 |
| Loans | 9,935 | - | - | - | 9,935 | 9,935 |
| Derivative Assets | - | - | 35 | 106 | 141 | 141 |
| Other financial assets | 3,289 | - | - | - | 3,289 | 3,289 |
| Total | 23,438 | 495 | 488 | 106 | 24,527 | 24,535 |
| Financial liabilities | | | | | | |
| Long term Borrowings # | 44,075 | - | - | - | 44,075 | 44,844 |
| Lease Liabilities | 3,054 | - | - | - | 3,054 | 3,264 |
| Short term Borrowings | 3,954 | - | - | - | 3,954 | 3,304 |
| Trade payables | 12,698 | - | - | - | 12,698 | 12,698 |
| Derivative liabilities | - | - | 182 | 118 | 300 | 300 |
| Other financial liabilities | 8,468 | - | - | - | 8,468 | 8,468 |
| Total | 72,249 | - | 182 | 118 | 72,549 | 73,528 |

#including current maturities of long term borrowings

As at 31 March 2020

| Particulars | Rs. in crores | | | | | |
|--|----------------|---|------------------------------------|-------------------------------------|----------------------|------------------|
| | Amortised cost | Fair value through other comprehensive income | Fair value through profit and loss | Derivatives in hedging relationship | Total carrying value | Total fair value |
| Financial assets | | | | | | |
| Investments | 417 | 378 | 447 | - | 1,242 | 1,250 |
| Trade receivables | 3,166 | - | - | - | 3,166 | 3,166 |
| Cash and cash equivalents | 3,438 | - | - | - | 3,438 | 3,438 |
| Bank balances other than cash and cash equivalents | 7,963 | - | - | - | 7,963 | 7,963 |
| Loans | 9,026 | - | - | - | 9,026 | 9,026 |
| Derivative Assets | - | - | 275 | - | 275 | 275 |
| Other financial assets | 3,356 | - | - | - | 3,356 | 3,356 |
| Total | 27,366 | 378 | 722 | - | 28,466 | 28,474 |
| Financial liabilities | | | | | | |
| Long term Borrowings * | 44,356 | - | - | - | 44,356 | 45,039 |
| Lease Liabilities | 3,489 | - | - | - | 3,489 | 3,720 |
| Short term Borrowings | 6,813 | - | - | - | 6,813 | 6,813 |
| Trade payables | 13,354 | - | - | - | 13,354 | 13,354 |
| Derivative liabilities | - | - | 78 | 241 | 319 | 319 |
| Other financial liabilities | 8,179 | - | - | - | 8,179 | 8,179 |
| Total | 76,191 | - | 78 | 241 | 76,510 | 77,424 |

*including current maturities of long term borrowings



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

7. Fair value hierarchy of financial instruments

The carrying amounts of current investments, trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short term nature.

| Particulars | As at 30 September 2020 | As at 31 March 2020 | Valuation techniques and key inputs | Level | |
|---|-------------------------------|---------------------------|---|-------|---|
| | | | | 2020 | |
| Quoted investments in equity shares measured at FVTOCI | 481 | 364 | Quoted bid prices in an active market | 4 | 1 |
| Unquoted investments in equity shares measured at FVTOCI | 9 | 9 | Net Asset value of share arrived has been considered as fair value | | 3 |
| Unquoted investments in equity shares measured at FVTOCI | 5 | 5 | Cost is approximate estimate of fair value | | 3 |
| Non-current investments in unquoted compulsory convertible debentures measured at FVTPL | 59 | 59 | Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). | | 2 |
| Non-current investments in unquoted preference shares measured at FVTPL | 394 | 388 | Discounted cash flow - Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market | 3 | 3 |
| RISKS | | | | | |
| Derivative Assets | 141 | 275 | Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). | 2 | |
| Derivative Liabilities | 300 | 319 | | | |

Sensitivity Analysis of Level 3:

| | Valuation technique | Significant inputs | Change | Sensitivity of the input to fair value |
|---|---------------------|---------------------|---------------|---|
| Investments in unquoted Preference shares | DCF method | Discounting | Rate of 8.85% | 0.50% Increase (decrease) in the discount would decrease (increase) the fair value by Rs. 5 crores (Rs. 5 crores) |
| Investments in unquoted equity shares | NAV method | Cost is approximate | - | No sensitivity in the fair value of the investments. |

Reconciliation of Level 3 fair value measurement:

| Rs. in crores | |
|---------------|--------|
| | Amount |
| | 402 |
| | (1) |
| | 7 |
| | 408 |



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

8. Contingent liabilities:

(i) Disputed claims/levies (excluding interest, if any) in respect of:

| Particulars | Rs. in crores | |
|---|-------------------------|---------------------|
| | As at 30 September 2020 | As at 31 March 2020 |
| Excise Duty | 462 | 481 |
| Custom Duty | 465 | 467 |
| Income Tax | 32 | 32 |
| Sales Tax / VAT / Special Entry tax | 1,477 | 1,433 |
| Service Tax | 685 | 685 |
| Levies by local authorities – Statutory | 53 | 53 |
| Levies relating to Energy / Power Obligations | 326 | 277 |
| Claims by suppliers and other parties | 46 | 46 |
| Total | 3,546 | 3,474 |

- a) Excise duty cases includes disputes pertaining to availment of CENVAT credit, valuation methodologies, classification of gases under different chapter headings.
- b) Custom duty cases includes disputes pertaining to import duty, utilisation of SHIS licences for clearance of imported iron ore at Krishnapatnam Port and anti-dumping duty on Met Coke used in iron and steel making.
- c) Sales Tax/ VAT/ Special Entry tax cases includes disputes pertaining to levy of cess by department of transport in Goa.
- d) Service Tax cases includes disputes pertaining to availment of service tax credit on ineligible services, KKC amount paid but no credit availed, denial of credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents.
- e) Income Tax cases includes disputes pertaining to transfer pricing and other matters.
- f) Levies by local authorities - Statutory cases includes disputes pertaining to payment of water charges and enhanced compensation.
- g) Levies relating to Energy / Power Obligations cases includes disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., belated payment surcharge, claims for the set off of renewable power obligations against the power generated in its captive power plants and dues relating to additional surcharge imposed on captive consumption by Maharashtra State Electricity Distribution Company Ltd.
- h) Claims by Suppliers and other parties includes quality claims issues raised by suppliers and others.
- i) There are several other cases which has been determined as remote by the Company and hence not been disclosed above.
- (ii) Forest Development Tax/Fee:**

| Particulars | Rs. in crores | |
|--|-------------------------|---------------------|
| | As at 30 September 2020 | As at 31 March 2020 |
| Claims related to Forest Development Tax/Fee | 2,750 | 2,588 |
| Amount paid | 920 | 920 |

and purchasers (including the Company) contesting the levy of FDT. As the State does not have jurisdiction to legislate in the field of FDT, the High Court of Karnataka vide its judgement dated 3 December 2017 by Karnataka State Government on sale of iron ore by private iron and steel making company, National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed appeal against the judgement but stayed refund of FDT. As the case and supported by a legal opinion, the Company has not been under protest – Rs. 665 crores) and treated it as a contingent liability.



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

The State of Karnataka on 27 July 2016, has amended Section 98-A of the Forest Act retrospectively substituting the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the Company and others, the Honourable High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra-vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the SCI, and based on merits of the case duly supported by a legal opinion and a favorable order from the High Court, the Company has not recognised provision for FDF amount of Rs. 1,707 crores (including paid under protest - Rs.255 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.

9. Financial guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by its group companies.

Refer below for details of financial guarantees issued:

| Particulars | Rs. in crores | |
|--|-------------------------|---------------------|
| | As on 30 September 2020 | As on 31 March 2020 |
| Guarantees | 4,937 | 5,278 |
| Standby letter of credit facility | 71 | 503 |
| Less: Loss allowance against aforesaid | (831) | (873) |
| Total | 4,177 | 4,908 |

10. Commitments

| Particulars | Rs. in crores | |
|--|-------------------------|---------------------|
| | As at 30 September 2020 | As at 31 March 2020 |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 10,161 | 11,789 |

Other commitments:

- The Company from time to time provides need based support to subsidiaries and joint ventures entity towards capital and other requirements.
- The Company entered a five-year Advance Payment and Supply Agreement ("APSA") agreement with Duferco S.A. ("DSA") for supply of Steel Products. Duferco S.A has provided an interest bearing advance amount of US \$ 700 million under this agreement, secured by committed export of steel products to Duferco S.A. Out of this US \$ 516 million is pending towards fulfilment.
- The Company has imported capital goods under the export promotion capital goods scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated period. Such export obligations aggregate to

| Particulars | Rs. in crores | |
|---------------------------------------|-------------------------|---------------------|
| | As at 30 September 2020 | As at 31 March 2020 |
| Export promotion capital goods scheme | 21,750 | 15,225 |

- The Company has given guarantees aggregating Rs. 127 crores on behalf of subsidiaries to Commissioner of Customs in respect of goods imported.
- In accordance with the Mine Development and Production Agreement ('MDPA') entered by the Company with the respective operations, the Company is required to comply with the annual MPR. In case of any shortfall in such annual MPR, the Company is required to pay the shortfall. This may also lead to appropriation of the performance security in respect of respective MDPAs. Further, continuing non-compliances may lead to termination of lease agreements in accordance with respective MDPAs.



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

11. Segment Reporting

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

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

a) Revenue from operations

| Particulars | Rs. in crores | |
|---------------|--|--|
| | For the half year ended 30 September 2020 | For the half year ended 30 September 2019 |
| Within India | 18,749 | 27,389 |
| Outside India | 8,341 | 5,829 |
| Total | 27,090 | 33,218 |

Revenue from operations have been allocated on the basis of location of customers.

b) Non-current assets

All non-current assets other than financial instruments of the Company are located in India

c) Customer contributing more than 10% of Revenue

| Particulars | Rs. in crores | |
|-----------------------------------|--|--|
| | For the half year ended 30 September 2020 | For the half year ended 30 September 2019 |
| JSW Steel Coated Products Limited | 3,739 | 4,573 |
| Total | 3,739 | 4,573 |

12. Earnings per share

| Particulars | For the half year ended 30 September 2020 | For the half year ended 30 September 2019 |
|---|--|--|
| Profit/ (loss) attributable to equity shareholders (Rs. in crores) (A) | 1,546 | 4,356 |
| Weighted average number of equity shares for basic EPS (B) | 230,000,000 | 230,000,000 |
| Effect of Dilution: | | |
| Weighted average number of treasury shares held through ESOP trust | (1,000,000) | (1,000,000) |
| Weighted average number of equity shares adjusted for the effect of dilution (C) | 229,000,000 | 229,000,000 |
| Earnings per share of Re. 1 each (EPS) (not annualized) | | |
| Basic EPS (Amount in Rs.) (A/B) | 6.43 | 18.14 |
| Diluted EPS (Amount in Rs.) (A/C) | 6.40 | 18.02 |

NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

| | |
|----------|---|
| A | Relationship |
| | JSW Realty & Infrastructure Private Limited |
| | JSW Steel Italy S.r.l. |
| | JSW Utkal Steel Limited |
| | Hasaud Steel Limited |
| | Acero Junction Holdings, Inc. |
| | JSW Steel USA Ohio, Inc. |
| | JSW Steel Italy Piombino S.p.A. (formerly known as Aferpi S.p.A.) |
| | Piombino Logistics S.p.A.- A JSW Enterprise (formerly known as Piombino Logistics S.p.A.) |
| | GSI Lucchini S.p.A. |
| | JSW One Platforms Limited (formerly known as JSW Retail Limited) |
| | Makler Private Limited (w.e.f. 06.06.2019) |
| | Piombino Steel Limited (w.e.f. 06.06.2019) |
| | JSW Vijayanagar Metallica Limited (w.e.f. 24.12.2019) |
| | Vardhman Industries Limited (w.e.f. 31.12.2019) |
| | JSW Vallabh Tinsplate Private Limited (w.e.f. 31.12.2019) |
| 2 | Joint ventures |
| | Vijayanagar Minerals Private Limited |
| | Rohne Coal Company Private Limited |
| | JSW Severfield Structures Limited |
| | Gourangdih Coal Limited |
| | GEO Steel LLC (ceased w.e.f. 28.01.2020) |
| | JSW Structural Metal Decking Limited |
| | JSW MI Steel Service Center Private Limited |
| | JSW Vallabh Tinsplate Private Limited (ceased w.e.f. 31.12.2019) |
| | Creixent Special Steels Limited |
| | JSW Ispat Special Products Limited (formerly known as Monnet Ispat & Energy Limited) |
| 3 | Key management personnel |
| | Mr. Sajjan Jindal (Non-Independent Executive Director) |
| | Mr. Seshagiri Rao M V S (Non-Independent Executive Director) |
| | Dr. Vinod Nowal (Non-Independent Executive Director) |
| | Mr. Jayant Acharya (Non-Independent Executive Director) |
| | Mr. Rajeev Pai (Chief Financial Officer) |
| | Mr. Lancy Varghese (Company Secretary) |
| 4 | Independent non-executive directors and Nominee directors |
| | Mr. Ganga Ram Baderiya - Nominee Director, KSIIDC |
| | Mr. Hiroyuki Ogawa - Nominee Director, JFE Steel Corporation |
| | Dr. (Mrs.) Punita Kumar Sinha |
| | Mr. Malay Mukherjee |
| | Mr. Haigreva Khaitan |
| | Mr. Seturaman Mahalingam |
| | Mrs. Nirupama Rao |
| | Mr. Harsh Charandas Mariwala |
| 5 | Relatives of key management personnel |
| | Mrs. Savitri Devi Jindal |



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

| A | Relationship |
|----------|---|
| | Mr. Prithvi Raj Jindal |
| | Mr. Naveen Jindal |
| | Mrs. Nirmala Goyal |
| | Mrs. Urmila Bhuwalka |
| | Mrs. Seema JaJodia |
| | Mrs. Sarika Jhunjhnuwala |
| | Mrs. Saroj Bhartia |
| | Mrs. Sangita Jindal |
| | Mrs. Tarini Jindal Handa |
| | Mrs. Tanvi Shete |
| | Mr. Parth Jindal |
| | Mrs. Shanti Acharya |
| | Mrs. Esther Varghese |
| 6 | Other related parties |
| | JSW Energy Limited |
| | JSW Energy (Barmer) Limited (formerly known as Raj West |
| | JSW Power Trading Company Limited (formerly known as JS |
| | JSW Hydro Energy Limited (formerly known as Himachal Ba |
| | JSW Energy (Kutehr) Limited |
| | JSW Solar Limited |
| | Jindal Stainless Limited |
| | Jindal Stainless (Hisar) Limited |
| | JSL Life Sciences Limited |
| | Jindal Saw Limited |
| | Jindal Saw USA LLC |
| | Jindal Tubular (India) Limited |
| | Jindal Urban Waste Management Limited |
| | Jindal Rail Infrastructure Limited |
| | Jindal Steel & Power Limited |
| | India Flysafe Aviation Limited |
| | JSW Infrastructure Limited |
| | JSW Jaigarh Port Limited |
| | South West Port Limited |
| | JSW Dharamatar Port Private Limited |
| | JSW Paradip Terminal Private Limited |
| | Jaigarh Digni Rail Limited |
| | JSW Cement Limited |
| | JSW Cement, FZE |
| | South West Mining Limited |
| | JSW Projects Limited |
| | JSW IP Holdings Private Limited |
| | JSoft Solutions Limited (merged with Everbest Consultancy Services Private Limited) |
| | Reynold Traders Private Limited |
| | JSW Techno Projects Management Limited |



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

| A | Relationship |
|----------|--|
| | JSW Global Business Solutions Limited |
| | Everbest Consultancy Services Private Limited |
| | Jindal Industries Private Limited |
| | JSW Foundation |
| | Jindal Technologies & Management Services Private Limited |
| | Epsilon Carbon Private Limited |
| | JSW Living Private Limited |
| | JSW International Tradecorp Pte. Limited |
| | Jindal Education Trust |
| | JSW Paints Private Limited |
| | Toshiba JSW Power System Private Limited |
| | MJSJ Coal Limited |
| | JSW Bengaluru Football Club Private Limited |
| | JSW Shipping & Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited) |
| | Epsilon Aerospace Private Limited |
| | Neotrex Steel Wires Private Limited |
| | Neotrex Steel Private Limited |
| | JSW Minerals Trading Private Limited |
| | Khaitan & Company |
| | Eurokids International Private Limited |
| | J Sagar Associates |
| | Danta Enterprises Private Limited |
| | Glebe Trading Private Limited |
| | JSW Holdings Limited |
| | JSW Investments Private Limited |
| | JSW Logistics Infrastructure Private Limited |
| | JTPM Metal Traders Private Limited |
| | Sahyog Holdings Private Limited |
| | Virtuous Tradecorp Private Limited |
| | S K Jindal and Sons HUF |
| | P R Jindal HUF |
| 7 | Post-employment benefit entities |
| | JSW Steel EPF Trust |
| | JSW Steel Group Gratuity Trust |
| | JSW Steel Limited Employee Gratuity Fund |



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

B. Transactions with Related Parties

Rs. in crores

| | Subsidiaries | | Joint | Other related | Total |
|--|--------------|----------|-------|---------------|--------|
| | ventures | parties^ | | | |
| | 811 | 30 | 6,266 | | 8,107 |
| | 2,074 | | 23 | 9,173 | 11,270 |
| Reimbursement of expenses incurred on our behalf by | 8 | - | - | 1 | 9 |
| | 8 | - | - | 1 | 9 |
| Sales of goods /power & fuel/services/assets | 4,597 | 175 | - | 818 | 5,590 |
| | 5,709 | 488 | - | 1,291 | 7,488 |
| Other income/ interest income/ dividend income | 76 | 13 | - | 32 | 121 |
| | 104 | 8 | - | 26 | 138 |
| Purchase of assets | 8 | 127 | - | 120 | 255 |
| | 39 | 486 | - | 296 | 821 |
| Capital/revenue advances given | - | 1 | - | - | 1 |
| | - | - | - | - | - |
| Security deposit given/(received back) | - | - | - | 10 | 10 |
| | - | - | - | (4) | (4) |
| Donation/CSR expenses | - | - | - | 26 | 26 |
| | - | - | - | - | - |
| Recovery of expenses incurred by us on their behalf | - | - | - | - | - |
| | - | - | - | - | - |
| Investments/share application money given | - | - | - | - | - |
| | 759 | 1 | - | - | 760 |
| Interest expenses | 17 | - | - | - | 17 |
| | 4 | - | - | - | 4 |
| Guarantees and collaterals provided by the Company on behalf | 150 | - | - | - | 150 |
| | 879 | - | - | - | 879 |
| Adjustment of receivable/(payable) | 632 | - | - | - | 632 |
| | 235 | - | - | - | 235 |
| Lease interest cost | 63 | - | - | 106 | 169 |
| | 150 | - | - | 120 | 270 |
| Lease liabilities/ finance lease obligations repayments | 284 | - | - | 138 | 422 |
| | 57 | - | - | 123 | 180 |
| Loans given | 1,176 | - | - | - | 1,176 |
| | 1,020 | - | - | - | 1,020 |
| Loans given received back | - | - | - | - | - |
| | 346 | - | - | - | 346 |
| Dividend paid | - | - | - | 160 | 160 |
| | - | - | - | 319 | 319 |
| Post-employment benefits plans | - | - | - | 11 | 11 |
| | - | - | - | 11 | 11 |

*Less than Rs. 0.50 crores, ^includes relatives of Key Management Personnel

Amount in italics represents last year numbers from Apr'19 to Sep'19;

Remuneration to Key Management Personnel – Rs. 24 crores (previous period – Rs. 28 crores);

Sitting fees and commission paid to independent non-executive directors- Rs. 1.45 crores (previous period – Rs. 1.45 crores);

Dividend paid to key management personnel for FY 2019-20 is Rs. 0.09 crores (FY 2018-19: Rs. 0.18 crores);

In view of uncertainty involved in collectability, revenue as interest income of Rs. 246 crores (previous period- Rs. 246 crores) have not been recognized on loan provided to certain subsidiaries.



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

C. Amount due to/ from related parties

(Rs. in crores)

| Nature of transactions | Subsidiaries | Joint ventures | Other related parties | Total |
|---|--------------|----------------|-----------------------|--------|
| Trade payables | 133 | 78 | 1,516 | 1,727 |
| | 50 | 115 | 2,005 | 2,170 |
| Advance received from customers | * | 3 | 5 | 8 |
| | 147 | 3 | 2 | 152 |
| Lease & other deposit received | 13 | 13 | 39 | 65 |
| | 13 | 13 | 39 | 65 |
| Trade receivables | 191 | 24 | 120 | 335 |
| | 163 | 44 | 144 | 351 |
| Share application money given | * | 1 | - | 1 |
| | 101 | * | - | 102 |
| | 24 | 45 | 264 | 333 |
| | 37 | 63 | 265 | 365 |
| | 9,973 | 217 | 13 | 10,203 |
| | 8,979 | 216 | 13 | 9,208 |
| | 852 | 31 | 20 | 903 |
| | 792 | - | - | 792 |
| Allowances for loans & advances given/ interest receivable | 1,645 | - | - | 1,645 |
| | 1,599 | - | - | 1,599 |
| Security & other deposit given | - | - | 378 | 378 |
| | - | - | 300 | 300 |
| Lease liabilities/finance lease obligations | 1,264 | - | 1,648 | 2,912 |
| | 1,549 | - | 1,786 | 3,335 |
| Guarantees and collaterals provided by the Company on behalf of | 4,303 | - | - | 4,303 |
| | 5,034 | - | - | 5,034 |
| Post-employment benefits plans | - | - | 157 | 157 |
| | - | - | 75 | 75 |

less than Rs. 0.50 crores

Amount in italics is as at 31 March 2020



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

14. The Company acquired mining blocks viz: -Nuagaon, Narayanposhi, Jajang and Gana 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 has also paid upfront premium payment amounting to Rs. 1,290 crores which would be adjusted against the premium payment due to the Government. The Company has also started mining operations at all the above said blocks from 1 July 2020.
15. The COVID-19 outbreak and measures to curtail it has caused disturbances and slowdown of economic activity. The Company's operations were impacted during the first quarter of the year due to scaling down / suspending production across all plants due to supply chain constraints, shortage of workforce and with a view to ensure safety across all areas of operation. Following the approvals received from the regulatory authorities towards the end of April 20, the Company has commenced operations and has achieved a crude steel production of 3.85 million tons during the second quarter of the year. With this the Company has achieved average capacity utilisation of 86% in the second quarter which is in line with the pre Covid-19 level of 85% during the same period of the previous year.

The Company has considered the possible impact of COVID-19 in preparation of the above results. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

16. The Company submitted the Resolution Plan in respect of Bhushan Power and Steel Limited (BPSL), a company currently undergoing insolvency resolution process under the provisions of the Insolvency and Bankruptcy Code. The Committee of Creditors (CoC) approved the Resolution Plan and the Resolution Professional issued the Letter of Intent to the Company on 11 February 2019, which was duly accepted by the Company. The Resolution Plan was approved by the National Company Law Tribunal (NCLT) with certain modifications. Subsequently an appeal preferred by the Company has been allowed by the National Company Law Appellate Tribunal (NCLAT) vide its order 17 February 2020. The erstwhile promoters and few operational creditors preferred an Appeal before the Hon'ble Supreme Court against the NCLAT order. The said Appeals along with the Petition of CoC are pending before the Hon'ble Supreme Court for adjudication.
17. The Company issued listed secured non-convertible debentures of Rs. 4,500 Crores on 12 October 2020. The first interest payment for these debentures is on 12 April 2021 and redemption of the said debentures is on 12 October 2027 with put & call option on 10 October 2025.
18. The Company has entered into a share purchase agreement 24 November 2020 to acquire, in one or more tranches, 1,32,37,227 equity shares of JSW Vallabh Tinplate Private Limited ("JSW VTPL"), representing 26.45% of the equity share capital of JSW VTPL from the existing third party shareholder by the 31 March 2021. Accordingly, post completion of acquisition of shares, JSW VTPL will become a wholly owned subsidiary of the Company with the Company's indirect and indirect shareholding (through its wholly owned subsidiary Vastriya Limited).



NOTES TO THE UNAUDITED CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

19. Dividend distribution

On 22 May 2020 the board of directors recommended a final dividend of Rs. 2.00 per equity share be paid to shareholders for financial year 2019-20, which was approved by the shareholders at the Annual General Meeting held on 23 July 2020. The dividend resulted in a cash outflow of Rs. 483 crores.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003




per VIKRAM MEHTA
Partner

Membership No.:105938
Place: Mumbai
Date: 12 December 2020



For and on behalf of the Board of Directors



RAJEEV PAI
Chief Financial Officer



LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 12 December 2020



SESHAGIRI RAO M.V.S
Jt. Managing Director & Group CFO
DIN 00029136



JAYANT ACHARYA
Director (Commercial & Marketing)
DIN 00106543
Place: Mumbai
Date: 12 December 2020

Report on Review of Unaudited Condensed Consolidated Interim Financial Statements

To the Board of Directors of JSW Steel Limited

We have reviewed the accompanying Unaudited Condensed Consolidated Interim Financial Statements of JSW Steel Limited (the "Holding Company" or "Company") including its subsidiaries (together referred to as "the Group") and its joint ventures, which comprises the Unaudited Condensed Consolidated Interim Balance Sheet as at September 30, 2020, the Unaudited Condensed Consolidated Interim Statement of Profit and Loss (including other comprehensive income), the Unaudited Condensed Consolidated Interim Statement of Cash Flow and the Unaudited Condensed Consolidated Interim Statement of Changes in Equity for the six months period then ended, and selected explanatory notes (together hereinafter referred to as the "Unaudited Condensed Consolidated Interim Financial Statements"). The Unaudited Condensed Consolidated Interim Financial Statements have been prepared by the Company for the purpose of raising additional capital / debts by the Group.

Management's Responsibility for the Unaudited Condensed Consolidated Interim Financial Statements

The Holding Company's Board of Directors is responsible with respect to the Unaudited Condensed Consolidated Interim Financial Statements for ensuring that they are prepared in accordance with Indian Accounting Standard 34 - Interim Financial Reporting, read with Section 133 of the Companies Act, 2013 (the "Act"), read with the applicable accounting principle and policies.

Auditor's Responsibility for the Unaudited Condensed Consolidated Interim Financial Statements

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review conducted as above and based on the consideration of the review reports of other auditors on the unaudited condensed interim financial statements / financial information of the Company's subsidiaries and joint ventures, nothing has come to our attention that causes us to believe that the accompanying Unaudited Condensed Consolidated Interim Financial Statements are not prepared, in all material respects, in accordance with Indian Accounting Standard 34, Interim Financial Reporting ("Ind AS 34") as specified in Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and the applicable accounting policies.



SRBC & COLLP

Chartered Accountants

JSW Steel Limited

Page 2 of 3

Other matters

1. The Unaudited Condensed Consolidated Interim Financial Statements includes unaudited condensed interim financial statements / financial information, in respect of:

- 6 subsidiaries, whose unaudited condensed interim financial statements / financial information include total assets of Rs 5,875 crores as at September 30, 2020 and total revenues of Rs 3,262 crores, total net loss after tax of Rs 88 crores, total comprehensive loss of Rs 100 crores and net cash outflow of Rs 29 crores for the six months period ended September 30, 2020, as considered in the Unaudited Condensed Consolidated Interim Financial Statements which have been reviewed by their respective independent auditors.
- 4 joint ventures, whose unaudited condensed interim financial information include Group's share of net loss of Rs 7 crores and Group's share of total comprehensive loss of Rs 6 crores for the six months period ended September 30, 2020, as considered in the Unaudited Condensed Consolidated Interim Financial Statements whose condensed interim financial information have been reviewed by their respective independent auditors.

The independent auditor's reports on unaudited condensed interim financial statements / financial information of these entities have been furnished to us by the Management and our conclusion on the Unaudited Condensed Consolidated Interim Financial Statements, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and joint ventures is based solely on the report of such auditors.

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

3. The Unaudited Condensed Consolidated Interim Financial Statements includes unaudited condensed interim financial information in respect of:

condensed interim financial statements / financial information include total assets of Rs 3,742 crores as at September 30, 2020 and total revenues of Rs 33 crores, total net loss after tax of Rs 107 crores, total comprehensive loss of Rs 75 crores and net cash outflow of Rs 22 crores for the six months period ended September 30, 2020, as considered in the Unaudited Condensed Consolidated Interim Financial Statements which have not been reviewed by their respective independent auditors.

- 3 joint ventures, whose unaudited condensed interim financial information include the Group's share of net loss of Rs 0.01 crores and Group's share of total comprehensive loss of Rs 0.01 crores for the six months period ended September 30, 2020, as considered in the the Unaudited Condensed Consolidated Interim Financial Statements whose condensed interim financial information have not been reviewed by their respective independent auditors.



SRBC & COLLP

Chartered Accountants

JSW Steel Limited

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These unaudited condensed interim financial statements / financial information have been approved and furnished to us by the Management and our conclusion on the Unaudited Condensed Consolidated Interim Financial Statements, in so far as it relates to the affairs of these subsidiaries and joint ventures, is based solely on such unaudited condensed interim financial statements / financial information. According to the information and explanations given to us by the Management, these interim financial statements / financial information are not material to the group.


Our conclusion on the Unaudited Condensed Consolidated Interim Financial Statements in respect of matters stated in para 1, 2 and 3 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the unaudited condensed interim financial statements / financial information certified by the Management.

4. The accompanying Unaudited Condensed Consolidated Interim Financial Statements have been prepared by the Company solely for the purpose of raising additional capital / debts by the Group. Accordingly, this report should not be used, referred to or distributed for any other purpose.

For SRBC & COLLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Vikram Mehta
Partner

Membership Number: 105938

UDIN: 20105938AAAAGW3387



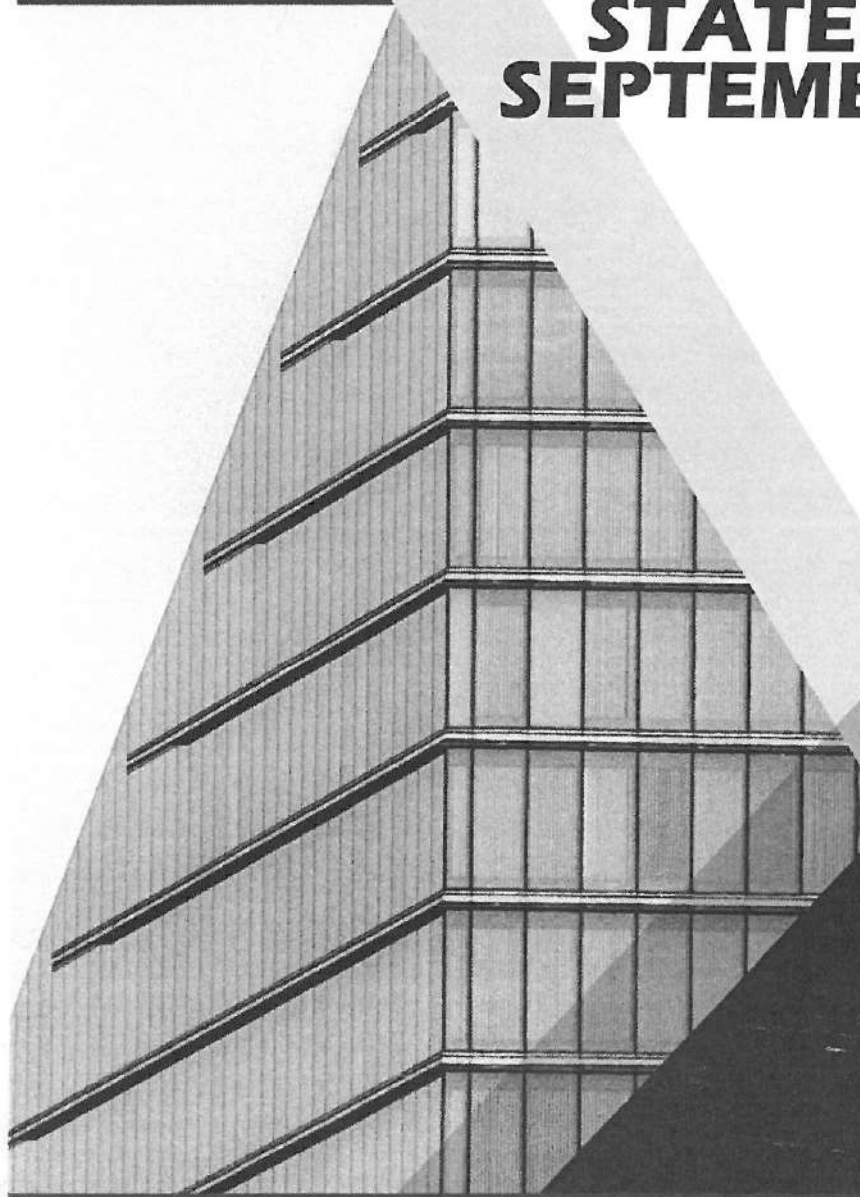
Place of Signature: Mumbai

Date: December 12, 2020

The logo for JSW Steel Limited, featuring the letters 'JSW' in a stylized, bold font with a swoosh above the 'J', followed by the words 'Steel Limited' in a clean, sans-serif font.

JSW Steel Limited

**UNAUDITED
CONDENSED
CONSOLIDATED
INTERIM
FINANCIAL
STATEMENTS
SEPTEMBER 2020**



FINANCIAL BALANCE SHEET AS AT 30 SEPTEMBER 2020

| | Notes | Rs. in crores | |
|---|-------|-------------------------------|---------------------------|
| | | As at 30 September 2020 | As at 31 March 2020 |
| | | | |
| | 3 A | 56,203 | 57,758 |
| (b) Capital work-in-progress | | 29,997 | 26,857 |
| (c) Right of use assets | | 3,348 | 3,471 |
| (d) Goodwill | | 407 | 415 |
| (e) Other intangible assets | 3 B | 1,261 | 350 |
| (f) Intangible assets under development | | 361 | 334 |
| (g) Investments in joint ventures | | 280 | 283 |
| (h) Financial assets | | | |
| (i) Investments | | 1,140 | 974 |
| (ii) Loans | | 782 | 772 |
| (iii) Other financial assets | | 1,138 | 696 |
| (i) Current tax assets (net) | | 228 | 385 |
| (j) Other non-current assets | | 2,990 | 2,956 |
| Total non-current assets | | 98,135 | 95,251 |
| (2) Current assets | | | |
| (a) Inventories | | 11,416 | 13,864 |
| (b) Financial assets | | | |
| (i) Investments | | 9 | 2 |
| (ii) Trade receivables | | 3,447 | 4,505 |
| (iii) Cash and cash equivalents | | 2,118 | 3,966 |
| (iv) Bank balances other than (iii) above | | 5,537 | 8,037 |
| (v) Loans | | 960 | 742 |
| (vi) Derivative assets | | 160 | 201 |
| (vii) Other financial assets | | | |
| (c) Current tax assets (net) | | | |
| (d) Other current assets | | | |
| (e) Assets classified as held for sale | | | |
| Total current assets | | | |
| TOTAL - ASSETS | | | |
| II EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Equity share capital | | 301 | 301 |
| (b) Other equity | | 37,308 | 36,298 |
| Equity attributable to owners of the Company | | 37,609 | 36,599 |
| Non-controlling interests | | (577) | (575) |
| Total equity | | 37,032 | 36,024 |



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM BALANCE SHEET AS AT 30 SEPTEMBER 2020 (Continued)

| | Notes | Rs. in crores | |
|--|-------|-------------------------------|---------------------------|
| | | As at 30 September 2020 | As at 31 March 2020 |
| Liabilities | | | |
| (2) Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 4 A | 43,149 | 44,673 |
| (ii) Lease liabilities | | 1,543 | 1,744 |
| (iii) Derivative liabilities | | 120 | 130 |
| (iv) Other financial liabilities | | 547 | 464 |
| (b) Provisions | | 381 | 348 |
| (c) Deferred tax liabilities (net) | | 2,214 | 1,677 |
| (d) Other non-current liabilities | | 2,564 | 3,072 |
| Total non-current liabilities | | 50,518 | 52,108 |
| (3) Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 4 B | 4,848 | 8,325 |
| (ii) Trade payables | | | |
| a) Total outstanding, dues of micro and small enterprises | | 293 | 142 |
| b) Total outstanding, dues of creditors other than micro and small enterprises | | 16,203 | 17,776 |
| (iii) Derivative liabilities | | 187 | 251 |
| (iv) Lease liabilities | | 353 | 306 |
| (v) Other financial liabilities | | 15,162 | 14,143 |
| (b) Other current liabilities | | 3,225 | 2,455 |
| (c) Provisions | | 171 | 161 |
| * Provisions for contingencies and other liabilities | | 172 | 129 |
| Total current liabilities | | 40,614 | 43,688 |
| Total liabilities | | 91,132 | 95,796 |
| TOTAL – EQUITY AND LIABILITIES | | 128,164 | 131,820 |

See accompanying notes forming part of the Unaudited Condensed Consolidated Interim Financial Statements

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

per VIKRAM MEHTA
Partner
Membership No. 105938



Place: Mumbai
Date: 12 December 2020

For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO
DIN 00029136

LANCY VARGHESE
Company Secretary

JAYANT ACHARYA
Director (C)

ICSI M

Date

JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

Rs. in crores

| | Notes | For the six months ended | |
|---|----------|--------------------------|-------------------|
| | | 30 September 2020 | 30 September 2019 |
| I Revenue from operations | | 31,046 | 36,918 |
| Government grant income – VAT/GST incentive relating to earlier years | | - | 466 |
| Total Revenue from operations | 5 | 31,046 | 37,384 |
| II Other income | | 284 | 297 |
| III Total income (I + II) | | 31,330 | 37,681 |
| IV Expenses | | | |
| Cost of materials consumed | | 14,791 | 20,878 |
| Purchases of stock-in-trade | | 34 | 30 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | | 925 | (1,136) |
| Employee benefits expense | | 1,227 | 1,412 |
| Finance costs | | 1,975 | 2,169 |
| Depreciation and amortisation expense | | 2,196 | 2,083 |
| Other expenses | | 8,314 | 9,753 |
| Total expenses | | 29,462 | 35,189 |
| V Profit before share of profit / (loss) from joint ventures (net), and tax (III-IV) | | 1,868 | 2,492 |
| VI Share of profit / (loss) from joint ventures (net) | | (6) | (34) |
| VII Profit before tax (V+VI) | | 1,862 | 2,458 |
| VIII Tax expense/(credit) | | | |
| Current tax | | 471 | 611 |
| Deferred tax | | 378 | (1,697) |
| IX Profit for the period (VII-VIII) | | 1,013 | 3,544 |



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020 (Continued)

| | | Rs. in crores | |
|------------|---|--------------------------|----------------------|
| | | For the six months ended | |
| | | 30 September 2020 | 30 September 2019 |
| | | Notes | |
| X | Other comprehensive income / (loss) | | |
| A | (i) Items that will not be reclassified to profit or loss | | |
| | a) Remeasurement losses of the defined benefit plans | 14 | (7) |
| | b) Equity instruments through other comprehensive income | 139 | (77) |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | (4) | 2 |
| | Total (A) | 149 | (82) |
| B | (i) Items that will be reclassified to profit or loss | | |
| | a) Foreign currency translation differences / hedging | 457 | (227) |
| | Retirement benefits | - | 27 |
| | Provision for doubtful debts / (recovery) | (5) | (85) |
| | Items reclassified to | (153) | 70 |
| | | 299 | (215) |
| | | 448 | (297) |
| | | 1,461 | 3,247 |
| | | 1,032 | 3,588 |
| | - Owners of the Company | (19) | (44) |
| | - Non-controlling interests | 1,013 | 3,544 |
| | Other comprehensive income/(loss) for the period attributable to: | | |
| | - Owners of the Company | 432 | (286) |
| | - Non-controlling interests | 16 | (11) |
| | | 448 | (297) |
| | Total comprehensive income/(loss) for the period attributable to: | | |
| | - Owners of the Company | 1,464 | 3,302 |
| | - Non-controlling interests | (3) | (55) |
| | | 1,461 | 3,247 |
| XII | Earnings per equity share of Re. 1 each (not annualized) | 6 | |
| | Basic (in Rs.) | 1.20 | 1.49 |
| | Diluted (in Rs.) | 4.27 | 14.84 |

See accompanying notes forming part of the Unaudited

Condensed Consolidated Interim Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per VIKRAM MEHTA
Partner
Membership No. 105938

Place: Mumbai
Date: 12 December 2020



For and on behalf of the Board of Directors

RAJEEV PAI
Chief Financial Officer

SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO
DIN 00029136

LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407

JAYANT ACHARYA
Director (Commercial & Marketing)
DIN 00106543

Place: Mumbai
Date: 12 December 2020



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

A. Equity share capital

For the six months ended 30 September 2020

| Rs. in crores | | |
|--------------------|----------------------------|-------------------------|
| As at 1 April 2020 | Movement during the period | As at 30 September 2020 |
| 301 | @ | 301 |

@ - Rs. 0.17 crores

For the six months ended 30 September 2019

| Rs. in crores | | |
|--------------------|----------------------------|-------------------------|
| As at 1 April 2019 | Movement during the period | As at 30 September 2019 |
| 301 | @ | 301 |

@ - Rs. 0.22 crores



JSW STEEL LIMITED

INTERIM STATEMENT OF CHANGES IN EQUITY

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020 (Continued)

B. Other equity
For the six months ended 30 September 2020

| | | | | Reserves and surplus | | Other comprehensive income / (loss) | | Total | | | | | | |
|---|-----------------|----------------------------|----------------------------|----------------------|-------------------------------------|-------------------------------------|-------------------------------------|---|---------------------------------------|---------|--------------------------------------|--------------------------------|-------|---------|
| | Capital reserve | Securities premium reserve | Capital redemption reserve | Retained earnings | Settled share based payment reserve | General reserve | Capital reserve on bargain purchase | Equity instruments through other comprehensive income | Effective portion of cash flow hedges | FCMITDA | Attributable to owners of the parent | Non-controlling interest (NCI) | Total | |
| Balance as at 1 April 2019 | 3,585 | 5,417 | 531 | 3,588 | 91 | 9,899 | 1,017 | (552) | 476 | 66 | (57) | 34,494 | (401) | 34,044 |
| Profit for the period | - | - | - | (5) | - | - | - | - | - | - | - | 3,588 | (1) | 3,544 |
| Other comprehensive income / (loss) for the period, net of income tax | - | - | - | (1,195) | - | - | - | (74) | (77) | (148) | 18 | (286) | (11) | (297) |
| Dividend including dividend distribution tax | - | - | - | 16 | - | - | - | - | - | - | - | (1,195) | - | (1,195) |
| Impact of ESOP trust consolidation | - | - | - | - | - | - | - | - | - | - | - | 16 | - | 16 |
| Recognition of share-based payments | - | - | - | - | 19 | - | - | - | - | - | - | 19 | - | 19 |
| Transfer to Capital redemption reserve | - | - | 121 | - | - | (121) | - | - | - | - | - | - | - | - |
| Impact of compound financial instruments, net of taxes | - | - | - | - | - | - | - | - | - | - | - | - | 4 | 4 |
| Others | - | - | - | (4) | - | - | - | - | - | - | - | (4) | - | (4) |
| Balance as at 30 September 2019 | 3,585 | 5,417 | 652 | 16,136 | 110 | 9,778 | 1,017 | (616) | 399 | (82) | (39) | 36,632 | (501) | 36,131 |

Rs. in crores



UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

SIX MONTHS ENDED 30 SEPTEMBER 2020 (Continued)

For the six months ended 30 September 2020

| | Reserves and surplus | | | | | | Other components | | Comprehensive income / (loss) | | | | Total |
|---|----------------------|----------------------------|----------------------------|-------------------|--|-----------------|-------------------------------------|-------|---|---------------------------------------|--------------------------------------|--------------------------------|--------|
| | Capital reserve | Securities premium reserve | Capital redemption reserve | Retained earnings | Equity settled share based payment reserve | General reserve | Capital reserve on bargain purchase | FCTR | Equity instruments through other comprehensive income | Effective portion of cash flow hedges | Attributable to owners of the parent | Non-controlling interest (NCI) | |
| | | | | | | | | | | | | | |
| Balance as at 1 April 2020 | 3,585 | 5,417 | 774 | 16,561 | 122 | 9,947 | 1,019 | (823) | 172 | (476) | 36,298 | (575) | 35,723 |
| Profit for the period | - | - | - | 1,032 | - | - | - | - | - | - | 1,032 | (19) | 1,013 |
| Other comprehensive income / (loss) for the period, net of income tax | - | - | - | 10 | - | - | - | (21) | 139 | 304 | 432 | 16 | 448 |
| Dividend including dividend distribution tax | - | - | - | (483) | - | - | - | - | - | - | (483) | - | (483) |
| Impact of ESOP trust consolidation | - | - | - | 22 | - | - | - | - | - | - | 22 | - | 22 |
| Recognition of share based payments | - | - | - | - | 10 | - | - | - | - | - | 10 | - | 10 |



STATEMENT OF CHANGES IN EQUITY TO THE SIX MONTHS ENDED 30 SEPTEMBER 2020 (Continued)

| | Reserves and surplus | | | | | Other comprehensive income / (loss) | | | Attributable to owners of the parent | Non-controlling interest (NCI) | Rs. in crores | |
|--|----------------------|----------------------------|----------------------------|-------------------|--|-------------------------------------|-------|---|--------------------------------------|--------------------------------|---------------|--|
| | Capital reserve | Securities premium reserve | Capital redemption reserve | Retained earnings | Equity settled share based payment reserve | General reserve | FCTR | Equity instruments through other comprehensive income | | | | Effect of change in fair value of financial assets and liabilities |
| Impact of compound financial Instruments, net of taxes | - | - | - | - | - | - | - | - | - | - | 1 | 1 |
| Transfer between reserves | - | - | - | - | - | - | - | - | - | - | - | - |
| Others | - | - | - | - | (12) | 12 | - | - | (3) | - | - | - |
| Balance as at 30 September 2020 | 3,585 | 5,417 | 774 | 17,139 | 120 | 9,959 | 1,019 | (844) | 311 | (577) | 36,731 | |

See accompanying notes forming part of the Unaudited Condensed Consolidated Interim Financial Statements

As per our report of even date
 For S R B C & CO LLP
 Chartered Accountants
 ICAI Firm Registration Number: 324982E/E300003

Vikram Mehta

per VIKRAM MEHTA
 Partner
 Membership No. 105938

Place: Mumbai
 Date: 12 December 2020



Rajeev Pai

RAJEEV PAI
 Chief Financial Officer

Lancy Varghese

LANCY VARGHESE
 Company Secretary
 ICSI Membership No. FCS 9407
 Place: Mumbai
 Date: 12 December 2020

For and on behalf of

Seshagiri Rao M.V.S.
 the Board of Directors

Jt. Managing Director & Group CFO
 SESHAGIRI RAO M.V.S.
 DIN 00029136

Director (Commercial & Marketing)
Jayant Acharya
 JAYANT ACHARYA
 DIN 00106543



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

Rs. in crores

| | For the six months ended | |
|--|--------------------------|-------------------|
| | 30 September 2020 | 30 September 2019 |
| A. Cash flow from operating activities | | |
| Net profit before tax | 1,862 | 2,458 |
| Adjustments for: | | |
| Depreciation and amortization expenses | 2,196 | 2,083 |
| Loss on sale of property, plant & equipment (net) | 13 | 1 |
| Gain on sale of financial investments designated as Fair value through profit & loss account ('FVTPL') | - | (5) |
| Export obligation deferred income amortization | (105) | (20) |
| Interest income | (234) | (236) |
| Dividend income | (10) | (10) |
| Interest expense | 1,902 | 2,023 |
| Unrealised exchange (gain) / loss (net) | (241) | 263 |
| Gain on financial instruments designated as FVTPL | (2) | (6) |
| Unwinding of interest on financial assets carried at amortised cost | (24) | (22) |
| Share based payment expense | 10 | 18 |
| Share of loss from joint ventures (net) | 6 | 34 |
| Fair value loss on financial instruments designated as FVTPL | - | 1 |
| Allowance for doubtful receivable and advances | 47 | 11 |
| | 3,558 | 4,135 |
| Operating profit before working capital changes | 5,420 | 6,593 |
| Adjustments for : | | |
| Decrease / (increase) in inventories | 2,448 | (388) |
| Decrease in trade receivables | 1,077 | 1,695 |
| Increase in other assets | (2,004) | (1,095) |
| Decrease in trade payable and other liabilities | (1,042) | (974) |
| Increase in provisions | 57 | 28 |
| | 536 | (734) |
| Cash flow from operations | 5,956 | 5,859 |
| Income taxes paid (net of refund received) | (271) | (350) |
| Net cash generated from operating activities | 5,685 | 5,509 |
| B. Cash flow from investing activities | | |
| Payments for property, plant and equipment and intangibles assets (including under development and capital advances) | (3,901) | (6,582) |
| Proceeds from sale of property, plant and equipment | 18 | 5 |
| Purchase of current investments | (8) | (762) |
| Sale of current investments | 1 | 750 |
| Bank deposits not considered as cash and cash equivalents (net) | 2,600 | (1,735) |
| Interest received | 355 | 313 |
| Dividend received | 10 | 10 |
| Net cash used in investing activities | (925) | (8,001) |



JSW STEEL LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020 (Continued)

Rs. in crores

| | For the six months ended | |
|--|--------------------------|-------------------|
| | 30 September 2020 | 30 September 2019 |
| C. Cash flow from financing activities | | |
| Proceeds of sale of treasury shares | 20 | 160 |
| Payments for purchase of treasury shares | - | (144) |
| Proceeds from non-current borrowings | 3,227 | 6,640 |
| Repayment of non-current borrowings | (3,388) | (2,843) |
| Proceeds from / (repayment) of current borrowings (net) | (3,477) | 4,597 |
| Repayment of lease liabilities | (162) | (284) |
| Interest paid (including upfront fees on loans) | (2,339) | (2,074) |
| Dividend paid (including corporate dividend tax) | (483) | (1,195) |
| Net cash (used in) / generated from financing activities | (6,602) | 4,857 |
| Net (decrease) / increase in cash and cash equivalents(A+B+C) | (1,842) | 2,365 |

| | | |
|--|-------|-------|
| Cash and cash equivalents – Opening balances | 3,966 | 5,581 |
| Add: Translation adjustment in cash and cash equivalents | | |
| Cash and cash equivalents – Closing balances | | |

@ - less than Rs. 0.50 crores

See accompanying notes forming part of the Unaudited Condensed Interim Financial Statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per VIKRAM MEHTA
Partner
Membership No. 105938

Place: Mumbai
Date: 12 December 2020




RAJEEV PAI
Chief Financial Officer



LANCY VARGHESE
Company Secretary
ICSI Membership No. FCS 9407
Place: Mumbai
Date: 12 December 2020



SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO
DIN 00029136



JAYANT ACHARYA
Director (Commercial & Marketing)
DIN 00106543



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

1. General Information

JSW Steel Limited ("the Company" or 'the Parent') is primarily engaged in the business of manufacture and sale of Iron and Steel Products.

The Parent and its subsidiaries (together referred to as "the Group") are manufacturer of diverse range of steel products with it's manufacturing facilities located in states of Karnataka, Maharashtra and Tamil Nadu in India and also in the United States of America.

JSW Steel Limited is a public limited company incorporated in India on 15 March 1994 under the Companies Act, 1956 and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.

2. Significant Accounting policies

I. Statement of compliance

These Unaudited Condensed Consolidated Interim Financial Statements have been prepared in accordance with the requirements of Indian Accounting Standards 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time).

II. Basis of preparation and presentation

The Group has prepared these Unaudited Condensed Consolidated Interim Financial Statements which comprise the Unaudited Condensed Consolidated Interim Balance Sheet as at 30 September 2020, the Unaudited Condensed Consolidated Interim Statement of Profit and Loss, the Unaudited Condensed Consolidated Interim Statement of Changes in Equity and the Unaudited Condensed Consolidated Interim Statement of Cash Flows for the six months ended 30 September 2020, and other explanatory information (together hereinafter referred to as "Unaudited Condensed Consolidated Interim Financial Statements" or "financial statements").

The Unaudited Condensed Consolidated Interim Financial Statements have been prepared by the Group for the purpose of raising additional capital / debts by the Group.

The Unaudited Condensed Consolidated Interim Financial Statements have been prepared on a historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period and acquisition of subsidiaries where assets and liabilities are measured at fair values as at the date of acquisition in accordance with Ind AS 103.

The Unaudited Condensed Consolidated Interim Financial Statements do not include all the information and disclosures normally included in annual financial statements read in conjunction with annual financial statements for announcement made during interim reporting period.

Accounting policies and methods of computation followed in the Unaudited Condensed Consolidated Interim Financial Statements are same as compared with the annual financial statements for the year ended 31 March 2020.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

III. Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies, the Group 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.

The area where estimates are significant to the Unaudited Condensed Consolidated Interim Financial Statements, or areas involving high degree of judgement or complexity, are same as those disclosed in the annual financial statements for the year ended 31 March 2020.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED COM

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ONTHS ENDED 30 SEPTEMBER 2020

3. A. Property, plant and equipment

| Particulars | Rs. in crores | | | | | | | Total |
|--|---------------|---------------------|------------------------|-----------------------------|------------------|---------------------------------|-------|--------|
| | Buildings | Plant and machinery | Furniture and fixtures | Vehicle, aircraft and lifts | Office equipment | Mining development and projects | | |
| Cost/deemed cost | | | 151 | | | | | |
| At 1 April 2020 | 10,040 | 62,644 | - | - | 165 | 111 | 1,129 | 76,056 |
| Transfer out to Right of use assets | - | 10 | 3 | - | - | - | - | 10 |
| Additions | 84 | 517 | - | - | 5 | 9 | 4 | 624 |
| Deductions | 13 | 72 | - | - | 4 | @ | - | 89 |
| Other adjustments (refer note below) | - | (11) | @ | - | - | - | - | (11) |
| Translation reserve | (18) | (143) | 154 | @ | @ | @ | (10) | (165) |
| At 30 September 2020 | 10,093 | 62,925 | | | 166 | 120 | 1,123 | 76,405 |
| Accumulated depreciation and impairment | | | 74 | | | | | |
| At 1 April 2020 | 1,977 | 15,287 | | | 62 | 61 | 833 | 18,298 |
| Transfer out to Right of use assets | - | - | 6 | - | - | - | - | 6 |
| Depreciation expense | - | 194 | 1,804 | 8 | 9 | 9 | 3 | 2,027 |
| Impairment expense | - | 6 | 52 | - | 2 | @ | - | 60 |
| Translation reserve | @ | (6) | (49) | - | @ | @ | (2) | (57) |
| At 30 September 2020 | 4 | 2,159 | 16,984 | 82 | 69 | 70 | 834 | 20,202 |
| Net book value | | | | | | | | |
| At 1 April 2020 | 1,820 | 7,934 | 45,941 | 72 | 97 | 50 | 289 | 56,203 |
| At 30 September 2020 | 1,812 | 8,063 | 47,357 | 77 | 103 | 50 | 296 | 57,758 |

@ 0.50 crores.

@ include the following items which comprise of foreign exchange loss and borrowing cost.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CON

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STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020
B. Other intangible assets

| Particulars | | | | | Rs. in crores |
|--|-------------------|----------|---------------------|-----------------|---------------|
| | Computer software | Licences | Mining concession * | Port concession | Total |
| Cost/deemed cost | | | | | |
| At 1 April 2020 | 170 | 52 | 283 | 1 | 506 |
| Additions | 12 | 6 | 930 | - | 948 |
| Translation reserve | @ | @ | @ | @ | @ |
| At 30 September 2020 | 182 | 58 | 1,213 | 1 | 1,454 |
| Accumulated depreciation and impairment | | | | | |
| At 1 April 2020 | 100 | 28 | 27 | 1 | 156 |
| Depreciation expense | 12 | 7 | 18 | - | 37 |
| Translation reserve | @ | @ | @ | @ | @ |
| At 30 September 2020 | 112 | 35 | 45 | 1 | 193 |
| Net book value | | | | | |
| At 30 September 2020 | 70 | 23 | 1,168 | - | 1,261 |
| At 31 March 2020 | 70 | 24 | 256 | - | 350 |

@ - less than Rs. 0.50 crores

* - refer note no 13

4. Borrowings
A. Long term borrowings

| Particulars | Rs. in crores | |
|--|-------------------------------|---------------------------|
| | As at 30 September 2020 | As at 31 March 2020 |
| Borrowings – non-current | 43,149 | 44,673 |
| Current maturities of long term borrowings (grouped under Other financial liabilities) | 7,114 | 6,375 |
| | 50,263 | 51,048 |



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

Movement in borrowings during the six months ended 30 September 2020

| Rs. in crores | | | | | | | | | | | |
|--|------------------------|------------|-----------------------|-----------------------------------|--------------------------|----------------------------------|-------------------|---------------------|----------------------|------------------|--------|
| Particulars | Foreign currency bonds | Debentures | Rupee Term loan (RTL) | Foreign currency Term loan (FCTL) | Deferred government loan | Acceptances for capital projects | Preference shares | Upfront fees on RTL | Upfront fees on FCTL | Total borrowings | |
| Opening balance as at 1 April 2020 | 10,554 | 5,300 | 15,398 | 18,062 | 167 | 1,906 | 23 | (43) | (319) | 51,048 | |
| Add : Disbursements | | | | | | | | | | | |
| Unsecured – debentures | - | 1,000 | - | - | - | - | - | - | - | 1,000 | |
| Secured - rupee term loan | - | - | 1,393 | - | - | - | - | - | - | 1,393 | |
| Secured – foreign term loan | - | - | - | 2 | - | - | - | - | - | 2 | |
| Secured - Acceptance for capital projects with maturity more than 1 year | - | - | - | - | - | 5 | - | - | - | 5 | |
| Unsecured - foreign term loan | - | - | - | 593 | - | - | - | - | - | 593 | |
| Unsecured - Acceptance for capital projects with maturity more than 1 year | - | - | - | - | - | 19 | - | - | - | 19 | |
| Sales tax deferral loan | - | - | - | - | 215 | - | - | - | - | 215 | |
| Others | - | 1,000 | - | - | - | - | - | (25) | (21) | (46) | |
| | | 0 | 1,393 | 595 | 215 | 24 | - | (25) | (21) | 3,181 | |
| Less : Redemption / Repayments | | | | | | | | | | | |
| Secured non-convertible debentures | - | 120 | - | - | - | - | - | - | - | 120 | |
| Secured - rupee term loans | - | - | 862 | - | - | - | - | - | - | 862 | |
| Secured - foreign currency loan | - | - | - | 552 | - | - | - | - | - | 552 | |
| Unsecured - rupee term loans | - | - | 275 | - | - | - | - | - | - | 275 | |
| Unsecured - foreign currency loan | - | - | - | 1,542 | - | - | - | - | - | 1,542 | |
| Unsecured - Acceptance for capital projects more than 1 year | - | - | - | - | - | 19 | - | - | - | 19 | |
| Sales tax deferral loan | - | - | - | - | 18 | - | - | - | - | 18 | |
| Total | (222) | 0 | 1,137 | 2,094 | 18 | 19 | - | - | - | 3,388 | |
| Add: Other movements (refer note below) | 10,332 | 6,180 | - | (244) | (152) | (13) | 2 | 12 | 39 | (578) | |
| Total borrowings as at 30 September 2020 | | | 0 | 15,654 | 16,319 | 212 | 1,898 | 25 | (56) | (301) | 50,263 |

Note:

Other movements mainly include foreign exchange differences, amortization of upfront fees and interest accrual during the period.



B. Short term borrowings

| Particulars | Rs. in crores | |
|--|----------------------------|------------------------|
| | As at 30 September 2020 | As at 31 March 2020 |
| Loan repayable on demand | | |
| Working capital loans from banks (secured) | | |
| Rupee loans | 558 | 3,092 |
| Foreign currency loans | 837 | 1,150 |
| Rupee loans from banks | 1,324 | 200 |
| Commercial papers (unsecured) | 4,129 | 3,885 |
| Total | 4,848 | 8,325 |

Due to the COVID 19 pandemic, the Reserve Bank of India (RBI), vide its notification reference RBI/2019-20/186 dated 27 March 2020, announced a "COVID 19 Regulatory Package" to mitigate the adverse impact of the pandemic and ensure continuity of viable business operations. As per this package banks were inter alia permitted to grant a moratorium of half year on payment of all instalments (principal and interest) on Term loans falling due between 1 March 2020 and 31 May 2020, the same has been extended for further half year by the RBI, vide its notification reference RBI/2019-20/244 dated 23 May 2020 package relating to term loans and the same was availed by the lenders in line with RBI's notification. Accordingly, the condensed financial statement has been prepared giving effect to the above.

Due to the COVID 19 pandemic, the Reserve Bank of India (RBI), vide its notification reference RBI/2019-20/186 dated 27 March 2020, announced a "COVID 19 Regulatory Package" to mitigate the adverse impact of the pandemic and ensure continuity of viable business operations. As per this package banks were inter alia permitted to grant a moratorium of half year on payment of all instalments (principal and interest) on Term loans falling due between 1 March 2020 and 31 May 2020, the same has been extended for further half year by the RBI, vide its notification reference RBI/2019-20/244 dated 23 May 2020 package relating to term loans and the same was availed by the lenders in line with RBI's notification. Accordingly, the condensed financial statement has been prepared giving effect to the above.

5. Revenue from operations

The Group has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure

| Particulars | Rs. in crores | |
|--|--------------------------|-------------------|
| | For the six months ended | |
| | 30 September 2020 | 30 September 2019 |
| Revenue from contracts with customer - Sale of products (including shipping services) | 30,116 | 36,144 |
| Other operating revenue (refer note (a) below) | 930 | 774 |
| Total (a) | 31,046 | 36,918 |
| Government grant income – VAT/GST incentive relating to earlier years (b) (refer note (b) below) | - | 466 |
| Total revenue from operations (a+b) | 31,046 | 37,384 |
| Timing of revenue recognition | | |
| At a point in time | 31,046 | 37,384 |

a) The other operating income for the half year ended 30 September 2020 includes an amount of Rs.228 crores income recognised from an one time disputed claims settlement and Government Grant received at the US operations of the Group.

b) The Company units at Dolvi in Maharashtra and Vijayanagar in Karnataka are eligible for incentives under the respective State Industrial Policy and have been availing incentives in the form of VAT deferral / CST refunds for such government grants based on the State Goods & Services Tax rates instead of VAT rates, in accordance with the relevant notifications issued by the State of Maharashtra and the State of Karnataka post implementation of Goods & Services Tax (GST). Subsequent to the quarter end, the Company has received an in-principle approval for eligibility from the Government of Maharashtra in response to the application filed by the Company for incentive under PSI Scheme 2007 on its investment for expansion from 3.3 MTPA to 9 MTPA at Dolvi unit for the period beginning May 2016 onwards. Accordingly, the Company has recognized grant income of Rs. 512 crores during the half year ended 30 September 2019 including an amount of Rs. 466 crores in relation to earlier years. The said amount relating to



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

earlier years have been disclosed separately as "Government grant Income –VAT/ GST Incentive relating to earlier years".

Contract Balances

| Particulars | Rs. in crores | |
|-----------------------------|-------------------|---------------|
| | As at | |
| | 30 September 2020 | 31 March 2020 |
| Trade receivables | 3,447 | 4,505 |
| Contract liabilities | | |
| Advance from customers | 4,179 | 4,503 |

Product wise turnover

| Particulars | Rs. in crores | |
|--------------------------------------|--------------------------|-------------------|
| | For the six months ended | |
| | 30 September 2020 | 30 September 2019 |
| MS slabs | 319 | 341 |
| Hot rolled coils/steel plates/sheets | 12,269 | 13,292 |
| Galvanised coils/sheets | 3,511 | 3,537 |
| Color Coated Galvanised coils/sheets | 1,866 | 2,177 |
| Cold rolled coils/sheets | 2,866 | 4,326 |
| Steel billets & blooms | 1,153 | 272 |
| Long rolled products | 5,279 | 8,477 |
| Plates and pipes | 1,332 | 1,252 |
| Others | 1,521 | 2,470 |
| Total | 30,116 | 36,144 |

6. Earnings per share

| Particulars | For the Six months ended | |
|--|--------------------------|-------------------|
| | 30 September 2020 | 30 September 2019 |
| Profit / (loss) attributable to equity shareholders (A) (Rs. in crores) | 1,032 | 3,588 |
| Weighted average number of equity shares for basic EPS (B) | 2,402,734,053 | 2,401,855,207 |
| Effect of dilution : | | |
| Weighted average number of treasury shares held through ESOP trust | 14,486,387 | 15,365,233 |
| Weighted average number of equity shares adjusted for the effect of dilution (C) | 2,417,220,440 | 2,417,220,440 |
| Earnings per share of Re. 1 each (not annualised) | | |
| Basic (Rs.) (A/B) | 4.29 | 14.94 |
| Diluted (Rs.) (A/C) | 4.27 | 14.84 |



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

7. Segment reporting

The Group is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Group's performance and resource allocation. The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed below:

Information about geographical revenue and non-current assets

a) Revenue from operations

| Particulars | For the six months ended | | | | | |
|-------------------------|--------------------------|---------------|--------|-------------------|---------------|--------|
| | 30 September 2020 | | | 30 September 2019 | | |
| | Within India | Outside India | Total | Within India | Outside India | Total |
| Revenue from operations | 19,933 | 113 | 31,046 | 27,678 | 9,706 | 37,384 |

Revenue from operations has been allocated on the basis of location of customers.

b) Non-current assets

| Particulars | Rs. in crores | | | | | |
|--|-------------------------|---------------|---------------|---------------------|---------------|---------------|
| | As at 30 September 2020 | | | As at 31 March 2020 | | |
| | Within India | Outside India | Total | Within India | Outside India | Total |
| (a) Property, plant and equipment | 49,810 | 6,393 | 56,203 | 50,923 | 6,835 | 57,758 |
| (b) Capital work-in-progress | 29,465 | 532 | 29,997 | 26,434 | 423 | 26,857 |
| (c) Right to use | 3,253 | 95 | 3,348 | 3,371 | 100 | 3,471 |
| (d) Goodwill | - | 407 | 407 | 43 | 372 | 415 |
| (e) Other intangible assets | 25 | 1,261 | 1,286 | 325 | 25 | 350 |
| (f) Intangible assets under development | 5 | 361 | 366 | 331 | 3 | 334 |
| (g) Investments in associates and joint ventures | - | 280 | 280 | 283 | - | 283 |
| (h) Other non-current assets | 264 | 2,990 | 3,254 | 2,704 | 252 | 2,956 |
| (i) Current tax assets (net) | - | 228 | 228 | 385 | - | 385 |
| (j) Financial assets | 3,060 | - | 3,060 | - | 2,442 | 2,442 |
| Total non-current assets | 98,135 | 98,135 | 98,135 | 95,251 | 95,251 | 95,251 |

Non-current assets have been allocated on the basis of location.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

8. Categories of financial instruments

As at 30 September 2020

| Particulars | Amortised cost | Fair value through other comprehensive income | Fair value through profit and loss | Derivatives in hedging relations | Rs. in crores | |
|--|----------------|---|------------------------------------|----------------------------------|----------------------|---------------|
| | | | | | Total Carrying Value | Fair value |
| Financial assets | | | | | | |
| Loans | 1,742 | - | - | - | 1,742 | 1,742 |
| Other financial assets | 3,752 | - | - | - | 3,752 | 3,752 |
| Trade receivables | 3,447 | - | - | - | 3,447 | 3,447 |
| Cash and cash equivalents | 2,118 | - | - | - | 2,118 | 2,118 |
| Bank balances other than cash and cash equivalents | 5,537 | - | - | - | 5,537 | 5,537 |
| Derivative assets | - | - | 39 | 121 | 160 | 160 |
| Investments | 501 | 591 | 57 | - | 1,149 | 1,157 |
| Total financial assets | 17,097 | 591 | 96 | 121 | 17,905 | 17,913 |
| Financial liabilities | | | | | | |
| Long-term borrowings * | 50,263 | - | - | - | 50,263 | 51,032 |
| Lease liabilities | 1,896 | - | - | - | 1,896 | 2,101 |
| Short-term borrowings | 4,848 | - | - | - | 4,848 | 4,848 |
| Trade payables | 16,496 | - | - | - | 16,496 | 16,496 |
| Derivative liabilities | - | - | 189 | 118 | 307 | 307 |
| Other financial liabilities | 8,595 | - | - | - | 8,595 | 8,595 |
| Total financial liabilities | 82,098 | - | 189 | 118 | 82,405 | 83,379 |

*including current maturities of long term borrowings

As at 31 March 2020

| Particulars | Amortised cost | Fair value through other comprehensive income | Fair value through profit and loss | Derivatives in hedging relations | Rs. in crores | |
|--|----------------|---|------------------------------------|----------------------------------|----------------------|---------------|
| | | | | | Total Carrying Value | Fair value |
| Financial assets | | | | | | |
| Loans | 1,514 | - | - | - | 1,514 | 1,514 |
| Other financial assets | 3,554 | - | - | - | 3,554 | 3,554 |
| Trade receivables | 4,505 | - | - | - | 4,505 | 4,505 |
| Cash and cash equivalents | 3,966 | - | - | - | 3,966 | 3,966 |
| Bank balances other than cash and cash equivalents | 8,037 | - | - | - | 8,037 | 8,037 |
| Derivative assets | - | - | 294 | - | 294 | 294 |
| Investments | 477 | 452 | 47 | - | 976 | 984 |
| Total financial assets | 22,053 | 452 | 341 | - | 22,846 | 22,854 |
| Financial liabilities | | | | | | |
| Long-term borrowings * | 51,048 | - | - | - | 51,048 | 51,731 |
| Lease liabilities | 2,050 | - | - | - | 2,050 | 2,276 |
| Short-term borrowings | 8,325 | - | - | - | 8,325 | 8,325 |
| Trade payables | 17,918 | - | - | - | 17,918 | 17,918 |
| Derivative liabilities | - | - | 84 | 297 | 381 | 381 |
| Other financial liabilities | 8,232 | - | - | - | 8,232 | 8,232 |
| Total financial liabilities | 87,573 | - | 84 | 297 | 87,054 | 87,527 |

*including current maturities of long term borrowings



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

9. Fair value hierarchy of financial instruments

| Rs. in crores | | | | |
|---|-------------------------------|---------------------------|-------|---|
| Particulars | As at 30 September 2020 | As at 31 March 2020 | Level | Valuation technique and key inputs |
| Quoted investments in the equity shares measured at FVTOCI | 573 | 434 | I | Quoted bid prices in an active market. |
| Quoted investments in the mutual funds measured at FVTPL | 9 | 2 | I | Quoted bid prices in an active market. |
| Derivative assets | 160 | 294 | II | Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). |
| Derivative liabilities | 307 | 381 | II | Inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). |
| Unquoted investments in the equity shares measured at FVTOCI | 13 | 13 | III | Net asset value of share arrived has been considered as fair value. |
| Unquoted investments in the equity shares measured at FVTOCI | 5 | 5 | III | Cost is approximate estimate of fair value. |
| Non-current investments in unquoted Preference shares measured at FVTPL | 54 | 54 | III | Discounted cash flow- Future cash flows are based on terms of Preference Shares discounted at a rate that reflects market risks. |

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short term nature.

Sensitivity analysis of Level III

| | Valuation technique | Significant unobservable inputs | Change | Sensitivity of the input to fair value |
|---|---------------------|--|--------|---|
| Investments in unquoted Preference shares | DCF method | Discounting Rate 8.40% | 0.50% | 0.50% Increase / (decrease) in the discount would decrease / (increase) the fair value by Rs. 2 crores / (Rs. 2 crores) |
| Investments in unquoted equity shares | NAV method | Cost is approximate estimate of fair value | - | No sensitivity in the fair value of the investments. |

Reconciliation of Level III fair value measurement

| Particulars | Rs. in crores Amount |
|---|-------------------------|
| Balance as at 1 April 2020 | 72 |
| Purchases /(sale) (net) | @ |
| Gain / (loss) recognised in the Consolidated statement of Profit and Loss | @ |
| Balance as at 30 September 2020 | 72 |

@ Less than Rs.0.50 crores



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

10. Related party disclosures

A List of related parties

1) Joint ventures

Vijayanagar Minerals Private Limited

Rohne Coal Company Private Limited

JSW Severfield Structures Limited

Gourangdih Coal Limited

Geo Steel LLC (ceased w.e.f. 28 January 2020)

JSW Structural Metal Decking Limited

JSW MI Steel Service Centre Private Limited

JSW Vallabh Tinplate Private Limited (ceased w.e.f. September 2019)

Creixent Special Steels Limited

JSW Ispat Special Products Limited (formerly known as JSW Ispat & Energy Limited)

2) Key Management Personnel (KMP)

Mr. Sajjan Jindal (Non-Independent Executive Director)

Mr. Seshagiri Rao M V S (Non-Independent Executive Director)

Dr. Vinod Nowal (Non-Independent Executive Director)

Mr. Jayant Acharya (Non-Independent Executive Director)

Mr. Rajeev Pai (Chief Financial Officer)

Mr. Lancy Varghese (Company Secretary)

3) Independent Non-Executive Directors and Nominee Directors

Mr. Gangaram Baderiya - Nominee Director, KSIIDC

Mr. Hiroyuki Ogawa - Nominee Director, JFE Steel Corporation

Dr. (Mrs.) Punita Kumar Sinha

Mr. Malay Mukherjee

Mr. Haigreave Khaitan

Mr. Seturaman Mahalingam

Mrs. Nirupama Rao

Mr. Harsh Charandas Mariwala

4) Relatives of KMP

Mrs. Savitri Devi Jindal

Mr. Prithvi Raj Jindal

Mr. Naveen Jindal

Mrs. Nirjala Goyal

Mrs. Urmila Bhuwalka

Mrs. Seema Jajodia

Mrs. Sarika Jhunjhnuwala

Mrs. Saroj Bhartia

Mrs. Sangita Jindal

Mrs. Tarini Jindal Handa

Mrs. Tanvi Shete

Mr. Parth Jindal

Mrs. Shanti Acharya

Mrs. Esther Varghese



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

5) Other Related Parties

JSW Energy Limited

JSW Energy (Barmer) Limited (formerly known as Raj West Power Limited)

JSW Power Trading Company Limited (formerly known as JSW Green Energy Limited)

JSW Hydro Energy Limited (formerly known as Himachal Baspa Power Company Limited)

JSW Energy (Kutehr) Limited

JSW Solar Limited

Jindal Stainless Limited

Jindal Stainless (Hisar) Limited

JSL Lifestyle Limited

Jindal Saw Limited

Jindal Saw USA LLC

Jindal Tubular (India) Limited

Jindal Urban Waste Management Limited

Jindal Rail Infrastructure Limited

Jindal Steel & Power Limited

India Flysafe Aviation Limited

JSW Infrastructure Limited

JSW Jaigarh Port Limited

South West Port Limited

JSW Dharamatal Port Private Limited

JSW Paradip Terminal Private Limited

Jaigarh Digni Rail Limited

JSW Cement Limited

JSW Cement, FZE

South West Mining Limited

JSW Projects Limited

JSW IP Holdings Private Limited

JSoft Solutions Limited (merged with Everbest Consultancy Services Private Limited)

Reynold Traders Private Limited

JSW Techno Projects Management Limited

JSW Global Business Solutions Limited

JSW Minerals Trading Private Limited

Everbest Consultancy Services Private Limited

Jindal Industries Private Limited

JSW Foundation

JSW Sports Limited

JSW Realty Private Limited

Ganga Ferro Alloys Private limited

Jindal Technologies & Management Services Private Limited

Epsilon Carbon Private Limited

JSW Living Private Limited

JSW International Trade Corp PTE Limited

Jindal Education Trust

JSW Paints Private Limited



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

| |
|--|
| Toshiba JSW Power System Private Limited |
| MJSJ Coal Limited |
| JSW Bengaluru Football Club Private Limited |
| JSW Shipping & Logistics Private Limited (formerly known as Utkarsh Advisory Services Private Limited) |
| Epsilon Aerospace Private Limited |
| Neotrex Steel Wires Private Limited |
| Neotrex Steel Private Limited |
| Khaitan & Company |
| Eurokids International Private Limited |
| J Sagar Associates |
| Danta Enterprises Private Limited |
| Glebe Trading Private Limited |
| JSW Holdings Limited |
| JSW GMR Cricket Private Limited |
| JSW Investments Private Limited |
| JSW Logistics Infrastructure Private Limited |
| Sahyog Holdings Private Limited |
| Virtuous Tradecorp Private Limited |
| S K Jindal and Sons HUF |
| P R Jindal HUF |
| Windsor Residency Private Limited |
| Tranquil Homes & Holdings Private Limited |
| 6) Post-Employment Benefit Entity |
| JSW Steel EPF Trust |
| JSW Steel Group Gratuity Trust |
| JSW Steel Limited Employee Gratuity Fund |

B. Transactions with related parties

| Particulars | Rs. in crores | | | | | | | |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | Joint ventures | | Key Managerial Personnel | | Other related parties | | Total | |
| | Six months ended 30 September 2020 | Six months ended 30 September 2019 | Six months ended 30 September 2020 | Six months ended 30 September 2019 | Six months ended 30 September 2020 | Six months ended 30 September 2019 | Six months ended 30 September 2020 | Six months ended 30 September 2019 |
| Purchase of goods / power & fuel / services/ branding expenses | 29 | 23 | - | - | 7,206 | 10,554 | 7,235 | 10,577 |
| Reimbursement of expenses incurred on our behalf by | - | - | - | - | 1 | 1 | 1 | 1 |
| Sales of goods/ power and fuel/assets | 185 | 496 | - | - | 845 | 1,352 | 1,030 | 1,848 |
| Other income/ interest income/ dividend income | 13 | 8 | - | - | 59 | 52 | 72 | 60 |
| Purchase of assets | 127 | 486 | - | - | 123 | 303 | 250 | 789 |



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE FIRST SIX MONTHS ENDED 30 SEPTEMBER 2020

B. Transactions with related parties

| Particulars | Joint ventures | | Key Managerial | | | | |
|---|------------------------------------|------------------------------------|------------------------------------|----|-----|-----|-----|
| | Six months ended 30 September 2020 | Six months ended 30 September 2019 | Six months ended 30 September 2020 | | | | |
| Capital / revenue advances given | 1 | - | - | - | 35 | - | 36 |
| Security deposit given | - | - | - | - | 15 | @ | 15 |
| Security deposit received back | - | - | - | - | 6 | 5 | 6 |
| Loan given received back | - | - | - | - | 25 | 40 | 25 |
| Loan given | - | - | - | - | - | 130 | - |
| Dividend paid | - | - | - | - | 160 | 319 | 160 |
| Donation/ CSR expenses | - | - | - | - | 39 | 14 | 39 |
| Recovery of expenses incurred by us on their behalf | 1 | 3 | - | - | 85 | 33 | 86 |
| Investments / share application money given | @ | 1 | - | - | - | - | @ |
| Lease interest cost | - | - | - | - | 106 | 120 | 106 |
| Lease liabilities | - | - | - | - | 139 | 123 | 139 |
| Post-employment benefits | - | - | - | - | 11 | 11 | 11 |
| Remuneration to Key managerial personnel | - | - | 26 | 30 | - | - | 26 |

C. Amount due to / from related parties

| Particulars | Rs. in crores | | | | | |
|----------------------------------|-------------------------|---------------------|-------------------------|---------------------|-------------------------|---------------------|
| | Joint ventures | | Other related parties | | Total | |
| | As at 30 September 2020 | As at 31 March 2020 | As at 30 September 2020 | As at 31 March 2020 | As at 30 September 2020 | As at 31 March 2020 |
| Trade payables | 78 | 115 | 1,876 | 2,408 | 1,954 | 2,523 |
| Advance received from customers | 3 | 3 | 4 | 1 | 7 | 4 |
| Lease and other deposit received | 13 | 13 | 39 | 39 | 52 | 52 |
| Trade receivables | | 29 | | 44 | | |
| Share application money given | | 1 | | | | |
| Capital / revenue advance | | 45 | | | | |
| Loans and advances given | | 217 | | | | |
| Interest receivable | | 31 | | | | |
| Lease and other deposit given | | - | | | | |
| Lease liabilities | | - | | | | |
| Post-employment benefits plans | | - | | | | |

@ - less than Rs. 0.50 crores



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

11. Contingent liabilities

| Particulars | | Rs. in crores | |
|-------------|--|-------------------------------|---------------------------|
| | | As at 30 September 2020 | As at 31 March 2020 |
| (i) | Guarantees | 48 | 82 |
| (ii) | Disputed claims/levies in respect of: | | |
| | Excise duty | 471 | 491 |
| | Custom duty | 763 | 774 |
| | Income tax | 62 | 32 |
| | Sales tax / Special entry tax | 1,538 | 1,509 |
| | Service tax | 701 | 702 |
| | Levies by local authorities | 33 | 34 |
| | Levies relating to Energy / Power Obligations | 326 | 277 |
| | Claim by suppliers and other parties | 110 | 98 |
| a) | Excise duty cases includes disputes pertaining to classification of gases under chapter heading and to availment of CENVAT credit, valuation methodologies, | | |
| b) | Custom duty cases includes disputes pertaining to utilisation of SHIS licences for clearance of imported equipment, payment of customs duty for Steam Coal through Krishnapatnam Port and anti-dumping duty on Met Coke used in Corex. | | |
| c) | Sales Tax / VAT / Special Entry Tax cases includes disputes pertaining to demand of special entry tax in Karnataka and demand of cess by department of transport in Goa. | | |
| d) | Service Tax cases includes disputes pertaining to amount paid but no credit not availed, denied credit distributed as an ISD, service tax on railway freight not taken as per prescribed documents. | | |
| e) | Income Tax cases includes disputes pertaining to transfer pricing, deduction u/s 80-IA and other matters. | | |
| f) | Levies by local authorities – statutory cases include disputes pertaining to payment of water charges and enhanced compensation. | | |
| g) | Levies relating to Energy/Power Obligations cases includes disputes pertaining to uninterrupted power charges by Karnataka Power Transmission Company Ltd., belated payment surcharge, claims for the set off of renewable power obligations against the power generated in its captive power plants and dues relating to additional surcharge imposed on captive consumption by Maharashtra State Electricity Distribution Company Limited. | | |
| h) | Claims by Suppliers and other parties includes Quality Claims issues raised by suppliers and others. | | |
| i) | There are several other cases which has been determined as remote by the Group and hence not been disclosed above. | | |
| (iii) | Claims related to Forest Development Tax / Fee | 2,750 | 2,588 |
| | Amount paid under protest | 920 | 920 |

In response to a petition filed by the iron ore mine owners and purchasers (including the Company) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated 3 December 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognised provision for FDT of Rs. 1,043 crores (including paid under protest – Rs. 665 crores) and treated it as a contingent liability.

The State of Karnataka on 27 July 2016, has amended Section 98-A of the Forest Act retrospectively substituting the levy as Forest Development Fee (FDF) instead of FDT. In response to the writ petition filed by the Company and others, the Honourable High Court of Karnataka has vide its order dated 4 October 2017, held that the amendment is ultra vires the Constitution of India and directed the State Government to refund the FDF collected. The State Government has filed an appeal before the SCI, and based on merits of the case duly supported by a legal opinion and a favorable order from the High Court, the Company has not recognised provision for FDF amount of Rs. 1,707 crores (including paid under protest - Rs.255 crores) pertaining to the private lease operators & NMDC and treated it as contingent liability.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

12. Commitments

| Particulars | Rs. in crores | |
|--|-------------------------------|---------------------------|
| | As at 30 September 2020 | As at 31 March 2020 |
| Capital commitments | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 12,196 | 13,929 |
| Other commitments | | |
| The Group has imported capital goods under the export promotion capital goods scheme to utilize the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports. Such export obligations at period / year end aggregate to | 24,024 | 17,407 |
| The Group has given guaranteed to Commissioner of Customs in respect of goods imported | 127 | 127 |
| Minimum amount payable under a purchase contract | 55 | 111 |
| The Company has entered into a five-year Advance Payment Supply Agreement ("APSA") agreement with Duferco S.A. ("DSA") for supply of Steel Products. Duferco S.A. has provided an interest bearing advance amount of US \$700 million under this agreement, secured by committed export of steel products to Duferco S.A. Out of this US \$516 million is pending towards fulfilment. | | |
| In accordance with the Mine Development and Production Agreement ('MDPA') entered by the Company with the respective State Governments in relation to its mining operations, the Company is required to comply with the annual Minimum Production Requirements ('MPR'). In case of shortfall in such annual MPR, the Company is required to pay the periodic payments on such shortfall quantities and also lead to appropriation of the performance security amounting to Rs. 1,480 crores as per values specified in respective MDPAs. Further, continuing non-compliances may lead to other consequences including termination of the lease agreements in accordance with respective MDPAs. | | |

13. The Company has been declared as the "Preferred Bidder" for four iron ore mines in the auctions held by the State Government in February 2020. In respect of these mining blocks viz: -Nuagaon, Narayanpet, etc. all the necessary approvals, clearances, licenses and the like vested with the State Government have been acquired by the Company. The Company has signed the MoU for the four blocks and executed the Deed(s) with Government. The acquisition cost incurred for these mines such as stamp duty, etc. amounting to Rs. 817 crores have been capitalized as Intangible Assets. The premium payable by the Company based on monthly production at all the above said blocks from 1 July 2020.

14. The COVID-19 outbreak and measures to curtail it has impacted the Company's operations were impacted during the first quarter of 2020. The production across all plants due to supply chain constraints, shortage of workforce and with a view to ensure safety across all areas of operation. Following the approvals received from the regulatory authorities towards the end of April 2020, the Company has resumed operations and has achieved a crude steel production of 3.85 million tons.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

during the second quarter of the year. With this the Company has achieved average capacity utilisation of 86% in the second quarter which is in line with the pre Covid-19 level of 85% during the same period of the previous year.

The Company has considered the possible impact of COVID-19 in preparation of the above results. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

15. Dividend distribution

On 22 May 2020, the board of directors recommended a final dividend of Rs. 2.00 (Rupees two only) per equity share of Rs.1 each to be paid to the shareholders for the financial year 2019-20, which was approved by the shareholders at the Annual General Meeting held on 23 July 2020. The dividend resulted in a cash outflow of Rs.483 crores.

16. The Company submitted the Resolution Plan in respect of Bhushan Power and Steel Limited (BPSL), a company currently undergoing insolvency resolution process under the provisions of the Insolvency and Bankruptcy Code. The Committee of Creditors (CoC) approved the Resolution Plan and the Resolution Professional issued the Letter of Intent to the Company on 11 February 2019, which was duly accepted by the Company. The Resolution Plan was approved by the National Company Law Tribunal (NCLT) with certain modifications. Subsequently an appeal preferred by the Company has been allowed by the National Company Law Appellate Tribunal (NCLAT) vide its order 17 February 2020. The erstwhile promoters and few operational creditors preferred an Appeal before the Hon'ble Supreme Court against the NCLAT order. The said Appeals along with the Petition of CoC are pending before the Hon'ble Supreme Court for adjudication.

17. Subsequent events:

- a) The Resolution Plan submitted by JSW Steel CoateProducts Limited ("JSCPL"), a wholly owned subsidiary of the Company in respect of the corporate insolvency resolution process of Asian Colour Coated Ispat Limited ("ACCIL") has been approved with certain modifications by the Hon'ble National Company Law Tribunal, New Delhi ("NCLT") on 19 October 2020.

JSCPL through its wholly owned subsidiary Hasuad eel Limited has completed the acquisition of ACCIL on 27 October 2020 by infusing 1,550 crores as a cash consideration in the form of equity shares and compulsorily convertible debentures (CCD). Accordingly, ACCIL become a wholly owned subsidiary of the Company.

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

- b) The Company has entered into a share purchase agreement dated 24 November 2020 to acquire, in one or more tranches, 1,32,37,227 equity shares of JSWlabh Tinplate Private Limited ("JSW VTPL"), representing 26.45% of the equity share capital of JSW VTPL from the existing third party shareholders before the 31 March 2021. Accordingly, post completion of acquisition of shares, JSW VTPL will become a wholly owned subsidiary of the Company, with the Company's direct and indirect shareholding (through its wholly owned subsidiary Vardhman Industries Limited).
- c) The Company issued listed secured non-convertible debentures (NCDs) of Rs 4,000 crores on 12 October 2020. The first interest payment for these debentures is on 12 April 2021 and the redemption of the said debentures is on 12 October 2027 with put & call option on 10 October 2025.



JSW STEEL LIMITED

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

18. During the previous year ended 31 March 2020, following acquisitions were undertaken by the Group:

- a. On 6 June 2019, the company acquired 100% stake in Piombino Steel Limited (PSL), which in turn acquired 100% stake in Makler Private Limited (MPL). The Company completed the acquisition by infusing Rs. 0.02 crores as a cash consideration in PSL group and has been issued equity shares in lieu thereof. Accordingly, PSL has become a wholly owned subsidiary of the Company.
- b. Pursuant to the Corporate insolvency resolution process under the Insolvency Bankruptcy Code, the resolution plan submitted by the Company for Vardhman Industries Limited (VIL) was approved, by the Hon'ble National Company Law Tribunal (NCLT), New Delhi, by its order dated 19 December 2018 and as clarified by its order dated 16 April 2019 and by the Hon'ble National Company Law Appellate Tribunal (NCLAT) by its order dated 4 December 2019 and as clarified by its order dated 11 December 2019.

The Company completed the acquisition of VIL on 31 December 2019 by infusing Rs. 63.50 crores as a cash consideration in VIL and has been issued equity shares and compulsorily convertible debentures (CCDs) by VIL in lieu thereof. Accordingly, VIL has become a wholly owned subsidiary of the Company.

The Company held 50% stake in JSW Vallabh Tin Plate Limited (JSWVTPL), a joint venture, and Vardhman Industries Limited (VIL) held 23.55% stake in JSWVTPL. Consequently, to the above acquisition of VIL, the shareholding of the Group in JSWVTPL has increased from 50% to 73.55% due to which the Group gained control over JSW VTPL and accordingly considered it as a subsidiary w.e.f. 31 December 2019.

On account of these acquisitions, the previous period / year amounts are not comparable.

As per our report of even date

For: RBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per VIKRAM MEHTA

Partner

Membership No. 105938

Place: Mumbai

Date: 12 December 2020

For on behalf of the Board of Directors



RAJEEV PAI
Chief Financial Officer



LANCY VARGHESE
Company Secretary

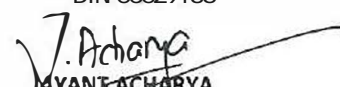
ICSI Membership No. FCS 9407

Place: Mumbai

Date: 12 December 2020



SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO
DIN 00029136



JAYANT ACHARYA
Director (Commercial & Marketing)

DIN 00106543