

JSW Steel Coated Products Limited

Statutory Audit for the year ended

March 31, 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of JSW Steel Coated Products Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of JSW Steel Coated Products Limited ("the Company"), which comprise the Balance Sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



JSW Steel Coated Products Limited
Page 2 of 9

Responsibility of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- ▶ Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



JSW Steel Coated Products Limited**Page 3 of 9**

- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;



JSW Steel Coated Products Limited**Page 4 of 9**

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 36 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Suresh Yadav
Partner

Membership Number: 119878

UDIN: 20119878AAAAACE3137

Place of Signature: Mumbai

Date: May 11, 2020



JSW Steel Coated Products Limited

Page 5 of 9

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

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

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

Total Number of Cases	Nature of immovable Property	As at March 31, 2020 (Rs. in Crore)	
		Gross Block	Net block
2	Free hold land	0.05	0.05

- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors or to a Company in which the Director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence not commented upon. In respect of loans and advances given, investments made and, guarantees, and securities given provisions of section 186 of the Companies Act 2013 have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of steel coils and sheets, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.



JSW Steel Coated Products Limited
Page 6 of 9

- (vii) (a) The Company is generally regular depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in crores)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	0.18	2001-05	Bombay High Court
		14.84	2002 to 2016-17	CESTAT, Mumbai
		4.52	1993 to 2016-17	Commissionerate Level
The Customs Act, 1962	Customs	7.19	2012-13	CESTAT, Mumbai
		0.63	1993-94, 2009-10	Commissioner of Customs, Mumbai
The Bombay Sales Tax Act, 1959	Sales Tax	3.26	2003-04	The Sales Tax Tribunal, Nagpur
Maharashtra Value Added Tax, 2002	Sales Tax	4.88	2012-13 to 2016-17	Asst./Dy. Commissioner, Sales Tax, Mumbai
		50.38	2007-08, 2009-10	Jt. Commissioner (Appeals), Sales Tax, Mumbai
		3.50	2007-10	CESTAT, Mumbai
		0.08	2013-14	Dy. Commissioner of Sales Tax, Mazgoan
Telangana VAT Act, 2005	Sales Tax	8.55	2013-16	Commercial Tax Officer, Hyderabad
Chapter V of the Finance Act, 1994	Service Tax	34.66	2004-05 to 2016-17	CESTAT, Mumbai
		2.22	2005-06 to 2017-18	Commissionerate Level
The Income Tax Act, 1961	Income Tax	20.10	2013-14 to 2016-17	CIT (Appeals)

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.



JSW Steel Coated Products Limited**Page 7 of 9**

- (ix) In our opinion and according to the information and explanations given by the management, monies raised by the Company by way of term loans were applied for the purposes for which the loans were obtained. The Company has not raised any money by way of initial public offer or further public offer or debt instruments.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the private placement of shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Suresh Yadav
PartnerMembership Number: 119878
UDIN: 20119878AAAACE3137

Place of Signature: Mumbai

Date: May 11, 2020



JSW Steel Coated Products Limited
Page 8 of 9

ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF JSW STEEL COATED PRODUCTS LIMITED

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

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

We have audited the internal financial controls over financial reporting of JSW Steel Coated Products Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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



JSW Steel Coated Products Limited

Page 9 of 9

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Suresh Yadav

Partner

Membership Number: 119878

UDIN: 20119878AAAAACE3137

Place of Signature: Mumbai

Date: May 11, 2020



JSW STEEL COATED PRODUCTS LIMITED
CIN - U27100MH1985PLC037346
BALANCE SHEET AS AT MARCH 31, 2020

(Rupees in crores)

	Note No.	As at March 31, 2020	As at March 31, 2019
I ASSETS			
(1) Non-current assets			
Property, plant and equipment	4	2,021.91	2,319.34
Capital work in progress		2,364.23	997.60
Right-of-use assets	37	261.62	-
Intangible assets	5	1.91	3.67
Investment in Subsidiaries	6	0.22	-
Financial assets	7		
Investments		42.61	69.93
Deposits		12.08	12.73
Loans		3.18	4.21
Other non-current financial assets		101.23	41.59
Income tax assets (net)		21.35	21.17
Other non-current assets	8	68.03	105.82
		4,898.37	3,576.06
(2) Current assets			
Inventories	9	1,535.22	1,287.48
Financial assets			
Trade receivables	10	433.80	340.76
Cash and cash equivalents	11	350.04	78.30
Derivative Instruments	7	7.66	41.44
Deposits	7	0.23	0.23
Loans	7	1.02	1.15
Other current financial assets	7	26.67	46.94
Other current assets	12	420.26	291.53
Assets classified as held for sale	4	2.33	6.14
		2,777.23	2,093.97
TOTAL ASSETS		7,675.60	5,670.03
II. EQUITY AND LIABILITIES			
(1) Equity			
Equity share capital	13	800.05	50.05
Other equity	14		
Retained earnings		780.60	490.07
Other reserves		1,179.39	1,271.78
		2,760.04	1,811.90
(2) Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	2,319.58	1,281.64
Lease Liabilities	37	18.60	-
Long-term provisions	20	1.51	1.63
Deferred tax liabilities (net)	17	190.72	333.45
		2,530.41	1,616.72
Current liabilities			
Financial liabilities			
Borrowings	15	300.89	2.20
Lease Liabilities	37	1.87	-
Trade payables	18		
Total outstanding dues of micro and small enterprises		7.69	5.19
Total outstanding dues of creditors other than micro and small enterprises		950.94	1,528.79
Derivative liabilities	16	61.42	7.89
Other current financial liabilities	16	789.00	421.67
Other current liabilities	19	187.79	207.08
Liabilities for current tax (net)		4.64	-
Short-term provisions	20	80.91	68.59
		2,385.15	2,241.41
TOTAL EQUITY AND LIABILITIES		7,675.60	5,670.03

Significant Accounting Policies


The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Registration No : 324982E/ E300003


per Suresh Yadav
Partner
Membership No : 119878

Place: Mumbai
Date : May 11, 2020



For and on behalf of the Board of Directors



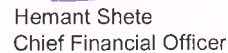
Rajeev Pai
Director
DIN:00045604



Amarjit Singh Dahiya
Whole Time Director
Head (Coated Products)
DIN:08178338



Deepti Walawalkar
Company Secretary
ICSI Membership No. A24818
Place: Mumbai
Date : May 11, 2020


Hemant Shete
Chief Financial Officer

JSW STEEL COATED PRODUCTS LIMITED
CIN - U27100MH1985PLC037346
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Rupees in crore)

	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from operations	21	11,675.28	12,323.84
Other income	22	32.19	2.59
Total income		11,707.47	12,326.43
Expenses:			
Cost of materials consumed	23	8,825.17	10,006.68
Purchases of traded goods		661.35	169.18
Changes in inventories of finished goods and semi finished goods	24	(219.36)	(36.03)
Employee benefits expense	25	274.53	256.71
Depreciation and amortization expense	26	161.25	133.79
Finance costs	27	144.54	140.96
Other expenses	28	1,583.82	1,534.69
Total expenses		11,431.30	12,205.98
Profit before Tax		276.17	120.45
Tax expense:	17		
Current tax		95.66	30.06
Deferred tax		(115.35)	10.76
		(19.69)	40.82
Profit for the year		295.86	79.63
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Net movement on cash flow hedges		(91.72)	40.39
Income tax effect		26.66	(14.11)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods:		(65.06)	26.28
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans		(2.83)	(4.24)
Income tax effect		0.71	1.48
		(2.12)	(2.76)
Net (loss)/ gain on fair value of equity securities		(27.33)	(4.28)
Income tax effect		-	-
		(27.33)	(4.28)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods:		(29.45)	(7.04)
Other comprehensive income for the year, net of tax		(94.51)	19.24
Total comprehensive income for the year, net of tax attributable to equity shareholders:			
Profit for the year		295.86	79.63
Total comprehensive income for the year		201.35	98.87
Earnings per equity share:			
Basic and Diluted (Face value per share Rs.10)	33	5.20	15.91
Significant Accounting Policies	2		
The accompanying notes are an integral part of the financial statements			

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

per Suresh Yadav
Partner
Membership No : 119878



Place: Mumbai
Date : May 11, 2020



For and on behalf of the Board of Directors

Rajeev Pai
Director
DIN:00045604

Amarjit Singh Dahiya
Whole Time Director
Head (Coated Products)
DIN:08178338

Deepti Walawalkar
Company Secretary
ICSI Membership No. A24818
Place: Mumbai
Date : May 11, 2020

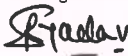
Hemant Shete
Chief Financial Officer

	(Rupees in crores)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash Flow From Operating Activities		
Profit Before Tax	276.17	120.45
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expenses	161.25	133.79
(Profit) / Loss on disposal of property, plant and equipment (net)	0.83	(0.32)
Loss of property, plant and equipment due to fire	5.69	-
Interest income	(24.93)	(2.27)
Dividend income from non current investment	(0.90)	-
Gain on sale of Mutual Fund	(0.15)	-
Interest expenses	144.54	140.96
Unrealised exchange (gain) / loss	60.77	(10.63)
Income from Government grant	(3.30)	(5.41)
Provision for Doubtful Advances	11.62	20.00
	355.42	276.12
Operating profit before working capital changes	631.59	396.57
Movements in working capital :		
Decrease/ (Increase) in inventories	(247.73)	2.66
Decrease/ (Increase) in trade receivables	(87.61)	80.81
Decrease/ (Increase) in other assets	(229.35)	167.60
(Decrease)/ Increase in trade payables	(587.50)	223.56
Increase in other liabilities	7.18	94.75
Increase in provisions	9.36	5.65
	(1,135.65)	575.03
Cash generated from / (used in) operations	(504.06)	971.60
Direct taxes paid (net of refunds)	(91.20)	(73.48)
Net cash flow from / (used in) operating activities (A)	(595.26)	898.12
B. Cash Flow From Investing Activities		
Purchase of property, plant and equipments and capital advances	(799.06)	(1,076.44)
Purchase of non current Investments	-	(38.37)
Investment in Subsidiaries	(0.22)	-
Gain on Sale Mutual Fund	0.15	-
Proceeds from sale of property, plant and equipments	7.66	11.71
Loans repaid by related parties	1.15	1.85
Interest received	24.94	1.37
Dividend received	0.90	-
Net cash flow used in investing activities (B)	(764.48)	(1,099.88)
C. Cash Flow From Financing Activities		
Proceeds from issuance of equity share capital (net)	746.79	-
Repayment of Lease liabilities	(3.56)	-
Proceeds from non current borrowings	889.89	769.65
Repayment of non current borrowings	(97.67)	(367.10)
Proceeds from/(Repayment) of current borrowings (net)	298.69	2.20
Interest paid	(202.66)	(174.44)
Net cash flow from financing activities (C)	1,631.48	230.31
Net Increase in cash and cash equivalents (A+B+C)	271.74	28.55
Cash and cash equivalents at the beginning of the year	78.30	49.75
Cash and cash equivalents at the end of the year	350.04	78.30
Components of cash and cash equivalents		
Cash on hand	0.07	0.06
With banks		
- on term deposit	243.83	73.56
- on current account	106.14	4.67
Cash and Cash Equivalents - Closing Balance	350.04	78.29
Add: Margin deposit account (earmarked money)	-	0.01
Cash and Cash Equivalents	350.04	78.30

Significant Accounting Policies

The accompanying notes are an integral part of the financial statements

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


per Suresh Yadav
Partner
Membership No : 119878



2

For and on behalf of the Board of Directors



Rajeev Pai
Director
DIN:00045604



Amarjit Singh Dahiya
Whole Time Director
Head (Coated Products)
DIN: 08178338



Deepti Walawalkar
Company Secretary
ICSI Membership No. A24818
Place: Mumbai,
Date : May 11, 2020


Hemant Shete
Chief Financial Officer

Place: Mumbai,
Date : May 11, 2020

JSW STEEL COATED PRODUCTS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2020

Statement of Changes in Equity

A. Equity Share Capital

(Rupees in crores)

As at April 01, 2018	Movement during 2018-19	As at March 31, 2019	Movement during the year	As at March 31, 2020
50.05	-	50.05	750	800.05

B. Other Equity

(Rupees in crores)

Particulars	Capital Reserve	Reserves and Surplus General Reserve	Retained earnings	Items of OCI Cash flow hedge reserve	FVTOCI reserve	Total Other Equity
As at April 1, 2018	1,263.49	2.47	413.20	(2.47)	(13.71)	1,662.98
Profit for the year	-	-	79.63	-	-	79.63
Other comprehensive income	-	-	(2.76)	26.28	(4.28)	19.24
Total comprehensive income	-	-	76.87	26.28	(4.28)	98.87
As at March 31, 2019	1,263.49	2.47	490.07	23.81	(17.99)	1,761.85
Profit for the year	-	-	295.86	-	-	295.86
Other comprehensive income	-	-	(2.12)	(65.06)	(27.33)	(94.51)
Total comprehensive income	-	-	293.74	(65.06)	(27.33)	201.35
Share issue expenses	-	-	(3.21)	-	-	(3.21)
As at March 31, 2020	1,263.49	2.47	780.60	(41.25)	(45.32)	1,959.99

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

Suresh Yadav

per Suresh Yadav
Partner
Membership No : 119878

For and on behalf of the Board of Directors

Rajeev Pai

Rajeev Pai
Director
DIN:00045604

Deepti

Deepti Walawalkar
Company Secretary
ICSI Membership No. A24818
Place: Mumbai
Date : May 11, 2020

Amarjit Singh Dahiya

Amarjit Singh Dahiya
Whole Time Director
Head (Coated Products)
DIN:08178338

Hemant Shete

Hemant Shete
Chief Financial Officer

Place: Mumbai
Date : May 11, 2020



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

1. General Information

JSW Steel Coated Products Limited (the 'Company') is a public limited company incorporated in India. It is a wholly owned subsidiary of JSW Steel Limited which is 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.

The Company is primarily engaged in the manufacture of value added steel products which mainly consists of Galvanized and Galvalume Coils / Sheets, Colour Coated Coils/ Sheets and Tin Plate. The Company caters to both domestic and international markets.

The Company has three manufacturing facilities in the State of Maharashtra at Vasind, Tarapur and Kalmeshwar.

The Financial Statements of JSW Steel Coated Products Limited as at March 31, 2020 were approved and authorized for issue by the Board of Directors on May 11, 2020.

2. Significant Accounting policies

I. Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its financial statements under the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheets as at March 31, 2020, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended March 31, 2020, and significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").

The Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the derivative financial instruments and certain financial assets and liabilities (refer Accounting policy for Financial Instrument) which have been measured at fair value or revalued amount required by relevant Ind AS at the end of the reporting period. The financial statements are presented in Indian Rupees ('INR'), except otherwise indicated.

Current and non-current classifications

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- It is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

II. Fair value measurement

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

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

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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



III. Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

Property, plant and equipment and intangible assets and their associated liabilities once classified as held for sale are not depreciated or amortised.

IV. Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized

Sale of goods

An entity shall account revenue from a contract with a customer only when all of the following criteria are met:

- (a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- (b) the entity can identify each party's rights regarding the goods or services to be transferred;
- (c) the entity can identify the payment terms for the goods or services to be transferred;
- (d) the contract has commercial substance (ie the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- (e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer

The amount of consideration to which the entity will be entitled may be less than the price stated in the contract if the consideration is variable because the entity may offer the customer a price concession.

(i) Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right to volume rebates which gives rise to variable consideration.

➤ **Volume rebates**

The Company provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Sale of services

Income from service rendered is recognised on accrual basis based on the terms of agreements and when services are rendered.

Dividend and interest income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

Contract Asset:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration including Trade receivables

Contract Liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract including Advance received from Customer

V. Leasing

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Rental income from operating leases is recognised on straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on straight-line basis over the lease term.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below Rs. 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.



VI. Foreign currency transactions

The functional currency of the Company is Indian Rupees which has been determined on the basis of the primary economic environment in which it operates.

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

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

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

VII. Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds including interest on letter of credit discounted by bank and payable to bank.

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

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

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

Borrowing cost include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost

VIII. Government grants

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

Government grants are recognized in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate or when performance obligations are met. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the balance sheet



and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest and effect of this favorable interest is treated as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the fair value of the loan based on prevailing market interest rates and the proceeds received and recognised to the income statement immediately on fulfillment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

IX. Employee benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item employee benefits expenses. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognized in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.



X. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets on non-depreciable assets, the carrying amounts of such properties are presumed to be recovered entirely through sale.

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

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

XI. Property, plant and equipment

The cost of property, plant and equipment comprises its

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



JSW STEEL COATED PRODUCTS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2020**

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Assets in the course of construction are capitalized in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalized where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalized.

Property, Plant and Equipment except Freehold Land held for use in the production, supply or administrative purpose are stated in the Financial Statement at cost less accumulated depreciation and accumulated impairment loss, if any.

XII. Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is provided on a straight-line basis over the estimated useful lives of the asset as follows:

Sr. No	Particulars	Useful life estimated by the management (years)
1	Factory Buildings	9-40
2	Other Buildings	5-60
3	Railway Siding	15
4	Plant and Equipments	3-43
5	Rolls used in Cold Rolling Mill (included in Plant and Equipments)	1
6	Furniture and Fixtures	10
7	Vehicles	8
8	Office Equipments	5
9	Computers	3 or 6

The Company based on technical assessment made by technical experts and management estimate, depreciates certain items over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Intangible assets are amortized over their estimated useful lives on straight line method.

Freehold land is not depreciated. Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost.

Where the cost of a part of the asset is significant to total cost of the asset and the useful life of that part is different from the useful life of the remaining asset, useful life of the significant part has been determined separately.

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



XIII. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated Amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and Amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

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

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Statement of Profit and Loss when the asset is derecognized.

XIV. Research and Development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised.

XV. Impairment of non-financial assets

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

XVI. Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Interest charges, if any, on purchases have been recorded as Finance Cost. Cost is determined by the weighted average cost method except for procured Hot rolled coils/ Cold rolled coils as Raw material and its content in Finished goods and Semi finished goods, which is valued on specific identification basis.

Semi-finished goods/ finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis except in case of Hot rolled coils/ Cold rolled coils as noted above. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Traded Goods are valued at lower of cost or NRV.

XVII. Provisions

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

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

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

Onerous contracts

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

XVIII. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in Statement of Profit and Loss.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

I. Financial assets

a) Initial Recognition and measurement

The Company initially recognizes loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

b) Classification

On initial recognition, a financial asset is classified as measured at; amortized cost, FVOCI or FVTPL

Financial assets at amortized cost:

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit or Loss.

This category generally applies to Trade and other receivables.

Debt Instruments at FVTOCI

A financial asset is classified as FVTOCI only if it meets both the of the following conditions and is not recognized at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

Equity Instrument-

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

All other financial assets are classified as measured at FVTPL.

Financial assets at FVTPL

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

d) Impairment of Financial assets

The Company recognizes loss allowances for Expected Credit Loss (ECL) on financial assets that are not measured at FVTPL:

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

e) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the 'Other income' line item.

II. Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.



JSW STEEL COATED PRODUCTS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2020**

Trade payables and other financial liabilities:

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipments. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and settled within 12 months. These arrangements for raw materials are recognized as Acceptances (under trade payables) and arrangements for property, plant and equipments are recognised as other financial liabilities. Interest borne by the company on such arrangements is accounted as finance cost.

Derecognition of Financial liabilities:

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

III. Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortized cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortized Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortized cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.



IV. Offsetting of financial instruments

Financials assets and financials liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

V. Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through Statement of Profit or Loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of Profit or Loss, unless designated as effective hedging instruments.

VI. Hedge accounting

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency and commodity risk, as either cash flow hedge, fair value hedge or hedges of net investments in foreign operations. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses. Refer Statement of Changes in Equity for more details.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

XIX. Cash and cash equivalents

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

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



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

XX. Earnings per share

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing income available to shareholders and assumed conversion by the weighted average number of common shares and potential common shares from outstanding stock options. Potential common shares are calculated using the treasury stock method and represent incremental shares issuable upon exercise of the Company's outstanding stock options.

XXI. Investment in Subsidiaries

Investment in subsidiaries, associates and joint ventures are shown at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss

3. Key sources of estimation uncertainty and critical accounting judgements

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

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

a. Key sources of estimation uncertainty

i) Useful lives and residual value of property, plant and equipment

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

Refer note 2 (XII) for useful life estimated by management for depreciation of Property Plant and equipment.

ii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized measurements (Refer note 37 (b))

iii) Fair value measurements

Management uses its judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market participants are applied. Other financial instruments are valued using a discounted cash flow method based on assumptions supported, where possible, by observable market prices or rates. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 39(h).



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

iv) Taxes

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

v) Estimation of uncertainties relating to the global health pandemic from COVID-19

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the new coronavirus ("COVID-19") as a pandemic. This outbreak is causing significant disturbances and slow down of economic activity. The Company's operations were impacted in the month of March 2020, due to shutdown of all plants following nationwide lockdown by the Government of India in view of COVID-19.

The Government of India permitted certain additional activities from April 20, 2020 in non-containment zones, subject to requisite approvals as may be required. The Company could secure the requisite approvals and has accordingly commenced operations and is gradually ramping up capacity since then.

In assessing the recoverability of carrying amounts of Company's assets such as Investments, loans / advances (net of impairment loss / loss allowance), trade receivables, inventories etc., the Company has considered various internal and external information up to the date of approval of these financial statements and concluded that they are recoverable based on the estimate of values of the businesses and assets based on the cash flow projections. In making the said projections, reliance has been placed on estimates of future prices of Hot rolled Coils, Zinc & Alloys and assumptions relating to operational performance including significant improvement in capacity utilisation and margins based on forecasts of demand in local/ overseas markets. We have also considered the current indicators of future economic conditions.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions

b. Critical accounting judgements

i) Government receivables

Receivables from Government Authorities are on account of Maharashtra Value Added Tax refund, GST refund and Export Benefits due to the company. On the basis of detailed evaluation, the Company has estimated amount of Rs. 36.71 crores (Export benefits and entitlements) and Rs. 180.87 crores (Indirect Tax balances) to be realized within next 12 months, accordingly same has been classified as "Current Assets".

ii) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).



JSW STEEL COATED PRODUCTS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 4 – Property, Plant and Equipment

(Rupees in crore)											
Particulars	Land-Leasehold	Land-Freehold	Buildings	Railway Siding	Plant and equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total Property, Plant and Equipment	Assets held for sale
Cost or valuation											
At April 1, 2018	255.52	280.82	299.61	35.88	1,237.93	2.00	5.47	2.94	5.94	2,126.11	3.02
Additions	5.05	46.94	76.68	-	610.38	0.46	0.49	0.75	0.40	741.15	-
Disposals	-	-	(1.63)	-	(31.02)	-	(1.04)	-	(0.02)	(33.71)	(2.42)
Transfer to asset held for sale	-	-	(0.86)	-	(9.53)	-	-	-	-	(10.39)	10.39
At March 31, 2019	260.57	327.76	373.80	35.88	1,807.76	2.46	4.92	3.69	6.32	2,823.16	10.99
Additions	-	3.39	13.64	-	93.57	0.16	0.18	0.41	0.69	112.04	6.99
Disposals	-	-	(1.62)	-	(16.73)	(0.00)	(0.58)	(0.01)	(0.13)	(19.07)	(15.85)
Transfer to asset held for sale	-	-	-	-	(7.35)	-	-	-	-	(7.35)	-
Transfer to Right-of-use Asset (Refer Note 37)	(260.57)	-	-	-	-	-	-	-	-	(260.57)	-
At March 31, 2020	-	331.15	385.82	35.88	1,877.25	2.62	4.52	4.09	6.88	2,648.21	2.13
Depreciation											
At April 1, 2018	11.00	-	37.52	5.65	340.57	0.71	1.03	1.37	3.51	401.36	-
Charge for the year	3.70	-	14.43	1.80	109.03	0.30	0.70	0.40	1.68	132.04	-
Disposals	-	-	(1.15)	-	(23.13)	-	(0.42)	-	(0.02)	(24.73)	-
Transfer to asset held for sale	-	-	(0.15)	-	(4.71)	-	-	-	-	(4.85)	4.85
At March 31, 2019	14.70	-	50.65	7.45	421.76	1.01	1.31	1.77	5.17	503.82	4.85
Charge for the year	-	-	15.91	1.80	133.05	0.31	0.61	0.49	0.69	152.86	-
Disposals	-	-	(0.35)	-	(14.90)	(0.00)	(0.29)	(0.01)	(0.13)	(15.68)	(5.05)
Transfer to asset held for sale	-	-	-	-	-	-	-	-	-	-	-
Transfer to Right-of-use Asset (Refer Note 37)	(14.70)	-	-	-	-	-	-	-	-	(14.70)	-
At March 31, 2020	-	-	66.21	9.25	539.91	1.32	1.63	2.25	5.73	626.30	(0.20)
Net Block											
At March 31, 2020	-	331.15	319.61	26.63	1,337.34	1.30	2.89	1.84	1.15	2,021.91	2.33
At March 31, 2019	245.87	327.76	323.15	28.43	1,386.00	1.45	3.61	1.92	1.15	2,319.34	6.14



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

- a) Non-current asset held for sale includes Hot Rolling Mill Crane, Acid Regeneration Plant and Effluent Treatment Plant which is retired from active use. The Company intends to dispose the same within the next 12 months by way of sale. The assets were already valued at their residual value, and hence there is no charge in the statement of profit and loss for the year ended March 31, 2020.
- b) For details of assets given on Operating Lease - Refer note 37 (a)
- c) Freehold land includes land transferred to the Company by virtue of composite scheme of amalgamation and arrangement which are in process of being registered in the name of the company amounting to Rs. 0.05 crores. (March 31, 2019 – Rs. 4.85 crores)
- d) Capital work in progress includes exchange fluctuation loss of Rs. 55.18 crores (March 31, 2019 - Gain of Rs 2.57 crores) and borrowing cost Rs. 61.73 crores (March 31, 2019 – Rs. 15.25 crores) capitalised during the year.
- e) Borrowing cost and foreign exchange loss capitalized during the year is Rs. Nil crores (March 31, 2019 – Rs. 26.09 crores) and Rs. Nil crores respectively (March 31, 2019 – Rs. 22.83 crores)
- f) The property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 15.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 5 – Intangible Assets

(Rupees in crores)		
Particulars	Computer Software	Total
Cost or valuation		
At April 1, 2018	12.76	12.76
Additions	0.06	0.06
Disposals	-	-
At March 31, 2019	12.82	12.82
Additions	-	-
Disposals	-	-
At March 31, 2020	12.82	12.82
Amortization		
At April 1, 2018	7.40	7.40
Charge for the year	1.75	1.75
Disposals	-	-
At March 31, 2019	9.15	9.15
Charge for the year	1.76	1.76
Disposals	-	-
At March 31, 2020	10.91	10.91
Net book value		
At March 31, 2020	1.91	1.91
At March 31, 2019	3.67	3.67



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 6 – Investment in Subsidiaries

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Hasaud Steel Limited		
218,060 (March 31, 2019 : Nil) Equity Shares of Rs 10 each fully paid-up	0.22	-
Total Investment in Subsidiaries	0.22	-
Unquoted		
Aggregate carrying Value	0.22	-

Note 7 – Financial Assets

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Investments		
Investments in equity instruments		
Quoted – Others		
(at fair value through OCI)		
JSW Energy Limited		
90,31,770 (March 31, 2019: 90,31,770) Equity Shares of Rs. 10 each fully paid-up	38.57	65.57
Unquoted equity shares		
Tarapur Environment Protection Society		
244,885 (March 31, 2019 : 244,885) Equity Shares of Rs. 100 each fully paid-up	4.04	4.36
Total fair value through OCI investments	42.61	69.93
Current	-	-
Non-Current	42.61	69.93
Summary		
Quoted		
Aggregate carrying value	38.57	65.57
Aggregate market value	38.57	65.57
Unquoted		
Aggregate carrying value	4.04	4.36
Derivative instruments at fair value through OCI		
Cash Flow Hedges		
Foreign exchange forward contracts	-	41.37
Commodity contracts	0.16	-
Total derivative instruments at fair value through OCI	0.16	41.37
Current	0.16	41.37
Non-Current	-	-



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 7 – Financial Assets (contd...)

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Derivative instruments at fair value through Profit & Loss		
Derivatives not designated as hedges		
Foreign exchange forward contracts	7.50	0.07
Total derivative instruments at fair value through Profit & Loss	7.50	0.07
Current	7.50	0.07
Non-Current		
 Deposits (considered good unless otherwise stated)		
Security Deposits	12.31	12.96
Total Deposits	12.31	12.96
Current	0.23	0.23
Non-Current	12.08	12.73
 Loans (Unsecured considered good unless otherwise stated)		
Loans to related party for business purpose	4.20	5.36
	4.20	5.36
Current	1.02	1.15
Non-Current	3.18	4.21
 Other Financial Assets		
Export benefits and entitlements (refer note 37 b)	60.68	69.14
Claim receivable	66.70	17.85
Others	12.22	1.62
	139.60	88.61
Less: Provision for Doubtful receivables	(11.70)	(0.08)
Other Financial Assets	127.90	88.53
Current	26.67	46.94
Non-Current	101.23	41.59
 Total Financial Assets	194.68	218.22
Total Current	35.58	89.76
Total Non-Current	159.10	128.46

Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities.

Derivative instruments at fair value through OCI reflect the positive change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable forecast sales in US dollars (USD).

Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 7 – Financial Assets (contd...)**Break up of financial assets carried at amortised cost**

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Loans	4.20	5.36
Trade receivables (note 10)	433.80	340.76
Cash and cash equivalents (note 11)	350.04	78.30
Security deposits	12.31	12.96
Other financial assets	127.90	88.53
Total financial assets carried at amortised cost	928.25	525.91

Note 8 – Other non-current assets

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Capital advances	33.32	66.80
Less : Provision for doubtful advances	(0.52)	(0.52)
	32.80	66.28
Indirect tax balances/recoverables/credits	34.75	38.37
Prepayments and others	0.62	1.31
	35.37	39.68
Less : Provision for doubtful loans and advances	(0.14)	(0.14)
	35.23	39.54
Total other non-current assets	68.03	105.82

Note 9 – Inventories

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Raw Materials (at cost)	471.08	443.54
Semi Finished/ Finished Goods (Refer note 24) (at cost or net realisable value)	936.14	778.09
Production Consumables and Stores and Spares (including packing material) (at cost)	47.54	46.71
Traded Goods (at cost or net realisable value)	80.46	19.14
Total inventories	1,535.22	1,287.48

Details of stock-in-transit included in above

Raw Materials	151.50	141.37
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- i) Inventory amounting to Rs. 361.25 crores (March 31, 2019 - Rs. 292.38 crores) was valued at Fair value less cost to sell.
- ii) During the year Rs. 20.74 crores (March 31, 2019 - Rs. 6.72 crores) was recognised as an expense for inventories carried at net realisable value in respect of inventory given in (i) above.
- iii) Inventories have been pledged as security against certain bank borrowings, details relating to which has been described in note 15.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 10 – Trade receivables

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Trade receivables	390.80	320.28
Receivables from other related parties (refer note 40)	43.00	20.48
Total Trade receivables	433.80	340.76
Break-up for security details		
Trade receivables		
Secured considered good	-	-
Unsecured, considered good	433.80	340.76
Trade receivable which have significant increase in credit risk	-	-
Trade receivables credit impaired	0.75	0.75
	434.55	341.51

Impairment Allowance (allowance for bad and doubtful debts)

Unsecured, considered good	-	-
Trade receivable which have significant increase in credit risk	-	-
Trade receivables credit impaired	(0.75)	(0.75)
Total Trade receivables	433.80	340.76

Trade receivables have been given as collateral towards borrowings details relating to which has been described in note 15.

Ageing of Trade receivables that are past due

(Rupees in crores)

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
60-90 days	0.11	0.26
90-180 days	0.56	2.39
> 180 days	2.95	2.74
	3.61	5.39

The credit period on sale of goods ranges from 7 to 60 days with or without security.

Note 11 – Cash and cash equivalents

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
In Current accounts	106.14	4.67
In Term Deposit accounts with maturity less than 3 months at inception	243.83	73.56
Cash on hand	0.07	0.06
	350.04	78.29
Others		
In Margin Money with maturity more than 3 months but less than 12 months at inception	-	0.01
Total cash and cash equivalents	350.04	78.30
Earmarked balances		
In Margin Money	-	0.01



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 11 - Cash and cash equivalent (continued)

Margin money deposits with a carrying amount of Rs. Nil crore (March 31, 2019 – Rs. 0.01 crore) are subject to first charge to secure the Company's cash credit loans.

Changes in liabilities arising from financing activities for the year ended March 31, 2020

Particulars	April 1, 2019	Cash Flows	Foreign exchange management	Other	March 31, 2020
Non-current Borrowings	1,281.64	938.67	93.98	5.29	2,319.58
Lease Liabilities	22.01	(3.56)	-	2.02	20.47
Current maturity of long term loans	97.95	3.62	-	-	101.57
Interest Payable	5.06	(206.27)	-	206.64	5.43
Total liabilities from financing activities	1,406.66	732.46	93.98	213.95	2,447.05

Changes in liabilities arising from financing activities for the year ended March 31, 2019

Particulars	April 1, 2018	Cash Flows	Foreign exchange management	Other	March 31, 2019
Non-current Borrowings	855.64	403.13	11.51	11.36	1,281.64
Current maturity of long term loans	87.89	(0.58)	-	10.64	97.95
Interest Payable	4.86	(174.44)	-	174.64	5.06
Total liabilities from financing activities	948.39	228.11	11.51	196.64	1,384.65

The 'Other' adjustment includes interest cost capitalised in Property, plant and equipment, interest accrued on borrowings & finance lease and amortisation of upfront fees.

For the purpose of statement of cash flows, cash and cash equivalents comprise of the following:

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
In Current Accounts	106.14	4.67
In Term Deposit Accounts with maturity less than 3 months at inception	243.83	73.56
Cash on hand	0.07	0.06
In Margin Money with maturity more than 3 months but less than 12 months at inception	-	0.01
	350.04	78.30



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 12 – Other current assets

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Advance to Suppliers (Refer Note no 40)	237.97	30.17
Indirect tax balances/recoverables/credits	182.47	251.53
Prepayments and others	19.82	29.83
	440.26	311.53
Less : Provision for doubtful loans and advances	(20.00)	(20.00)
Total other current assets	420.26	291.53

Note 13 - Equity Share Capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount (Rupees in crores)	Number of shares	Amount (Rupees in crores)
a. Authorised shares:				
Equity Shares of the par value of Rs.10 each	1,00,50,00,000	5,50,00,000	1,00,50,00,000	55.00
b. Issued and subscribed				
(i) Outstanding at the beginning of the year, fully paid-up	5,00,50,000	5,00,50,000	50.05	50.05
(ii) Issued during the year (at par value)	75,00,00,000	-	750.00	-
(iii) Outstanding at the end of the year, fully paid-up	80,00,50,000	5,00,50,000	800.05	50.05

a) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

b) Shareholders holding more than 5% share in the Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of shares	% of shares	No of shares	% of shares
Equity shares				
JSW Steel Limited (including nominees)	80,00,50,000	100.00%	5,00,50,000	100.00%

As per the records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

The Company has not declared any dividend during the current year (March 31, 2019 - Nil).



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 14 - Other equity

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
General reserve	2.47	2.47
Retained Earnings	780.60	490.07
Other Comprehensive Income :		
Equity instruments through other comprehensive income	(45.32)	(17.99)
Effective portion of cash flow hedges	(41.25)	23.81
Other Reserves		
Capital reserve	1,263.49	1,263.49
Total	1,959.99	1,761.85

(i) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10.00% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year.

Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss to the General reserves.

(ii) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

(iii) Equity Instruments through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(iv) Effective portion of cash flow hedges

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company's accounting policies.

(v) Equity settled share based payment

The Holding Company has share option schemes under which the option to subscribe for Holding Company's shares have been granted to certain senior employees. The share based payment reserve at Holding Company is used to recognise the value of equity settled share based payments provided to employees, including key management personnel, as a part of their remuneration.

(vi) Capital reserve

The Honourable High Court of Mumbai, on May 3, 2013 had sanctioned a scheme of amalgamation ("Scheme") under sections 391 to 394 of the Companies Act, 1956. In accordance with the scheme, Downstream Undertakings comprising of Vasind and Tarapur units of JSW Steel Limited and Kalmeshwar Unit of JSW Ispat Steel Limited were transferred to JSW Steel Coated Products Limited with effect from July 1, 2012 and accounted in the year ended March 31, 2014.



JSW STEEL COATED PRODUCTS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2020**

The Company had accounted all the assets and liabilities of Kalmeshwar Undertaking and Downstream Undertakings at the appointed date of July 1, 2012 at the respective fair values and had credited an amount equal to the difference in fair values of assets and liabilities of Kalmeshwar Undertaking and Downstream Undertakings to its Capital Reserve account.

Note 15 – Borrowings

Particulars		(Rupees in crores)	
		As at March 31, 2020	As at March 31, 2019
	Maturity		
Non-current Borrowings			
Term Loan			
From Bank			
a. Secured bank loan	October 31, 2015 to October 31, 2023	876.08	455.88
	November 30, 2021 to August 31, 2022		
b. i) Unsecured Foreign	March 28, 2023 to January 29, 2026	1,116.05	713.97
Currency Loan (ECB)			
ii) Unsecured Foreign	June 2020 to December 2029	169.63	102.47
Currency Loan (ECA)			
c. Acceptances for Capital Projects with			
maturity more than one year			
i) Secured	November 2022	23.39	-
ii) Unsecured	January 2022 to October 2022	126.68	-
From other parties			
Loans (Unsecured)			
d. Sales Tax Loan from	September 2016 - July 2031	7.75	9.32
Government of Maharashtra			
Total non-current borrowings		2,319.58	1,281.64
	Maturity		
Current borrowings			
Current maturity of long term loans			
From Bank			
a. Secured bank loan	October 31, 2015 to October 31, 2023	79.68	95.64
b. Unsecured Foreign Currency Loan	June 2020 to December 2029	20.32	-
(ECA)			
From other parties			
Deferred Payment Liabilities (Unsecured)			
c. Deferred Sales Tax/ Value	April 2015 - June 2019	-	0.74
Added Tax			
Loans (Unsecured)			
d. Sales Tax Loan from	September 2016 - July 2031	1.57	1.57
Government of Maharashtra			
Loan Repayable on Demand			
(from bank)			
e. Working Capital loans (Secured)	On demand	300.89	2.20
Total current borrowings		402.46	100.15
Less: Amount Classified under "other current financial liabilities"		(101.57)	(97.95)
Net current borrowings		300.89	2.20



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

a. Secured Bank Loan

Weighted Average interest rate of Secured Loans as on March 31, 2020 is 9.15%

Rupee Term Loans from Banks are secured as under:

A) Rupee Term Loan of Rs. 850 crores from State Bank of India is secured by

- i) First charge by way of legal mortgage on 2400 sq. feet land at Toranagallu village in the state of Karnataka.
- ii) First pari-passu charge on the entire fixed assets of the Company situated at Vasind, Tarapur and Kalmeshwar both present and future.

JSW Steel Ltd. (Holding Company) has provided a Letter of Comfort (LOC) in favour of the Bank for the Term Loan sanctioned and disbursed in favour of the Company.

Terms of Repayment of Rupee Term Loan

- (i) Rs. 297.50 crores was repayable in 14 quarterly instalments of Rs. 21.25 crores each from 31.10.2015 to 31.01.2019.
- (ii) Rs. 95.64 crores was repayable in 4 quarterly instalments of Rs. 23.91 crores each from 30.04.2019 to 31.01.2020.
- (iii) Rs. 318.74 crores is repayable in 12 quarterly instalments of Rs. 26.56 crores each from 31.07.2020 to 30.04.2023.
- (iv) Rs. 138.12 crores is repayable in 2 quarterly instalments of Rs. 69.06 crores each from 31.07.2023 to 31.10.2023.

Pursuant to the Covid 19 pandemic, the Reserve Bank of India, 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 three months on payment of all instalments (principal and interest) on Term loans falling due between March 1, 2020 and May 31, 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 financial statement has been prepared giving effect to the above.

B) Rupee Term Loan of Rs.500.00 crores from Deutsche Bank is to be secured by first pari-passu charge on the entire fixed assets of the Company situated at Vasind, Tarapur and Kalmeshwar both present and future.

Terms of Repayment of Rupee Term Loan (Deutsche Bank)

Total amount to be repaid in 4 equal quarterly instalments starting from 27th month of each draw down.

b. Foreign Currency Loan

Weighted Average interest rate of Foreign Currency Loans as on March 31, 2020 is 3.62%

Foreign Currency Loan from Banks are as under:

- (i) Foreign currency Unsecured External Commercial Borrowings loan of USD 150 million from Yes Bank repayable in equal instalments at the end of 60 months, 72 months and 84 months for each tranche as under:
 - USD 1.67 million in FY 2022-23
 - USD 35 million in FY 2023-24
 - USD 50 million in FY 2024-25
 - USD 48.33 million in FY 2025-26
 - USD 15 million in FY 2026-27



JSW STEEL COATED PRODUCTS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2020**

(ii) Foreign currency Unsecured Export Credit Agencies Borrowings (Tranche A) of USD 14.22 million from KFW IPEX-Bank GmbH repayable from June 2020 to December 2029 in 20 equal half-yearly installments.

(iii) Foreign currency Unsecured Export Credit Agencies Borrowings (Tranche B) of USD 12.74 million from KFW IPEX-Bank GmbH repayable from June 2020 to December 2029 in 20 equal half-yearly installments.

c. Deferred Payment Liabilities (Unsecured)

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

Instalments due	March 31, 2020			March 31, 2019		
	Number of instalments	Non-Current (Rs. in crores)	Current Maturities (Rs. in crores)	Number of instalments	Non-Current (Rs. in crores)	Current Maturities (Rs. in crores)
Within one year	-	-	-	2	-	0.74
In the second year to third year	-	-	-	-	-	-
In the fourth year to fifth year	-	-	-	-	-	-
Total	-	-	-	2	-	0.74

d. Sales Tax Loan from Government of Maharashtra

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

Instalments due	March 31, 2020			March 31, 2019		
	Number of instalments	Non-Current (Rs. in crores)	Current Maturities (Rs. in crores)	Number of instalments	Non-Current (Rs. in crores)	Current Maturities (Rs. in crores)
Within one year	7	-	1.57	7	-	1.57
In the second year to third year	9	1.80	-	14	3.14	-
In the fourth year to fifth year	2	0.05	-	4	0.27	-
After five years	48	5.91	-	48	5.91	-
Total	66	7.75	1.57	73	9.32	1.57

e. Working Capital loans (secured)

Above Working Capital Loans are secured by:

- pari passu first charge by way of hypothecation of Stocks of Raw Materials, Finished Goods, Work-in-Progress, Consumable Stores and Spares and Book Debts / Receivables of the Company, both present and future.

- pari passu second charge on movable properties and immovable properties forming part of the Fixed/Blocked assets of the company, both present and future except such properties as may be specifically excluded.

The working capital loan is repayable on demand and carries interest at 8.90 % to 9.25 % per annum (March 31, 2019 - 9.00 % to 9.50 per annum).



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 16 – Other Current Financial Liabilities

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Financial liabilities at fair value through OCI		
Cash flow hedges		
Foreign exchange forward contracts	55.43	-
Commodity contracts	5.38	-
Total financial liabilities at fair value through OCI	60.81	-
Financial liabilities at fair value through profit or loss		
Derivatives not designated as hedges		
Foreign exchange forward contracts	0.61	7.89
Total derivative instruments at fair value through profit or loss	0.61	7.89
Other current financial liabilities at amortised cost		
Current maturity of long term loans (refer note 15)	101.57	97.95
Deposits received from customers	14.53	10.55
Payables to employees	21.21	16.63
Interest payable	5.43	5.06
Customer liabilities (rebate & discount)	38.17	26.07
Payables for capital projects:		
Acceptances	176.39	79.86
Other than acceptances	431.35	185.20
Others	0.35	0.35
Total other current financial liabilities at amortised cost	789.00	421.67
Total other current financial liabilities	850.42	429.56

Payables for Capital Projects comprise of credit availed by the Company from Banks for payment to suppliers for capital items amounting to Rs. 176.39 crores (March 31, 2019- Rs. 79.86 crores). These arrangements are interest bearing and are payable within one year. (Refer Note 2 (XVIII) (II) – Accounting policy on trade payables and other financial liabilities).

Financial liabilities at fair value through OCI

Financial liabilities at fair value through OCI reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable future sales in USD.

Financial liabilities at fair value through profit or loss

The Company has entered into other foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected sales. These other contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Break up of financial liabilities carried at amortised cost

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Borrowings (non-current) (note 15)	2,319.58	1,281.64
Borrowings (current) (note 15)	300.89	2.20
Current maturity of long term loans (note 16)	101.57	97.95
Trade payables (note 18)	958.63	1,533.98
Total financial liabilities carried at amortised cost	3,680.67	2,915.77



JSW STEEL COATED PRODUCTS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2020
Note 17 – Income Tax

The major components of income tax expense for the year ended March 31, 2020 is:

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Profit or loss section		
Current income tax:		
Current income tax charge	95.66	30.06
Tax provision / (reversal) for earlier years	(0.21)	3.80
Deferred tax:		
Reversal of DTL due to change on measurement due to change in tax rates (refer note below)	(89.71)	-
Short/ (Excess) provision for Deferred tax relating to previous year	0.21	(5.30)
Relating to origination and reversal of temporary differences	(25.64)	12.26
Income tax expense reported in the statement of profit or loss	(19.69)	40.82
Other Comprehensive Income Section		
Deferred tax related to items recognised in Other Comprehensive Income during the year:		
Net gain/(loss) on revaluation of cash flow hedges	(26.66)	14.11
Net (loss)/ gain on remeasurement of defined benefit plans	(0.71)	(1.48)
Income tax charged to Other Comprehensive Income	(27.37)	12.63

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020:

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Accounting profit before income tax	276.17	120.45
Enacted tax rate in India	25.168%	34.944%
Expected income tax (benefit)/expense at statutory tax rate	69.51	42.09
Expenses disallowed for tax purposes	1.84	2.67
Income exempt from tax	(1.33)	(0.74)
Reversal of DTL due to change on measurement due to change in tax rates	(89.71)	-
Reversal of Deferred Tax liabilities on Leasehold & Freehold land	-	(1.70)
Adjustment due to prior period items	-	(1.50)
At the effective income tax rate of 25.35% (March 31, 2019- 33.89%)	(19.69)	40.82
Income tax expense reported in the statement of profit and loss	(19.69)	40.82



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Particulars	Balance Sheet		Statement of Profit and Loss	
	(Rupees in crores)		(Rupees in crores)	
	As at	As at	For the year ended	For the year ended
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Provision for doubtful debts and advances	10.18	7.25	2.92	(6.98)
Post-employment benefits	25.85	23.46	2.38	(1.38)
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	17.30	17.30	-	(2.94)
Revaluation of Cash Flow Hedges	10.30	(12.79)	-	-
Property, plant and equipment	(253.47)	(367.86)	113.69	23.10
Others	(0.88)	(0.81)	(0.07)	0.81
Adjustment due to prior period items	-	-	(3.58)	(5.65)
Deferred tax expense/ (income)			115.35	6.96
Net deferred tax assets/(liabilities)	(190.72)	(333.45)		

Reconciliation of deferred tax liabilities (net):

Particulars	Rupees in crores
Deferred tax liabilities (net)	
Opening balance as on April 1, 2018	(313.85)
Tax income/ (expense) recognised in profit or loss	(6.97)
Tax income/ (expense) recognised in OCI	(12.63)
Closing balance as on March 31, 2019	(333.45)
Tax income/ (expense) recognised in profit or loss	115.35
Tax income/ (expense) recognised in OCI	27.38
Closing balance as on March 31, 2020	(190.72)
Closing balance as on March 31, 2019	(333.45)
Closing balance as on March 31, 2020	(190.72)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 issued by Ministry of Law and Justice (Legislative Department) on September 20, 2019 which is effective from April 01, 2019, the corporate income tax rate has been reduced to 22% plus applicable surcharge and cess resulting into a reversal of deferred tax liabilities recognised up to March 31, 2019 amounting to Rs. 89.71 crores. The reversal has been recognised in the deferred tax expense item during the year ended March 31, 2020



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 18 – Trade payables

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Acceptances	333.71	402.14
Other than acceptances	624.92	1,131.84
Total Trade payables	958.63	1,533.98
Break-up of Trade Payables		
Total outstanding dues of micro and small enterprises (refer note 32)	7.69	5.19
Total outstanding dues of creditors other than micro and small enterprises	950.94	1,528.79
Total Trade payables	958.63	1,533.98

Acceptances include credit availed by the Company from banks for payment to suppliers for purchase of raw materials and other services amounting to Rs. 66.88 crores (March 31, 2019 - Rs 59.54 crores). These arrangements are interest bearing and are payable within one year (Refer Note 2 (XVIII)(II) - accounting policy on trade payables and other financial liabilities and Note 40 – Related Party Disclosures)

Note 19 – Other current liabilities

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Advances from Customers	115.34	158.64
Statutory Liabilities	18.27	19.55
Others (refer below note)	54.18	28.89
Total other current liabilities	187.79	207.08

Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and accounted in revenue on fulfilment of export obligation. (refer note 37c)

Note 20 – Provisions

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
	Long Term		Short Term	
Provision for compensated absences	-	-	23.61	20.46
Provision for Gratuity	-	-	55.55	46.69
Provision for long service award	1.51	1.63	1.75	1.44
Total provisions	1.51	1.63	80.91	68.59



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 21 – Revenue from operations

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Revenue from operations		
Sale of products		
Domestic Turnover (includes Freight Recovery Rs. 264.55 crores, March 31, 2019- Rs. 275.36 crores)	8,264.30	8,565.32
Export Turnover	2,656.84	3,451.79
Traded Goods	636.65	156.50
	11,557.79	12,173.61
Sale of services		
Jobwork income	2.84	2.84
Other Operating Revenues		
Gain on prepayment of deferred Value Added/ Sales Tax	1.39	2.11
Government Grant	3.30	5.41
Export Benefits	97.42	128.93
Miscellaneous Income	12.54	10.94
Total revenue from operations	11,675.28	12,323.84

Government Grants have been recognised on account of duty exemption on imports of permitted goods under Export Promotion Capital Goods Scheme with an export obligation to be met in future periods.

Note 22 – Other income

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Other non-operating income		
Dividend income from long-term Investments	0.90	-
Net gain on disposal of property, plant and equipment	-	0.32
Insurance Claim on Fixed Assets	6.35	-
Interest income from:		
Related party (refer note 40)	18.75	0.73
Others	6.19	1.54
Total other income	32.19	2.59



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 23 – Cost of materials consumed

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Inventory at the beginning of the year	443.54	486.68
Add: Purchases	8,852.71	9,963.54
	9,296.25	10,450.22
Less: Inventory at the end of the year	471.08	443.54
Total cost of materials consumed	8,825.17	10,006.68

Note 24 – Changes in inventories of finished goods and semi-finished goods

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Opening Stock :		
Semi-Finished /Finished Goods	797.24	761.21
	797.24	761.21
Closing Stock :		
Semi-Finished /Finished Goods	1,016.60	797.24
	1,016.60	797.24
Total Changes in inventories of finished goods and semi-finished goods	(219.36)	(36.03)

Note 25 – Employee benefits expense

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Salaries and Wages	242.09	225.53
Contribution to provident and other funds (refer note 34)	17.91	16.72
Expenses on employees stock option scheme of the Parent company (refer note 36)	0.64	3.18
Staff welfare expenses	13.89	11.28
Total employee benefits expense	274.53	256.71



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note 26 – Depreciation and amortization expense

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Depreciation of tangible assets (note 4)	153.23	132.04
Depreciation of right-of-use assets (note 37a)	6.26	-
Amortization of intangible assets (note 5)	1.76	1.75
Total depreciation and amortization expense	161.25	133.79

Note 27 – Finance costs

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Interest	133.47	126.88
Other borrowing costs	11.07	14.08
Total Finance costs	144.54	140.96

Note 28 – Other Expenses

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Stores and Spares consumed	124.95	145.16
Packing Expenses	146.45	128.36
Power and Fuel	408.15	402.34
Jobwork and Processing Charges	54.48	68.22
Rent	0.11	3.10
Repairs and Maintenance		
Plant and Machinery	23.20	17.62
Buildings	6.77	8.33
Others	0.54	2.36
Carriage and Freight	496.68	512.36
Commission on Sales	18.40	22.21
Loss on disposal of property, plant and equipment	0.83	-
Net Loss on foreign currency transactions and translation (Other than considered as finance cost)	70.14	11.87
Provision for Doubtful advances / receivables	11.62	20.00
Insurance	9.92	7.53
Rates and Taxes	6.78	4.74
Expense towards CSR activities	6.16	6.13
Miscellaneous Expenses	198.64	174.36
Total other expenses	1,583.82	1,534.69



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Details of CSR Expenditure:	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
a) Gross amount required to be spent by the Company	6.12	5.92
b) Amount spent during the year on		
i) Construction/ acquisition of an asset		
-in cash	-	-
-yet to be paid in cash	-	-
Total	-	-
ii) On purposes other than (i) above		
- in cash	5.18	2.83
-yet to be paid in cash	0.98	3.30
Total	6.16	6.13



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note - 29 Ind AS 115 Revenue from Contracts with Customers

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 35)

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Revenue from contracts with customer - sale of products *	11,557.79	12,173.61
Other operating revenue	117.49	150.23
Total revenue from operations	11,675.28	12,323.84
Timing of revenue recognition		
At a point in time	11,675.28	12,323.84
Over a period of time	-	-
Total revenue from operations	11,675.28	12,323.84

* Includes Freight Recovered Rs. 264.55 crores, March 31, 2019- Rs. 275.36 crores)

Set out below is the disaggregation of the revenue from contracts with customers for sale of products

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Galvanized coils/sheets	3,604.49	4,585.08
Galvalume coils/sheets	1,651.38	1,980.77
Color Coated Galvanized coils/sheets	779.32	855.01
Color Coated Galvalume coils/sheets	3,569.62	3,622.34
Cold rolled coils/sheets	203.67	176.86
Hot rolled Coil Pickled & Oiled	29.93	17.83
Tinplate	433.26	-
Trading Sales	636.30	161.13
Others	649.82	774.59
Total	11,557.79	12,173.61

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

The Company has assessed the impact of COVID-19 on its revenue stream due to disruption in supply chain, drop in demand, termination or deferment of contracts by customers etc. and have recognized revenue only when the control over the goods or services is transferred to the customer

The Company sales to customers was affected in the last week of March 2020 as measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses in India, resulting in an economic slowdown.

Contract Balances

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Contract assets		
Trade Receivables	433.80	340.76
Contract liabilities		
Advance from customers	115.34	158.64



JSW STEEL COATED PRODUCTS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2020**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

As at March 31, 2020, Rs. 0.75 crore (March 31, 2019 - Rs.0.75 crore) was recognised as provision for expected credit losses on trade receivables.

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

Amount of revenue recognized from amounts included in the contract liabilities at the beginning of the year Rs. 150.91 crores (March 31, 2019 Rs. 81.09 crores) and performance obligations satisfied in the previous years is Rs. Nil (March 31, 2019 - Rs. Nil)

Out of the total contract liabilities outstanding as on March 31, 2020, Rs. 115.34 crores will be recognized by March 2021.

Refund Liabilities

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Arising from volume rebates and discounts	38.17	26.07

The Company does not have any significant adjustments between the contracted price and revenue recognized in the statement of profit or loss. All the performance obligation is satisfied upon delivery of the goods and payment is generally due within 30 to 90 days from delivery.

Note – 30 Research and development activities

The Company has a separate In-House Research & Development (R&D) Centre involved in developmental activities for new products, processes etc. The In-House R&D Centre is recognised by The Department of Scientific and Industrial Research (DSIR) vide letter No. TU/IV-RD/1424/2019 dated May 01, 2019. The R&D expenditure (Capital and Revenue) has been reflected in the financial statements:

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Capital Expenditure	-	-
Revenue Expenditure **	3.63	3.81
Total	3.63	3.81

**Revenue expenditure comprises of cost to R&D employees Rs. 3.06 crores (March 31, 2019 – Rs. 3.26 crores) and other related expenses Rs. 0.57 crore (March 31, 2019 – Rs. 0.55 crore)

Note – 31 Payment to auditors

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
As auditor :		
Audit Fees (including limited reviews)	0.79	0.75
Tax Audit Fees	0.12	0.09
In other capacity :		
Other services	0.64	0.45
Reimbursement of expenses	0.03	0.04
Total	1.58	1.33

(Above amount is excluding Goods and Services Tax)



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note – 32 Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company) under the MSMED Act, 2006

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Principal amount outstanding as at end of year	7.69	5.19
Interest due on above and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at end of period	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

Note 33 – Earnings per share (EPS)

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

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
Profit attributable to equity shareholders	Rs. In crores	295.86	79.63
Weighted average number of Equity shares	Nos.	56,84,92,623	5,00,50,000
Earnings per share - Basic & Diluted	Rs. / share	5.20	15.91

Note 34 – Employee benefits**a) Defined contribution plan**

The Company operates defined contribution retirement benefit plans for all qualifying employees. Under these plans, the Company is required to contribute a specified percentage of payroll costs.

Company's contribution to provident fund & family pension scheme recognized in statement of profit and loss of Rs 9.33 crores (March 31, 2019 Rs 8.70 crores) (included in note 25).

Contribution towards Company owned trust is detailed in Defined benefit plans.

b) Defined benefit plans

The Company operates defined benefit plans, viz., gratuity for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58 or 60, without any payment ceiling. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years.

The fund has the form of a trust and it is governed by the Board of Trustees, who are responsible for the administration of the plan assets and for defining the investment strategy.



JSW STEEL COATED PRODUCTS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2020**

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2020 by Certified Actuarial valuer. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

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

	(Rupees in crores)	
Net benefit expense March 31, 2020 (recognised in the statement of profit or loss)	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Current service cost	2.84	2.59
Net Interest cost	5.33	4.48
Actual return on plan assets	(1.81)	(1.41)
Net benefit expense	6.36	5.66

Balance sheet**Benefit asset/ liability**

	(Rupees in crores)	
Particulars	As at March 31, 2020	As at March 31, 2019
Present value of defined benefit obligation	(73.16)	(66.39)
Fair value of plan assets	17.61	19.71
Plan Liability	(55.55)	(46.68)



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

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

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	66.39	59.36
Current service cost	2.84	2.59
Interest cost	5.01	4.64
Benefits paid	(3.91)	(3.87)
Remeasurement losses/(gains) in other comprehensive income		
Liability transferred in	0.03	-
Liability transferred out	(0.36)	(0.39)
Actuarial loss/(gain) on obligation from changes in financial assumptions	2.89	1.11
Experience adjustments	0.27	2.95
Closing defined benefit obligation	73.16	66.39

The Company expects to contribute Rs. 55.55 crores (March 31, 2019 Rs. 46.68 crores) to its Gratuity Fund during the next year.

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

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Opening fair value of plan assets	19.71	20.17
Expected return	1.49	1.58
Contributions by employer	-	2.00
Benefits paid	(3.91)	(3.87)
Remeasurement losses/(gains) in other comprehensive income		
Return on plan assets	0.32	(0.17)
Closing fair value of plan assets	17.61	19.71

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

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Investments quoted in active markets:		
HDFC Standard Life Insurance Co. Limited		
- Defensive Managed Fund	1.35	1.68
- Secure Managed Fund	13.30	15.18
BAJAJ Allianz Secured Fund	2.96	2.85
	17.61	19.71

The fair values are determined are based on quoted market prices in active markets.

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Concentration of Fund is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Government Securities	45.47%	35.46%
Debentures/ Bonds	43.02%	55.20%
Equity	4.84%	4.58%
Deposits, Money Market Securities	6.67%	4.76%
	100.00%	100.00%

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

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	6.84%	7.54%
Expected rate of return on assets	6.84%	7.54%
Future salary increases	6.00%	6.00%
Attrition Rate	2.00%	2.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

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

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligation.

Experience adjustments:

Particulars	(Rupees in crores)				
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Defined benefit obligation	(73.16)	(66.39)	(59.36)	(54.69)	(51.85)
Plan assets	17.61	19.71	20.17	16.84	16.06
Deficit	(55.55)	(46.68)	(39.19)	(37.85)	(35.79)
Experience adjustments on plan liabilities	0.27	2.95	2.39	1.65	2.93
Experience adjustments on plan assets	-	-	-	-	-



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:

Particulars	(Rupees in crores)			
	As at March 31, 2020		As at March 31, 2019	
Projected Benefit Obligation on Current Assumptions		73.16		66.39
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Impact Due to Change in rate of Discounting	(4.07)	4.53	(3.82)	4.25
Impact Due to Change in rate of Salary Increase	4.53	(4.14)	4.28	(3.91)
Impact Due to Change in rate of Employee Turnover	0.20	(0.22)	0.38	(0.41)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following is the maturity analysis of Projected Benefit Obligation to be paid from the fund

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Within next 12 months (next annual reporting period)	8.83	5.73
Between 2 and 5 years	26.66	26.58
Between 6 and 10 years	39.14	35.77
More than 10 years	43.69	47.36

The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years (March 31, 2019 - 11 years)

Note – 35 Operating Segments

The Company is primarily engaged in the business of manufacture and sale of value added steel products. The Chief Operating Decision Maker (CODM) of the Company monitors and reviews the profitability of value added steel products treating it as profit from Steel products business. Hence, the Company has identified one primary business segment i.e., Value added steel products.

Information about geographical revenue and assets

For the Year Ended	(Rupees in crores)	
	Revenue from operations	Non- current operating assets
March 31, 2020		
Within India	8,894.41	4,898.37
Outside India	2,780.87	-
Total	11,675.28	4,898.37
March 31, 2019		
Within India	8,852.88	3,576.08
Outside India	3,470.96	-
Total	12,323.84	3,576.08



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note – 36 Employee share based payment plans

ESOP SCHEME 2016:

The Board of Directors of JSW Steel Limited (Holding Company) at its meeting held on 29th January, 2016, formulated the JSWSL EMPLOYEES STOCK OWNERSHIP PLAN 2016 ("ESOP Plan"). At the said meeting, the Board authorized the ESOP Committee for the superintendence of the ESOP Plan.

The said scheme is for permanent employees of the Company and its subsidiaries in the grade of L16 (AVP) and above including any director except to any employee who is a promoter or a director who either himself or through relatives or through anybody directly or indirectly holds more than 10% of the outstanding equity shares of the Company. The Employees Stock Ownership Plan is effective from 1st April, 2016.

1st Grant under ESOP Scheme 2016

The eligible employees can exercise the option from May 17, 2016 till March 31, 2019 (for 50% of grant) and May 17, 2016 till March 31, 2020 (for remaining 50% of grant).

A total of 295,190 options for equity shares having face value of Re. 1 per share were granted to the eligible employees of the Company.

The Fair Value of option on the date of each grant is determined by using Black Scholes model.

2nd Grant under ESOP Scheme 2016

The eligible employees can exercise the option from May 16, 2017 till March 31, 2020 (for 50% of grant) and May 16, 2017 till March 31, 2021 (for remaining 50% of grant)

A total of 212,178 options for equity shares having face value of Re. 1 per share were granted to the eligible employees of the Company.

The Fair Value of option on the date of each grant is determined by using Black Scholes model.

3rd Grant under ESOP Scheme 2016

The eligible employees can exercise the option from May 15, 2018 till March 31, 2021 (for 50% of grant) and May 15, 2018 till March 31, 2022 (for remaining 50% of grant)

A total of 156,000 options for equity shares having face value of Re. 1 per share were granted to the eligible employees of the Company.

The Fair Value of option on the date of each grant is determined by using Black Scholes model.



JSW STEEL COATED PRODUCTS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2020

The details of the Share based payment plan are as follows:

Particulars	Year	ESOP 2016 1 st Grant (AVP & Above)	ESOP 2016 2 nd Grant (AVP & Above)	ESOP 2016 3 rd Grant (AVP & Above)
Date of grant		May 17, 2016	May 16, 2017	May 15, 2018
Opening Balance as on	April 1, 2019	2,40,750	1,83,840	1,36,310
	April 1, 2018	2,83,950	2,13,839	-
Allotted	March 31, 2020	-	-	-
	March 31, 2019	-	-	1,56,000
Transfer to JSW Steel	March 31, 2020	-	11,752	8,329
	March 31, 2019	43,200	29,999	19,690
Transfer from JSW Steel	March 31, 2020	-	-	9,770
	March 31, 2019	-	-	-
Forfeited during the period	March 31, 2020	-	-	-
	March 31, 2019	-	-	-
Exercised during the period	March 31, 2020	19,415	-	-
	March 31, 2019	-	-	-
Outstanding as on	March 31, 2020	2,21,335	1,72,088	1,37,751
	March 31, 2019	2,40,750	1,83,840	1,36,310
Exercisable as on	March 31, 2020	-	-	-
	March 31, 2019	-	-	-
Vesting Period	March 31, 2020	17-May-16 till 31-Mar-19 (for 50% of grant) and 17-May-16 till 31-Mar-20 (for remaining 50% of grant)	16-May-17 till 31-Mar-20 (for 50% of grant) and 16-May-17 till 31-Mar-21 (for remaining 50% of grant)	15-May-18 till 31-Mar-21 (for 50% of grant) and 15-May-18 till 31-Mar-22 (for remaining 50% of grant)
	March 31, 2019	17-May-16 till 31-Mar-19 (for 50% of grant) and 17-May-16 till 31-Mar-20 (for remaining 50% of grant)	16-May-17 till 31-Mar-20 (for 50% of grant) and 16-May-17 till 31-Mar-21 (for remaining 50% of grant)	-
Method of settlement		Equity	Equity	Equity
Exercise Price		103.65	161.36	263.24
Fair Value as on the Date of Grant		67.48	104.04	167.15

Notes:

Note 1 - The company has recognised an expense of Rs. 0.64 crore (March 31, 2019 - Rs. 3.18 crores) towards share based payments transactions based on charge received from holding company (i.e. JSW Steel Limited) corresponding liability is recognised in the books of Holding company.

Note 2 - The share options outstanding at the end of the year has a weighted average exercise price of Rs. 103.65 for 1st Grant under ESOP Scheme 2016, Rs. 161.36 for 2nd Grant under ESOP Scheme 2016 and Rs. 263.24 for 3rd Grant under ESOP Scheme 2016 and a weighted average remaining contractual life of NIL days.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note – 37 Leases, Commitments and contingencies**a) Leases****i) As Lessor:**

a) The Company has entered into Leave and License agreements, for renting 607 houses (admeasuring approximately 367,363 square feet) at the rate of Rs. 2.30 per square feet per annum, for a period of 36 months. The Company has received a rental income of Rs 1.01 crores (March 31, 2019 - Rs 0.83 crore) during the year.

Disclosure in respect of assets (buildings) given on operating lease:

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Gross Carrying amount of Assets	30.72	30.72
Accumulated Depreciation	4.53	3.14
Net Block	26.19	27.58
Depreciation for the year	1.39	0.85
Future minimum rentals receivable under this agreement are as under		

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Not later than one year	1.01	-
Later than one year but not later than five years	1.01	-
Later than five years	-	-
Total	2.02	-

b) The Company has entered into Leave and License agreement for renting freehold Land admeasuring 22,303 sq. meter for a non-cancellable period of 25 years. The Gross Book Value of the land is Rs. 10.70 crores. The Company has received a rental income of Rs 0.91 crore (March 31, 2019 - Rs 0.89 crore) during the year.

Future minimum rentals receivable under this agreement are as under

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Not later than one year	0.91	0.91
Later than one year but not later than five years	3.64	3.64
Later than five years	15.83	16.74
Total	20.38	21.29

ii) As Lessee:

Effective 01 April 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on the date of initial application i.e. 01 April 2019. The Company has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognized at an amount equal to the lease liability. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

The Company has entered into agreements for leasing of Plant & Machinery for business purpose. The lease term ranges from 5 years to 15 years. The Company also has leasehold land situated in its Tarapur & Kalmeshwar units which have been taken on a lease of 99 years.



JSW STEEL COATED PRODUCTS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2020**

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments.

The above approach has resulted in a recognition of a right-of-use asset of Rs. 267.88 crores and a lease liability of Rs. 22.01 crores on the date of initial application.

Most of the contracts that contains extension terms are on mutual agreement between both the parties and hence the potential future rentals cannot be assessed. Certain contracts where the extension terms are unilateral are with unrelated parties and hence there is no certainty about the extension being exercised.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period.

Particulars	(Rupees in crores)		
	Leasehold Land	Plant & Machinery	Right-of-use asset
Balance as on 01-04-2019	245.87	22.01	267.88
Less: Depreciation for the year	3.75	2.51	6.26
Balance as on 31-03-2020	242.12	19.50	261.62

Refer note 2 (V) - Accounting Policy on Leases for details of ROU Asset Valuation method.

Set out below are the carrying amounts of lease liabilities and the movements during the period

Particulars	(Rupees in crores)	
	Lease Liabilities	
Balance as on 01-04-2019	22.01	
Add: Interest cost	2.02	
Less: Lease principal and interest payments	3.56	
Balance as on 31-03-2020	20.47	
Current	1.87	
Non-Current	18.60	



JSW STEEL COATED PRODUCTS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2020**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

	(Rupees in crores)			
Particulars	< 1 year	1-5 years	> 5 years	Total
Lease Liabilities	3.72	17.05	8.94	29.71

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. The effective interest rate for lease liabilities is 9.5%

The Company has recognized Rs. 0.11 crore as rent expenses during the year which pertains to low value asset which was not recognized as part of right of use asset.

The leases that the Company has entered with lessors are generally long term in nature and no changes in terms of those leases are expected due to the COVID-19.

b) Contingent Liabilities

	(Rupees in crores)	
Particulars	As at March 31, 2020	As at March 31, 2019
Claims against the Company not acknowledged as debts*	1.28	1.36
Disputed Claims/Levies (excluding interest, if any)		
Excise Duty	1.15	1.21
Custom Duty	7.38	7.38
Service Tax	13.41	13.91
Sales Tax	68.39	70.32
Income Tax	24.51	-
Total	116.12	94.18

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

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

b) Excise duty cases include disputes pertaining to applicability of excise duty on mill scale not generated out of manufacturing activity, assessable value applicable in case of sale of defective goods after processing, inclusion of sales tax deferral amount in assessable value, reversal of CENVAT credit on power injected to MSEDCL grid, etc.

c) Customs duty cases include disputes pertaining to classification of imported steam coal, addition of stevedoring, wharfage and other charges in assessable value.

d) Service tax cases include disputes pertaining to availment of CENVAT credit on Goods transport agency services, CHA services and other export related services, applicability of service tax on lease of residential colony, etc.

e) VAT/Sales tax cases include disputes pertaining to levy of differential tax for non-submission of concessional forms, disallowance of set-off for non-submission of ledger confirmation by vendors, rate of tax on pre-painted coils, etc.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

f) Income tax cases include disputes pertaining to transfer pricing.

g) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the company has assessed the impact on prospective basis and the same is not material. The Company will evaluate the position on receiving further clarity on the subject.

h) There are two litigation cases (PY: four cases) for which the Company has made a provision in the books aggregating Rs. 77.58 crores (March 31, 2019 - Rs. 65.68 crores). The amount paid under protest is Rs. 30.50 crores (March 31, 2019 - Rs. 17.62 crores)

i) Non-Current Financial Assets includes Incremental Export Benefits receivable amounting to Rs. 23 Crores. During the previous year, the Company had received favourable judgement of Bombay High Court for release of refund. During the current year, DGFT has filed Special Leave Petition (SLP) with Honourable Supreme Court ('SC') with respect to similar matter and the same has been admitted by the SC. The Company has made an assessment of recoverability and is confident of securing refund of entire amount. Accordingly, no provision has been made in the accompanying Ind AS financial statements. (refer note 7)

j) There are several other cases which has been determined as remote by the Company and hence not been disclosed above.

c) Capital and Other Commitments

At March 31, 2020, estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. 1,142.75 crores (March 31, 2019 - Rs. 1,790.13 crores)

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 year. Such export obligations at year end aggregate to Rs 1,412.72 crores (March 31, 2019 - Rs 885.58 crores)

Note – 38 Capital Management

The Company manages its capital to ensure that entity will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and equity of the Group (comprising issued capital, reserves and retained earnings).

The Company prepares projections via Annual Business plan and Capex Business plan to plan the capital structure and the outflow. The Company is not subject to any externally imposed capital requirements. The management reviews the capital structure on a quarterly basis. The Company monitors its capital using gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as Loans and borrowings less cash and cash equivalent.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

(Rupees in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Long term borrowings	2,319.58	1,281.64
Current maturities of long term debt	101.57	97.95
Short term borrowings	300.89	2.20
Less: cash and cash equivalent	(350.04)	(78.30)
Net debt	2,372.00	1,303.49
Total equity	2,760.04	1,811.90
EBIDTA	581.96	395.20
Gearing ratio	0.86	0.72
Net debt / EBIDTA	4.08	3.30

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

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

Note – 39 Financial Instruments
a) Categories of Financial Instruments

As at 31 st March 2020	(Rupees in crores)				
Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Total Carrying Value	Fair value
Financial assets					
Loans	4.20	-	-	4.20	4.20
Other financial assets (including Deposits)	140.21	-	-	140.21	140.21
Trade receivables	433.80	-	-	433.80	433.80
Cash and cash equivalents	350.04	-	-	350.04	350.04
Derivative assets	-	-	7.66	7.66	7.66
Investments	-	42.61	-	42.61	42.61
Total financial assets	928.25	42.61	7.66	978.52	978.52
Financial liabilities					
Long-term borrowings #	2,421.15	-	-	2,421.15	2,421.15
Short-term borrowings	300.89	-	-	300.89	300.89
Trade payables	958.63	-	-	958.63	958.63
Derivative liabilities	-	-	61.42	61.42	61.42
Lease Liabilities	20.47	-	-	20.47	20.47
Other financial liabilities	687.43	-	-	687.43	687.43
Total financial liabilities	4,388.57	-	61.42	4,449.99	4,449.99

including current maturities of long term debt



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

As at 31 st March 2019				(Rupees in crores)	
Particulars	Amortised cost	Fair value through other comprehensive income	Fair value through profit and loss	Total Carrying Value	Fair value
Financial assets					
Loans	5.36	-	-	5.36	5.36
Other financial assets (including Deposits)	101.49	-	-	101.49	101.49
Trade receivables	340.76	-	-	340.76	340.76
Cash and cash equivalents	78.30	-	-	78.30	78.30
Derivative assets	-	-	41.44	41.44	41.44
Investments	-	69.93	-	69.93	69.93
Total financial assets	525.91	69.93	41.44	637.28	637.28
Financial liabilities					
Long-term borrowings #	1,379.59	-	-	1,379.59	1,379.59
Short-term borrowings	2.20	-	-	2.20	2.20
Trade payables	1,533.98	-	-	1,533.98	1,533.98
Derivative liabilities	-	-	7.89	7.89	7.89
Other financial liabilities	323.72	-	-	323.72	323.72
Total financial liabilities	3,239.49	-	7.89	3,247.38	3,247.38

including current maturities of long term debt

b) Credit Risk Management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The credit information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management annually.

For financial assets in the form of cash and cash equivalents, bank deposits, investments, loans and other financial assets, the Company has assessed the change in counterparty credit risk due to COVID-19 and believe that the same are fully recoverable.

Moreover, given the diverse nature of the Company's business, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of the trade receivables in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks provided by the Company. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on.

In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. The assessment is carried out considering the segment of customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2020 is considered adequate.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

1. The following are the list of the top five Largest customer for the Company and their credit exposure at the end of the year:

(Rupees in crores)		
Particulars	Sales Value	Receivable
March 31, 2020		
Metalkraft Forming Industries Pvt. Ltd.	248.23	1.36
Kirby Building Systems India Pvt. Ltd.	232.41	5.52
Surendra Steel Pvt. Ltd.	188.02	13.56
Arihant Steel Corporation	180.07	-
Steel Sun	178.29	0.08
March 31, 2019		
Kirby Building Systems India Pvt. Ltd.	208.63	8.22
Metalkraft Forming Industries Pvt. Ltd.	208.41	7.38
Roba Metals B.V	184.13	8.49
Surendra Steel Pvt. Ltd.	193.66	-
Arihant Steel Corporation	159.62	2.75

2. Movement of provision for doubtful debts:

Particulars	(Rupees in crore)
Balances as on April 1, 2018	0.75
Additions	-
Write – off	-
Balances as on March 31, 2019	0.75
Additions	-
Write – off	-
Balances as on March 31, 2020	0.75

c) Liquidity Risk Management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

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

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Liability exposure as on March 31, 2020				(Rupees in crores)
Particulars	< 1 year	1-5 years	> 5 years	Total
Non-current liabilities				
Long term borrowings	-	1,734.62	584.96	2,319.58
Lease Liabilities	-	10.81	7.79	18.60
Total Non-Current Liabilities	-	1,745.43	592.75	2,338.18
Current Liabilities				
Short term borrowings	300.89	-	-	300.89
Lease Liabilities	1.87	-	-	1.87
Trade payables	958.63	-	-	958.63
Other current financial liabilities				
Deposits Received from Customers	14.53	-	-	14.53
Payables for Capital Projects acceptances	176.39	-	-	176.39
Payables for Capital Projects other than acceptances	431.35	-	-	431.35
Customer Liabilities	38.17	-	-	38.17
Interest payables	5.43	-	-	5.43
Others	0.35	-	-	0.35
Derivative liabilities	61.42	-	-	61.42
Payable to employees	21.21	-	-	21.21
Current maturities of long-term debt	101.57	-	-	101.57
Total current liabilities	2,111.81	-	-	2,111.81

Liability exposure as on March 31, 2019				(Rupees in crores)
Particulars	< 1 year	1-5 years	> 5 years	Total
Non-current liabilities				
Long term borrowings	-	736.24	545.40	1,281.64
Total Non-Current Liabilities	-	736.24	545.40	1,281.64
Current Liabilities				
Short term borrowings	2.20	-	-	2.20
Trade payables	1,533.98	-	-	1,533.98
Other current financial liabilities				
Deposits Received from Customers	10.55	-	-	10.55
Payables for Capital Projects acceptances	79.86	-	-	79.86
Payables for Capital Projects other than acceptances	185.20	-	-	185.20
Customer Liabilities	26.07	-	-	26.07
Interest payables	5.06	-	-	5.06
Others	0.35	-	-	0.35
Derivative liabilities	7.89	-	-	7.89
Payable to employees	16.63	-	-	16.63
Current maturities of long-term debt	97.95	-	-	97.95
Total current liabilities	1,965.74	-	-	1,965.74

Note 1: Above undiscounted amounts equals carrying value in the books.

Note 2: At March 31, 2020, the Company had available Rs. 214 crores (March 31, 2019 - Rs. 624 crores) of undrawn committed borrowing facilities.

Note 3: Derivative financial liabilities are settled on contract by contract basis accordingly the above amount represents net amount payable as at March 31, 2020.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

d) Commodity price risk:

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company is therefore subject to fluctuations in prices for the purchase of HR coil, zinc, paint and other raw material inputs. The Company aims to sell the products at prevailing market prices. Similarly, the Company procures key raw materials like HR coil and zinc based on prevailing market rates as the selling prices of Coated steel and the prices of input raw materials move in the same direction.

Commodity hedging is used primarily as a risk management tool to secure the future cash flows in case of volatility by entering into commodity forward contracts. The Company has entered into commodity forward contracts for Zinc. Hedging commodity is based on its procurement schedule and price risk. Commodity hedging is undertaken as a risk offsetting exercise and, depending upon market conditions, hedges may extend beyond the financial year.

The following table details the Company's sensitivity to a 5% movement in the input price of zinc. The sensitivity analysis includes only 5% change in commodity prices for quantity consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices decrease by 5% and vice-versa.

Commodity	(Rupees in crores)			
	Increase for the year ended		Decrease for the year ended	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Zinc	37.91	47.33	(37.91)	(47.33)

The commodity forward contracts entered into by the Company for Zinc and outstanding at the year-end are as under

Year Ended	Nature	No. of Contracts	Quantity (MT)	US\$ equivalent of Notional Value \$ in Million	INR Equivalent (Rupees in crores)	MTM of Commodity Contract (INR crores)
March 31, 2020	Assets	3	1250	2.36	17.76	0.16
March 31, 2020	Liabilities	4	1500	3.30	24.84	3.36
March 31, 2019	Assets	Nil	-	-	-	-
March 31, 2019	Liabilities	Nil	-	-	-	-



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

e) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring that the most cost-effective hedging strategies are applied.

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

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Fixed rate borrowings	203.23	111.36
Floating rate borrowings	2,538.62	1,281.00
Total borrowings	2,741.85	1,392.36
Total Net borrowings	2,712.73	1,370.16
Add: Upfront fees	29.12	22.20
Total Borrowings	2,741.85	1,392.36

Interest Rate Sensitivity

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

The following table demonstrates the sensitivity to a change in interest rates by 50 basis points higher / lower and all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Increase/Decrease in basis points		
INR	50	50
USD	50	50
Effect on profit before tax		
INR	6.29	2.77
USD	6.40	3.63

f) Currency risk

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

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and



JSW STEEL COATED PRODUCTS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2020**

favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and options.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

The Company basis its assessment believes that the probability of the occurrence of the forecasted sales transactions is not impacted by COVID-19 pandemic. The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company continues to believe that there is no impact on effectiveness of its hedges.

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

Currency Exposure as at March 31, 2020

Assets	\$in Million	€in Million	Rupees in crores
<u>Non-current assets</u>			
<u>Long term loans and advances</u>			
Security deposits	-	-	12.08
Non-current investment	-	-	42.61
Loans and advances to related parties	-	-	3.18
Others	-	-	101.23
Total non-current assets	-	-	159.10
<u>Current assets</u>			
Trade and other receivables	16.77	8.21	239.22
Cash and cash equivalents	-	-	350.04
Derivative Instruments	-	-	7.66
Loans	-	-	1.02
Others	-	-	26.90
Total current assets	16.77	8.21	624.84
Liabilities	\$in Million	€in Million	Rupees in crores
<u>Non-current liabilities</u>			
Long term borrowings	189.22	4.63	854.71
Total Non-current liabilities	189.22	4.63	854.71
<u>Current liabilities</u>			
Short term borrowings	-	-	300.89
<u>Trade Payables and acceptances</u>			
Other than Acceptances	1.66	7.68	548.64
Acceptances	31.10	-	99.29
<u>Other current financial liabilities</u>			
Deposits Received from Customers	-	-	14.53
Payables for Capital Projects - Other than Acceptances	1.10	1.25	412.73
Payables for Capital Projects – Acceptances	11.33	10.96	-
Payables to employees	-	-	21.21
Interest payable	0.13	-	4.46
Customer Liabilities	-	-	38.17
Others	-	-	0.35
Derivative liabilities	-	-	61.42
Current maturities of long-term debt	2.55	-	82.36
Total current liabilities	47.87	19.89	1,584.05



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Currency Exposure as at March 31, 2019

Assets	\$in Million	€in Million	Rupees in crores
<u>Non-current assets</u>			
<u>Long term loans and advances</u>			
Security deposits	-	-	12.73
Non-current investment	-	-	69.93
Loans and advances to related parties	-	-	4.21
Others	-	-	41.59
Total non-current assets	-	-	128.46
<u>Current assets</u>			
Trade and other receivables	19.65	4.13	172.75
Cash and cash equivalents	-	-	78.30
Derivative Instruments	-	-	41.44
Loans	-	-	1.15
Others	-	-	47.17
Total current assets	19.65	4.13	340.81

Liabilities	\$in Million	€in Million	Rupees in crores
<u>Non-current liabilities</u>			
Long term borrowings	121.10	-	443.98
Total Non-current liabilities	121.10	-	443.98
<u>Current liabilities</u>			
Short term borrowings	-	-	2.20
<u>Trade and other Payables and acceptances</u>			
Other than Acceptances	21.11	-	985.80
Acceptances	49.53	-	59.54
<u>Other current financial liabilities</u>			
Deposits Received from Customers	-	-	10.55
Payables for Capital Projects - Other than Acceptances	1.36	-	175.76
Payables for Capital Projects – Acceptances	11.55	-	-
Interest payable	-	-	16.63
Customer Liabilities	0.09	-	4.46
Others	-	-	26.07
Derivative liabilities	-	-	0.35
Payable to employees	-	-	7.89
Current maturities of long-term debt	-	-	97.95
Total current liabilities	83.64	-	1,387.20

Currency risk sensitivity:		(Rupees in crores)		
Particulars	Gain/(Loss) on profit before tax		Effect on pre-tax equity	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Increase by 50 paise				
USD	(5.58)	(5.91)	0.34	0.30
EURO	(0.58)	0.21	-	0.00
Decrease by 50 paise				
USD	5.58	5.91	(0.34)	(0.30)
EURO	0.58	(0.21)	-	(0.00)



JSW STEEL COATED PRODUCTS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2020**

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward contracts is governed by the Company's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy.

The Forward exchange contracts entered into by the Company and outstanding are as under:

Year Ended	No. of Contracts	Type	US\$ equivalent \$ in Million	INR Equivalent (Rupees in crores)
March 31, 2020	12	Sell	166.47	1,254.92
March 31, 2019	15	Sell	149.91	1,036.96
March 31, 2020	10	Buy	97.12	732.15
March 31, 2019	26	Buy	46.69	322.99

Unhedged Foreign Currency

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

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	US\$ Equivalent \$ in Million	INR Equivalent (Rupees in crores)	US\$ Equivalent \$ in Million	INR Equivalent (Rupees in crores)
Trade Receivables	25.81	194.58	4.15	28.69

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	US\$ Equivalent \$ in Million	INR Equivalent (Rupees in crores)	US\$ Equivalent \$ in Million	INR Equivalent (Rupees in crores)
Trade Payables				
Acceptances	-	-	2.84	19.64
Other than Acceptances	-	-	21.11	146.02
Payable for Capital Projects including Acceptances	4.88	36.79	12.91	89.30
Foreign Currency Loan from Bank including interest payable	162.09	1,221.91	121.19	838.25

g) Fair value risk

The management assessed that fair value of trade and other receivables, Cash and Cash Equivalents, Interest and claim receivables and Trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the FVTOCI quoted investments are derived from quoted market prices in active markets.

Carrying Value of all material Non-Current Financial Assets and Liabilities reflects their fair values.



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

h) Level wise disclosure of financial instruments

Particulars	Fair values As at March 31, 2020	Fair values As at March 31, 2019	Level	Valuation technique and key inputs
<u>Non-current investment</u>				
Investments in the equity shares of JSW Energy Limited	38.57	65.57	1	Quoted bid prices in an active market
Investments in the equity shares of Tarapur Environment Protection Society	4.04	4.36	3	Net Asset value of share arrived has been considered as fair value
Investments in the equity shares of Hasaud Steel Limited	0.22	-	3	Cost is approximate estimate of fair value
<u>Financial assets</u>				
Derivative instruments	7.66	41.44	2	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).
<u>Financial Liabilities</u>				
Derivative instruments	61.42	7.89	2	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).

A significant part of the financial assets is classified as Level 1 and Level 2. The fair value of these assets is marked to an active market or based on observable market data which factors the uncertainties arising out of COVID-19. The financial assets carried at fair value by the Company are mainly investments in equity shares and derivatives, accordingly, any material volatility is not expected.

Reconciliation of fair value measurement of the investment in unquoted equity shares:

Particulars	(Rupees in crores) Amount
Balance as on April 1, 2018	3.98
Sales	-
Purchases	-
Total gains/(losses) recognised in OCI	0.38
Balance as on March 31, 2019	4.36
Sales	-
Purchases	-
Total gains/(losses) recognised in OCI	(0.32)
Balance as on March 31, 2020	4.04

In assessing the recoverability of carrying amounts of Company's assets such as Investments, loans / advances (net of impairment loss / loss allowance), trade receivables, inventories etc., the Company has considered various internal and external information up to the date of approval of these financial statements and concluded that they are recoverable based on the estimate of values of the businesses and assets based on the cash flow projections. In making the said projections, reliance has been placed on estimates of future prices of Hot rolled Coils, Zinc & Alloys, and assumptions relating to operational performance including significant improvement in capacity utilisation and margins based on forecasts of demand in local/ overseas markets.

The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Note - 40 Related Party Disclosures

Parties with whom the Company has entered into transactions during the year where control exists

1. Holding Company

JSW Steel Limited

2. Subsidiaries

Hasaud Steel Limited

3. Fellow Subsidiaries

Amba River Coke Limited

JSW Realty & Infrastructure Private Limited

Dolvi Coke Projects Limited

JSW Retail Limited

Vardhman Industries Limited (w.e.f. December 31, 2019)

JSW Vallabh Tinplate Private Limited (w.e.f. December 31, 2019)

4. Key management personnel (KMP)

Mr. Jayant Acharya

Mr. Rajeev Pai

Mr. Amit Agarwal (from July 01, 2019)

Mr. Dileep Bhatt (till July 31, 2018)

Mr. Amarjit Singh Dahiya (from August 1, 2018)

Mr. Hemant Shete

Ms. Deepti Walawalkar

5. Other related parties

Jindal Steel & Power Limited

Jindal Saw Limited

JSW Energy Limited

JSW Structural Metal Decking Limited

JSW Power Trading Company Limited

JSW Cement Limited

JSW Cement FZE

JSW Projects Limited

JSW Jaigarh Port Limited

JSW IP Holdings Private Limited

Ganga Ferro Alloys Private Limited

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

JSW Steel Coated Products Limited Group Gratuity Trust

Tranquil Homes & Holdings Private Limited

JSW Dharamtar Port Private Limited

Jindal Stainless Limited

Jindal Technologies & Management Services Private Limited

JSW Severfield Structures Limited

Southwest Port Limited

JSW Paints Private Limited

Monnet Ispat & Energy Limited

JSW Foundation

JSW MI Steel Services Center Private Limited

Mr. Parth Jindal

JSW Realty Private Limited

JSW Sports Limited

Everbest consultancy Services Private Limited

Paradip East Quay Coal Terminal

JB Fab Infra Limited

Related party transactions

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



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Related party transactions

							(Rupees in crores)
Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	Other related parties	Total
Purchase of Goods							
	JSW Steel Limited	March 31, 2020	8,675.69	-	-	-	8,675.69
		March 31, 2019	10,070.73	-	-	-	10,070.73
	Jindal Steel & Power Limited	March 31, 2020	-	-	-	6.80	6.80
		March 31, 2019	-	-	-	5.15	5.15
	JSW Cement Limited	March 31, 2020	-	-	-	4.26	4.26
		March 31, 2019	-	-	-	1.31	1.31
	JSW Paints Private Limited	March 31, 2020	-	-	-	162.71	162.71
		March 31, 2019	-	-	-	1.09	1.09
Total		March 31, 2020	8,675.69	-	-	173.77	8,849.46
		March 31, 2019	10,070.73	-	-	7.55	10,078.28
Purchase of Capital Goods							
	JSW Steel Limited	March 31, 2020	54.05	-	-	-	54.05
		March 31, 2019	82.07	-	-	-	82.07
	Mr. Parth Jindal	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	-	-	26.71	26.71
	JSW Cement Limited	March 31, 2020	-	-	-	15.37	15.37
		March 31, 2019	-	-	-	24.38	24.38
	JSW Severfield Structures Limited	March 31, 2020	-	-	-	0.05	0.05
		March 31, 2019	-	-	-	0.39	0.39
Total		March 31, 2020	54.05	-	-	15.42	69.47
		March 31, 2019	82.07	-	-	51.48	133.55
Purchase of Equity Shares from JSW Steel							
	46,55,000 Equity Shares in JSW Energy Ltd	March 31, 2020	-	-	-	-	-
		March 31, 2019	38.35	-	-	-	38.35
	10,000 Equity Shares in Hasaud Steel Limited	March 31, 2020	0.01	-	-	-	0.01
		March 31, 2019	-	-	-	-	-
Total		March 31, 2020	0.01	-	-	-	0.01
		March 31, 2019	38.35	-	-	-	38.35



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Related party transactions

						(Rupees in crores)	
Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	Other related parties	Total
Purchase of Power & Fuel							
	JSW Energy Limited	March 31, 2020	-	-	-	171.38	171.38
		March 31, 2019	-	-	-	185.80	185.80
	Total	March 31, 2020	-	-	-	171.38	171.38
		March 31, 2019	-	-	-	185.80	185.80
Purchase of services							
	JSW Power Trading Company Limited	March 31, 2020	-	-	-	7.75	7.75
		March 31, 2019	-	-	-	8.03	8.03
	JSW Global Business Solution Limited (Formerly known as Sapphire Technologies Limited) (Sales Commission)	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	-	-	11.62	11.62
	JSW Global Business Solution Limited (Formerly known as Sapphire Technologies Limited) (Shared Services)	March 31, 2020	-	-	-	15.57	15.57
		March 31, 2019	-	-	-	15.37	15.37
	Ganga Ferro Alloys Private Limited	March 31, 2020	-	-	-	1.96	1.96
		March 31, 2019	-	-	-	2.50	2.50
	Southwest Port Limited	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	-	-	0.08	0.08
	JSW Realty Private Limited	March 31, 2020	-	-	-	0.34	0.34
		March 31, 2019	-	-	-	0.71	0.71
	JSW Retail Limited	March 31, 2020	-	6.49	-	-	6.49
		March 31, 2019	-	0.51	-	-	0.51
	Jindal Technologies & Management Services Private Limited	March 31, 2020	-	-	-	14.52	14.52
		March 31, 2019	-	-	-	12.91	12.91
	Everbest consultancy Services Pvt. Ltd.	March 31, 2020	-	-	-	9.41	9.41
		March 31, 2019	-	-	-	-	-
	Total	March 31, 2020	-	6.49	-	49.53	56.02
		March 31, 2019	-	0.51	-	51.22	51.73



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Related party transactions

							(Rupees in crores)
Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	Other related parties	Total
Reimbursement of Expenses incurred on behalf of the Company by							
	JSW Steel Limited	March 31, 2020	89.57	-	-	-	89.57
		March 31, 2019	68.52	-	-	-	68.52
Total		March 31, 2020	89.57	-	-	-	89.57
		March 31, 2019	68.52	-	-	-	68.52
Commission Paid							
	JSW Steel Limited	March 31, 2020	0.21	-	-	-	0.21
		March 31, 2019	0.22	-	-	-	0.22
Total		March 31, 2020	0.21	-	-	-	0.21
		March 31, 2019	0.22	-	-	-	0.22
Interest Paid							
	JSW Steel Limited	March 31, 2020	13.97	-	-	-	13.97
		March 31, 2019	49.49	-	-	-	49.49
Total		March 31, 2020	13.97	-	-	-	13.97
		March 31, 2019	49.49	-	-	-	49.49
Branding Fees							
	JSW IP Holdings Private Limited	March 31, 2020	-	-	-	15.51	15.51
		March 31, 2019	-	-	-	16.42	16.42
Total		March 31, 2020	-	-	-	15.51	15.51
		March 31, 2019	-	-	-	16.42	16.42
Brand Promotion Expenses							
	JSW Sports Limited	March 31, 2020	-	-	-	0.18	0.18
		March 31, 2019	-	-	-	-	-
Total		March 31, 2020	-	-	-	0.18	0.18
		March 31, 2019	-	-	-	-	-
Rent Paid							
	Tranquil Homes & Holdings Private Limited	March 31, 2020	-	-	-	0.02	0.02
		March 31, 2019	-	-	-	0.02	0.02
Total		March 31, 2020	-	-	-	0.02	0.02
		March 31, 2019	-	-	-	0.02	0.02



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Related party transactions

							(Rupees in crores)
Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	Other related parties	Total
Sale of Goods							
	JSW Steel Limited	March 31, 2020	114.74	-	-	-	114.74
		March 31, 2019	74.93	-	-	-	74.93
	Amba River Coke Limited	March 31, 2020	-	0.46	-	-	0.46
		March 31, 2019	-	-	-	-	-
	Jindal Steel & Power Limited	March 31, 2020	-	-	-	6.98	6.98
		March 31, 2019	-	-	-	5.81	5.81
	JSW Structural Metal Decking Limited	March 31, 2020	-	-	-	6.43	6.43
		March 31, 2019	-	-	-	10.65	10.65
	Jindal Saw Limited	March 31, 2020	-	-	-	3.38	3.38
		March 31, 2019	-	-	-	2.40	2.40
	JSW Cement Limited	March 31, 2020	-	-	-	2.47	2.47
		March 31, 2019	-	-	-	0.84	0.84
	Dolvi Coke Projects Ltd	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	0.29	-	-	0.29
	JSW Jaigarh Port Ltd	March 31, 2020	-	-	-	0.24	0.24
		March 31, 2019	-	-	-	0.46	0.46
	JSW Paints Private Limited	March 31, 2020	-	-	-	0.10	0.10
		March 31, 2019	-	-	-	2.19	2.19
	JSW Energy Limited	March 31, 2020	-	-	-	0.33	0.33
		March 31, 2019	-	-	-	6.81	6.81
	Monnet Ispat & Energy Limited	March 31, 2020	-	-	-	3.10	3.10
		March 31, 2019	-	-	-	0.62	0.62
	JSW MI Steel Services Center Pvt Ltd	March 31, 2020	-	-	-	6.83	6.83
		March 31, 2019	-	-	-	4.25	4.25
	JSW Vallabh Tinplate Private Limited	March 31, 2020	-	0.56	-	-	0.56
		March 31, 2019	-	64.50	-	-	64.50
	Vardhman Industries Ltd	March 31, 2020	-	68.05	-	-	68.05
		March 31, 2019	-	-	-	-	-
	JSW Cement FZE	March 31, 2020	-	-	-	0.43	0.43
		March 31, 2019	-	-	-	-	-



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Related party transactions

							(Rupees in crores)
Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	Other related parties	Total
	Others	March 31, 2020	-	-	-	0.40	0.40
		March 31, 2019	-	-	-	0.72	0.72
	Total	March 31, 2020	114.74	69.07	-	30.69	214.50
		March 31, 2019	74.93	64.79	-	34.75	174.47
Sale of Licenses							
	JSW Steel Limited	March 31, 2020	51.29	-	-	-	51.29
		March 31, 2019	44.87	-	-	-	44.87
	Total	March 31, 2020	51.29	-	-	-	51.29
		March 31, 2019	44.87	-	-	-	44.87
Interest / Dividend Received							
	JSW Steel Limited	March 31, 2020	17.54	-	-	-	17.54
		March 31, 2019	-	-	-	-	-
	JSW Energy Limited	March 31, 2020	-	-	-	0.90	0.90
		March 31, 2019	-	-	-	-	-
	JSW Global Business Solution Limited (Formerly known as Sapphire Technologies Limited)	March 31, 2020	-	-	-	0.54	0.54
		March 31, 2019	-	-	-	0.71	0.71
	Ganga Ferro Alloys Private Limited	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	-	-	0.01	0.01
	JSW Paints Private Limited	March 31, 2020	-	-	-	0.65	0.65
		March 31, 2019	-	-	-	-	-
	Total	March 31, 2020	17.54	-	-	2.09	19.63
		March 31, 2019	-	-	-	0.72	0.72
Other Income							
	JSW Realty & Infrastructure Private Limited	March 31, 2020	-	1.82	-	-	1.82
		March 31, 2019	-	1.47	-	-	1.47
	JSW Paints Private Limited	March 31, 2020	-	-	-	1.07	1.07
		March 31, 2019	-	-	-	1.06	1.06
	Total	March 31, 2020	-	1.82	-	1.07	2.89
		March 31, 2019	-	1.47	-	1.06	2.53



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Related party transactions

						(Rupees in crores)	
Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	Other related parties	Total
Recovery of Expenses incurred by the Company on behalf of							
	JSW Steel Limited	March 31, 2020	9.92	-	-	-	9.92
		March 31, 2019	13.45	-	-	-	13.45
	Jindal Technologies & Management Services Private Ltd	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	-	-	0.53	0.53
	JSW Energy Limited	March 31, 2020	-	-	-	0.51	0.51
		March 31, 2019	-	-	-	0.47	0.47
Total		March 31, 2020	9.92	-	-	0.51	10.43
		March 31, 2019	13.45	-	-	1.00	14.45
Adjustment of receivable/(payable)							
	JSW Steel Limited	March 31, 2020	605.01	-	-	-	605.01
		March 31, 2019	110.01	-	-	-	110.01
Total		March 31, 2020	605.01	-	-	-	605.01
		March 31, 2019	110.01	-	-	-	110.01
Loans and advances given							
	JSW Global Business Solution Limited (Formerly known as Sapphire Technologies Ltd.)	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	-	-	0.68	0.68
	Ganga Ferro Alloys Private Limited	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	-	-	0.02	0.02
	JSW Paints Private Limited	March 31, 2020	-	-	-	35.00	35.00
		March 31, 2019	-	-	-	-	-
Total		March 31, 2020	-	-	-	35.00	35.00
		March 31, 2019	-	-	-	0.70	0.70
Donation/ CSR expenses							
	JSW Foundation	March 31, 2020	-	-	-	0.98	0.98
		March 31, 2019	-	-	-	0.86	0.86
Total		March 31, 2020	-	-	-	0.98	0.98
		March 31, 2019	-	-	-	0.86	0.86



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Related party transactions

						(Rupees in crores)	
Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	Other related parties	Total
Contribution to defined benefit plan							
	JSW Steel Coated Products Limited	March 31, 2020	-	-	-	-	-
	Group Gratuity Trust	March 31, 2019	-	-	-	2.00	2.00
	Total	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	-	-	2.00	2.00
Remuneration							
	Mr Amit Agrawal (from July 01, 2019)	March 31, 2020	-	-	1.79	-	1.79
		March 31, 2019	-	-	-	-	-
	Mr. Dileep Bhatt (upto July 31, 2018)	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	-	1.08	-	1.08
	Mr. Amarjit Singh Dahiya (from August 1, 2018)	March 31, 2020	-	-	0.99	-	0.99
		March 31, 2019	-	-	0.54	-	0.54
	Mr. Hemant Shete	March 31, 2020	-	-	0.85	-	0.85
		March 31, 2019	-	-	0.92	-	0.92
	Ms. Deepti Walawalkar	March 31, 2020	-	-	0.13	-	0.13
		March 31, 2019	-	-	0.13	-	0.13
	Total	March 31, 2020	-	-	3.76	-	3.76
		March 31, 2019	-	-	2.67	-	2.67
Allotment of Shares							
	JSW Steel Limited	March 31, 2020	750.00	-	-	-	750.00
		March 31, 2019	-	-	-	-	-
		March 31, 2020	750.00	-	-	-	750.00
		March 31, 2019	-	-	-	-	-
Investment in Equity Shares							
	Hasaud Steel Limited	March 31, 2020	-	0.21	-	-	0.21
		March 31, 2019	-	-	-	-	-
		March 31, 2020	-	0.21	-	-	0.21
		March 31, 2019	-	-	-	-	-

Notes: 1. The Remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

2. The Remuneration to the key managerial personnel includes Share based payment expenses recognised based on ESOP plan (Refer Note 36).



JSW STEEL COATED PRODUCTS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2020
Closing balance of Related Parties

							(Rupees in crores)
Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	Other related parties	Total
Trade Payables							
	JSW Steel Limited	March 31, 2020	-	-	-	-	-
		March 31, 2019	679.24	-	-	-	679.24
	JSW Power Trading Company Limited	March 31, 2020	-	-	-	10.30	10.30
		March 31, 2019	-	-	-	7.46	7.46
	JSW Energy Limited	March 31, 2020	-	-	-	47.51	47.51
		March 31, 2019	-	-	-	16.22	16.22
	JSW Global Business Solution Limited (Formerly known as Sapphire Technologies Limited) (Auction sale)	March 31, 2020	-	-	-	5.49	5.49
		March 31, 2019	-	-	-	5.85	5.85
	JSW Severfield Structures Limited	March 31, 2020	-	-	-	0.83	0.83
		March 31, 2019	-	-	-	0.83	0.83
	JSW Paints Private Limited	March 31, 2020	-	-	-	5.56	5.56
		March 31, 2019	-	-	-	1.15	1.15
	Jindal Technologies & Management Services Private Limited	March 31, 2020	-	-	-	0.90	0.90
		March 31, 2019	-	-	-	0.52	0.52
	JSW Realty & Infrastructure Private Limited (JSWIPL)	March 31, 2020	-	0.87	-	-	0.87
		March 31, 2019	-	0.49	-	-	0.49
	JSW Cement Limited	March 31, 2020	-	-	-	8.90	8.90
		March 31, 2019	-	-	-	1.30	1.30



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Closing balance of Related Parties

							(Rupees in crores)	
Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	Other related parties	Total	
	Ganga Ferro Alloys Private Limited (Services)	March 31, 2020	-	-	-	0.13	0.13	
		March 31, 2019	-	-	-	0.21	0.21	
	JSW IP Holdings Private Limited	March 31, 2020	-	-	-	2.56	2.56	
		March 31, 2019	-	-	-	-	-	
	JSW Retail Limited	March 31, 2020	-	0.72	-	-	0.72	
		March 31, 2019	-	0.51	-	-	0.51	
	Tranquil Homes & Holdings Private Limited	March 31, 2020	-	-	-	0.00	0.00	
		March 31, 2019	-	-	-	0.00	0.00	
	Everbest Services Private Limited	March 31, 2020	-	-	-	1.87	1.87	
		March 31, 2019	-	-	-	-	-	
	JSW Dharamtar Port Private Limited	March 31, 2020	-	-	-	0.38	0.38	
		March 31, 2019	-	-	-	-	-	
	JSW Foundation	March 31, 2020	-	-	-	1.17	1.17	
		March 31, 2019	-	-	-	-	-	
	Others	March 31, 2020	-	-	-	-	-	
		March 31, 2019	-	-	-	0.04	0.04	
	Total	March 31, 2020	-	1.59	-	85.60	87.19	
		March 31, 2019	679.24	1.00	-	33.60	713.84	



JSW STEEL COATED PRODUCTS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2020
Closing balance of Related Parties

							(Rupees in crores)
Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	Other related parties	Total
Advance Received from Customers							
	Jindal Saw Limited	March 31, 2020	-	-	-	1.08	1.08
		March 31, 2019	-	-	-	0.13	0.13
	Jindal Steel & Power Limited	March 31, 2020	-	-	-	0.26	0.26
		March 31, 2019	-	-	-	0.21	0.21
	JSW Jaigarh Port Limited	March 31, 2020	-	-	-	0.03	0.03
		March 31, 2019	-	-	-	0.27	0.27
	JSW Cement Limited	March 31, 2020	-	-	-	0.03	0.03
		March 31, 2019	-	-	-	0.04	0.04
	Amba River Coke Limited	March 31, 2020	-	0.46	-	-	0.46
		March 31, 2019	-	-	-	-	-
	JSW Structural Metal Decking Limited	March 31, 2020	-	-	-	0.09	0.09
		March 31, 2019	-	-	-	-	-
	JSW Energy Limited	March 31, 2020	-	-	-	0.25	0.25
		March 31, 2019	-	-	-	-	-
	Paradip East Quay Coal Terminal	March 31, 2020	-	-	-	0.19	0.19
		March 31, 2019	-	-	-	-	-
	Others	March 31, 2020	-	-	-	0.05	0.05
		March 31, 2019	-	-	-	0.09	0.09
	Total	March 31, 2020	-	0.46	-	1.98	2.44
		March 31, 2019	-	-	-	0.74	0.74



JSW STEEL COATED PRODUCTS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2020
Closing balance of Related Parties

							(Rupees in crores)
Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	Other related parties	Total
Loan and Advances paid including deposits							
	JSW Steel Limited	March 31, 2020	164.27	-	-	-	164.27
		March 31, 2019	-	-	-	-	-
	JSW Global Business Solution Limited (Formerly known as Sapphire Technologies Limited)	March 31, 2020	-	-	-	4.20	4.20
		March 31, 2019	-	-	-	5.31	5.31
	JSW IP Holdings Private Limited	March 31, 2020	-	-	-	1.00	1.00
		March 31, 2019	-	-	-	2.48	2.48
	Jindal Steel & Power Limited	March 31, 2020	-	-	-	0.32	0.32
		March 31, 2019	-	-	-	0.02	0.02
	Others	March 31, 2020	-	-	-	0.02	0.02
		March 31, 2019	-	-	-	0.05	0.05
	Total	March 31, 2019	164.27	-	-	5.54	169.81
		March 31, 2019	-	-	-	7.86	7.86
Trade Receivables							
	JSW Paints Private Limited	March 31, 2020	-	-	-	0.10	0.10
		March 31, 2019	-	-	-	1.08	1.08
	JSW Energy Limited	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	-	-	0.16	0.16
	Dolvi Coke Projects Limited	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	0.05	-	-	0.05



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Closing balance of Related Parties

Nature of Transaction	Name of Company	Year	Holding Company	Subsidiaries/ Fellow Subsidiaries	Key Management Personnel	(Rupees in crores)	
						Other related parties	Total
	JSW MI Steel Services Center Private Limited	March 31, 2020	-	-	-	0.18	0.18
		March 31, 2019	-	-	-	0.53	0.53
	JSW Vallabh Tinplate Private Limited	March 31, 2020	-	2.48	-	-	2.48
		March 31, 2019	-	16.76	-	-	16.76
	JSW Structural Metal Decking Limited	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	-	-	0.01	0.01
	Amba River Coke Limited	March 31, 2020	-	-	-	-	-
		March 31, 2019	-	0.01	-	-	0.01
	JSW Projects Limited	March 31, 2020	-	-	-	0.06	0.06
		March 31, 2019	-	-	-	-	-
	Vardhman Industries Limited	March 31, 2020	-	34.06	-	-	34.06
		March 31, 2019	-	-	-	-	-
	Total	March 31, 2020	-	36.54	-	0.34	36.88
		March 31, 2019	-	16.82	-	1.78	18.60
Investment in Gratuity Fund							
	JSW Steel Coated Products Limited Group Gratuity Trust	March 31, 2020	-	-	-	17.61	17.61
		March 31, 2019	-	-	-	19.71	19.71
	Total	March 31, 2020	-	-	-	17.61	17.61
		March 31, 2019	-	-	-	19.71	19.71



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

Notes:

1. JSW Steel Limited (The Holding Company) has provided a Letter of Comfort (LOC) in favor of the Bank for the Term Loan sanctioned and disbursed in favour of the Company.
2. JSW Steel Limited (The Holding Company) has provided Corporate Guarantees in favour of the Company for Rs. 24.54 crores (March 31, 2019 Rs. 24.54 crores)
3. The Company has given an advance of Rs 35 crores to JSW Paints Limited for business purposes during the year. The advance balance as at March 31, 2020 is Rs. 35 crores (March 31, 2019 - Nil) which has been shown under 'Advance to Suppliers' in Note no 12. The advance carries an interest rate of SBI MCLR + 210 bps and will be adjusted against the supplies due after 11 months but before 365 days from date of advance.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those as prevailing in arm's length transactions. Outstanding balances at the year end are unsecured and interest is charged, wherever applicable, and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2020, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2019 - Rs. Nil). This assessment is undertaken in each financial year through examining the financial position of related parties and the market in which the related party operates.

Compensation of key management personnel of the Company

Particulars	(Rupees in crores)	
	As at March 31, 2020	As at March 31, 2019
Short Term employee benefits	3.76	2.67
Share-based payment expense	0.31	2.66
Total Compensation Paid to key management personnel	4.07	5.33

Note - 41 Additional Information**A) C.I.F value of imports**

Particulars	(Rupees in crores)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Capital goods	395.71	357.06
Raw materials	668.92	1,136.38
Stores & spare parts	6.49	4.98
Other services	0.00	4.02
Total	1,071.12	1,502.44



JSW STEEL COATED PRODUCTS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2020

B) Expenditure in foreign currency

(Rupees in crores)

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Interest and finance charges	64.70	39.43
Ocean freight	28.46	8.10
Commission on sales	10.21	10.99
Legal and professional fees	0.53	0.29
Others	1.12	1.40
Total	105.02	60.21

C) Earnings in foreign currency

(Rupees in crores)

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
F.O.B value of exports	2,675.46	3,363.21
Total	2,675.46	3,363.21

Note - 42 Events after the reporting period

There are no significant events which have occurred after the reporting period.

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



per Suresh Yadav
Partner
Membership No : 119878



Place: Mumbai
Date : May 11, 2020

For and on behalf of the Board of Directors



Rajeev Pai
Director
DIN:00045604



Amarjit Singh Dahiya
Whole Time Director
Head (Coated Products)
DIN: 08178338



Deepti Walawalkar
Company Secretary
ICSI Membership No. A24818
Place: Mumbai
Date : May 11, 2020



Hemant Shete
Chief Financial Officer

