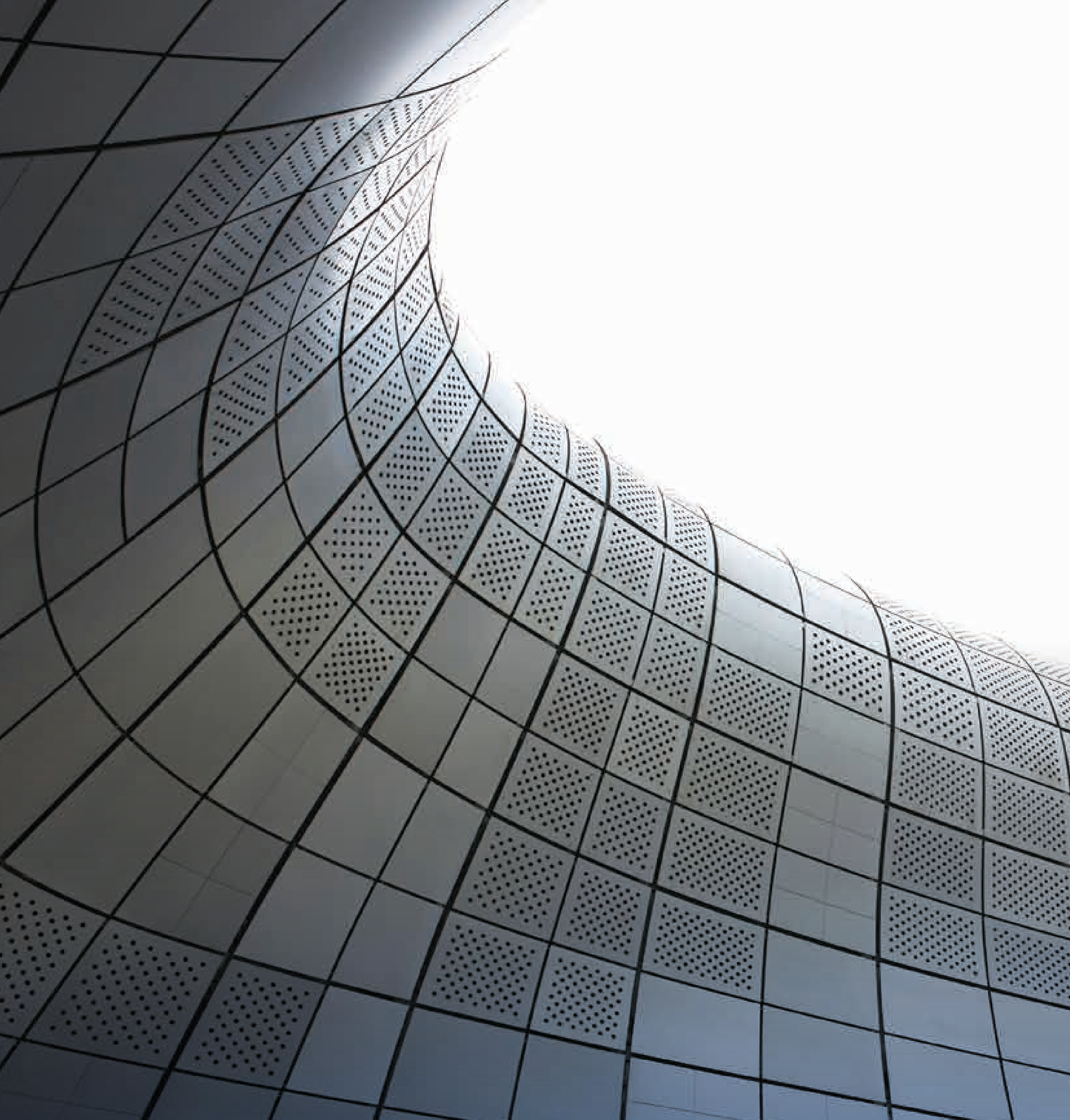


Sustainable Steel for a Better Everyday

JSW Ispat Special Products Limited

Annual Report 2021-22

Snapshot of FY 2021-22 performance

₹6,060.65 CRORE

Total revenue from operations

₹472.86 CRORE

EBITDA

7.8%

EBITDA margin

Sustainable steel for a Better Everyday

Sustainability is an everyday responsibility at JSW Ispat Special Products Limited (JISPL). We are enhancing our operational efficiency every day, focusing on cost optimisation and capacity expansion to produce more sustainably. We are constantly innovating to diversify our product portfolio with low-carbon products and minimising resource use through greater efficiencies. With a consistent focus on technology adoption and ESG, we are equipping ourselves to deliver sustained value to all our stakeholders. With better operations at optimised costs, cleaner products and solutions, we are making sustainable steel that is to play an indispensable part in creating a Better Everyday for all.

Pioneering India's Steel Business

JSW Ispat Special Products Limited (JISPL) is a manufacturer in the steel business, focussed at producing and marketing products such as sponge iron, ferroalloys, structural steel, billets, and slabs, which find varied applications across industries such as automobile, construction and infrastructure, and other transport industries such as ships, trains, train cars, etc.

2

Manufacturing units

0.95 MTPA

Integrated operational steel plant at Raigarh

0.3 MTPA

Sponge iron capacity at Raipur

0.25 MTPA

Steel melting capacity at Raipur

0.04 MTPA

Ferro-alloy capacity

234 MW

Captive power generation capacity

6

Types of products

2,076

Full-time employees

In August 2018, a joint consortium of AION Investments Private II Ltd. (AION) and JSW Steel Limited acquired controlling stake in JSW Ispat Special Products Limited (formerly Monnet Ispat and Energy Limited) and have been progressively transforming the Company into a specialty steels manufacturing leader.

We align with the value system of our parent organisation JSW Steel, which revolves around the 5Cs of

- **Confidence**
- **Compassion**
- **Courage**
- **Collaboration**
- **Commitment**

About AION

AION Investments Private II Limited is an affiliate of Apollo Global Management, a global investment management firm, which specialises in asset management, private equity, and credit. They have $513 billion assets under their management (as on 31 March 2022).

About JSW Steel

JSW Steel is one of India's largest steel producers and the flagship of the US$ 22 billion JSW Group. JSW Steel has always been on the cutting edge of research and development. It has a strategic partnership with Japan's JFE Steel, which enables JSW to access innovative and cutting-edge technology in order to create and sell high-value special steel products to its clients. Construction, infrastructure, automobiles, electrical applications, appliances, and other sectors rely heavily on their steel goods. JSW Steel is well-known for its business and sustainability initiatives.

Growing Together for a Better Tomorrow

Dear Stakeholders,

I hope that you and your loved ones are keeping good health. Last year was challenging for everyone due to the development of two new COVID-19 variants. The country rolled out the world's largest vaccination drive to reduce the intensity and impact of the virus. Although India's health infrastructure was stretched beyond limits, the economy managed to remain resilient amid the challenges.

Despite a testing FY 2021-22, the Company not only performed better than the previous year, but also recorded a turnaround to achieve profitability, that can be attributed to its new product lines and synergies with the JSW Group.

The macro perspective

Steel is a critical component for newer urban buildings, transportation, and renewable energy infrastructure. The steel sector stands to gain with accelerated demand from these segments.

While developed countries are increasing their outlays in replacing their old and crumbly infrastructure, the developing countries are building new infrastructure to support economic growth. The need for energy transition to renewable has come to the forefront.

India's government continues to support domestic manufacturing, with production linked incentive (PLI) schemes announced for various segments including specialty steel.

Demand for steel and steel products witnessed a significant boost during the year, with finished steel consumption rising from 94.89 MnT to 105.8 MnT due to pent-up demand on opening up of economy and structural shifts. The sudden rise in demand, combined with supply constraints, saw steel prices hitting all-time highs during the second quarter, before stabilising in the second half.

Performance review

During FY 2021-22, the Company reported a ~45% y-o-y jump in revenues to ₹6,061 crores. Crude steel production was up 53% y-o-y to 0.58 MnT, although we carried out scheduled maintenance work on our blast furnace and commissioned the slab caster at our Raigarh facility. Further, despite rising fuel prices and raw material supply constraints, the Company managed to register an EBIDTA of ₹473 crores (up ~23% y-o-y) and reported Net standalone profit after 7 years. We have also announced plans to enhance the installed crude steel capacity at the Raigarh facility to 1.2 MTPA from 0.95 MTPA.

Amalgamation with JSW Steel Limited

The Company will amalgamate with JSW Steel Limited over the next 12 months through a Composite Scheme of Arrangement of Amalgamation. With the goal of turning your Company into a growth-oriented business, JSW Steel plans to leverage the synergies in the combined entity. The amalgamation will also enable the Company's shareholders to participate directly in JSW Steel's growth story.

Opportunities in sustainable steel

The steel sector is a major contributor to GHG emissions in India and globally. The Company is exploring a plethora of initiatives to cut down emissions such as alternative energy sources and continuous optimisation of the steel manufacturing process. I believe that these initiatives will enable the Company to continue producing steel in a safe and environment-friendly manner.

Outlook

India's economic growth has started to reach pre-pandemic levels. The government's continued thrust on infrastructure development bodes well for the demand for steel. Further, the PLI scheme could play a major role in boosting specialty steel manufacturing in India. Your Company is now even better positioned to cater to the increased demand in an efficient manner under the aegis of JSW Steel.

Before I sign off, I would like to thank every member of the JSW Ispat family for their tireless efforts in assisting your Company in navigating these unique circumstances. I express my gratitude to our investors, bankers, consumers, suppliers, and government officials for being part of JSW Ispat's turnaround story.

I look forward to your continued support in the exciting journey ahead.

Regards

Jyotin Mehta
Chairman

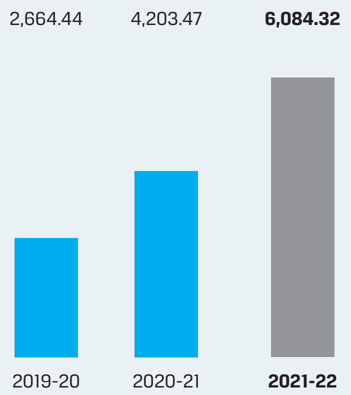
Moving Forward with Resilience

FY 2021-22 was a challenging yet rewarding year, given the various challenges arising due to the pandemic. However, we at JISPL managed to close the financial year with good growth parameters.

Consolidated Financials

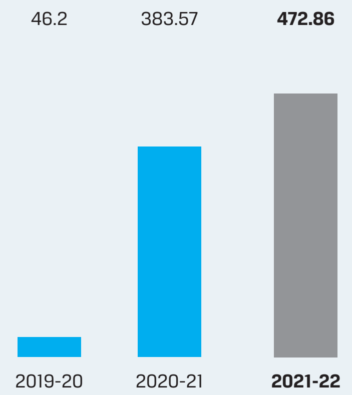
Total Income

(in ₹ cr)



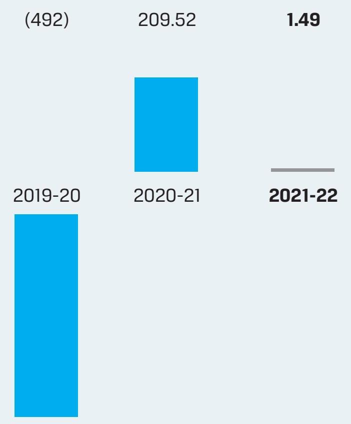
EBITDA (Earnings Before Interest, Tax, Depreciation & Amortisation ex. other income)

(in ₹ cr)



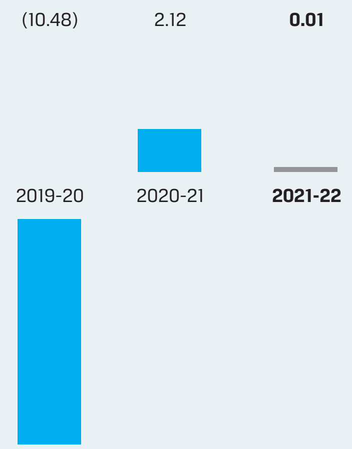
PAT (Profit After Tax)

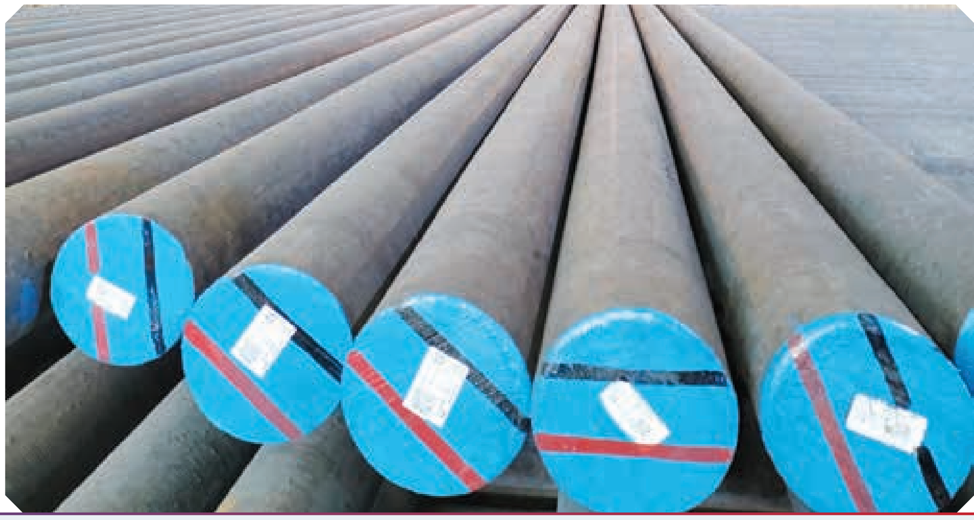
(in ₹ cr)



EPS (Earnings Per Share, diluted)

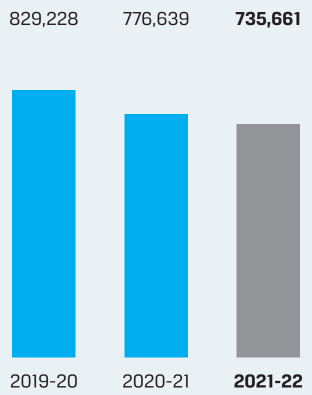
(in ₹)



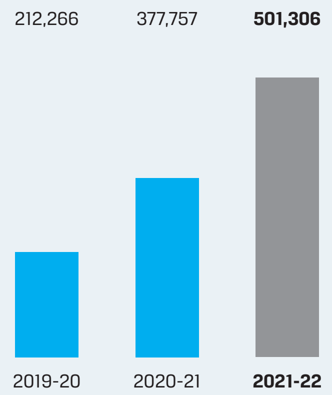


Production

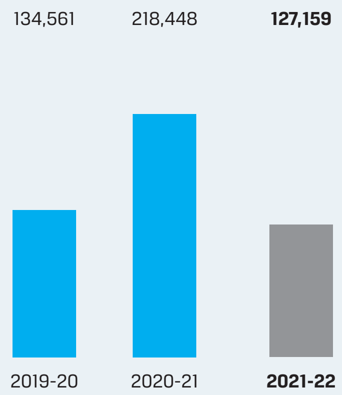
Sponge Iron



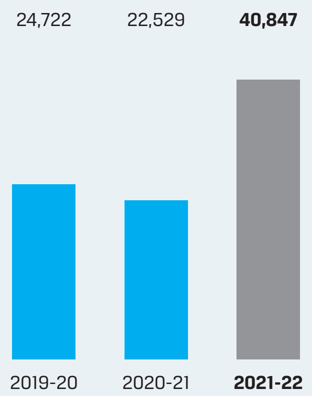
Billets



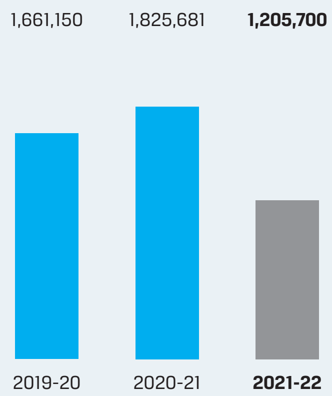
Structural Steel/TMT



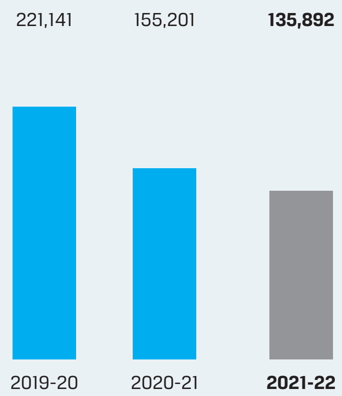
Ferro Alloys

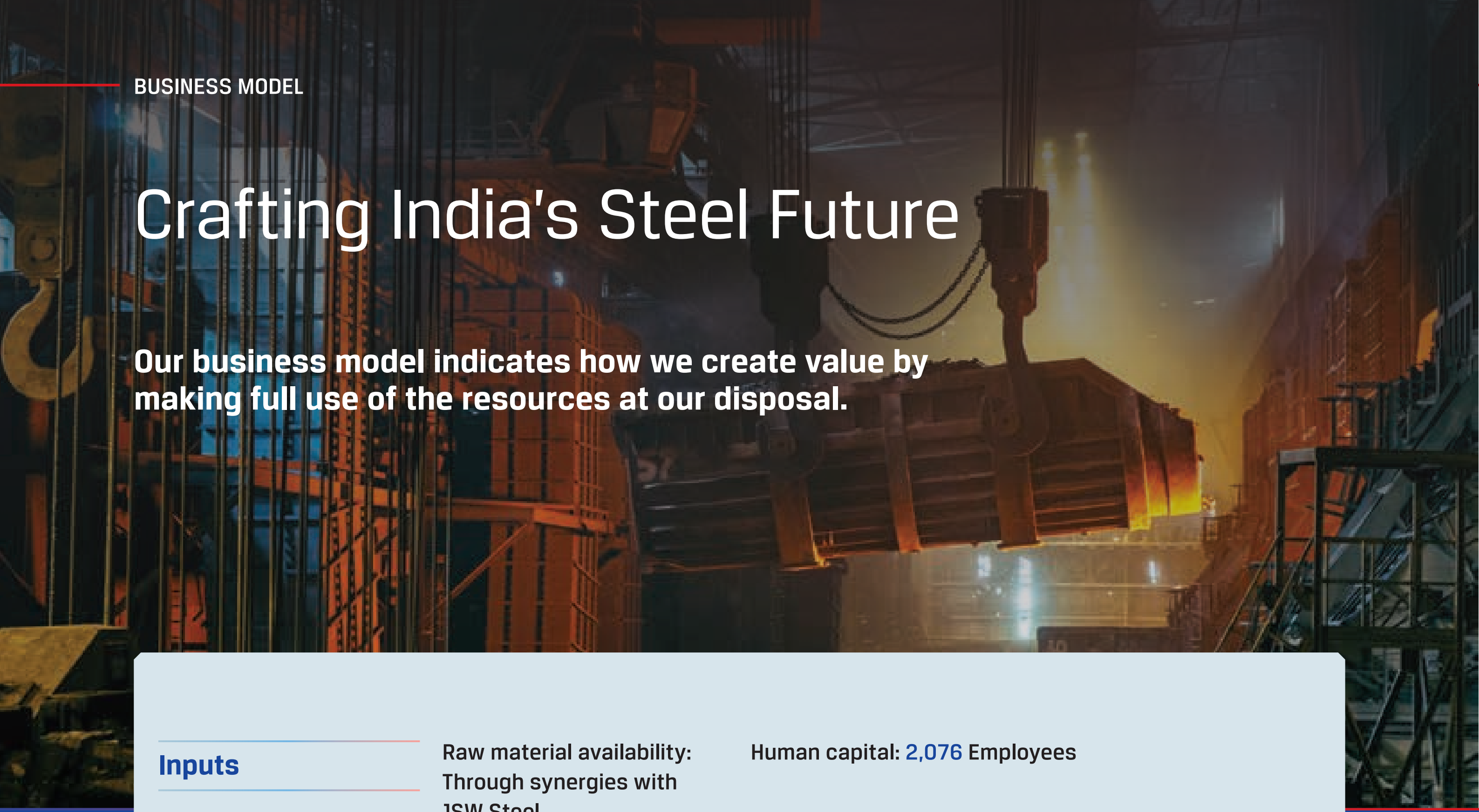


Pellets



Pig Iron





Crafting India's Steel Future

Our business model indicates how we create value by making full use of the resources at our disposal.

Inputs

Raw material availability: Through synergies with JSW Steel

Human capital: 2,076 Employees

Business Processes

Main functions:
- Raw materials
- Inbound logistics
- Manufacturing
- Processing
- Outbound logistics
- Recycling

Key features of manufacturing:
- Integrated facilities
- Upgraded technologies

Support functions:
- Strategic decision making
- Procurement
- Energy management
- Quality management
- Environmental management
- Administration
- Human resources
- Marketing and sales
- Governance and risk management

Outputs

Product mix:
- Sponge iron and Pellets
- Special steel/ Billets
- Structural steel
- Ferro alloys
- Pig iron

Speciality Steel

With our diverse range of products, we mainly serve north, east and western India markets.

Apart from establishing new cooperations with original equipment manufacturers, we will focus on the manufacturing of special steel and slabs in the future.

Product	Sponge Iron & Pellets	Special steel/ Billets	Structural Steel	Ferro Alloys

Features and specifics	› Exhibit good metallic content and exceptional quality.
	› Low sulphur and phosphorus content
	› Using a high-end procedure, ensure that the product is dust-free.
		› Special billets proposed for use in boilers, power transmission lines, and trains, among other purposes.
		› Variety of special cast product sizes
		  › 280x370 mm for heavy forgings and rail applications
		  › 220 mm sq for various grades like low, medium carbon and micro-alloy forgings
		  › 130 mm diameter for seamless pipe industry
		  › 140 mm sq with extra lengths up to 14 m for cast products of cold heading, free-cutting and high carbon steels
			› Structural steel is used in the infrastructure and construction industries.
			› Special bars are mostly utilised in the automobile industry.
				› Silico Manganese.
				› Silico Manganese of 60Mn, 65 Mn and 70Mn grades.
				› Silico Manganese comprises of manganese, silicon, carbon, phosphorus, sulphur and Fe. (iron) contents.

Production capacity	› Raigarh produces sponge iron with a capacity of 0.58 MTPA, while Raipur produces sponge iron with a capacity of 0.30 MTPA. › Raigarh has a pellet plant with a capacity of 2.20 MTPA.	› With a manufacturing capacity of 0.95 MTPA at the Raigarh plant and 0.25 MTPA at the Raipur plant, the Raigarh facility can manufacture mild steel and special steel billets.	› At Raigarh, an integrated steel plant with a roll product capacity of 0.5 MTPA, including projected special steel products. › Structural steel capacity at Raipur plant is at 0.15 MTPA	› Ferro Alloy production capacity of 0.04 MTPA at Raipur
Technology & Expertise	› Have extensive experience in the manufacturing of sponge iron › Pellets are widely utilised in the production of sponge iron. › Steel making uses sponge iron as a raw material.	› The integrated steel mill has evolved into a cost-effective and competitive steel making unit. › Designed to make optimal use of waste heat and gases produced during the manufacturing process. › For strict chemical control, an electric arc furnace and a ladle refining furnace are used.	› Modern facilities with cutting-edge technology assure consistent high quality and strength along the length of the bar. › To supply excellent goods to our clients, we have robust quality checking facilities.	› Silico Manganese is used as raw material for making steel specially for Special Steel.

BOARD OF DIRECTORS

Mr. Jyotin Mehta
Chairman
Independent Non-Executive Director

Mr. Seshagiri Rao MVS
Non-Independent Non-Executive Director
(till 22 November, 2021)

Mrs. Anuradha Bajpai
Independent Non-Executive Director

Mr. Krishna Deshika
Independent Non-Executive Director
(w.e.f. 20 July 2021)

Mr. Nikhil Gahrotra
Non-Independent Non-Executive Director

Mr. Kaushik Subramaniam
Non-Independent Non-Executive Director

Mr. Naresh Lalwani
Non-Independent Non-Executive Director
(w.e.f. 24 December, 2021)

Mr. Sanjay Kumar
Non-Independent Non-Executive Director
(till 14 May, 2022)

Mrs. Sutapa Banerjee
Independent Non-Executive Director (till 18 May 2021)

Mr. Ravichandar Moorthy Dhakshana
Whole-time Director (till 31 May 2021)

Mr. T. Mohan Babu
Whole-time Director (w.e.f. 01 June 2021)

CORPORATE WEBSITE

www.aionjsw.in

BANKERS

IndusInd Bank Limited
Union Bank of India
Indian Bank

AUDITORS

Statutory Auditor
Deloitte Haskins & Sells LLP
Chartered Accountants

Cost Auditor
Shome & Banerjee, Cost Accountants

Secretarial Auditor
S. Srinivasan & Co., Company Secretaries

RAIPUR WORKS

Monnet Marg, Mandir Hasaud,
Raipur-492101 (Chhattisgarh)

RAIGARH WORKS

Village Naharpali, Tehsil Kharsia, Distt.
Raigarh-496661 (Chhattisgarh)

REGISTERED & CORPORATE OFFICE

JSW Centre Bandra Kurla Complex,
Bandra (East), Mumbai-400051

REGISTRAR & SHARE TRANSFER AGENT

MCS Share Transfer Agent Ltd
F-65, Okhla Industrial Area, Phase-I,
New Delhi –110 020
Tel.: 011-41406149
Email: admin@mcsregistrars.com

CHIEF FINANCIAL OFFICER

Mr. J. Nagarajan

COMPANY SECRETARY

Mr. Ajay Kadhao

INVESTOR SERVICE GRIEVANCE

Mr. Ajay Kadhao (Compliance Officer)
Reg. Off: JSW Centre Bandra Kurla Complex,
Bandra (East), Mumbai-400051
Phone: +91 22 4286 1000
E-mail: isc_jispl@aionjsw.in

Directors' Report

To the Members,

JSW Ispat Special Products Limited
(Formerly known as Monnet Ispat and Energy Limited)

The Board of Directors of JSW Ispat Special Products Limited ("the Company") present the 32nd Annual Report along with the audited financial statements for the financial year ended 31 March 2022.

1. Financial Summary

The financial performance (standalone and consolidated) of the Company for the financial year ended 31 March 2022 ("year under review") is as follows:

(₹ in Crores)

S. No.	Particulars	Standalone		Consolidated	
		Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
1	**Income from operations**				
	(a) Sales of products and services	6,011.54	4,150.14	6,011.54	4,150.14
	(b) Other operating income	49.11	37.60	49.11	37.60
	Total revenue from operations	**6,060.65**	**4,187.74**	**6,060.65**	**4,187.74**
	Other Income	30.13	12.99	23.67	15.73
	Total income	**6,090.78**	**4,200.73**	**6,084.32**	**4,203.47**
2	**Expenses**				
	(a) Cost of materials consumed	4,387.57	2,965.57	4,387.57	2,965.57
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(95.94)	4.41	(95.94)	4.41
	(c) Purchase of traded goods	13.88	-	13.88	-
	(d) Employee benefits expense	129.72	115.58	129.72	115.58
	(e) Finance costs	270.60	275.78	270.60	275.85
	(f) Depreciation and amortization expense	223.21	227.47	223.21	228.46
	(g) Power and fuel	476.00	267.07	476.00	267.07
	(h) Other expenses	676.56	449.84	677.79	451.54
	Total expenses	**6,081.60**	**4,305.72**	**6,082.83**	**4,308.48**
3	**Profit/ Loss from operations before exceptional items and tax (1-2)**	**9.18**	**(104.99)**	**1.49**	**(105.01)**
4	Exceptional items		-		314.53
5	**Profit / Loss before tax (3-4)**	**9.18**	**(104.99)**	**1.49**	**209.52**
6	**Tax expense:**				
	(i) Current tax		-		-
	(ii) Deferred tax		-		-
7	**Profit/ Loss for the year (5 + 6)**	9.18	(104.99)	1.49	209.52
8	**Other comprehensive income/ loss (after tax)**			-	
	A. (i) Items that will not be reclassified to profit or loss	(0.77)	2.51	(0.77)	2.51
	(ii) Income tax relating to items that will not be reclassified to profit and loss		-		-
	B. (i) Items that will be reclassified to profit or loss		-	(0.84)	7.25
	(ii) Income tax relating to items that will be reclassified to profit and loss		-		-
9	**Total comprehensive income / (loss) for the year (7+8)**	**8.41**	**(102.48)**	**(0.12)**	**219.28**
	Total comprehensive income / (loss) for the year attributable to:				
	Owner of the company		-	(0.12)	220.33
	Non-controlling interests		-	-	(1.05)
	Total (loss) / income for the year attributable to:				
	Owner of the company		-	(0.12)	210.57
	Non-controlling interests		-	-	(1.05)
	Other comprehensive (loss) / income for the year attributable to:				
	Owner of the company		-	(1.61)	9.76
	Non-controlling interests		-	-	-

2. Operational Performance

The Company has two manufacturing facilities namely, at Raigarh and Raipur, in the State of Chhattisgarh. The Raipur unit continued with the production of Ferro-Alloys and Commodity products. The Raigarh unit ushered into Special Steel production in FY 2022.

During year under review, the country witnessed highly transmissible and deadly second wave of COVID-19 leading to imposition of fresh restrictions by governments thereby impacting economic activities and disruption in supply chain and logistics. However, despite such a situation, the plants of the Company were largely operating smoothly by following the necessary safety guidelines and Government Protocols.

The Company has stabilized special steel production and also commenced Slab production in FY22. On raw material front, the Company has secured supply of Iron ore from the mines of JSW Steel Limited and Coke conversion through Bhushan Power and Steel Limited (BPSL) and other party. On coal procurement for power plant, the Company entered into coal linkage agreement.

On logistics front, the Company concentrated on maximizing rail movement for both inward and outward movement of material.

Though, the demand for steel products from infrastructure, construction, automobile and real estate sectors were fluctuating throughout the year, the last quarter of FY22 witnessed improvement in production, demand and prices for the products of the Company. This was also accompanied by increase in raw material prices.

The Company is in the process of increasing the production levels for special steel products both in Long Products and Slabs. The Company focuses on IATF Certification, API Certifications and RDSO (Indian Railway) Certifications. The Management is also preparing for ISO 50001 - Energy Management going forward.

During the financial year under review, the revenue of the Company touched ₹ 6,061 crores, higher by ~45% over the previous fiscal. The Company's performance saw significant improvement over the last year's performance in terms of production with 0.58 million tons of crude steel production registering YoY growth of 53%. The Company has posted EBIDTA of ₹ 472.86 crores (~23% YoY growth) and generated standalone profits after seven years.

Following is the operational and financial performance of the Company for the financial year under review:

Standalone:

The Company's operational performance in terms of physical production and sales during the financial year ended on 31 March 2022, is as under:

Production (MT)–

Particulars	FY 2022	FY 2021	Increase / (Decrease) (+)/(-) Variance
Sponge Iron	735,661	776,639	(40,978)
Billets	501,306	377,757	123,549
Structural Steel/TMT	127,159	218,448	(91,289)
Ferro Alloys	40,847	22,529	18,318
Pellets	1,205,700	1,825,681	(619,981)
Slab	76,503	Nil	76,503
Pig Iron	135,892	155,201	(19,309)

Sales Data (MT)–

Particulars	FY 2022	FY 2021	Increase / (Decrease) (+)/(-) Variance
Sponge Iron	473,791	635,156	(161,375)
Billets	357,652	127,557	230,095
Structural Steel / TMT	145,476	212,779	(67,303)
Ferro Alloys	36,460	21,106	15,354
Pellets	383,263	1,026,580	(643,317)
Slabs	72,432	Nil	72,432
Pig Iron	135,881	176,340	(40,459)

During the year under review, the Company's revenue from operations was ₹ 6,060.65 crores as against ₹ 4,187.74 crores in the previous year. The Company's earnings before interest, tax, depreciation and amortization was ₹ 472.86 crores for the financial year ended 31 March 2022 as compared to ₹ 385.27 crores in the immediately preceding year.

Taking into account depreciation and interest costs, profit before tax (PBT) stood at ₹ 9.18 crores as against loss before tax (LBT) of ₹ 104.99 crores in the previous year and total comprehensive income for the year was ₹ 8.41 crores as against total comprehensive loss of ₹ 102.48 crores in the previous financial year.

During the financial year under review, exports of the Company were ₹ 983.94 crores as compared to ₹ 292.54 crores in the preceding financial year.

Consolidated:

During the financial year under review, the Company's consolidated revenue from operations was ₹ 6,060.65 crores as against ₹ 4,187.74 crores in the previous year. Further, in the financial year ended 31 March 2022, the Company on consolidated basis made profit before tax of ₹ 1.49 crores as compared to Profit Before Tax of ₹ 209.52 crores in the previous year. During the previous year, the Company on consolidated basis had an exceptional gain on settlement of liabilities, forfeiture of advance and reassessment of realizable value of its overseas subsidiaries total amounting to ₹ 314.53 crores (details mentioned below). There was no exceptional item in the current year.

(i) gain of ₹ 318.50 crores on settlement of loan outstanding of ₹ 294.29 crores and interest due thereon of ₹ 42.60 crores at ₹ 18.39 crores, pursuant to a settlement agreement entered into with its lenders.

(ii) loss of ₹ 22.58 crores towards reassessment of realizable value of assets held for sale.

(iii) gain of ₹ 18.61 crores on forfeiture of advance received from buyer pursuant to cancellation of agreement entered into for the sale of a subsidiary.

The performance and financial position of the subsidiary companies and joint ventures is included in the consolidated financial statement for the financial year under review.

Due to the second wave, the domestic demand and prices of steel and related products witnessed sharp drop in the first quarter of the financial year 2022. National Vaccination drive in the year under review enabled in learning to operate with COVID-19, as vaccination was not just a health response but also a buffer against economic disruptions caused by repeated waves of the pandemic.

The manufacturing operations of the Company are conducted in compliance with the relevant guidelines/ advisory issued by the Government and authorities, for taking necessary measures for the containment of COVID-19, including measures like maintaining social distancing.

The Company has conducted vaccination drive for the employees. This initiative is fueled by our commitment towards ensuring a protected and stronger India.

The Company while assessing the impact of COVID 19 in preparation of the financial Statements, has considered internal and external sources of information, and determined, exercising reasonable estimates and judgement, that the carrying amounts of its assets are recoverable. The impact of COVID 19 may be different from that estimated as at the date of approval of the financial Statements, and the Company will continue to closely monitor the developments.

Scheme of Arrangement

During the year under review, the Board of Directors of the Company on recommendation of the Audit Committee, approved Scheme of Arrangement between the Company ("Transferor Company") and Mivaan Steels Limited ("Transferee Company") and their respective shareholders and creditors with appointed date 31 March 2022 under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act") for transfer the Specified Undertaking (defined below), on a going concern basis, by way of a slump sale subject to necessary approvals and terms of the Scheme (**"Proposed Transaction"**).

The **"Specified Undertaking"** means the business undertaking of the Company pertaining to the manufacturing facilities at Raipur and mining facilities at Kanker and associated coal washery operations at Patherdih and certain other assets and properties.

The manufacturing facilities at Raipur comprises of a sponge iron manufacturing plant with a capacity of 0.3 MTPA, Ferro alloy plant and steel manufacturing plant with a capacity of 0.25 MTPA.

The profile of the products produced at the manufacturing facilities at Raipur pertain to the commodity grade market that caters to the structural and construction sectors with comparatively lower volume of production and serving customers predominantly around its operating area whereas, the focus of the other facility of the Company at Raigarh is on special steel products catering to HT grades, IBR grades, automotive, high manganese grades, cold rolling grades and API grades with comparatively higher volume of production, serving customers in the exports and domestic markets covering Northern, Eastern and parts of Western region of India.

With the transfer of the Specified Undertaking through the Proposed Transaction, the Company will be able to focus on special steel products and explore and develop markets for its special steel products. Accordingly, with a view to inter-alia achieve dedicated management focus on their respective grades of products and customer segments, facilitate strategic opportunities (including fund raising prospects), maximize value, increase efficiencies and enhance administrative control, the Company proposes to transfer the Specified Undertaking to the Transferee Company which became a wholly owned subsidiary of the Company on 24 February 2022. This is expected to create and enhance stakeholders' value by unlocking the intrinsic value and growth potential for the respective businesses of the Transferor Company and Transferee Company.

The Scheme was filed with respective Stock Exchanges and The Securities and Exchange Board of India ('SEBI') for their No Observation Letter during the year under review. The Company proposes to seek approval of creditors and shareholders and file application with Hon'ble National Company Law Tribunal, Mumbai Bench, ('NCLT') in financial year 2022-23.

3. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relates and the date of the Report

There were no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

4. Dividend and Reserves

In view of inadequacy of profits, the Board of Directors of the Company ("Board") has not recommended any dividend for the year under review and no amount was required to be transferred to the General Reserves.

5. Subsidiaries, Joint Ventures or Associate Companies

As on 31 March 2022, the Company has 3 direct subsidiaries 4 Joint Ventures. During the year under review, the Company acquired 100% equity share capital of Mivaan Steels Limited (**"MSL"**), a public unlisted company, and MSL has become a wholly owned subsidiary of the Company with effect from 24 February 2022.

The consolidated financial statements presented by the Company and its subsidiaries and joint ventures for the year under review is prepared in compliance with the applicable provisions of the Act, Indian Accounting Standards (Ind-AS) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") which forms part of the Annual Report.

The subsidiaries of the Company had no operations for the financial year ended 31 March 2022 and their performance/contribution to overall performance of the Company is reported in the consolidated financial statement of the Company for the financial year under review. A gist of financial highlights/performance of the subsidiaries and joint ventures is contained in Form AOC-1 and forms part of this report and annexed as **Annexure-1**.

The annual financial statements of the subsidiary companies are open for inspection by any shareholder at the Company's Registered Office and the Company will make available these documents and the related detailed information upon request by any shareholder of the Company or any shareholder of its subsidiaries, joint ventures companies who may be interested in obtaining the same. Also, the standalone financial statements, consolidated financial statements and financial statements of subsidiaries are available on the website of the Company viz www.aionjsw.in.

During the year under review, the entire stake held by Monnet Global Limited (wholly owned subsidiary of the Company) in PT Sarwa Sembada Karya Bumi ('PT Sarwa') was sold to PT Srinata Mahajati Corpora ('SMC'), a corporation established under laws of Republic of Indonesia, at a net consideration of USD 1.075 million pursuant to binding Sale and Purchase of Shares Agreement executed on 29 March 2022.

6. Share Capital

As on 31 March 2022, the authorized capital of the Company was ₹ 15,50,00,00,000/- (Rupees one thousand five hundred and fifty crores only) and the paid-up capital stands at ₹ 9,95,52,75,340/- (Rupees nine hundred and ninety-five crores fifty-two lakhs seventy-five thousand three hundred and forty only) consisting of 46,95,47,534 equity shares of ₹ 10 (Rupees ten) each and 52,59,80,000 Compulsory Convertible Preference Shares of ₹ 10 (Rupees ten) each.

There was no change in share capital of the Company during the financial year under review.

7. Debentures

During the financial year under review, the Company has not issued or allotted any Debentures and does not have any outstanding Debentures.

8. Bank Facilities and Credit Rating

During the year under review, CARE Ratings Limited (Formerly known as Credit Analysis & Research Limited) in the month of February 2022 reviewed and reaffirmed the credit ratings of the Company as "A-" Stable for long term bank facilities (term loan and fund based-cash credit) and "A- Stable/A2+" for non-fund based long/short term bank facilities bank guarantees of the Company.

9. Public Deposits

During the year under review, the Company has not accepted any fixed deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

10. Significant and Material Orders passed by the Regulators or Courts or Tribunals

During the year, there were no significant or material orders passed by the Regulators/Courts/Tribunals that could impact the going concern status of the Company and its future operations.

Further, members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the financial statements.

11. Internal Controls, Audit and Internal Financial Controls

Internal control systems are integral to the Company's corporate governance. The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliances as well as an enhanced control consciousness.

The Board/management are of the opinion that based on the knowledge/information gained by them about affairs of the Company from records of the Company, the Company has effective internal financial control systems and policies and such controls are operating effectively.

The internal control systems include documented policies, checks and balances, guidelines and procedures, that are supplemented by robust internal audit processes and monitored continuously through periodical reviews by management to provide reasonable assurance that all assets are safeguarded; and all transactions entered into by Company are authorized, recorded and reported properly.

Internal Audit plan and execution

The Internal Audit function prepares audit plan which is approved by the Audit Committee. The frequency of the audit is decided by risk ratings of areas/ functions. The audit plan is carried out by the internal audit team and reviewed periodically to include areas that have assumed significant importance in line with the emerging industry trend and the growth of the Company. In addition, the Audit Committee also places reliance on internal customer feedback and other external events for inclusion into the audit plan. Significant observations, if any, of Internal Auditor along with the Action Taken Report are reported to the Audit Committee every quarter.

Internal financial controls

The Company has sound internal controls including internal financial control framework which is commensurate with the size, scale and nature of business of the Company. The framework includes entity-level policies, processes and Standard Operating Procedures (SOP). The Company has SAP ERP system at Raigarh and Dynamics NAV system in Raipur, as a part of strengthening the internal control and internal financial control framework. The Audit Committee of the Board of Directors, regularly reviews audit plans, significant audit findings, adequacy of internal controls and compliance with Accounting Standards, etc. The Company has also strong internal audit process and the internal auditor reports to the Audit Committee on regular basis with audit findings and the audit plans. The internal audit team has access to all information in the organization and this process is largely facilitated by ERP implementation in the Company.

These Internal controls are reviewed by the Internal Auditor every year. During the financial year under review, the controls were tested and no reportable material weakness in design and effectiveness was observed.

12. Directors and Key Managerial Personnel (KMP)

As on 31 March 2022, the Board of Directors of the Company comprised of 1 Whole-time Director (Executive), 3 Independent Directors and 4 Non-Executive Directors (details of the same are provided in the Corporate Governance Report which forms part of this Annual Report).

During the year under review following changes took place in the Board of Directors:

a) Mrs. Sutapa Banerjee (DIN: 02844650) resigned from the Board of Directors of the Company as the Independent Director with effect from 18 May 2021.

b) The tenure of Mr. Ravichandar Moorthy Dhakshana (Mr. D. Ravichandar) (DIN: 03298700), as Whole-time Director designated as Director (Corporate In-Charge) of the Company ended on 31 May 2021 and accordingly he ceased to hold office of Whole-time director and Key Managerial Personnel (KMP) of the Company with effect from close of business hours of 31 May 2021. The appointment of Mr. D. Ravichandar as the Whole-time Director for the tenure from 31 August 2020 to 31 May 2021 was approved by the Shareholders at the 31st Annual General Meeting held on 28 September 2021. Mr. D. Ravichandar also ceased to hold office as director of the Company with effect from closing of business hours of 31 May 2021.

c) The Board of Directors, upon the recommendation of the Nomination and Remuneration Committee (NRC) at the meeting held on 12 May 2021, appointed Mr. Mohan Babu Thirukkoteeswaran (Mr. T. Mohan Babu) (DIN: 09169018) as the Whole-time Director, for a period of 2 (two) years with effect from 1 June 2021 subject to approval of the shareholders at the 31st Annual General Meeting of the Company.

His appointment for a period of 2 (two) years with effect from 1 June 2021 to 31 May 2023 and remuneration has been approved by the

Shareholders at the 31st Annual General Meeting held on 28 September 2021.

d) The Board of Directors, upon the recommendation of the NRC, at its meeting held on 20 July 2021 approved the appointment of Mr. Krishna Deshika (DIN: 00019307) as an Additional Director (Non-Executive and Independent Director) of the Company with effect from 20 July 2021. His appointment as an Independent Director for a tenure of 5 years with effect from 20 July 2021 to 19 July 2026 was approved by the Shareholders at the 31st Annual General Meeting of the Company held on 28 September 2021.

e) The shareholders of the Company at the 31st Annual General Meeting held on 28 September 2021 approved the appointment (including the terms of appointment) of Mr. Kaushik Subramaniam (DIN: 08190548) as a director of the Company, liable to retire by rotation.

f) Mr. Seshagiri Rao Metlapalli Venkata Satya (DIN: 00029136) resigned from the Board of Directors of the Company as the Non-Executive (Non-Independent) Director with effect from 22 November 2021.

g) The Board of Directors upon the recommendation of the NRC, on 24 December 2021 approved the appointment of Mr. Naresh Kumar Lalwani (DIN: 07587109) as an Additional Director (Non-Executive-Non-Independent) on the Board of Directors of the Company with effect from 24 December 2021 and he is holding office of director upto the date of the ensuing Annual General Meeting.

Retirement by Rotation at ensuing Annual General Meeting

In accordance with the provision of Section 152 of the Act and Articles of Association of the Company, Mr. Nikhil Gahrotra and Mr. Kaushik Subramanian, Directors, retire by rotation at the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment.

The Board recommends their re-appointment in the ensuing 32nd Annual General Meeting.

Appointment at ensuing Annual General Meeting

In terms of Section 161 of the Act, Mr. Naresh Kumar Lalwani who is holding the office as director until the date of the ensuing Annual General Meeting and being eligible, offers himself to be appointed as a Director of the Company.

The Board recommends the appointment of Mr. Naresh Lalwani in the category of Non-Executive Director in the ensuing Annual General Meeting and he shall be liable to retire by rotation.

The Company has received a notice under Section 160 of the Act, from member, proposing the candidature of Mr. Naresh Lalwani as Director of the Company. Further, Mr. Naresh Lalwani is not disqualified from being appointed as the Director of the Company by virtue of the provisions of Section 164 of the Act.

The details of profile, experience, other directorships, etc. in respect of Mr. Naresh Lalwani, Mr. Nikhil Gahrotra and Mr. Kaushik Subramaniam who are seeking appointment/ re-appointment as Directors of the Company as required under Regulations 26(4) and 36(3) of the SEBI Listing Regulations, 2015 and Secretarial Standard -2 issued by ICSI, are annexed to the Notice of forthcoming 32nd Annual General Meeting of the Company.

Statement on declaration by Independent Directors

Pursuant to provisions of Section 149 of the Act, Mr. Jyotin Mehta, Mrs. Anuradha Bajpai, and Mr. Krishna Deshika are Independent Directors of the Company. They have submitted a declaration that each of them meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) 17A, 25 (8) of the SEBI Listing Regulations, 2015. There has been no change in the circumstances affecting their status as Independent Directors during the year. Further, it has been confirmed by them that they are registered with the Independent Directors' Databank as per the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019.

Key Managerial Personnel

In terms of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31 March 2022 were: Mr. T Mohan Babu as the Whole-time Director, Mr. J Nagarajan as Chief Financial Officer and Mr. Ajay Kadhao as Company Secretary of the Company.

There were no changes in the Key Managerial Personnel of the Company during the financial year under review other than cessation of Mr. D Ravichandar as the Whole-Time Director and appointment of Mr. T Mohan Babu as the Whole-time Director of the Company.

13. Director's Responsibility Statement

Pursuant to the requirements under Section 134(3)(c) of the Act, the Board of Directors, to the best of their knowledge and ability, state and confirm that:

(a) in the preparation of the annual accounts for the financial year ended 31 March 2022, the applicable accounting standards have been followed and a proper explanation has been provided in relation to any material departures;

(b) such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31 March 2022 and of the profit of the Company for the year under review;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts for the financial year ended 31 March 2022 have been prepared on a going concern basis;

(e) internal financial controls were laid down to be followed by the Company and such internal financial controls were adequate and are operating effectively; and

(f) There were proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

14. Annual Evaluation of Performance of Board, its Committees and Directors

Pursuant to applicable provisions of the Act and the SEBI Listing Regulations, 2015, the Board has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors ("the Performance Evaluation Policy").

For the financial year under review, the performance of the Board, each Board Member individually, including each of the Independent Directors, as well as the working of Board Committees was subjected to evaluation. The Board did not deviate from the assessment mechanism adopted in the previous year.

Details of the same are given in the report on Corporate Governance annexed hereto.

15. Number of Meetings of the Board of Directors

During the financial year under review, eight (8) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between these meetings was within the period prescribed under the Act and Regulation 17 of the SEBI Listing Regulations, 2015.

16. Committees of the Board

The Company has duly constituted the Committees required under the Act read with applicable Rules made there under and the SEBI Listing Regulations, 2015.

As on 31 March 2022, the Board had following Committees:

a. Audit Committee

b. Nomination and Remuneration Committee

c. Stakeholders' Relationship Committee

d. Corporate Social Responsibility Committee

e. Business Responsibility Reporting (BRR) and International Trade Practice Committee

f. Risk Management Committee

g. Finance Committee

The details of composition of each Committee, terms of the reference and number of meetings held during the year under review are given in the Corporate Governance Report, annexed to this report.

17. Nomination and Remuneration Policy

The Company's Nomination and Remuneration Policy is in conformity with the requirements of Section 178(3) of the Act and SEBI Listing Regulations, 2015.

The Nomination and Remuneration Policy, as approved by the Board of Directors, is hosted on the website of the Company viz:-https://www.aionjsw.in/investors/policies.

The Policy sets out the guiding principles for the NRC for identifying persons who are qualified to become Directors and persons who may be appointed in Senior Management and Key Managerial positions and also to determine the independence of Directors, while considering their appointment as Independent Directors of the Company. The Policy also sets out the guiding principles for the NRC for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. There has been no change in the aforesaid policy during the year.

18. Vigil Mechanism Cum Whistle Blower Policy

In terms of Section 177(9) of the Act read with the SEBI Listing Regulations, 2015, the Company has adopted a Vigil Mechanism Cum Whistle Blower Policy to deal with instances of fraud and mismanagement, if any.

Through this Policy, the Company seeks to provide a mechanism to the whistleblower to disclose any misconduct, malpractice, unethical and improper practice taking place in the Company for appropriate action and reporting, without fear of any kind of discrimination, harassment, victimization or any other unfair treatment or employment practice being adopted against the whistleblower. No person is denied access to the Chairman of the Audit Committee.

The policy is available on the website of the Company viz:-https://www. aionjsw.in/investors/policies.

19. Related Party Transactions

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were on an arm's length basis and in the ordinary course of business. Prior omnibus approval was obtained for related party transactions which were of repetitive nature and entered in the ordinary course of business and on an arm's length basis. The statement giving details of all Related Party Transactions were placed before the Audit Committee / the Board for review and approval on a quarterly basis.

During the year under review, the Company has entered into material related party transactions with JSW Steel Limited and Bhushan Power and Steel Limited and in terms of Section 134 of the Act, details of the same are stated in Form AOC-2 in **Annexure- 2** of this report. The material related party transactions entered by the Company are within the limits and in terms of the approval accorded by the Shareholders at previous Annual General Meeting. All related party transactions are mentioned in the notes to the accounts. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions.

The "Policy on Materiality of Related Party Transactions and also on dealing with Related Party Transactions" ('the Policy'), as amended and approved by the Board of Directors has been uploaded on the website of the Company viz: https://www.aionjsw.in/investors/policies. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. This Policy specifically deals with the review and approval of Related Party Transactions, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

20. Particulars of Loans, Guarantees or Investments

Details of Investments, Loans and Guarantees as covered under the provisions of Section 186 of the Act are given in the notes to the financial statements.

21. Corporate Social Responsibility

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Board of Directors of the Company has a Corporate Social Responsibility ("CSR") Committee. The policy on CSR as approved by the Board of Directors is also hosted on the website of the Company viz. https://www.aionjsw.in/investors/policies.

Pursuant to Section 135 of the Companies Act, 2013 read with CSR policy of the Company, it is required to spend two percent of the average net profit of the Company for three immediately preceding financial year. As the average net profit of the Company during previous three financial years is negative, the Company is not required to spend any amount for the CSR purpose during the year under review.

Annual Report on mandatory CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, have been annexed as **Annexure-3** and forms integral part of this Report. During the year, the Company has undertaken some voluntary CSR activities as stated in the Annexure- 3 of this Report.

22. Auditors

a) Statutory Auditor

At the 29th Annual General Meeting ("AGM") of the Company held on 19th July 2019, members of the Company had approved the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountant, Mumbai, (Registration Number 117366W/W-100018) as the statutory auditor for a period of 5 years with effect from the conclusion of the 29th AGM till the conclusion of 34th AGM of the Company.

The Auditors have audited standalone and consolidated financial statements of the Company for the financial year ended 31 March 2022 and no fraud has been reported by the Auditors under Section 143(12) of the Act requiring disclosure in the Board's Report. The Report does not contain any qualification, reservation or adverse remark or disclaimer requiring explanation or comments from the Board under Section 134(3) of the Act.

b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company, at its meeting held on 12 May 2021 had appointed M/s S. Srinivasan & Co., a Company Secretaries firm, to conduct a secretarial audit of the Company for the financial year 2021-22. The Report of the Secretarial Audit carried out for the financial year 2021-22 is annexed herewith as **Annexure -4**.

The report does not contain any qualification, reservation or adverse remark or disclaimer requiring explanation or comments from the Board under Section 134(3) of the Act.

The Board of Directors of the Company, at its meeting held on 11 May 2022 has re-appointed M/s S. Srinivasan & Co., as Secretarial Auditor, for conducting Secretarial Audit of the Company for financial year 2022-23.

c) Cost Auditor

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit)

Amendment Rules, 2014, the Company is required to get its cost accounting records audited by a Cost Auditor and accordingly such accounts and records are made and maintained by the Company.

Accordingly, the Board, at its meeting held on 12 May 2021, on the recommendation of the Audit Committee, had appointed M/s. Shome & Banerjee, Cost Accountants (Firm Reg. No. 00001) to conduct the audit of the cost accounting records of the Company for financial year 2021-22 and had recommended their remuneration to the shareholders which was ratified at the Annual General Meeting held on September 28, 2021.

Subsequent to the recommendation of the Audit committee, the Board has appointed M/s. Shome & Banerjee, Cost Accountants (Firm Reg. No. 00001) as the Cost Auditors of the Company for the Financial Year 2022-23 at its meeting held on 11 May 2022 and their remuneration is sought to be ratified by the shareholders at the forthcoming Annual General Meeting and is included as an agenda item in the Notice convening the 32nd Annual General Meeting of the Company.

The Cost Audit Report of the Company for the financial year ended 31 March 2021 was filed in XBRL mode on 18 August 2021.

23. Compliance with Secretarial Standards

During the financial year under review, the Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India respectively i.e. SS- 1 and SS- 2 relating to "Meetings of Board of Directors" and "General Meetings" as applicable.

24. Risk Management

The Company has a Risk Management Policy of the Company duly adopted by the Board of Directors. The Policy is tailored to appropriately appraise the state of the Company's business risks. Management is empowered to identify, assess and leverage business opportunities and manage risks effectively.

The Company recognizes that the emerging and identified risks need to be managed and mitigated to protect its shareholders and other stakeholder's interest, achieve its business objective and enable sustainable growth.

The Board oversees the Enterprise Risk Management framework to ensure execution of decided strategies with focus on action and monitoring of risks arising out of unintended consequences of decisions or actions related to performance, operations, compliance, incidents, processes and systems, transactions and the same are managed appropriately. Further, major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, production, product quality, market, litigation, logistics, operational, financial, human resources, environment and statutory compliance. These process/ measures are reviewed and updated from time to time as required.

The Board on 12 May 2021, had constituted a separate Risk Management Committee comprising of Mrs. Anuradha Bajpai, Mr. Thirukkoteeswaran Mohan Babu, Mr. Nikhil Gahrotra and Mr. J Nagarajan as its Members.

25. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

In accordance with Section 134(3)(m) of the Act read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended, the information on conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed as **Annexure – 5** hereto and forms an integral part of this Report.

26. Particulars of Employees and Related Disclosures

Disclosures pertaining to remuneration and other details of the employees as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are annexed to this report as **Annexure -6**.

The details of employee information as required under provisions of Section 197 (12) of the Act read with Rules 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in the annexure to this Report. In terms of the provisions of Section 136 (1) of the Act, the Report is being sent to the members excluding the aforesaid annexure and any shareholder interested in obtaining the copy of the same may write to the Company at isc_jispl@aionjsw.in and the said annexure is also available for inspection by the Members at the Registered office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting.

27. Annual Return

In accordance with the provisions of the Act and amendment thereto, the Annual Return of the Company is placed on the website of the Company and is accessible at the web-link https://www.aionjsw.in/investors/.

28. Management Discussion & Analysis Report

A detailed analysis of the Company's performance is discussed in the Management Discussion and

Analysis Report, which forms part of this Annual Report and annexed as **Annexure-7**.

Certain statements in the 'Management Discussion and Analysis' section may be forward-looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which would be different from what the Directors envisage in terms of the future performance and outlook. Investors are cautioned that this discussion contains forward looking statement that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, dependence on certain businesses, dependence on availability of qualified and trained manpower and other factors discussed. The discussion and analysis should be read in conjunction with the Company's financial statements and notes on accounts.

29. Business Responsibilty Reporting

The Business Responsibility Report as stipulated under Regulation 34(2)(f) of SEBI Listing Regulations, 2015, describing the initiatives taken by your Company from an environmental, social and governance perspective, forms part of the Annual Report as **Annexure-8**.

30. Corporate Governance Report

The Company constantly endeavours to follow the corporate governance guidelines and best practice sincerely and disclose the same transparently. The Board is conscious of its inherent responsibility to disclose timely and accurate information on the Company's operations, performance, material corporate events as well as on the leadership and governance matters relating to the Company. Your Company has complied with the requirements of SEBI Listing Regulations, 2015 regarding corporate governance.

A report on the Corporate Governance practices followed by the Company, together with certificate(s) regarding compliance is given as **Annexure-9** to this report.

31. Disclosure under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013

The Company has laid down Anti Sexual Harassment policy on Gender Equality, Gender Protection, Prevention of Sexual Harassment and Redressal System as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, apprenticeship) are covered under this policy. No complaints pertaining to sexual harassment were received or pending to be resolved by the Company in this respect, during financial year 2021-22.

32. Acknowledgement

The Board of Directors wish to place on record their gratitude to the authorities, banks, business associates, shareholder's customers, dealers, agents, and suppliers for their unstinted support, assistance and co-operation and faith reposed in the Company. The Board of Directors would also place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment.

By order of the Board
For **JSW Ispat Special Products Limited**
(Formerly known as Monnet Ispat and Energy Limited)

Jyotin Mehta
Chairman
DIN: 00033518

Place: Mumbai
Date: 11 May 2022

Annexure-1

FORM NO. AOC -1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Part "A": Subsidiaries

(Amount in ₹)

Sl. No.	1	2	3
Name of the subsidiary	Monnet Cement Limited	Mivaan Steels Limited	Monnet Global Limited
Date since when subsidiary was acquired	29 November 2007	24 February 2022	17 September 2005
Reporting period for the subsidiary concerned	Same	Same	Same
Reporting Currency	INR	INR	USD
Exchange rate	1.00	1.00	75.8071
Share capital	21,900,000	80,000	379,626,568
Reserves and surplus	(20,709,811)	(76,277)	(936,429,667)
Total asset	1,204,689	26,339	94,236,041
Total liabilities	14,500	22,616	651,039,140
Investments	-	-	-
Turnover	-	-	-
Profit before taxation	(48,456)	(76,277)	46,614,746
Provision for taxation	-	-	-
Profit after taxation	(48,456)	(76,277)	46,614,746
Proposed Dividend	-	-	-
% of shareholding	100.00%	100.00%	100.00%

Additional Disclosure

Subsidiaries yet to commence operations	Monnet Cement Limited (MCL)
	Monnet Global Limited (MGL)
	Mivaan Steels Limited (MSL)
Subsidiaries liquidated or sold during the year	Pt. Sarwa Sembada Karya Bumi (Subsidiary of MGL)

Part "B": Associates/Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Amount in ₹)

Name of the joint ventures	MP Monnet Mining Company Limited	Mandakini Coal Company Limited	Urtan North Mining Company Limited	Monnet Ecomaister Enviro Private Limited
1. Latest audited Balance Sheet Date	31 March 2021	31 March 2021	31 March 2021	31 March 2021
2. Date on which the Associate or Joint Venture was associated or acquired	20 June 2009	14 March 2008	4 March 2010	29 March 2011
3. Shares of Associate/Joint Ventures held by the company on the year end				
a) No.	980,000	39,299,800	5,751,347	14,211,363
b) Amount of Investment in Associates/Joint Venture	9,800,000	392,998,000	57,513,470	142,113,630
c) Extend of Holding %	49.00%	33.33%	33.33%	50.00%
4. Description of how there is significant influence	% of shareholding	% of shareholding	% of shareholding	% of shareholding
5. Reason why the associate/joint venture is not Consolidated	N.A.	N.A.	N.A.	Classified as held for sale
6. Networth attributable to Shareholding as per latest audited Balance Sheet	2,621,128	225,670,338	54,515,746	(148,297,456)
7. Profit / Loss for the year				
i. Considered in Consolidation	-	-	-	-
ii. Not Considered in Consolidation	(21,469)	(496,714)	176,932	(54,167,199)

Additional Disclosure

Associates/Joint ventures yet to commence Operations	MP Monnet Mining Company Limited
	Mandakini Coal Company Limited
	Urtan North Mining Company Limited
Associates/Joint ventures Liquidated or Sold during the Year	Not applicable

For and on behalf of the Board
For **JSW Ispat Special Products Limited**
(Formerly known as Monnet Ispat and Energy Limited)

	J. Nagarajan	**Ajay Kadhao**	**Naresh Lalwani**	**T Mohan Babu**
Place: Mumbai	Chief Financial Officer	Company Secretary	Director	Whole-Time Director
Date: 11 May 2022			DIN: 07587109	DIN: 09169018

Annexure-2

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms-length transaction under third proviso thereto.

1) Details of contracts or arrangements or transactions not at arm's length basis

Not applicable, all contracts or arrangements or transactions with related parties are at arm's length basis.

2) Details of material contracts or arrangement or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	JSW Steel Limited, Promoter Company (and also Joint Venturer of the Holding Company)
b)	Nature of contracts/arrangements/transactions	For purchase and sale of materials including availing services.
C)	Duration of the contracts/arrangements/ transactions	April 2021 to March 2022
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Value of transactions with JSW Steel Limited amounted to ₹1,271.45 crores during FY 2022.
e)	Date(s) of approval by the Board, if any:	The Board of Directors of the Company on 12 May 2021 approved these transactions and the shareholders approved these transactions in 31st Annual General Meeting held on 28 September 2021 .
f)	Amount paid as advances, if any:	₹ 24.65 crores

a)	Name(s) of the related party and nature of relationship	Bhushan Power and Steel Limited, subsidiary of JSW Steel Limited
b)	Nature of contracts/arrangements/transactions	For purchase, sale of materials and shared services
C)	Duration of the contracts/arrangements/transactions	April 2021 to March 2022
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Value of transactions with Bhushan Power and Steel Limited amounted to ₹ 637 crores during FY 2021-22.
e)	Date(s) of approval by the Board, if any:	The Audit Committee and the Board of Directors of the Company on 7 May 2021 and 12 May 2021 respectively approved the proposal to enter into material related party transactions with BSPL, subject to the approval of the members of the Company. Further, the shareholders approved these transactions in 31st Annual General Meeting held on 28 September 2021.
f)	Amount paid as advances, if any:	NIL

For and on behalf of the Board
For **JSW Ispat Special Products Limited**
(Formerly known as Monnet Ispat and Energy Limited)

	J. Nagarajan	**Ajay Kadhao**	**Naresh Lalwani**	**T Mohan Babu**
Place: Mumbai	Chief Financial Officer	Company Secretary	Director	Whole-Time Director
Date: 11 May 2022			DIN: 07587109	DIN: 09169018

Annexure-3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

(As per annexure II under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR policy-

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013. The Company is focusing on the complete life cycle approach where women shall be empowered in such a way that they become strong positive force of change. In line with the approach and strategy, the Company plans interventions in the field of health, education, livelihood, vocational education, women empowerment, environment sustainability and responsible citizenship.

The key thematic interventions as per the Schedule VII of the Companies Act 2013 include:

a) Improving living conditions (eradicating hunger, poverty, malnutrition, etc.);

b) Promoting social development (promoting education, skill development, livelihood enhancement, etc.);

c) Addressing social inequalities (promoting gender equality, women empowerment, etc.);

d) Ensuring environmental sustainability;

e) Preserving national heritage;

f) Sports training;

g) Supporting technology incubators in central government approved academic institutes;

h) Rural development projects

Pursuant to Section 135 of the Companies Act, 2013 read with CSR policy of the Company, the Company is required to spend two percent of the average net profit of the Company for three immediately preceding financial years. The average net profits of the Company for proceeding three financial years was ₹ (436.33) Crores. Therefore, it is not mandatory for the Company to incur CSR expenses as per the provisions of the Companies Act 2013. However, the Company has undertaken some voluntary CSR activities during the financial year 2021-22 as under:

- Distribution of Computer, LCD Projectors, LCD Projectors and interactive Board provided to jawahar Navodaya Vidyalaya and schools located in 10 adopted villages block- Raigarh, Chhattisgarh. Providing financial support for Alumni Association to GEC NIT Raipur and Awareness Programme as per MOU with District Health Department (TB, HIV)
- Expenditure incurred to Provide oxygen concentrators and oximeters in Health Center for Covid hospital Raigarh and Bhupdevpur, Providing ambulance facilities Occupational health care services, Dental checkup camps, health camp of HIV & Tuberculosis, improvement in hospital infrastructures, Meal facility for Govt Medical staff
- Initiative for clean water, local road repairs, help to flood affected areas, funding to local CSR Cell, sponsoring sports tournaments.
- Training in sewing for women and conducting examination.

2. The Composition of the CSR Committee.

As at 31 March 2022, the composition of CSR Committee as under:

Sr. No.	Name of Members	DIN	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Nikhil Gahrotra - Chairman	01277756	Non-Executive Director	1	1
2	Jyotin Mehta - Member	00033518	Non-Executive Independent Director	1	1
3	Mr. Thirukkoteeswaran Mohan Babu- Member	09169018	Executive Director	1	1

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board: https://www.aionjsw.in/investors

In view of the losses made during 3 preceding financial years, the Company has no CSR projects approved by the Board of Directors.

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not applicable			

6. Average net profit of the Company (as per Section 198 of the Companies Act 2013) for the last three financial years-

Particulars	Last three financial years			Average Net Profit/(Loss) for calculating Net Profit/(Loss) for calculating CSR expenditure (In crores)
	2020-21	2019-20	2018-19	
Net Profit/Loss	(85.39)	(495.87)	(727.74)	(436.33)

7.

a) **Two percent of average net profit of the company as per Section 135(5):** As it will be evident from the above that the Company has made losses during the financial years 2020-21,2019-20 and 2018-19 and the average net profit for the last three financial years is negative. In view of the above, no CSR expenditure during the Financial Year 2021-22 is mandated.

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Not applicable
c) Amount required to be set off for the financial year, if any	
d) Total CSR obligation for the financial year (7a+7b-7c).	

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Not Applicable					

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocate-ed for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implemen-tation - Direct (Yes/No).	Mode of Implementati-on - Through Implementing Agency	
				State.	District.						Name	CSR Registr-ation number.
Not applicable												
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount allocate-ed for the project (in ₹).	Mode of Implemen-tation - Direct (Yes/ No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR Registration number.
Not applicable									

(d) Amount spent in Administrative Overheads	Not applicable
(e) Amount spent on Impact Assessment, if applicable	
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	
(g) Excess amount for set off, if any:	

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
Not applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
Not applicable								
	Total							

10.	**a) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year** **b) Date of creation or acquisition of the capital asset(s).** **c) Amount of CSR spent for creation or acquisition of capital asset.** **d) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.** **e) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).**	Not applicable
11.	**Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).**	Not applicable

By Order of the Board
For **JSW Ispat Special Products Limited**
(Formerly known as Monnet Ispat and Energy Limited)

Nikhil Gahrotra
Chairman of CSR committee
DIN: 01277756

T Mohan Babu
Whole-Time Director
DIN: 09169018

Place: Mumbai
Date: 11 May 2022

Annexure-4

FORM NO. MR- 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JSW ISPAT SPECIAL PRODUCTS LIMITED
JSW Centre, Bandra Kurla Complex,
Bandra (East), Mumbai,
Maharashtra– 400 051

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JSW ISPAT SPECIAL PRODUCTS LIMITED** bearing CIN: L02710MH1990PLC363582 (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022, according to the provisions of:

i. The Companies Act, 2013, (the Act) and the rules made there under.

ii. The Securities Contracts (Regulation) Act, 1956, ('SCRA') and the rules made there under.

iii. The Depositories Act, 1996, and the Regulations and Byelaws framed there under.

iv. Foreign Exchange Management Act, 1999, and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as may be appropriately applicable for the period under review:

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

   The provisions of the said regulations are not applicable to the Company during the year under review.

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014.

   The provisions of the said regulations are not applicable to the Company during the year under review.

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

   The provisions of the said regulations are not applicable to the Company during the year under review.

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

   The provisions of the said regulations are not applicable to the Company during the year under review.

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

   The provisions of the said regulations are not applicable to the Company during the year under review.

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and

j. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Redeemable Preference Shares) Regulation, 2013.

   The provisions of the said regulations are not applicable to the Company during the year under review.

All other relevant applicable laws including those specifically applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes are in place to monitor and ensure compliance with those laws.

We have also examined compliance with the applicable clauses of the following Secretarial Standards:
The Secretarial Standards issued and notified by the Institute of Company Secretaries of India SS- 1 & SS- 2 have been complied with by the Company during the financial year under review.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the meetings of the Board of Directors were carried through based on majority and there were no dissenting views by any Member of the Board during the year under review.

We further report that,
Based on the information provided and the representation made by the Company and on the review of the compliance reports of Company Secretary/ Chief Financial Officer/ Whole-time Director taken on record by the Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that, during the audit period, no events have occurred which had any major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards and that the Company has complied with such of those relevant clause thereto which are applicable.

We further report that, during the audit period following event occurred which if approved by the shareholders/ creditors and other relevant authorities, may have major bearing on the Company's affairs:

1. The Company is proposing to transfer the Specified Undertaking on a going concern basis, by way of slump sale through a scheme of arrangement under the Companies Act, 2013, to Mivaan Steels Limited, a wholly owned subsidiary of the Company, subject to necessary approvals and terms of the scheme.

For **S. Srinivasan & Co.,**
Company Secretaries

S. Srinivasan
Practicing Company Secretary
FCS: 2286 | CP. No.: 748
UDIN: F002286D00018627

Place: Mumbai
Date: 22 April 2022

Annexure-A

To,
The Members,
JSW ISPAT SPECIAL PRODUCTS LIMITED
JSW Centre, Bandra Kurla Complex,
Bandra (East), Mumbai,
Maharashtra– 400 051

Our Secretarial Audit report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **S. Srinivasan & Co.,**
Company Secretaries

S. Srinivasan
Practicing Company Secretary
FCS: 2286 | CP. No.: 748
UDIN: F002286D000186272

Place: Mumbai
Date: 22 April 2022

Annexure-5

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER COMPANIES (ACCOUNTS) RULES, 2014

(The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended 31 March 2022 is given below and forms part of the Directors' Report.)

A. Conservation of Energy

The Company is committed to environmental sustainability and constantly endeavors for reduction and optimal utilization and conservation of energy by incorporating new techniques and innovative ideas. Considering the prevailing market conditions, we have tried to explore and improvise the plant performance by efficient utilization of resources. During review period following measures have been taken for efficient energy utilization and alternate way to produce energy.

Top pressure recovery turbine (TRT) has been commissioned during August, 2021 and made functional to convert the pressure energy in the Blast Furnace gas for power generation. During the period 2021-2022 about 6766 MWh power generated through TRT. This helped in saving about 25170 Gcal of energy.

Blast furnace gases are being utilized in reheating furnace in Rolling Mill, in Pellet Plant and Sinter Plant operation. This year about 63% of Blast Furnace gas was utilized in these process and has reduced furnace Oil consumption to that extent. The Company shall be venturing into usage of Blast Furnace Gas for Ladle heating in SMS in the FY 2023

The Company has made the installation of variable frequency drives as a step forward to save energy. This year we have installed VFD in cooling Tower Fan and achieved the equivalent saving of electricity about 60kwh with the minimum investment of ₹ 0.14 Cr.

Introducing LED lamps instead of sodium vapor lamps, maintaining that same illumination. Replacement of LED lighting system is increased from 60% to 70% by investment of about. ₹ 0.50 Cr. to enhance illumination level at plant premises by optimizing energy utilization.

Dolochar generated from DRI Plant is also used in Captive Power Plant by blending with coal. This not only reduces the Coal consumption but also reduces the waste handling burden.

Apart from above, Company has increased the raw material sourcing through rail wagon, which has reduced the fuel consumption significantly as compared to sourcing through road transport.

The Company, during the year under review, made the replacement of conventional FRP CT Fan Blade with aerodynamically designed CT Fan blades in 90 KW CT Fan#6. By installing the aerodynamic blade, we have achieved the saving of 30 to 35 % in power consumption this measure was implemented in December 2021 and the equivalent saving of electricity is about 20 kw per hour with the minimum investment of ₹ 4.5 Lakh.

B. Technology Absorption

Efforts are being made in technology absorption.	At Raigarh plant – Implementation of Variable Frequency Drive (VFD) is planned and in the last year we have saved 53280 Kw Power from VFD. The Company has commissioned the Blast Furnace Gas Booster for efficient use of Blast furnace gas and Also Commissioned the TRT (top pressure recovery turbine) 10 August 2021 and generate power 6766 Mwh. At Raipur plant – Implementation of replacement of conventional FRP CT Fan blade with aerodynamically designed CT Fan blade which gives same operational output with lesser power consumption. In the year 2021-22 we have saved 46,500 Kwh Power.
Benefits derived as a result of the above efforts	At Raipur Plant- The above measures will provide saving of Auxiliary power consumption. At Raigarh plant – The above measures will provide saving of power consumption and fuel consumption.
Information relating to imported Technology -The details of technology imported -The year of import -whether the technology been fully absorbed -if not fully absorbed, areas where absorption has not taken place, the reasons thereof	No import of technology during the last three years.
Expenditure incurred on Research and Development.	N.A.

C. Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo in terms of actual outflows, during financial year 2021-22 are as follow: -

(in ₹ crores)

Total Foreign Exchange used and earned	2021-2022	2020-2021
- Used	766.65	421.40
- Earned	983.94	292.54

By Order of the Board
For **JSW Ispat Special Products Limited**
(Formerly known as Monnet Ispat and Energy Limited)

Jyotin Mehta
Chairman
DIN: 00033518

Place: Mumbai
Date: 11 May, 2022

Annexure-6

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

The ratio of the remuneration of each director to the median remuneration of the employees of the Company	**Name**	**Designation**	**The ratio of the remuneration of each director to the median remuneration of employees**
	@Jyotin Mehta	Non-Executive Independent Director	3.01
	@Anuradha Ambar Bajpai	Non-Executive Independent Director	3.26
	*Kaushik Subramaniam	Non-Executive & Non-Independent Director	NA
	*Nikhil Omprakash Gahrotra	Non-Executive & Non-Independent Director	NA
	*Naresh Lalwani		
	(w.e.f 24 December, 2021)	Non-Executive & Non-Independent Director	NA
	Mohan Babu Thirukkoteeswaran	Whole-time (Executive) Director	17.51
	*Sanjay Kumar	Non-Executive & Non-Independent Director	NA
	@Krishna Deshika (w.e.f 20 July, 2021)	Non-Executive Independent	1.59
	*Non-Executive & Non-Independent Directors neither received any remuneration from the Company nor were paid any sitting fees for attending the meetings. @Independent Directors were not paid any remuneration except the sitting fees for attending meeting of Board and Committees.		
The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	**Name**	**Designation**	**Percentage increase/(Decline) in remuneration**
	Ravichandar Moorthy Dhakshana (till 31 May, 2021)	Whole-time (Executive) Director	NA since resigned on May 2021
	Mohan Babu Thirukkoteeswaran (w.e.f 1 June, 2021)	Whole-time (Executive) Director	NA since appointed in June 2021
	J. Nagarajan	Chief Financial Officer	13.30%
	Ajay Kadhao	Company Secretary	11.84%
	Non-Executive & Non Independent Directors do not receive any remuneration from the Company, hence not applicable. Non-Executive Independent Directors do not receive any remuneration from the Company except sitting fees for attending meeting of Board and Committees thereof, hence not applicable.		
The percentage increase in the median remuneration of employees in the financial year	There was 11.96% increase in the median remuneration of employees in the financial year.		
The number of permanent employees on the rolls of Company	2076		
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average % increase in the remuneration of employees other than the managerial personnel in the last financial year was 11.80%. Average % increase in the managerial remuneration was 12.57%.		
Affirmation that Remuneration paid by the company is as per the Remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.		

By Order of the Board
For **JSW Ispat Special Products Limited**
(Formerly known as Monnet Ispat and Energy Limited)

Jyotin Mehta
Chairman
DIN: 00033518

Place: Mumbai
Date: 11 May, 2022

Annexure-7

Management Discussion and Analysis

1. Economic Review

1 Global Economy

After having witnessed severe contraction in CY 2020, owing to the uncertainty induced by Covid-19 and disruptions to economic activity, the global economy stabilised in CY 2021 driven by pent-up demand. As per the International Monetary Fund's (IMF) World Economic Outlook: April 2022, the global real GDP has grown by 6.1% in CY 2021 in comparison to the CY 2020, where there was a contraction of 3.1%.

In the first-half of CY 2021, the economy witnessed disruptions owing to the rapid spread of the Delta variant. Subsequently, as the caseload gradually declined and with the improved scale of vaccination efforts, the economic activity witnessed steady revival. Increase in consumer spending and greater liquidity, helped improve business investment.

Backed by increased inventory investment and increased service spending, the United States is estimated to have grown by 5.7% in CY 2021. However, going forward with the Build Back Better fiscal policy coming to a halt and Federal Reserve's decision to tighten monetary policy, the economy is expected to witness some headwinds in CY 2022.

In Europe, industrial production was impacted by supply bottlenecks and higher energy prices in CY 2021. Hence, even as the economy continued to recover, growth was moderating. Moreover, with the spread of the new Covid-19 variant, recovery in services sector was impacted and weighed on growth prospects. In CY 2021, Euro Area is estimated to have grown by 5.3%.

China's growth witnessed some headwinds owing to stronger-than-anticipated fiscal tightening, uncertainty in the property sector, surging coal prices and supply chain disruptions. In China, with pandemic related restrictions and slowing property sector; consumer spending and investment considerably shrunk. In CY 2021, China is estimated to have grown by 8.1%.

Region	Year over Year Projections			Difference from January 2022 WEO	
	2020	2021	2022 (F)	2021	2022
World Output	-3.1	6.1	3.6	0.2	−0.8
Advanced Economies	-4.5	5.2	3.3	0.2	−0.6
United States	-3.4	5.7	3.7	0.1	-0.3
Euro Area	-6.4	5.3	2.8	0.1	-1.1
Japan	-4.5	1.6	2.4	0	-0.9
United Kingdom	-9.3	7.4	3.7	0.2	-1
Emerging Market and Developing Economies	-2	6.8	3.8	0.3	-1
Emerging and Developing Asia	-0.9	7.3	5.4	0.1	-0.5
China	2.2	8.1	4.4	0	-0.4
India 4/	-6.6	8.9	8.2	-0.1	-0.8
ASEAN-5 5/	-3.4	3.4	5.3	0.3	-0.3
Russia	-2.7	4.7	−8.5	0.2	-11.3

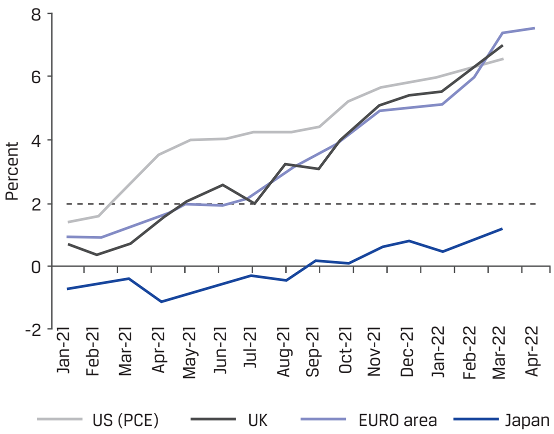
4/ For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.

5/ Indonesia, Malaysia, Philippines, Thailand, Vietnam.

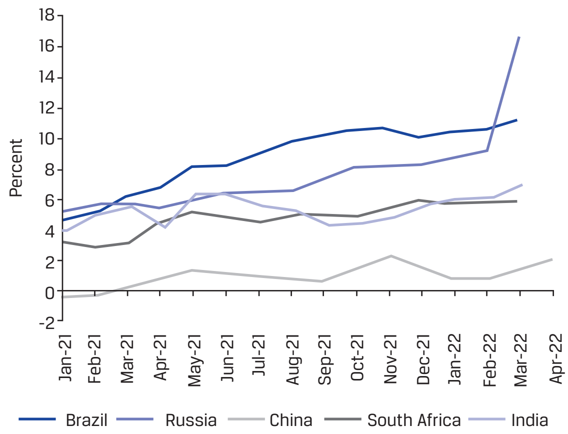
Outlook

At the end of CY 2021, inflation in several regions has surged to multi-decadal highs. A key driver of inflation across the world in 2021 was the rapid surge in energy, food and commodity prices. In the US, inflation measured by the y-o-y change in personal consumption expenditure (PCE) price index soared to a near 40-year high of 6.6% in March 2022 and, CPI inflation in the UK surged to 7% in March, the highest in the data series.

a. Advance Economics



b. Emerging Market Economics



Source : Bloom berg

In CY 2022, global economic growth is expected to moderate to 3.6%, the dip in IMF's projections for global growth are largely driven by the Fund's assessment of economic prospects in the US and China. In China, pandemic-induced disruptions related to zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.4% downgrade. IMF has also stated that the growth estimates could face downward risk pressures owing to the possibility of the emergence of new Covid-19 variants, renewed economic interruptions, supply chain disruptions, energy price volatility, and localised wage pressures. Moreover, if geo-political situation worsens, global economy may experience medium-term headwinds as developed nations pronounce political stance which are by developed nations define long-term trade relations.

[Source: Global Economic Outlook 2022 (World bank), Reserve Bank of India Bulletin May 2022 (RBI)]

2 Indian Economy

Despite global supply chain disruptions and looming uncertainty plaguing the global economy, the Indian economy continued to be on a steady footing for growth. During the year, the Indian economy was supported by the government's improved spending on direct benefit transfers and planned outlays. Moreover, government's swift decision-making to contain the spread of COVID-19 and also two subsequent variants of the infection, helped the economy bounce back strongly.

As per the National Statistics Office's (NSO), India's real GDP grew by 8.7% in FY 2021-22 as compared to a contraction of 6.6% in FY 2020-21,which is rebound from effect of the pandemic and the consequent restrictions. Due to significant government investments, total consumption is estimated to have grown by 7.8% during the fiscal, and Gross Fixed Capital Formation has exceeded pre-pandemic levels on the back of ramped up public expenditure on infrastructure.

Table: National Statistical Office's Second Advanced Estimates (% change of Indian GDP over fiscal years)

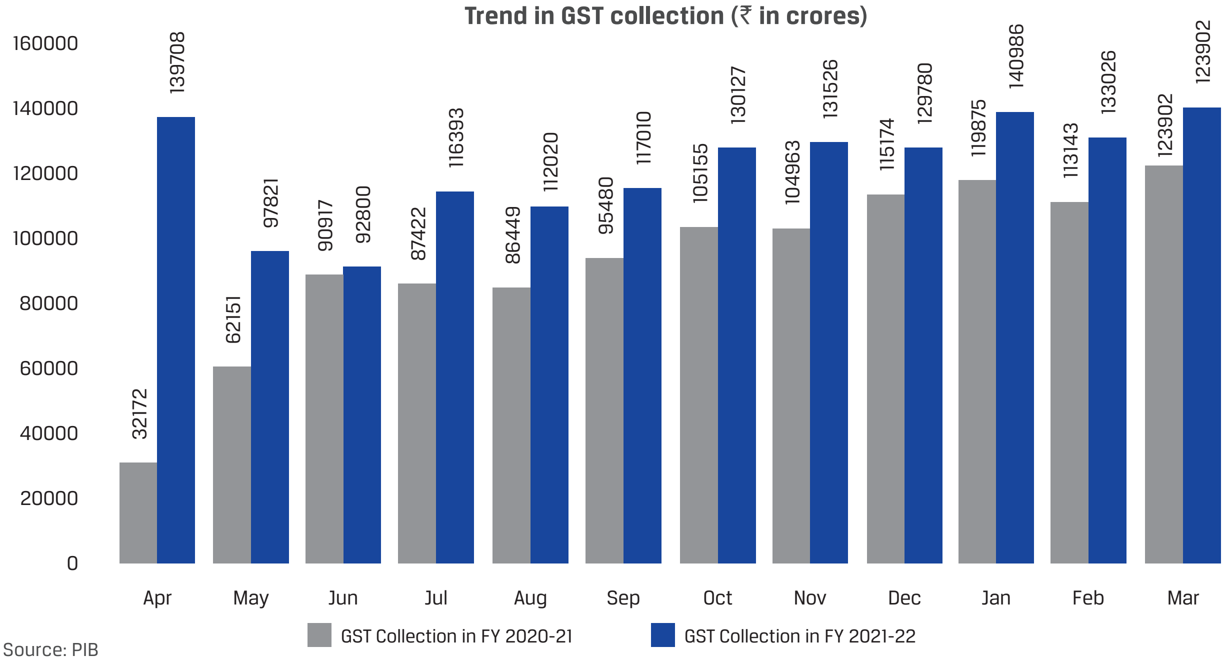
	2019-20	2020-21	2021-22
GDP	4.2%	-6.6%	8.7%

Source: Ministry of Statistics and Programme Implementation (MOSPI)

The country's trade remained robust with India's merchandise exports registering a growth of ~20% on a y-o-y basis in March 2022. During FY 2021-22, India's merchandise exports stood at US$ 419.6 billion, a y-o-y growth of 43.8% and exceeding the US$ 400 billion export target set for the fiscal.

The Government's tax collections also improved, with GST collection recording an all-time high of ₹1.42 lakh crores in March 2022 and a y-o-y growth of 15%. The quarterly GST collections increased steadily during the year on the back of economic recovery, anti-evasion activities as well as various rate rationalisation measures.

Monthly GST Revenue



Source: PIB

India is on a steady path of growth with the support of the fiscal policies introduced and is consistently taking measures to mitigate risk arising out of any subsequent COVID-19 breakout by extending the vaccination drive to cover more and more of the populace.

The Union Budget 2022-23 has proposed infrastructure spend of over ₹ 10 lakh crores, a 35% increase Y-o-Y. The Government intends to focus on using infrastructure development as an impetus to sustained economic growth. Introducing structural reforms like the Gati Shakti – National Master Plan, the government intends to create a digital platform to bring 16 Ministries for integrated planning and coordinated implementation of infrastructure connectivity projects. Moreover, policies like Atmanirbhar Bharat and Production Incentive Linked (PLI) scheme are expected to further encourage business investments in key growth sectors and boost domestic manufacturing.

Outlook

The IMF predicts that India will grow by 8.2% in FY 2022-23, to become one of the fastest growing economies in the world. The major factors to drive this growth will be increased infrastructure investments, growth in exports and supply-side policy reforms and incentives. Moreover, the government's consistent efforts to ensure widespread vaccine rollout should adequately safeguard the economy against any future variants of COVID-19.

By March 2022, close to 80% of the adult population of the country had received both the doses of vaccine, and 94% of the adult population had been administered at least one dose. In January, the country began giving booster shots to healthcare and frontline workers, and those above 60 with comorbidities. Since then, more than 10 million healthcare and frontline workers and another 10 million people aged above 60 have received booster shots. A vaccine programme for 15- to 18-year-olds also began in January - more than 75% have received the first dose. The aforementioned has been possible owing to the government's efforts to weed out logistical problems, supply bottlenecks and implementation of mass awareness campaigns to educate the masses.

However, persistent disruptions in global supply chains, Russia-Ukraine conflict, rising commodity prices and inflationary pressures will pose downward risk to the growth estimates. In May 2022, the RBI announced a 40 bps hike in repo rate, which was the first increase since May 2020. As inflation rises across the world and forces central banks to tighten monetary policy, the RBI may have to follow suit in order to contain inflationary pressures at home too.

2. Industry Review

2.1. Global Steel Industry

In CY 2021, the global steel industry witnessed volatile trends in terms of raw material prices, supply chain disruptions and overall demand shifts.

The global steel industry began CY 2021 on positive note with improved demand following accelerated pace of vaccination programmes in developed countries and gradual opening up of economies. The industry witnessed continued support from uptick in economic activity and improved business sentiment. Hence, in the first half of CY 2021, global steel production was at 1002 million tonnes (Source: Worldsteel Association), 14% higher as compared to the same period in CY 2020.

As the year progressed, China, the biggest steel market, started witnessing a gradual slowdown. The progress of the economy was marked down slightly by a stronger than anticipated fiscal tightening, uncertainties in the property sector, surging coal prices and supply chain disruptions. In December, China's crude steel production dropped by 6.8% YoY, dragging down global output by 3.9% (YoY). However, for CY 2021, global steel production increased by 3.6%, YoY, to reach 1911 MnT, backed by growth in steel production in India, EU and the US.

The US market witnessed a yearly growth of 18.3% in steel production. Steel demand rebounded in the Unites States with the resumption of operations, leading to an uptick in capacity utilisation and domestic steel production.

In the Europe Union (EU), production grew 15.4%, YoY as steel prices in the region gained some ground after coming under pressure since August 2021 as the semiconductor shortage hurt demand from car manufacturers.

Global Steel Production (in MnT)

Particulars	CY 2021	CY 2020	Growth
World (64 Countries)	1910.74	1844.82	3.6%
China	1032.79	1064.73	-3.0%
World (Excl.China)	877.95	780.09	12.5%
India	118.22	100.26	17.9%
European Union	152.58	132.18	15.4%
C.I.S.	105.18	100.02	5.2%
US	85.79	72.73	18.0%
Japan	96.33	83.84	14.9%
Korea	70.42	67.08	5.0%

Source: Worldsteel Monthly Report (March 2022)

According to Worldsteel's Short Range Outlook for April 2022, global steel demand for CY 2021 stood at roughly 1833.7 MnT, a growth of 2.7% from CY 2020. Even as the year was marred by COVID infection and subsequent disruptions and extended period of supply chain concerns, steel demand grew substantially in CY 2021, especially in the EU and the US.

Particulars	2021	2022 (f)	2023 (f)	Growth		
				2021	2022 (f)	2023 (f)
World	1,833.7	1,840.2	1,881.4	2.7%	0.4%	2.2%
China	952.0	952.0	961.6	-5.4%	0.0%	1.0%
World (Excl.China)	881.6	888.2	919.8	13.2%	0.7%	3.6%
India	106.1	114.1	120.9	18.8%	7.5%	6.0%
European Union	163.6	161.5	167.9	16.8%	-1.3%	4.0%
Russia & other CIS countries + Ukraine	58.5	44.6	45.1	1.5%	-23.6%	1.1%
US	97.1	99.8	102.1	21.3%	2.8%	2.4%
Japan	57.5	58.2	58.8	9.3	1.2%	1.0%
Korea	55.6	56.2	56.8	13.5%	1.2%	1.0%

f- forecast

Source: Worldsteel Association Short Range Outlook (April 2022)

Outlook

According to the World Steel Association, the global steel demand is expected to increase by around 0.4% YoY in CY 2022 from 1833.7 MnT to 1840.2 MnT. China's steel demand is expected to remain flat in CY 2022 with the depression in real estate sector owing to structural problems; and the Government's environment policies. World steel demand excluding China is expected to grow by 1% (~6.6 MnT) in CY 2022. The demand is going to be driven by Developed economies (4.3 MnT growth) and EMDEs excluding China (2.2 MnT growth).

In CY 2022, steel demand growth in US is expected to rise by 2.8% driven by pent-up demand and the $1 trillion Infrastructure Bill. In the EU recovery in CY 2022 is expected to be impacted heavily by the on-going Russia-Ukraine war and steel demand is estimated to contract by 1.3%. As European economies pass sanctions closing trade relations with Russia, the resultant supply side shortage, liquidity tightening and market volatility may act as downward risks and weigh on investment sentiments.

High backlog orders combined with a rebuilding of inventories and further progress in vaccinations in developing countries, will drive steel demand in CY 2022. However, rising inflation, and further growth deceleration in China owing to recent Coronavirus lockdowns can pose risks to forecasts.

Demand outlook for consumption sectors

Construction and infrastructure

Construction activities recovered around the globe and saw a growth of 3.4%, despite a contraction in China. This growth was due to infrastructure being used as a driver to boost economies.

Several countries have taken up initiatives to promote their economy by investing in infrastructure projects. Easing restrictions has prompted more construction projects as people are returning to offices.

Some issues that may hinder the growth would be supply issues, rising interests due to inflations and increased energy costs.

Automotive

The automotive sector saw the sharpest decline among the steel using sectors during CY 20-21. The sector saw some recovery post the decline mainly driven by pent-up demand and increased household savings. The supply chain disruption has led to a downturn in the recent quarter.

The disruption in the supply chain is significantly undermining the global automotive industry's recovery. With pent-up demand dissipating, the growth in auto production in CY 2022 will decelerate, though high order backlogs will provide some support.

Capital machinery

The capital machinery sector accounts for around 11 % of the total steel consumption and is expected to increase by around 14-15% by CY 2025-26. It has the potential to increase in tonnage and market share. Incremental focus on increasing the domestic production of Capital goods is likely to push for higher demand of domestic steel. One of the major impacts of the pandemic was the supply chain distortion due to which several manufacturers are now looking to expand their supplier network to avoid dependence on any particular country. This will help increase the demand for steel in the domestic market.

Indian Steel Industry

The steel industry is one of India's core industries and it has around 2% contribution to the GDP. From being a net importer of steel from 2008-2016, India today is the second-largest producer of crude steel in the world and a leading exporter to the global market. The growth in the Indian steel sector has been driven by growth in domestic consumption, domestic availability of raw materials such as iron ore, enhanced and focused incentivizing of the sector by the government and cost-effective labor. Consequently, the steel sector has been a major contributor to India's manufacturing output.

In FY 2021-22, the Indian steel industry produced 120.01 MnT, a rise of 15.9% vis-à-vis FY 2020-21. In FY 2021-22, India's finished steel consumption improved to 105.8 MnT, and rose by 12%, YoY. The growth in demand was driven by pent up demand and government's consistent investment in public infrastructure.

Exports of finished steel stood at 13.49 MnT in FY 2021-22. As steel prices improved during the year, steel firms increased their share of exports with better realisations and weak domestic demand in H1 FY 2021-22. Finished steel imports stood at 4.67 MnT in FY 2021-22 versus 4.75 MnT over FY 2020-21. The fall in imports is due to greater import substitution and development of comparable indigenous production lines in response to the government's clarion call for an Atmanirbhar Bharat or self-reliant India. Imports are projected to decline even further as steel mills leverage the Production Linked Incentive (PLI) scheme for specialty steel.

Outlook

India's steel production capacity has expanded rapidly over the past few years, By the end of FY 2021-22, India's total steel capacity increased to ~149 MTPA (million tonnes per annum).

Worldsteel has estimated that India's steel demand will rise in CY 2022 by 7.5%. The infrastructure sector will be a focus area for growth as government aims to spend a massive capex on building key public infrastructure projects. Automobile sector and capital good and consumer durable are also expected to back domestic steel demand growth.

According to estimates, the export demand is also likely to be robust both in the short-term and the long run as India benefits from the spillover impact of the Russia-Ukraine crisis and moves up the steel value chain and has increasing varieties of grades to offer. The initiatives announced in the Union Budget such as expansion of roads and railways and the construction of airports and ports will create significant demand for steel in the country. An international factor which can be capitalised on is the China +1 strategy. This is a trend which has recently taken root where several countries are looking for centers of manufacturing other than China. Easily available labour and rising availability of local raw material is making India an attractive option as an alternative trade partner.

Operational Review

The Company has stabilized special steel production and also commenced Slab production in FY22. On raw material front, the Company has secured supply of Iron ore from the mines of JSW Steel Limited and Coke conversion through Bhushan Power and Steel Limited (BPSL) and other party. On coal procurement for power plant, the Company entered into Coal linkage agreement.

On logistics front, the Company concentrated on maximizing rail movement for both inward and outward movement of material. During the year the Company has been able to reduce the average interest rates on borrowed funds thereby reducing its finance cost.

Though, the demand for steel products from infrastructure, construction, automobile and real estate sectors were fluctuating throughout the year, the last quarter of FY22 witnessed improvement in production, demand and prices for the products of the Company. This was also accompanied by increase in raw material prices.

The Company is in the process of increasing the production levels for special steel products both in Long Products and Slabs. The Company focuses on

IATF Certification, API Certifications and RDSO (Indian Railway) Certifications.

During the year under review the Raigarh unit of the Company was awarded with 2 Gold and 5 Silver awards in Confederation of Indian Industry (CII) National Competition in Q3 of FY-22. The year under review, the commercial production of Slab has been commenced at the Raigarh plant of the Company in September 2021. The crude steel production of the Company was at 0.58 Mtpa for FY 22.

Special Steels production

During the financial year under review the Company produced special steels of 0.43 Mtpa.

The Company exported 87,743 tones of special steel to Italy in FY 22.

Quality

At JSW Ispat, Quality is considered as a topmost priority. There is a dedicated quality assurance department which has been provided with a wide range of testing equipment's and inspection facilities. All the Quality systems are set in place to meet customer expectations on quality for special grade steel products. The focus is on zero defect and after sales support to the end / OEM customers. The Company's Raigarh facility has ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System), ISO 45000:2018 (Occupational Health and Safety (OH&S) management system) certification.

The Raigarh unit of the Company was awarded with 3 Gold and 3 Silver awards in Chapter Convention on Quality Concept (CCQC) in Q3 of FY-22 organized by Quality Circle Forum of India (QCFI) - Bhilai.

Key markets, industries and customers

The Company primarily caters to the mass markets of Northern and Eastern India. It caters to the following industries:

- Automotive
- Infrastructure and Construction
- Capital machinery
- Other transport (ships and railways)
- Electrical Equipment

Synergies with JSW Steel

The Company enjoys synergies with JSW Steel that provides it raw material and offtake security. JSW Steel has iron ore mines in total which ensures that JSW Ispat has long term raw material security. The Company also entered into a coke conversion agreement with Bhushan Power and Steel Limited, a subsidiary of JSW Steel Ltd. During the year, the Company exported 87,743 tonnes of special steel to JSW Steel Italy, Piombino S.P.A.

JSW Ispat uses the technical know-how of JSW steel to help build the knowledge and skillsets of employees.

Organizational Opportunities and Threats

Opportunities

- The infrastructure sector accounts for 9% of steel consumption and is expected to increase to 11% by 2025-26. Due to rising investment in infrastructure, the demand for steel products would increase in the years ahead.
- The automotive industry is forecast to reach US$ 260- 300 billion by 2026. The industry accounts for around 10% of the demand for steel in India.
- The Company is geared to meet the requirements of the seamless pipe manufacturers in the domestic market and also export its special cast products.

Strengths:

- Proximity to iron ore mines
- Integration includes pellets, sponge iron, billets, Alloy Steel and Ferro Alloys. Integration ensures better synergies, economies of scale and more effective control of operations.
- Its manufacturing capacity also allows cross selling of intermediate products apart from captive consumption

Threats

- COVID-19 disruptions in national and international markets.
- Continuous environmental pressures leading to process/ equipment related changes.
- The Divergent global market environment
- Geo-political conflict leading to increase in raw material prices for steel manufacturing

Financial review (standalone)

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Variation %
Total revenue from operations	6060.65	4,187.74	44.72
Profit / (Loss) before depreciation, interest, tax and exceptional items (EBITDA)	472.86	385.27	22.73
Finance costs	270.60	275.78	(1.88)
Depreciation and amortisation charges	223.21	227.47	(1.87)
Profit / (Loss) before tax	9.18	(104.99)	108.74
Other comprehensive (loss) / income (OCL)/OCI	(0.77)	2.51	(130.68)
Total comprehensive income / loss for the year	8.41	(102.48)	108.21

The Company recorded a profit before tax of ₹ 9.18 crores during the year, as against a loss before tax of ₹ 104.99 crores in FY 2020-21. The Company also delivered a significantly improved performance with EBITDA increasing to ₹472.86 crores vis-à-vis an EBITDA of ₹ 385.27 crores in the previous financial year.

The Company ended the financial year with a net total comprehensive income of ₹ 8.41 crores in FY 2021-22 as against a loss of ₹ 102.48 crores in FY 2020-21.

The analysis of the major items of the financial statements is given here:

a) Net sales and operating income

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Change (₹)	Change %
Domestic Turnover	5,027.60	3,857.60	1,170.00	30.33
Export Turnover	983.94	292.54	691.40	236.34
Total Turnover	**6,011.54**	**4,150.14**	**1,861,40**	**44.85**
Other operating income	49.11	37.60	11.51	30.61
Revenue from operations	**6,060.65**	**4,187.74**	**1,872.91**	**44.72**
Other Income	30.13	12.99	17.14	131.95
Total income	**6,090.78**	**4,200.73**	**1,890.05**	**44.99**

During the year, revenue from operations increased by 44.72 % as compared to the previous year as the Company dispatched higher volumes of Billets and slabs and could garner better prices for its entire range products in FY 2022 as compared to FY 2021.

b) Cost of materials consumed

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Change (₹)	Change %
Cost of materials consumed (including changes in inventory)	4,305.51	2,969.98	1,335.53	44.97%

During FY 2022, the Cost of Materials consumed increased by 44.97% as compared to the previous year on account of increase in volumes and increase in the prices for major RM like Iron Ore Fines, Coal and Coke as compared to the previous year.

c) Employee benefits expense

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Change (₹)	Change %
Employees Remuneration and Benefits	129.72	115.58	14.14	12.23%

The increase in manpower cost is mainly due to normal increment along with a onetime incentive.

d) Depreciation and amortization expense

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Change (₹)	Change %
Depreciation and amortization expenses	223.21	227.47	(4.26)	(1.87)

There is no major change in depreciation and amortization expense

e) Power and fuel expenses

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Change (₹)	Change %
Power and Fuel expenses	476.00	267.07	208.93	78.23%

During the year the power and fuel expenses increased by 78.23% mainly due to the Company's increase in operation especially production of steel and increase in the cost of coal.

f) Other expenses

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Change (₹)	Change %
Other Expenses	676.56	449.84	226.72	50.40%

Other expenses include, cost of stores and spares consumed, which have increased from ₹ 172.27 crores to ₹ 271.02 crores, primarily due to an increase in consumption of electrodes, refractories and other stores with an increase in production.

Distribution expenses have increased from ₹ 104.79 crores to ₹ 215 crores mainly due to increase in outbound freight on account of increase in in exports from ₹ 292.54 crores to ₹ 983.94 crores.

g) Finance costs

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Change (₹)	Change %
Finance costs	270.60	275.78	(5.18)	(1.88)

During the year the Company has been able to reduce the average interest rates on borrowed funds thereby reducing its finance cost.

h) Property, Plant and Equipment

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Change (₹)	Change %
Tangible assets	2,991.27	3,124.57	(133.30)	(4.27)
Capital work-in-progress	166.90	175.14	(8.24)	(4.70)
Intangible assets	34.37	-	34.37	100%
Right of use assets	43.05	43.84	(0.79)	(1.80)
Total	**3,235.59**	**3,343.55**	**(107.96)**	**(3.23)**

During the year the net block of the Company has reduced by ₹ 107.96 crores. Though the Company has added ₹ 119.28 crores (net of transfer from capital work in process) in the gross block of tangible and intangible assets, it was offset by depreciation for the year.

i) Investments

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Change (₹)	Change %
Investments	1.67	1.17	0.50	42.74%
Total	**1.67**	**1.17**	**0.50**	

The increase in investments is due to the change in the market value of the investments.

j) Inventories

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Change (₹)	Change %
Raw Materials	499.08	440.92	58.16	13.19
Work-in-Progress	7.02	5.98	1.04	17.39
Finished Goods	459.43	364.53	94.90	26.03
Stores and spares	144,85	113.60	31.25	27.51
Total	**1,110.38**	**925.03**	**185.35**	**20.04**

The Company carries optimum level of inventories to avoid any shortages and opportunity losses. The increase in raw material and work-in-progress inventory is in line with the increase in production and also increase in prices of major RM.

k) **Trade receivables**

(₹ in crores)

Particulars	FY 2021-22	FY 2020-21	Change (₹)	Change %
Total Debtors	256.59	190.88	65.71	34.42
Less: Provision for Doubtful debts	(2.14)	(2.20)	0.06	(2.73)
Trade Receivables	254.45	188.68	65.77	34.86%

The increase in debtors is mainly due to increase in sale values. The average debtor days have increased marginally from 10.48 days to 13.34 days.

l) **Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations;**

(₹ in crores)

Key Ratios	Reason for change in key ratios	FY 2021-22	FY 2020-21	Change in %
(i) Debtors Turnover	Improved Market sentiments	27.35	34.83	(21.48)
(ii) Inventory Turnover	During the year due to increased operations and higher productions, the Company could rotate the inventory better	4.23	3.33	27.03
(iii) Debt Service Coverage Ratio	Increase in EBITDA	1.56	1.45	7.59
(iv) Current Ratio	No Change	1.23	1.23	0.00
(v) Debt Equity Ratio	Due to improved profitability and cash flow	1.92	1.84	4.35
(vi) Operating Profit Margin (%)	Due to increase in raw material prices	7.80	9.20	(22.73)
(vii) Net Profit Margin (%)	Due to improved performance	0.15	(2.51)	(106)

People

JSW Ispat believes that people are the backbone to of the company. The Company has meritocratic culture and provides a conducive workplace for all. Occupational health and safety of both the permanent and contractual workforce is ensured at all times. The company focuses on the learning and professional development of its employees. Multiple on-the-job, classroom and other forms of trainings, learning opportunities and structured programmes are offered to our people, in order to help build world-class competencies, regularly reskill and upskill and provide an environment of continuous improvement.

Future Fit Leaders

JSW Group has launched the Future Fit journey for 2021 – 2022. Owing to the pandemic, the entire process was hosted virtually on a cloud based technology platform. This year's FFL identification is anchored on the 3A construct which comprises three distinct elements namely - Agility, Ability and Aspiration. This unique lens helped us to view the talent holistically.

- high performers across businesses underwent cognitive ability assessments as part of Phase-I.
- Thereafter shortlisted employees made through the threshold and moved to the Phase-II i.e Virtual Development Centre
- Out of which the Future Fit Leaders (FFL) are identified across bands and will now take the Talent through the development journeys

The objective of the FFL program is to make leaders in current and transitioning roles to be effective, successful and ready for future growth. Create Self-awareness and deeper understanding of leadership strengths, motivators and blind spots and to achieve Tangible outcomes based on Individual Development Plans. During the year, the Company was also part of the FFL program and certain employees of the Company were identified for the FFL program.

The Company has strong people policies on Gender Equality, Gender Protection, Prevention of Sexual Harassment and Redressal System as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and employees (permanent, contractual, temporary, apprenticeship) are covered under these policies.

2076

Team strength on payroll (as on 31 March 2022)

Risk Management

Emerging risks are always a challenge, as in any business. To deal with this, the management has proper risk management framework in place to identify, assess and manage all potential risks which can pose a threat. This allows us to achieve our goals, safeguard stakeholder interests and grow as planned by the management.

Risks	Understanding the risk	Mitigation technique
Unfavourable demand-supply dynamics	Demand and supply dynamics have an impact on the Company's ability to reach different domestic and international markets and cater to a varied customer base	The Company is growing its presence in various Markets, domestically and internationally and also catering to a wide industrial segment to manage this risk. It has also begun production of value-added offerings that will enable it to create a niche for itself in the industry
Cyclical nature of the steel industry	The easiest way to navigate the cyclical nature of the steel industry is by developing footholds in various markets with different cyclical patterns and reducing cost.	The Company uses this concept to leverage market opportunities, catering to the needs of domestic markets of northern and eastern India simultaneously preparing to meet the demands of global markets, starting with exports of special grade steel to JSW Steel Italy Piombino S.P.A. The Company has already initiated cost reduction measures.
Disruption of business activities	Risks are an integral part of any business and businesses must learn to mitigate them for a sustainable journey	The Company employs a proactive risk management approach that enables it to manage its upcoming risks and find opportunities

Internal control systems and their adequacy

The internal control systems include documented policies, checks and balances, guidelines and procedures, that are supplemented by robust internal audit processes and monitored continuously by periodical reviews by management to provide reasonable assurance that all assets are safeguarded; transactions are authorized, recorded and reported properly. The internal controls framework has been strengthened with an objective to have a best-in-class internal control framework commensurate with the size, scale and nature of business.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's estimates and expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results/performance could differ materially from those expressed or implied.

Annexure-8

Business Responsibility Report

(31 March 2022)

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Section A: General Information about the Company

Corporate Identity Number (CIN) of the Company	L02710MH1990PLC363582		
Name of the Company	JSW Ispat Special Products Limited (Formerly known as Monnet Ispat and Energy Limited)		
Registered address	JSW Centre, Bandra Kurla Complex, Bandra (East) Mumbai 400051		
Website	www.aionjsw.in		
E-mail id	isc_jispl@aionjsw.in		
Financial Year reported	2021-2022		
Sector(s) that the Company is engaged in (industrial activity code-wise)	S. No.	Name and Description of main products / services	NIC Code of the Product/service
	1	Steel	241
	2	Metal	243
List three key products/services that the Company manufactures/provides (as in balance sheet)	Three key products manufactured by the Company are: a) DRI/ Pellets b) Special cast products/ Billets c) Structural Steel/Ferro Alloys		
Total number of locations where business activity is undertaken by the Company	Detailed hereunder:		
(a) Number of International Locations (Provide details of major 5)	0		
(b) Number of National Locations	2 manufacturing locations		
Markets served by the Company – Local/State/National/ International	All		

Section B: Financial Details of the Company

Paid up Capital (INR)	Equity Share Capital ₹ 469.55 crores
Total income (INR)	6090.78 crores
Total profit after taxes (INR)	9.18 crores
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Since the average net profit of the Company, during the previous three financial years was negative, the Company is not mandatorily required to spend any amount on CSR during FY 2021-2022. The Company has however voluntarily incurred expenses of ₹ 0.47 Crores on certain social initiatives.
List of activities in which expenditure in above has been incurred:-	The Company's efforts have focused on following areas: a) Education & sports b) Health and medical facilities c) Women empowerment/ Skill Enhancement d) Rural- Community and Infrastructure development

Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes, The Company has three direct subsidiaries i.e., two Indian and one foreign subsidiary as defined under section 2(87) of the Companies Act, 2013.

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

   The subsidiaries of the Company are yet to commence operations. As on 31 March 2022, the Company's subsidiaries were not participating in the BR initiatives of the Company.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

Presently, other entities such as suppliers, distributors and the like who are associated with the Company do not participate in the BR initiatives of the Company due to restricted movement in view of the second and third wave of COVID 19 pandemic.

Section D: BR Information

1. Details of Director/Directors responsible for BR

Details of the Director/Director responsible for implementation of the BR policy/policies	
DIN Number	09169018
Name	Thirukkoteeswaran Mohan Babu
Designation	Whole-Time Director
Details of the BR head	
DIN Number (if applicable)	Not Applicable
Name	Sh. M. Muralidhar Rao
Designation	General Manager-EHS
Telephone number	9109910399
e-mail id	muralidhar.rao@aionsjw.in

The Composition of the Business Responsibility Reporting (BRR) and International Trade Practice, Committee as under:

Sr. No.	Name	DIN	Designation
1	Mrs. Anuradha Bajpai	07128141	Non-Executive Independent Director- Chairperson
2	Mr. Thirukkoteeswaran Mohan Babu	09169018	Executive- Whole-Time Director – Member
3	Mr. Nikhil Gahrotra	01277756	Non-Executive Director-Member

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/policies

a) Details of compliance (Reply in Y/N)

Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	# Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	https://www.aionjsw.in/investors/policies.								
7	Has the policy been formally? communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	* Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	^ Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Policies are currently evaluated internally and would be subjected to external audits as and when applicable.								

Notes:

The BRR policy is based on National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business.

* The Business Responsibility Head with the support of other functional head and internal / external experts ensures the implementation of the BR policies. The Corporate Governance & BRR Committee oversees the implementation of Business Responsibility policies.

^ Pursuant to the BR policy, the Company has established grievance redressal mechanism whereby stakeholders can approach the Company by writing email at isc_jispl@aionjsw.in for the redressal of their grievances.

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No	Questions	P1	P2	P3	P4	P5	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles										
3	The company does not have financial or manpower resources available for the task										
4	It is planned to be done within next 6 months										
5	It is planned to be done within the next 1 year*										
6	Any other reason (please specify)										

3. Governance related to BR

a. **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The Senior Management reviews the BR performance of the Company through its periodical review meetings. Further, the Whole time Director assesses the BR performance including any significant development of the Company on a periodical basis. The BRR Committee reviews BR performance annually.

b. **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company is required to publish a Business Responsibility Report as part of the Annual Report vide SEBI notification dated 26 December 2019. This report is available at the website of the Company at https://www.aionjsw.in/investors/annual-report and same will be published annually.

Section E: Principle-Wise Performance

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

The Company (together with its subsidiaries and controlled joint ventures of the Company) conducts and is committed to conducting all aspects of its business in keeping with the highest legal and ethical standards and expects all employees and other persons acting on its behalf to uphold this commitment. The Anti-Corruption Compliance and Trade Control Compliance Policy is applicable to all directors, officers, employees, agents and other associated persons of the Company and the same is available on the website of the Company.

The Vigil Mechanism and the Whistle Blower Policy of the Company provides a mechanism for directors and employees of the Company to approach the Chairperson of the Audit Committee of the Board to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or any other unethical or improper activity.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

During the year, the Company has received 4 complaints/queries from shareholders of the Company and all of them (i.e. 100%) were satisfactorily resolved. The Stakeholders Relationship Committee of the Company specifically looks into various aspects of interest of shareholders, and other security holders of the Company.

During the year, no complaints pertaining to sexual harassment or environment related aspects were received or pending to be resolved by the Company. Similarly, the Company has not received any 'Protected Disclosure' or pending to be resolved under Whistle Blower Policy/Vigil Mechanism of the Company about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or any other unethical or improper activity. The Company received 2 complaints under the Whistle Blower Policy/Vigil Mechanism of the Company and the same were investigated leading to appropriate disciplinary actions against employee/ vendor.

The Company has not received any other compliant(s) from other stakeholders.

Principle 2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

The Company understands its obligations relating to social and environmental concerns, risks and opportunities. The Company ensures fulfillment of compliance obligations that relate to its products, environmental aspects and occupational health and safety. During the year ended 31 March 2022, the Company was engaged in manufacturing of following main products:

- DRI/Sponge Iron
- Pellets
- Structural/Special cast products/Steel

The products of the Company are supplied in Business to Business segment. The Company's manufacturing processes have adequate systems and processes which ensure protection of environmental factors like reduction of emissions, discharge of pollutants and hazardous waste and treatment thereof in systematic manner to minimize adverse environmental impact. The Company prioritizes domestic sourcing wherever possible. Efforts are also made to transport maximum cargo via ship/rail.

The manufacturing process of the Company is in compliance with applicable laws, regulations and environment norms. All the process emission is being controlled through Air Pollution Control Devices i.e. ESPs, Bag Filters, cyclones, ventury scrubbers etc. Apart from the same, following measures have also been taken to protect environment and reduce emission:

1. All the conveyor belts and transfer points are covered and equipped with dust extraction/suppression system to prevent / minimize fugitive dust.

Covered Conveyor belts

2. Transportation of raw material/product is being rail wagon. Raw material/Solid waste whatever transported through truck/road is covered properly to avoid any dust generation.

Unloading of wagons at Wagon Tippler

3. All internal roads are concreted and cleaned by motorized sweeping machine to control the fugitive emission.


Concrete roads within Plant premises

4. Apart from above water sprinkler have been installed at road side to check fugitive dust generation through vehicle movement. Further water tanker is being utilized for water sprinkling at yards, parking area etc.

5. Suitable waste collection bins area being kept at designated locations to ensure the collection and segregation of waste at one location in respective area.

Waste Collection bin


Vermicompost

6. All the hazardous waste generated during the manufacturing is being stored and sold out/dispose-off as per standard practices.


Hazardous waste shed


Deep Burial Pit

7. Raw material yard is bounded by retaining wall and also raw material is covered by tarpaulin sheet to avoid the dust spread.


Retaining wall


Material Covered

The manufacturing process also identifies occupational disease, safety risks during the process. An onsite emergency plan has been developed against the identified potential risk hazards and circulated amongst the manufacturing as well as services division to take care-off safety aspects. To encounter injuries, accidents and occupational risk the Company has established 24x7 First Aid center and occupation health clinic with efficient medical Practitioner and qualified staff.

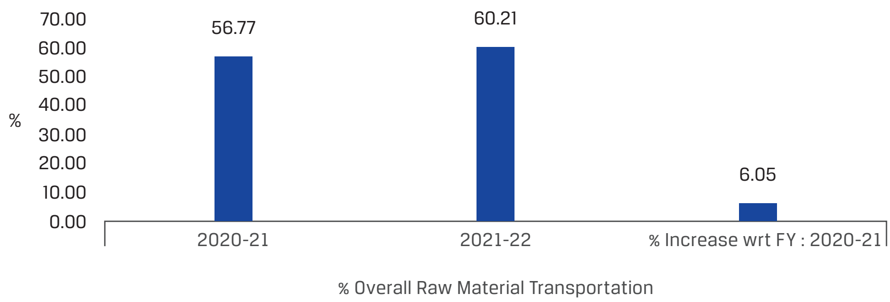
Occupational Health Clinic

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**
The Company is committed to environmental sustainability and constantly endeavours for reduction and optimal utilization of energy, water, raw material by incorporating new techniques and innovative ideas. The Company has two manufacturing facilities at Raipur and Raigarh, in the state of Chhattisgarh. Raigarh Plant of the Company is the major contributor to the overall revenue and production of the Company.

The Company has increased sourcing of raw material through rail as compared to road transport. The sourcing of raw material through railways has been increased around 6.05 % of total procurement of raw material from previous FY 2020-21. This is major reduction in vehicular pollution/ traffic congestion and helps to prevent 2,400t co2 emission.

Raw Material Transportation Through Rail/Wagon

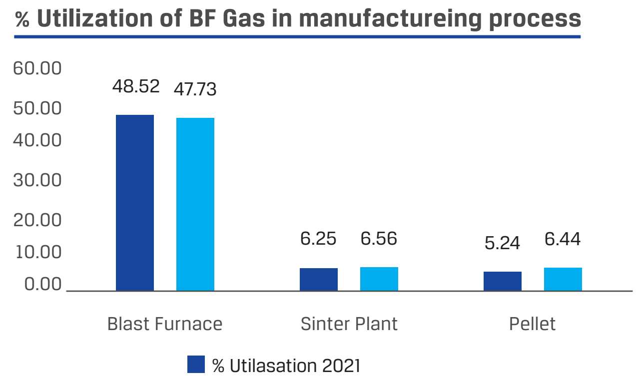


The Company continues to take initiatives for conserving the usage of fresh water consumption in manufacturing processes like Pelletization, slag granulation process through recycling /reuse of waste water which has resulted in saving of 11,75,511 cubic meter of fresh water consumption during the FY 2021-22. During financial year 2021-22, one third of the water requirement was met by using waste water. It may be noted that there was an increase of 17% in overall waste water utilization as compared to FY 2020-21.

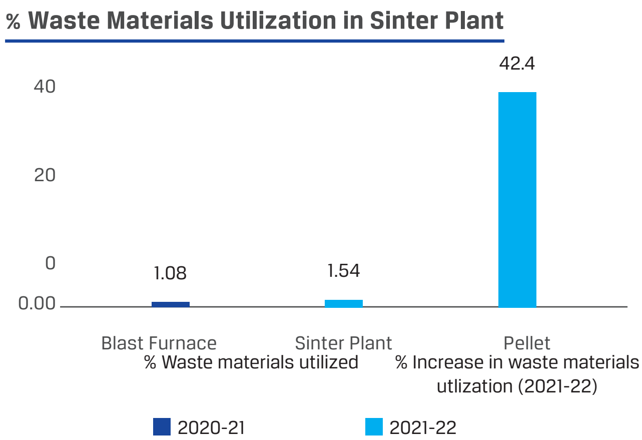
b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**
The Company operates in Business to Business segment, therefore the Company's products do not have any broad based impact in the reduction of consumption of energy and water by its consumers. The Company is generally committed to reduce waste, conservation of raw material, resources and energy through various initiatives, technological upgradation. Utilization of intermediate product such as DRI at user end will help to save 17,50,505 Gcal.of Energy; 2,74,873 m/3 of fresh water consumption and 2,170 tCo2 emission (due to ore consumption).

The Company has reduced waste, conserved raw material, resources and energy through various initiatives, technological upgradation, in following manner:

1. Blast furnace waste gases is being utilized as a fuel in Rolling Mill, Pellet Plant and Sinter Plant which has optimized the use of raw fuel. Blast furnace gas utilization is increased in pellet plant by 23% and 5% in Sinter Plant as compared to previous FY 2020-21.



2. Top pressure recovery turbine (TRT-4.5 MW) has also been made functional to convert the waste pressure energy in the Blast Furnace for power generation. This year about 6,766 MWh power generated through TRT.
3. Bag Filter dust, FES Dust and Mill scale generated from various unit is being utilized as raw material in Sinter plant. During FY: 2021-22 about 7,555 MT of waste material were utilized as a raw mix and during current year 14,187 MT of waste material are used as raw material so far. This comprises about 1.54% of total raw material (other than flux & fuel) used in the unit during FY 2021-22 vs 1.08% in FY 2020-21 leading to an increase in waste material utilisation by 42.4%.



3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   The Company has a structured procedure for sourcing to ensure raw materials are sourced in an optimal sustainable manner. The Company procures key raw material like Iron-Ore from Odisha, Furnace oil from Raipur, fluxes from Rajasthan, Kutch, Chhattisgarh, Madhya Pradesh and LPG gases from local vicinity where the plant of the Company is located. The sourcing of raw materials like iron ore and coal were made through Rail wagons and Road Transportation. There has been increase of 6.05 % of sourcing the raw material through Rail wagons.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   The Company believes in inclusive growth and encourages local direct or indirect sourcing wherever possible. The Company is promoting and encouraging surrounding areas; local small suppliers, civil, housekeeping, horticulture contractors and transporters which help them in securing work contracts. Land looser and worker grade are hired locally as per their qualification and experiences, similarly there are direct and indirect employment to the local residents.

Most of such local suppliers categorized under MSME (Micro, Small & Medium Enterprises) sector. To ensure improvement of capacity and capability of such local suppliers the Company ensures the timely payments against the respective services rendered by them. The Company do avail/employ people residing in vicinity of plants of the Company, whenever required, for the purpose of its manufacturing activities, and other related activities. The Company is providing technical and safety training, as required in Plant, which makes them more reliable and employable in safe ways.

As on March 2022, the Company had registered 890 vendors and engaged 473 vendors in MSME category vs 615 registered vendors and 311 engaged vendors as on March 2021, which is equivalent to 52% rise in engaged vendors with respect to FY 2020-21.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The waste management at the Company comprises of a collective activity involving collection, segregation, transportation, processing, recycling and disposal of various types of wastes. Effective utilization of resources and its management is the prime focus in all processes.

The major solid waste is slag which is generated from Blast Furnace (BF) and Steel Melting Shop (SMS). The solid waste generated from the integrated steel plant during FY 2021-22 is around 9,69,445 MT which includes waste generated from Blast Furnace in the form of granulated slag around 2,29,878 MT. This constitutes 23.7% of the total solid waste generation. Out of this, 1,05,186 MT of slag ie 45.7% of the slag generated during the year is sold to cement companies. Other solid wastes like metallurgical dust (BF and SMS) and Mill scale is wholly reused in the Sinter Plant. Dolochar is used in the Power Plant as a replacement of fuel.

The total hazardous waste generated during FY 2021-22 is around 45.5 MT out of which 45.1 MT has safely disposed to CECB/CPCB authorized vendor. Electronic waste generated during the FY 2021-22 was 1.60 MT out of which 0.33 MT was disposed-off to authorized e-waste dismantler/recycler during the year Further, about 3.83 MT Scrap batteries were sent to authorized agencies on buyback basis being replaced with new batteries.

The Company is maintaining/practicing norms related to Zero Liquid discharge. Daily industrial effluent generation is around 3500 m3/day which is being treated by Effluent Recycling System (ERS) and then being utilized in various industrial activities i.e. Slag Granulation, Pellet manufacturing, ash conditioning and dust suppression. Domestic Waste water is treated into the Sewage Treatment Plant (STP) and is being reused/recycled for plantation/horticulture activity.

STP, ERS & WATER TREATMENT

Principle 3 -Businesses should promote the well-being of all employees

1.	Please indicate the Total number of employees:	2076
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis (MBC):	1962
3.	Please indicate the Number of permanent women employees:	13
4.	Please indicate the Number of permanent employees with disabilities:	01
5.	Do you have an employee association that is recognized by management: Yes/NO	No
6.	What percentage of your permanent employees is members of this recognized employee association?	Not Applicable

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Category	No. of complaints pending at the beginning of the financial year	No. of complaints filed during the financial year	No. of complaints Resolved during the financial year	No. of complaints pending as on end of the financial year
Child labor/forced labor/involuntary labor	Nil	Nil	Nil	Nil
Sexual harassment	Nil	Nil	Nil	Nil
Discriminatory employment	Nil	Nil	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Sr. No.	Category of employees	% of training given at Raigarh location	% of training given at Raipur location
a)	Permanent Employees	96%	95%
b)	Permanent Women Employees	100%	100%
c)	Casual/Temporary/Contractual Employees	78%	85%
d)	Employees with Disabilities	100%	N.A.

On Job Training (OJT) session at Shop

Class room Training by External /Internal trainer

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. **Has the company mapped its internal and external stakeholders? Yes/No**

   Yes. The stakeholders have been mapped its internal and external stakeholders. The key stakeholders are as follows:

   a) Government and regulatory authorities

   b) Investors and Shareholders

   c) Employees

   d) Customers

   e) Local Communities

   f) Suppliers/contractors.

   g) Lenders

   The Company maintains an active website through which it updates its stakeholders on regular basis regarding the products offered and issues press release/ information for its stakeholders. The Stakeholders Relationship Committee of the Company specifically looks into various aspects of interest of shareholders, and other security holders of the Company.

   Further, at plant locations, the management engages and resolves any concern of the various stakeholders.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   Yes, as a part of its social activities, the Company has identified 10 villages in proximity to its plants. The Company organizes occupational health care services, Medical Health Check -up camps, Dental checkup camps, awareness programmes as per MOU with District Health Department for T.B. and HIV. It has provided oxygen Concentrators & oximeters in Health Center, free ambulance facilities catering to all adopted villages, maintenance of Street lights, vocational classes for women (Stitching classes), Provide Computer set/Projector for Jawahar Navodaya School and improvements in school infrastructures/ arrangement of transportations through CSR. In addition, the Company has taken initiatives for clean water and local road repairs.

Facilitation of medical

Food & Mask Distribution

Education & Livelihood

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**
   During COVID 19 pandemic the Company took special initiatives to distribute mask and encourage local population to abide with social distancing norms. The Company understands the need for education with updated technology and has in view of the same provided computer sets and Projector Boards to local school which will help them to equip and impart knowledge through latest technology. Further, the Company understands its role it can play to support government authorities by making small contributions. This year it provided for wire fencing of Local Police thana near Plant.

   The Company also encourages its employees to participate in various social activities.


Education


Wire Fencing at Police Thana

Safeguarding our employees' health & safety, JSW Ispat Special Products Limited, Raigarh has conducted vaccination drive for all the employees. This initiative is fueled by our commitment towards ensuring a protected and stronger India.

Principle 5 - Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**
   The Company strictly follows highest ethics including protection of human rights while conducting its business activities. The Company's stand on human rights, including non-discrimination, prohibition of child and enforced labour, freedom of association and the right to engage in collective bargaining. The Company's Human Rights Policy aims to cover all its businesses processes and is part of its commitment to ethical and socially responsible behavior across its value chain. Currently the Human Rights Policy is applicable to the Company.

   The Company's Policy for Prevention of Sexual Harassment of Women at workplace is applicable to all the employees including contractual and also covers contractual, temporary, visitors.

   The Whistle Blower Policy/Vigil Mechanism of the Company also provides a mechanism for directors and employees of the Company to approach the Chairman of the Audit Committee of the Board to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or any other unethical or improper activity.

   The Company has also extended strong support to manpower by covering them in Group Personal Accident & Group Mediclaim policy. The Company abides by all the rules and regulations related to human rights which are applicable in the area of operations.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**
   The Company has not received any complaints related to human rights and there is no complaint pending to be resolved in this respect, during the year ended 31 March 2022.

Principle 6 - Business should respect, protect, and make efforts to restore the environment

1. **Does the policy relates to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   The Company has a Policy on Conservation and Preservation of the Environment. All the plants of the Company endeavours to maintain the generation of emissions and waste within the permissible limits given by Central Pollution Control Board of India (CPCB)/ State Pollution Control Boards (SPCB) to minimize adverse impact on environment.

   The Company has adopted an integrated approach towards addressing biological diversity at various sites. Wastelands around the sites and open spaces within the premises are being converted into green belts, leading to reduced dust, improved micro-climate conditions, enhanced ambience for natural flora and fauna, reduction in evaporation losses of water. During the year ended March 2022, there are about 1,79,700 trees /plants which covers one third of the total land. This year 5,000 nos. of saplings (which also included fruit bearing saplings) were planted within the Plant premises in Raigarh and 2,000 nos. saplings were planted in Raipur.

   The Company while dealing with its suppliers/ contractors and other concerned parties, always ensures to conducts its dealings in accordance with policy on Conservation and Preservation of the Environment.







2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**
The Company understands the global issue of climate change and aims to address it. The Company is committed to:

   i) Addressing environmental issues through efficient use of natural resources, promote use of renewable energy, minimization of wastes, water management, protecting the biodiversity, Rain water harvesting system and reducing carbon footprint.

   ii) Effective implementation of environmental management system to prevent, mitigate and control environmental damages.

   In the period under review, various initiatives on energy saving, water saving, waste reduction etc. were implemented. Major activities in this regard taken were as under:

   a) Power generation from Waste Heat – The waste heat generated during Sponge Iron production is utilized to generate steam and the same gets converted into Power with the help of Waste Heat Recovery Boiler. During the year ended 31 March 2022, Raipur Plant generated 84,154.036 MW units of power, while Raigarh plant has generated about 1,90,692 MW power. Further waste pressure energy in the Blast Furnace is also utilized for power generation. This year about 6,241 MW power was generated through TRT (Top pressure Recovery Turbine).

   b) Plantation of Trees- The Raigarh plant has planted maximum neem trees as a green belt within the plant premises and colony area helps to capture the CO2 generated from the plant. This year 5,000 nos. of saplings were planted within the premises. Whereas, Raipur plant has planted 2,000 nos. trees within the plant and colony premises.

   c) Around one third of water requirement was met by using waste water during the year i.e. FY 2021-22. Waste water utilization increased by 17% as compared to previous year.

   d) During this year, around 46% of Granulated slag and 8% of Fly ash was supplied to cement manufacturing unit where it was used as a raw material for cement production and as an aggregate and insulating material.

3. **Does the company identify and assess potential environmental risks? Y/N**
Yes, the Company assesses the potential impacts of its operations on the environment through the implementation of the policy on Conservation and Preservation of the Environment. Potential environmental risks are identified by Environment Department. Once risk is identified, steps are taken to measure and mitigate risk through the Management System approach which include the following initiatives;

   1. The Company has enhanced its raw material's (i.e. iron ore, coal, dolomite, lime, quartzite, Furnace oil etc.) transportation by rail as compared to last year by 6 %. During the financial year ended 31 March 2022, 60% of the total raw materials was transported through Rail, which helped to reduce the vehicular pollution and traffic congestion.

   2. Effluent treatment Plant (ERS) and Sewage treatment plant (STP) are efficiently operated to maintain zero liquid discharge. STP unit is modified by construction of Raw water collection tank, treated water collection tank and dry bed. This enhances the treatment capacity from 300 KLD to 400 KLD

   3. IMS certification for ISO 9001:2015 (QMS), ISO14001:2015(EMS) and ISO 45001:2018 (Health & Safety) implemented in the year 2019. The annual surveillance audit for FY 2021-22 has been completed.

   4. A third party Water audit by PHD, Chamber of Commerce has been conducted.

   5. Periodical medical check-up for all employees and workmen was conducted during the year.

   6. Raw material yard is bounded by wall boundaries to prevent the spread of material.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**
The Company has not yet initiated any project in Clean Development Mechanism (CDM).

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**
Yes, the following clean technology and energy efficiency practices is being adopted by the company at its Raigarh Plant:

   1. Waste Heat Recovery Boiler has been installed in DRI Kilns to use Kiln off gases. About 1,90,692 MWh power are generated from kiln-off gases during FY 2021-22.

   2. Blast Furnace gases is being used as a fuel in Sinter Plant, Rolling Mill and Pellet Plant operations. Apart from that about 6,766 MWh power generated through TRT (Top pressure Recovery Turbine)

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the period being reported?**
   The Company endeavors to maintain the emissions/ waste generated by it within the permissible limits. No show cause/ legal notice has been received from CPCB/SPCB during FY 2021-22.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of end of financial year.**
   As on 31 March 2022, there were no pending show cause or legal notices received from CPCB or SPCB.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**
   The Company is a member of Associated Chambers of Commerce and Industry of India (ASSOCHAM), PHD Chamber of Commerce & Industry, Pellet Manufacturers Association of India (PMAI) and Indian Steel Association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**
   No.

Principle 8 - Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**
   The Company has voluntarily adopted a Corporate Social Responsibility (CSR) policy which governs the CSR activities in 10 nos. of surrounding villages. Since the average net profit of the Company, during the previous three financial years was negative, the Company is not mandatorily required to spend any amount on CSR during FY 2021-22.

The Company has however voluntarily incurred expenses of ₹ 0.47 Crores on certain social initiatives.

2. **Are the programmes/ projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**
   Voluntary social initiatives as mentioned hereinabove have been undertaken through support of Company's employees and nearby communities.

3. **Have you done any impact assessment of your initiative?**
   No.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**
   As the average net profit of the Company during the previous three financial years was negative, it was not mandated to spend any amount on CSR during the year ended 31 March 2022.

Details of voluntary social initiatives for community development programs undertaken by the Company during the year ended 31 March 2022 are as under:

Sr. No.	Description of voluntary social initiatives	Nature of activity	Amount (in ₹ crores)
1	Incurred towards the distribution of Computer, LCD Projectors and interactive Board to Jawahar Navodaya Vidyalaya and schools located in 10 Adopted villages Block - Kharsia, Dist- Raigarh (CG), financial support for Alumni Association to GEC NIT Raipur	Education	0.01
2	Expenditure incurred to Provide oxygen concentrators & oximeters in Health Center for Covid hospital Raigarh and Bhupdevpur, Providing ambulance facilities Occupational health care services, Dental checkup camps, health camp of HIV & Tuberculosis, improvement in hospital infrastructures, Meal facility for Govt Medical staff and Awareness Programme as per MOU with District Health Department (TB,HIV)	Health	0.08
3	Initiative for clean water, local road repairs, help to flood affected areas, funding to local CSR Cell in consultation with the Collector, sponsoring sports tournaments	Community Development	0.07
4	Training in Sewing for women and conducting	Women Empowerment/ Skill enhancement	0.01
5	Amount deposited in the Dist. Administration CSR cell	Infrastructure development	0.30
	Total		**0.47**

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**
   Identification and prioritization of community initiatives is done through participatory exercise at village level which is further endorsed by Gram Panchayats. The Company regularly engages with nearby villagers to ensure community development programs adopted by the respective beneficiaries are achieved with maximum possible benefits to the community.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year**
   During the year ended 31 March 2022, Raipur plant of the Company has received 39 quality-related complaints and all 39 of them have been resolved, whereas Raigarh plant of the Company has received 41 complaints and all 41 of them have been resolved.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**
   The Company displays product information on labels as mandated by law and supplemented by additional information per requirements of the customer. The company has product approval under BIS for its TMT, round bars and Billet segment, for all those products the company provides product label as per the BIS norms.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**
   No such case has been filed by any stakeholder against the Company.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**
   The Company has not carried out a formal consumer survey/ consumer satisfaction trends yet. However, feedback is taken on a regular basis from customers/ stakeholders and immediate action is taken on any issues that they are facing with respect to products/ service of the Company.

Annexure-9

Corporate Governance Report

1) Company's Governance Philosophy

The Company believes that Corporate Governance is a set of guidelines to help the Company to fulfil its responsibilities to all its stakeholders. The Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long-term success. The Company further exercises its fiduciary responsibilities in the widest sense of the term. In the same spirit, timely, transparent and accurate disclosure of information regarding the financial position, performance, ownership and governance of the company is an important part of the Company's Corporate Governance process.

The Board of Directors, guided by the above philosophy, formulate strategies and policies having focus on optimizing value for various stakeholders like consumers, shareholders and the society at large. Your Company's Corporate Governance framework also ensures correct and timely intimation of disclosures and information as required to be disclosed under the applicable regulations.

Your Company confirms the compliance of Corporate Governance as contained in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended.

2) Board of Directors

A. Composition and Category of Directors

The Company's Board of Directors has an optimum combination of Executive Director (ED), Non-Executive Directors (NED's) and Independent Directors (ID's) including women ID to maintain the Board's independence.

The appropriate mix allows to separate its functions of governance and management and enables the Board to discharge its responsibilities and provide effective leadership to the business. The composition of the Board complies with the provisions of the Companies Act, 2013 ("the Act") and the SEBI Listing Regulations.

None of the Directors on the Company's Board is a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on 31 March 2022.

The maximum tenure of Independent Directors is determined in accordance with the Act. The Independent Directors have also confirmed that they meet with the criteria of independence laid down under the provisions of the Act and SEBI Listing Regulations. In terms of Regulation 25(8) of SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

As on 31 March 2022, the Board comprised of eight members which includes, one ED, four NED's and three ID's. Detailed profile of your Directors' is available on website of the Company viz www.aionjsw.in.

The details of each member of the Board along with the number of Directorship/Committee Membership in other Companies, as at 31 March 2022 are as follows:

Name and Designation of the Director	Category	No. of Directorships in other Listed and unlisted Public companies (other than the Company)	No. of Committee Memberships and Chairmanship in other Companies		Number of shares / convertible instruments held by non- executive directors
			Chairperson	Member	
Jyotin Mehta, Chairman DIN: 00033518	Chairman-Non-Executive Independent	6	5	3	0
Anuradha Bajpai, Director DIN: 07128141	Non-Executive Independent	7	3	2	0
Nikhil Gahrotra, Director DIN: 01277756	Non-Executive	3	0	2	0
Thirukkoteeswaran Mohan Babu, Whole-time Director DIN: 09169018	Executive	0	0	0	NA

Name and Designation of the Director	Category	No. of Directorships in other Listed and unlisted Public companies (other than the Company)	No. of Committee Memberships and Chairmanship in other Companies		Number of shares / convertible instruments held by non- executive directors
			Chairperson	Member	
Sanjay Kumar, Director DIN: 07929953	Non-Executive	0	0	0	0
Krishna Deshika, Director DIN: 00019307	Non-Executive Independent Director	1	1	0	0
Naresh Kumar Lalwani, Director DIN: 07587109	Non-Executive (Additional)	3	0	0	0
Kaushik Subramaniam, Director DIN: 08190548	Non-Executive	3	0	0	0

Notes:

- Number of Directorships in other Listed Companies pertains to Company whose securities are listed on the stock exchanges.
- The Committees considered for the purpose are those prescribed under Regulation 26 of the SEBI Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies (excluding JSW Ispat Special Products Limited).
- Directorships in other Public Companies and Committee Memberships details are based on the disclosures received from the Directors, as on 31 March 2022.
- Directorship in other Companies excludes Private Limited Companies, Foreign Companies and Membership of Companies under Section 8 of the Companies Act, 2013.
- The names of other listed entities where the Directors have Directorship is pertaining to only those listed companies whose equity shares are listed on a stock exchange.
- None of the Directors is a member of more than ten committees or acts as the chairman of more than five committees in all public Companies in which they are Director. Necessary disclosures regarding Committee positions in other Public Companies as on 31 March 2022 have been made by the Director. Also, none of the Independent Directors serve as Independent Director in more than seven listed companies asper Regulation 26 of SEBI Listing Regulations.
- Mr. Jyotin Mehta is Director (Category: Independent, Non-Executive) of Linde India Limited and Suryoday Small Finance Bank Limited, both are Listed Companies. Except Mr. Jyotin Mehta, none of the other Board members was a Director in any other listed company as on 31 March 2022.
- Mr. Seshagiri Rao MVS resigned as the Non-Executive Director of the Company with effect from 22 November 2021. The tenure of Mr. D Ravichandar as the Whole-time Director of the Company ended on 31 May 2021, and he also ceased to hold office as the Director of the Company with effect from 31 May 2021.
- Mrs. Sutapa Banerjee resigned as the Non-Executive Independent Director of the Company with effect from 18 May 2021 (before the expiry of her tenure). The reason for her resignation was owing to her desire to join and engage in Board of Companies where there is potential for using her expertise in area of behavioural insights and the fact that there is a limited scope to offer her expertise in the Company's affairs. Mrs. Sutapa Banerjee had further confirmed that there are no material reasons for her resignation other than mentioned in her resignation letter which is stated above.
- There is no relationship between directors inter-se.
- All the Independent Directors fulfills the criteria of being independent as mentioned under Regulation 16(1)(b), 17A and 25(8) of SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013 and are independent of the management. The terms and conditions of appointment of Independent Directors including their roles, responsibilities and duties are available on the website of the Company, www.aionjsw.in.

B. Core Skills/Expertise/Competencies of Board of Directors

The Board of Directors has reviewed, identified and taken on record following available skills/expertise/competence of the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively.

Broad Categories of Skills	Identified by the Board Core skills/ Expertise/ Competencies	Mr. Jyotin Mehta	Mr. Naresh Lalwani	Mr. T Mohan Babu	Mr. Nikhil Gahrotra	Mrs. Anuradha Bajpai	Mr. Kaushik Subramaniam	Mr. Krishna Deshika	Mr. Sanjay Kumar
Industry Knowledge	Knowledge of steel / metal sector and industry	√	√	√	√	√	√	-	√
	General Knowledge of public policy of steel sector	√	√	√	-	√	-	-	√
	General understanding of government legislation / legislative process with respect to governance of the Board affairs	√	√	√	√	√	-	√	√
Technical knowledge	Accounting and Finance management	√	√	√	√	√	√	√	√
	Operations of steel/metal product manufacturing	-	-	√	-	√	-	-	√
	General understandings of Laws applicable to the Company and sector	√	√	√	-	√	√	√	√
	Marketing knowledge applicable to Company's product	-	√	√	-	√	-	-	√
	General understanding of Information technology	√	√	√	-	√	-	√	√
	Understanding of risk management systems and its implementation	√	√	√	-	√	-	√	√
	Strategy development and implementation	√	√	√	√	-	√	√	√
Governance	Strategic thinking/planning from governance aspect;	√	√	√	√	√	√	√	√
	Compliance focus;	√	√	√	-	√	-	√	√
	Executive performance management	√	√	√	√	√	√	√	√
Behavioural	Ability and willingness to challenge board issues/ matters	√	√	√	√	√	√	√	√
	Integrity and high ethical standards;	√	√	√	√	√	√	√	√
	Understanding of effective decision making;	√	√	√	√	√	√	√	√
	Willingness and ability to devote time and energy;	√	√	√	√	√	√	√	√
	Mentoring abilities;	√	√	√	√	√	-	√	√

C. Attendance of Directors

The Board meets at least once a quarter to review the quarterly financial results and other items on the agenda. Additional meetings are held, when necessary. The Committees of the Board meets whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval and noting. The Directors also strive to attend the Annual General Meeting ('AGM') of the Shareholders.

Eight (8) meetings of the Board of Directors were held during the financial year 2021-22 ('year under review'). The gap between any two Board meetings during this period did not exceed one hundred and twenty days.

The details of attendance of Directors at the Board Meetings held and the 31st Annual General Meeting held during the year under review are given below: —

Name of Director(s)	12 April 2021	12 May 2021	12 July 2021	20 July 2021	19 October 2021	19 January 2022	16 February 2022	17 March 2022	Whether attended AGM held on 28 September 2021
Jyotin Mehta	P	P	P	P	P	P	P	P	P
#Anuradha Bajpai	P	P	P	P	P	P	P	P	P
Nikhil Gahrotra	P	P	P	P	P	A	A	A	P
^Ravichandar Moorthy Dhakshana	P	P	-	-	-	-	-	-	-
@T Mohan Babu	-	-	P	P	P	P	P	P	P
Sanjay Kumar	P	P	P	P	P	P	P	P	P
^Seshagiri Rao MVS	A	P	P	P	P	-	-	-	A
^Sutapa Banerjee	P	P	-	-	-	-	-	-	-
Kaushik Subramaniam	P	A	P	P	P	P	P	P	A
@Krishna Deshika	-	-	-	P	P	P	P	P	A
@Naresh Lalwani	-	-	-	-	-	P	P	P	-

Chairperson of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee attended the 31st Annual General Meeting.

@ Mr. T Mohan Babu was appointed as the Executive Director of the Company with effect from 01 June, 2021. Mr. Krishna Deshika was appointed as the Non-Executive Independent Director of the Company with effect from 20 July 2021 and Mr. Naresh Lalwani was appointed as Non-Executive Director of the Company with effect from 24th December, 2021.

^Mrs. Sutapa Banerjee resigned as the Non-Executive Independent Director of the Company with effect from 18 May 2021. The tenure of Mr. D Ravichandar as the Whole-time Director of the Company ended on 31 May 2021 and he also ceased as the Director of the Company with effect from 31 May 2021. Mr. Seshagiri Rao MVS resigned as the Non-Executive Director of the Company with effect from 22 November 2021.

Note:

- "A" denotes "Leave of Absence" and "P" denotes Presence in the meeting.

D. Board Meetings and Procedures

Scheduling and selection of agenda items for Board meetings:

A minimum of four Board meetings are held every year. Dates for the Board meetings in the ensuing quarter are scheduled well in advance and communicated to the Directors. The agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held as and when deemed necessary to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Video conferencing (VC)/tele-conferencing (TC) facilities are also provided to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings.

In addition to items which are mandated to be placed before the Board for its noting and/ or approval, information is provided on various significant issues.

The Board is also provided with Audit Committee observations, if any on the internal audit findings and matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act and other matters as per applicable provisions of the Act and the SEBI Listing Regulations.

In compliance with SEBI Listing Regulations, Directors, Key Managerial Personnel (KMP) and members of senior management of the Company, confirm their material interest in any transactions, if any, directly affecting the Company.

The Board of Directors had accepted all mandatory recommendations of the committees of the Board during the financial year under review.

Distribution of Board agenda material:

Agenda and detailed notes on agenda items are circulated to the Directors, in advance. All material information is incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are considered at the meeting.

Recording minutes of proceedings at Board and Committee meetings:

The draft minutes are circulated to the Board/ Committee members for their comments in accordance with Section 118 of the Act and SS-1. The minutes of the proceedings of the meeting are entered into the minute book within thirty (30) days of the conclusion of the meeting and thereafter signed by the Chairman.

Post-meeting follow-up mechanism:

The Company has an effective post meeting follow-up, review and reporting process mechanism for the decisions taken by the Board/Committees. The important decisions taken at the Board/ Committee meetings are communicated to the concerned functional heads promptly. Action Taken Report on decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/ Committee for noting by the Board/ Committee members.

Compliance:
While preparing the agenda, notes on agenda, minutes etc., of the meeting(s), adequate care is taken to ensure adherence to all applicable laws and regulations including the Act, read with the Rules made thereunder and secretarial standards issued by the Institute of Company Secretaries of India ('ICSI').

Familiarization programs for Independent Directors:
The Company believes that the Board be continuously empowered with the knowledge of the latest developments in the Company's business and the external environment affecting the industry as a whole.

Periodic updates on performance/developments giving highlights of performance of the Company including the developments/ events having impact on the business of the Company are also provided to the Directors.

The Company has also conducted familiarization programs to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates etc. The details of such familiarization programs are also available on the website of the Company viz. https://www.aionjsw.in/investors/policies.

E. Annual performance evaluation and its criteria:

Pursuant to the provisions of the Act and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI Listing Regulations and amendments thereof, a policy on Performance Evaluation Policy of the Company ("the Policy") has been framed as recommended by the Nomination and Remuneration Committee (NRC) and approved by the Board of Directors.

Pursuant to Schedule IV of the Act, a meeting of Independent Directors was held on 29 March 2022 without the presence of Executive and Non-Executive, Non-Independent Directors. The Independent Directors, inter-alia, evaluated the performance of Non-Independent Directors and the Board as a whole. They also evaluated the performance of the Chairman of the Board taking into account the views of Executive and Non-Executive Directors. The Independent Directors also reviewed the quality, quantity and timeliness of flow of information between the management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties. All Independent Directors were present at the meeting.

Further, for the financial year 2021-22 the Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the NRC.

The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level. The Board acknowledges its intention to establish and follow "best practices" in Board governance in order to fulfill its fiduciary obligation to the Company.

A structured questionnaire was prepared after taking into consideration inputs received from Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc.

The Directors expressed their satisfaction with the evaluation process.

4) Board Committees

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with the approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at a regular interval and take necessary steps to perform its duties entrusted by the Board. Video conferencing (VC)/tele-conferencing (TC) facilities are also provided to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings. The minutes of the Committee meetings are also placed before the Board in the next board meeting for noting.

The Board currently has the following Committees:

A) Audit Committee

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 of the SEBI Listing Regulations.

i. **Brief description of charter/terms of reference of Audit Committee-**

The brief description of charter/terms of reference of Audit Committee is broadly as under:

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditor, the statutory auditor, the cost auditor and the secretarial auditor and notes the processes and safeguards employed by each of them. The terms of reference of the audit committee are as per the guidelines set out in Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;

Provided that the Audit Committee may make omnibus approval of related party transactions proposed to be entered into by the Company subject to provisions of the SEBI Listing Regulations and the Companies Act 2013 read with applicable rules thereof and amendments to such provisions.

- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;

- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Consider and comment on rationale, cost-benefits and impact of schemes in valuing merger, demerger, amalgamation etc. on listed entity and its shareholders;
- reviewing compliance with the provisions of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 ('SEBI PIT Regulations') at least once in a financial year and shall verify on the effectiveness of the systems for internal control are adequate and are operating effectively;
- to take such other actions as may be required to be taken by the Committee for monitoring and compliance of the Insider Trading Code and SEBI PIT Regulations and any amendment thereto

ii. **Composition of Audit Committee**

The Audit Committee of the Board of Directors is constituted in line with the provisions of Regulation 18 of the SEBI Listing Regulations read with Section 177 of the Act.

All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

As at 31 March 2022, the Audit Committee consisted of the following Directors:

1. Mrs. Anuradha Bajpai, Non-Executive Independent Director – Chairperson
2. Mr. Jyotin Mehta, Non-Executive Independent Director - Member
3. Mr. Nikhil Gahrotra, Non-Executive Director - Member
4. Mr. Krishna Deshika-Non-Executive Independent Director-Member

The Company Secretary of the Company acts as Secretary to the Committee.

During the year under review, Mr. Krishna Deshika was appointed as the member of the Audit Committee with effect from 19 January 2022.

The Audit Committee invites such executives including Chief Financial Officer, as it considers appropriate, representatives of Statutory Auditors, Internal Auditors and Cost Auditors, consultants are invited to the meetings of the Audit Committee as and when necessary, to attend the meetings. The Board had accepted all recommendations made by the Audit Committee during the year under review.

iii. **Audit Committee Meetings and Attendance:**

The Audit Committee met 9 (nine) times during the financial year 2021-22. The maximum gap between two meetings was not more than one hundred and twenty days. The necessary quorum was present in the meeting. The table below provides the attendance of the Audit Committee members:

Name of Director(s)	07 May 2021	12 May 2021	20 July 2021	18 August 2021	28 September 2021	18 October 2021	19 January 2022	16 February 2022	17 March 2022
Anuradha Bajpai	P	P	P	P	P	P	P	P	P
Nikhil Gahrotra	P	P	P	P	P	P	A	A	P
Jyotin Mehta	P	P	P	P	P	P	P	P	P
*Krishna Deshika	-	-	-	-	-	-	-	P	P

* Mr. Krishna Deshika was appointed as the member of the Audit Committee with effect from 19th January, 2022.

Note:

- Video conferencing (VC)/tele-conferencing (TC) facilities are also used to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings.
- "P" denotes Presence and "A" denotes Absence in the meeting.

iv. **Internal controls and governance processes**

Internal control systems are integral to the Company's corporate governance. The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliances as well as an enhanced control consciousness.

The Board / management are of the opinion that based on the knowledge/ information gained by them about affairs of the Company from records of the Company, the Company has effective internal financial control systems and policies and such controls are operating effectively.

The internal control systems include documented policies, checks and balances, guidelines and procedures, that are supplemented by robust internal audit processes and monitored continuously through periodical reviews by management to provide reasonable assurance that all assets are safeguarded; and all transactions entered into by Company are authorized, recorded and reported properly.

v. **Risk Management**

The Company has adopted risk management framework for identifying and evaluating risks and opportunities that may have bearing on the organization. The Company recognizes that these risks need to be managed and mitigated to protect the shareholders and other stakeholders interest.

B) Nomination and Remuneration Committee

The purpose of the Nomination and Remuneration Committee ('NRC') is to oversee the Company's nomination process including succession planning for the senior management and the Board and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors consistent with the criteria as stated by the Board in its Policy on Appointment and Removal of Directors and to recommend, for approval by the Board, nominees for election at the Annual General Meeting of the Shareholders.

The NRC also discharges the Board's responsibilities relating to compensation of the Company's Executive Directors and Senior Management. The Committee has formulated the Remuneration Policy for Directors, KMPs and all other employees of the Company. The remuneration policy and the criteria for making payments to Non-Executive Directors is available on our website www.aionjsw.in.

i. **Brief description of charter/terms of reference of Nomination and Remuneration Committee-**

The brief terms of reference according to the provisions of Part D of Schedule II of SEBI Listing Regulations of the Nomination and Remuneration Committee, inter alia, includes the following:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the board, all remuneration, in whatever form, payable to senior management;

ii. **Composition of Nomination and Remuneration Committee**

The Nomination and Remuneration Committee's constitution is in compliance with Section 178 of the Act and Regulation 19 of SEBI Listing Regulations. As at 31 March 2022, the Nomination and Remuneration Committee consisted of the following three members:

1. Mrs. Anuradha Bajpai, Non-Executive Independent Director- Chairperson
2. Mr. Nikhil Gahrotra, Non-Executive Director- Member
3. Mr. Jyotin Mehta, Non-Executive Independent Director - Member

During the year under review, Mrs. Sutapa Banerjee resigned as the Director of the Company and the member and chairperson of the Committee with effect from 18 May 2021 and Mrs. Anuradha Bajpai was appointed as the member and chairperson of the Committee with effect from 01 June 2021.

iii. **Nomination and Remuneration Committee meetings and attendance:**

The Nomination and Remuneration Committee met 3 (three) times during the financial year 2021-22. The necessary quorum was present in the meeting. The table below provides the attendance of the Committee members:

Name of Director(s)	06 May 2021	20 July 2021	19 January 2022
*Anuradha Bajpai	-	P	P
Nikhil Gahrotra	P	P	A
Jyotin Mehta	P	P	P
@Sutapa Banerjee	P	-	-

*Mrs. Anuradha Bajpai was appointed as the member and chairperson of the Committee with effect from 01 June, 2021.

@Mrs. Sutapa Banerjee resigned as the member and chairperson of the Committee with effect from 18 May, 2021.

Note:

- "P" denotes Presence and "A" denotes absence in the meeting.

iv. **Performance Evaluation criteria for Independent Directors**

An annual performance evaluation of Independent Directors was undertaken by the Board in accordance with manner specified in the Nomination and Remuneration Policy approved and recommended by the Nomination Remuneration Committee for effective evaluation of performance of Board, its committees and Independent Directors.

v. **Nomination and Remuneration Policy:**

The Nomination and Remuneration Policy for the Company is in compliance with Regulation 19 of SEBI Listing Regulations read with provisions of Section 178 of the Act. The said policy of the Company which has the criteria for making payments to Non-Executive Directors is available on the website of the company i.e. www.aionjsw.in.

The key objective and purpose of this policy is as follows:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine remuneration of such Directors, Key Managerial Personnel and other employees.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the steel industry.
- To provide them reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

vi. **Details of remuneration paid to Directors for the year ended 31 March 2022**

• Executive Director

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board based on criteria such as industry benchmarks, responsibilities shouldered, and performance. On the recommendation of the Nomination and Remuneration Committee, the remuneration paid is approved by the Board of Directors and by the members in the General Meeting in terms of provisions applicable from time to time.

The Executive Directors are not paid sitting fees for attending meetings of the Board of Directors and its Committee.

Details of remuneration paid to Whole-time Director during the financial year 2021-22 are as under:

(₹ in crores)

Name	Salary and allowances	Perquisites	Others	Total	Tenure
*Mr.Ravichandar Moorthy Dhakshana					
Whole-time Director	0.28	-	-	0.28	Upto 31 May 2021
@Mr. T Mohan Babu					
Whole-time Director	0.55	-	-	0.55	w.e.f 01 June 2021 and upto 01 June 2023

*the tenure of Mr. D Ravichandar as the Whole-time Director of the Company ended on 31 May 2021 and he also ceased as the Director of the Company with effect from 31 May 2021.

@Mr. T Mohan Babu was appointed as the Executive Director of the Company with effect from 01 June 2021.

Details of remuneration paid to Mr. Ravichandar Moorthy Dhakshana, Whole-time Director till 31 May 2021 which is within the overall limit of remuneration approved by the shareholders of the Company at the 31st Annual General Meeting and as per the provisions of Section 197 read with schedule V of the Act.

Details of remuneration paid to Mr. T Mohan Babu, Whole-time director of the Company is as per Schedule V of the Act. The aforesaid remuneration details include the remuneration paid from 01 June, 2021 which is within the overall limit of remuneration approved by the shareholders of the Company at the 31st Annual General Meeting and as per the provisions of Section 197 read with Schedule V of the Act.

• Non-Executive Directors

Non-Executive Independent Directors are not paid any remuneration except payment of sitting fees. The Non-Executive, Non- Independent Directors do not receive any remuneration or sitting fees for attending meetings of the Board or Committee.

Details of sitting fees paid to Independent Directors during the year is provided as follows:

Name of Directors	Category	Total Sitting fess paid (₹ in crores)
Jyotin Mehta	Non-Executive Independent	0.09
Anuradha Bajpai	Non-Executive Independent	0.10
*Sutapa Banerjee	Non-Executive Independent	0.01
@Krishna Deshika	Non-Executive Independent	0.05
TOTAL		**0.25**

*Mrs. Sutapa Banerjee resigned from the Board of Directors with effect from 18th May, 2021.

@Mr. Krishna Deshika was appointed as the Non-Executive Independent Director of the Company with effect from 20th July, 2021.

The Company has also taken a Directors' & Officers' Liability Insurance Policy.

vii. **Shareholding and pecuniary relationship of Non-Executive Directors:**

During the financial year 2021-22, none of Non-Executive Directors hold any shares in the Company. Further, there has been no pecuniary relationship or transactions of the Non- Executive Directors vis-à-vis the Company during the financial year 2021-22 except the sitting fees paid to Independent Directors for meetings of the Board and Committee(s) of Directors attended by them as stated above.

viii. **Stock Option Scheme:**

The Company does not have any Stock Option Scheme for its employees and Directors.

C) Corporate Social Responsibility (CSR) Committee

Corporate Social Responsibility Committee ('CSR Committee') of the Company was constituted pursuant to the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The terms of reference of the Corporate Social Responsibility (CSR) Committee, inter alia, includes the following:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress;
- To monitor the corporate social responsibility policy of the Company from time to time;

As at 31 March 2022, the Corporate Social Responsibility Committee consists of the following members:

1. Mr. Nikhil Gahrotra, Non-Executive Director- Chairman
2. Mr. Jyotin Mehta, Non-Executive Independent Director-Member
3. Mr. T Mohan Babu, Executive Director- Member

During the year under review;

i. Mrs. Sutapa Banerjee resigned as the Director of the Company and member of the Corporate Social Responsibility Committee with effect from 18 May 2021;

ii. Mr. Ravichandar Moorthy Dhakshana resigned as the Whole-time Director of the Company and member of the Corporate Social Responsibility Committee with effect from 31 May 2021;

iii. Mr. T Mohan Babu was appointed as the member of the Committee with effect from 1 June 2021.

One (1) meeting of the CSR Committee was held on 06 May 2021, wherein all the members of the Committee were present.

D) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee ('SRC') considers and resolves the grievances of our shareholders, debenture holders and other security holders, including complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends/interests and such other grievances as may be raised by the security holders from time to time.

i. **Terms of Reference:**

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Act. The Board has clearly defined the terms of reference for this Committee, which generally meets once in a quarter.

The Committee looks into the matters of Shareholders / investors grievances along with other matters listed below:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;

- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

ii. Composition of Stakeholder Relationship Committee

In compliance with Section 178 of the Act and Regulation 20 of SEBI Listing Regulations, the Board has constituted its Stakeholder Relationship Committee.

As at 31 March 2022, the Stakeholder Relationship Committee consists of the following three members:

1. Mrs. Anuradha Bajpai, Non-Executive Independent Director- Chairperson
2. Mr. T Mohan Babu, Executive Director- Member
3. Mr. Nikhil Gahrotra, Non-Executive Director- Member

During the year under review, Mr. Ravichandar Moorthy Dhakshana resigned as the Director of the Company and member of the Committee with effect from 31 May 2021, whereas, Mr. T Mohan Babu was appointed as the member of the Committee with effect from 01 June 2021.

iii. Meeting and Attendance:

The Stakeholder Relationship Committee met 2 (two) times during the financial year 2021-22. The necessary quorum was present in the meeting. The table below provides the attendance of the Stakeholder Relationship Committee members:

Name of Members	20 July 2021	18 October 2021
Anuradha Bajpai	P	P
T Mohan Babu	P	P
Nikhil Gahrotra	P	P

Note:

- "P" denotes Presence in the meeting.

iv. Name and Designation of Compliance officer:

Name	:	Mr. Ajay Kadhao
Designation	:	Company Secretary and Compliance Officer
Address	:	JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400050
Phone	:	022-42861000
E-mail	:	isc_jispl@aionjsw.in

v. Details of the Shareholder's complaints received, redressed/pending during the financial year 2021-22:

The details of total number of complaints received; resolved/pending during the financial year 2021-22 is as follow: -

Particulars	No. of Complaints
Opening Balance as on 1 April 2021	00
Number of complaints received from the investors comprising of securities sent for transfer and transmission, annual report & complaints received from Regulatory/ Statutory Bodies etc.	04
Number of complaints resolved during the year to the satisfaction of the shareholders.	04
Complaints Pending as at 31 March 2022	00

- The above table includes Complaints received by the Company through SEBI SCORES portal.
- There were no pending complaints as at March 31, 2022
- The Complaints are handled by Company's Registrars and Share Transfer Agents MCS Share Transfer Agent Ltd., New Delhi. The Stakeholder Relationship Committee monitors the complaints and other activities and also helps in resolving grievances wherever needed. A firm of Practicing Company Secretaries conducts the audit on quarterly basis and submits Capital Reconciliation Audit Report.

E) Business Responsibility Reporting and International Trade Practice Committee (BRR&ITP):

The brief terms of reference of the BRR & ITP Committee are:

a) To monitor compliance by the Company with policies in relation to anticorruption laws and sanctions administered by the Office of Foreign Assets Control of the United States Treasury;

b) Oversee the adoption of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) in business practices of the Company;

c) Review the progress of initiatives under taken for implementation of business responsibility (sustainability) policies of the Company;

d) Review the grievance redressed mechanism related to BR Policy and redressal of grievance of any stakeholder;

e) Review business responsibility reporting disclosures to be made in Annual Report as per applicable statutory requirements;

f) Recommend the annual business responsibility report to the Board for approval;

g) Take such steps and actions as may be statutorily required under law for compliance of BRR reporting;

The BRR & ITP Committee consists of the following Directors as its members on 31 March 2022:

1. Mrs. Anuradha Bajpai, Non-Executive Independent director- Chairperson
2. Mr. T Mohan Babu, Executive Director- Member
3. Mr. Nikhil Gahrotra, Non-Executive director – Member

During the year under review, Mr. Ravichandar Moorthy Dhakshana resigned as the Director of the Company and member of the Committee with effect from 31 May 2021, whereas Mr. T Mohan Babu was appointed as the member of the Committee with effect from 01 June 2021.

The BRR & ITP met 1 (one) time during the financial year 2021-22, wherein all the members were present.

F) Finance Committee:

The Finance Committee of the Board was constituted to consider and approve all types of loans and banking facilities up-to the certain specified limits outstanding at the given point of time and to meet the financing requirements of the Company requiring immediate action of the Board of Directors before a meeting of the Board could be convened.

During the year under review, Mr. Ravichandar Moorthy Dhakshana resigned as the Director of the Company and member of the Committee with effect from 31 May 2021, whereas Mr. T Mohan Babu was appointed as the member of the Committee with effect from 01 June 2021.

Mr. Seshagiri Rao MVS resigned as the member of the Committee with effect from 22 November 2021, whereas Mr. Naresh Lalwani was appointed as the member of the Committee with effect from 19 January 2022.

As on 31 March 2022, the composition of Finance Committee of Directors comprises of the following Directors:

1. Mr. T Mohan Babu, Executive Director - Member
2. Mr. Nikhil Gahrotra, Non-Executive Director – Member
3. Mr. Naresh Lalwani, Non-Executive Director -Member

The Finance Committee met 5 (five) times during the financial year 2021-22. The necessary quorum was present in the meeting. The table below provides the attendance of the Finance Committee members:

Name of Members	31 May 2021	25 June 2021	17 September 2021	28 September 2021	12 November 2021
*Ravichandar Moorthy Dhakshana	P	-	-	-	-
*Seshagiri Rao MVS	P	A	A	A	A
Nikhil Gahrotra	P	P	P	P	P
@T Mohan Babu	-	P	P	P	P
@Naresh Lalwani	-	-	-	-	-

*the tenure of Mr. D Ravichandar as the Whole-time Director of the Company ended on 31 May 2021 and he also ceased as the Director of the Company with effect from 31 May 2021. Mr. Seshagiri Rao MVS resigned as Director w.e.f. 22 November 2021

@Mr. T Mohan Babu was appointed as the Executive Director of the Company with effect from 01 June 2021. Mr. Naresh Lalwani was appointed as Additional Director w.e.f. 24 December 2021.

Note:

• "P" denotes Presence and "A" denotes absence in the meeting.

G) Risk Management Committee:

Pursuant to the applicable provisions of SEBI Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, the Board of Directors at its meeting held on 12 May, 2021, constituted the Risk Management Committee.

The terms of reference and the role and duties of the Risk Management Committee are as follows:

Terms of Reference:

1. Frequency of meetings: - shall meet at least twice a year. The meetings of the risk management committee shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings;
2. Quorum of meetings – presence of either any two members or one third of the members of the Committee, whichever is higher, including at least one member of the Board of Directors in attendance;
3. To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
4. The role and responsibilities of the Risk Management Committee shall mandatorily include the following performance of functions specified in Part D of Schedule II of SEBI Listing Obligations and Disclosure Requirements, Regulations 2015;

Role of the Committee:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

As on 31 March 2022, the composition of the Risk Management Committee of Directors comprises of the following members:

1. Mrs. Anuradha Bajpai, Non-Executive Director - Chairperson
2. Mr. Nikhil Gahrotra, Non-Executive Director – Member
3. Mr. T Mohan Babu, Executive Director -Member
4. Mr. J Nagarajan, Chief Financial Officer-Member

The Risk Management Committee met 2 (two) times during the financial year 2021-22. The necessary quorum was present in the meeting. The table below provides the attendance of the members:

Name of Members	07 October 2021	29 March 2022
Anuradha Bajpai (Non-Executive Independent Director)	P	P
Nikhil Gahrotra (Non-Executive Director)	P	P
T Mohan Babu (Executive Director)	P	P
J Nagarajan (Chief Financial Officer)	P	P

Note:.

• "P" denotes Presence and "A" denotes absence in the meeting.

5) General Body Meetings

A. Details of last three Annual General Meetings (AGM) held:

AGM	Date & Time	Place of Meeting	Details of Special Resolution Passed
31st	28 September 2021, 03:30 P.M.	Held through Video Conference ("VC") / Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue, in compliance with General Circular No. 14/2020, 17/2020, 20/2020 issued by Ministry of Corporate Affairs and Circular No. EBI/HO/CFD/ CMD1/ IR/P/2020/79 dated 12th May, 2020 issued by SEBI. The proceedings of the AGM were deemed to be conducted at the Registered Office of the Company which was the deemed Venue of the AGM.	• To approve the re-appointment of Mr. Ravichandar Moorthy Dhakshana (DIN: 03298700) as a Whole-time Director of the Company. • To approve the appointment of Mr. Thirukkoteeswaran Mohan Babu (DIN: 09169018) as the Whole-time Director of the Company
30th	22 July 2020, 02:30 P.M.		• To approve change in the name of the Company and consequent amendments in the Memorandum of Association and Articles of Association of the Company. • To approve shifting of the registered office of the Company from one state to another and consequent amendments thereof in the Memorandum of Association of the Company.
29th	19 July 2019, 01:30 P.M.	Monnet Marg, Mandir Hasaud, Raipur, Chhattisgarh-492101.	a. To approve amendment to the Articles of Association of the Company for incorporating provisions of the loan document.

The above special resolutions were passed with requisite majority.

B. Details of Special Resolutions passed during the financial year 2021-22 through Postal Ballot;

No Special Resolution was passed through postal ballot in the said period.

C. Details of Special Resolutions proposed through Postal Ballot;

No Special Resolution is proposed through postal ballot as on the date of this report.

6) Means of Communication

A. The unaudited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the SEBI Listing Regulation, as amended from time to time;

B. The Company normally publishes quarterly results/ half yearly in leading business newspapers national daily of the country like "Financial Express" (English language) and "Navshakti" (vernacular language) in accordance with the SEBI Listing Regulations and circulates the same to stock exchanges and the shareholders. Simultaneously, they are also put on the Company's website (www. aionjsw.in).

C. The official news releases, including the quarterly, half yearly and annual results and presentations made to institutional investors/analysts, if any, are also posted on the Company's website www.aionjsw.in ;

D. The Company also regularly intimates to the Stock Exchanges all price sensitive and other information which are material and relevant to the investors.

E. The Annual Report is circulated to members and others entitled thereto. The Company's Annual Report is also available on the Company's website.

F. The Company also ensures that the details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the company who are responsible for assisting and handling investor grievances, details of agreements entered into with media companies and/or their associates and other information as required under the Act and SEBI listing Regulations are promptly and prominently posted on its website www.aionjsw.in;

G. There is a separate section under "Investors" on the Company's website which gives information on unclaimed shares to be deposited to the Government and other relevant information of interest to the investors / public.

7) General Shareholders Information

A. Annual General Meeting

Day and Date	:	Monday, 18 July 2022
Time	:	03:30 P.M. (IST)
Venue	:	The AGM shall be held through Video Conference (VC) / Other Audio Visual Means(OAVM) in compliance with General Circular No. 02/2022 dated 5 May 2022, read with General Circular No.s 02/2021, 14/2020, 17/2020, 20/2020 issued by Ministry of Corporate Affairs (MCA Circulars) and other applicable provisions of the Companies Act, 2013 and circulars issued by the Securities and Exchange Board of India (SEBI) without the physical presence of the Members at a common venue. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
Financial Year	:	2021-22
Book Closure / Record Date	:	Book Closure begins from 12 July 2022 and continues till 18 July 2022 (both days inclusive)

B. Financial Year Calendar (Tentative):

The Company follows the period of 1 April to 31 March, as the financial year. The tentative dates for Board Meetings for consideration of quarterly financial results are as below:

First Quarter Results	:	on or before 14 August 2022
Second Quarter and Half Yearly Results	:	on or before 14 November 2022
Third Quarter Results	:	on or before 14 February 2023
Fourth and Audited Annual Results	:	on or before 30 May 2023

C. Dividend Payment

: No dividend has been recommended for the financial year 2021-22. The dividend distribution policy is available at https://www.aionjsw.in/investors/policies

D. Registered Office Address

: JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400051

E. CIN

: L02710MH1990PLC363582

F. Listing on Stock Exchanges:

The equity shares of your Company are listed and traded on National Stock Exchange of India Limited and BSE Ltd.

National Stock Exchange of India Ltd.	BSE Ltd.
'Exchange Plaza', Bandra Kurla Complex,	Phiroze Jeejeebhoy Towers,
Bandra (E), Mumbai- 400051.	Dalal Street, Fort, Mumbai – 400 001
website : www.nseindia.com	website : www.bseindia.com

ISIN for Equity Shares: INE743C01021

In addition to the above, the erstwhile equity shares of the Company are listed on Calcutta Stock Exchange Limited (CSE). The Company had filed applications for de-listing of its Securities from CSE. Pending this application, CSE suspended listing/trading of securities of the Company and CSE asked the Company to update the compliances status before acceptance of the de-listing application. For the purpose, the Company has vide application dated 7 April 2016 submitted the information sought by CSE for revocation of suspension.

The annual listing fee for the listed equity shares for the financial year 2022-23 have been paid to BSE Ltd and National Stock Exchange Limited.

G. Stock Codes/Symbol:

National Stock Exchange of India Ltd	:	JSWISPL
BSE Limited	:	513446
Calcutta Stock Exchange Ltd.	:	23037

H. Non-Convertible Debentures :

As on 31 March 2022, the Company does not have any outstanding Non-Convertible Debentures.

I. List of all credit ratings obtained by the entity along with any revisions thereto during the year 2021-22 for all debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:

The Company has not issued any debt instruments. The Company does not have any fixed deposit programme or any scheme or proposal involving mobilisation of funds. During the year under review CARE Ratings Limited (Formerly known as Credit Analysis & Research Limited) in the month of February, 2022 reviewed and reaffirmed the credit ratings of the Company as "A-" Stable for long term bank facilities (term loan and fund based-cash credit) and "A- Stable/A2+" for non-fund based long/short term bank facilities bank guarantees of the Company.

J. Market Price Data:

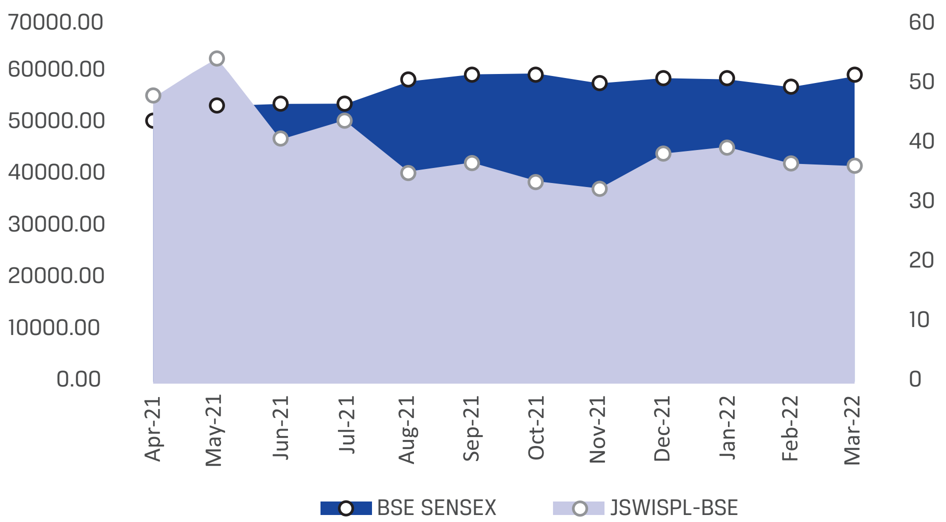
High, Low (based on daily closing prices) and number of equity shares traded during each month in the year 2021-22 on NSE and BSE:

Month	BSE			NSE		
	High (₹)	Low(₹)	Total Volume	High (₹)	Low(₹)	Total Volume
April – 2021	45.90	26.25	85,06,573	45.85	26.60	3,99,77,785
May- 2021	67.60	48.15	1,37,59,693	67.55	48.10	7,35,98,446
June- 2021	63.95	37.10	1,32,50,599	63.90	36.95	9,49,03,863
July – 2021	44.10	36.30	1,48,40,925	44.15	36.00	7,81,07,271
August – 2021	41.70	29.00	57,04,886	41.70	29.15	3,46,02,458
September-2021	38.00	30.75	85,31,814	37.60	30.60	3,87,10,008
October- 2021	35.80	28.55	80,59,070	35.85	28.55	4,45,90,732
November- 2021	32.75	27.00	1,00,98,246	32.85	27.30	2,44,76,839
December- 2021	39.55	27.40	1,12,79,865	39.75	27.40	6,42,40,059
January- 2022	45.45	33.05	2,31,01,553	45.40	33.50	13,27,55,251
February- 2022	40.20	28.40	1,20,06,962	40.25	28.35	5,72,15,425
March- 2022	36.50	31.30	1,25,15,964	36.50	31.30	5,26,50,647

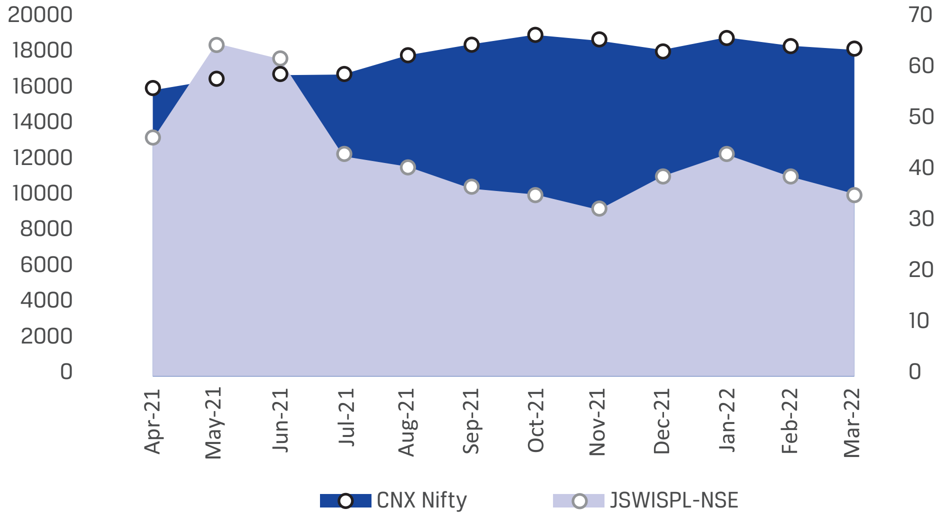
K. Stock Performance:

The performance of the Company's share relative to the BSE Sensitive Index and CNX Nifty (on closing rates at the end of each month in respective stock exchange) considering 100 as the base is given in the graph below: Hene

Stock Performance vis-a-vis S&P BSE Sensex



Stock Performance vis-a-vis CNX NIFTY



L. Registrar and Transfer Agent:

Share transfer, dividend payment and all other investor related matters are attended to and processed by our Registrar and Transfer Agents. Details of Registrar and Transfer Agents are as under-

Registrar and Transfer Agents	: MCS Share Transfer Agent Ltd
Address	: F-65, Okhla Industrial Area, Phase-I, New Delhi – 110 020
Contact Details	: Tel.: 011- 41406149 Fax : 011- 41709881 Email Address: admin@mcsregistrars.com

Share transfers system:

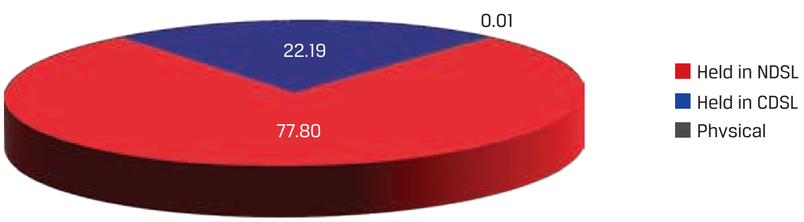
Physical shares sent for transfer are duly transferred within 15 days of receipt of documents, if found in order. Shares under objection are in general returned within 15 days. MCS Share Transfer Agent Ltd, Share Transfer Agents of the Company, is authorized to sign the share certificates on behalf of the Company for expeditious disposal of transfer requests.

In case of shares in electronic form, the transfers are processed by National Securities Depository Limited/Central Depository Services (India) Limited through respective Depository Participants. In compliance with the SEBI Listing Regulation, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

M. Dematerialization of Shares and Liquidity

As at 31 March, 2022, 99.99 % of Equity capital was held in electronic form with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). Normally, requests of dematerialization of shares are processed and confirmed within 15 days of receipt to NSDL and CDSL.

Dematerialization of Shares (%)



Further, the entire Compulsory Convertible Preference Shares of the Company are held in demat mode.

- **Shares held in Electronic Form**

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given directly to the DP.

- **Shares held in Physical Form**

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given to the Company's RTA viz. MCS Share Transfer Agents Limited, Delhi.

N. Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants or any convertible instruments, conversion date and likely impact on equity:

As on 31 March 2022, the Company has no outstanding GDRs/ ADR/ Warrants. The Company has issued 525,980,000 Compulsory Convertible Preference Shares (CCPS) which are outstanding as on 31 March 2022. Each CCPS shall be convertible into 1 (one) equity share at any date prior to the expiry of the term of 20 (Twenty) years from the date of issuance of the CCPS ("CCPS Term") at the option of the holder of the CCPS. Unless already converted each CCPS outstanding at the expiry of the CCPS term shall be compulsorily converted into 1 (one) equity share of the Company. None of the CCPS holders exercised the option to convert CCPS into equity share during the financial year ended on 31 March 2022, There was no impact on equity capital of the Company as on 31 March 2022, the period for which the Annual Report pertains.

O. Shareholding as on 31 March 2022

i. Distribution of Shareholding:

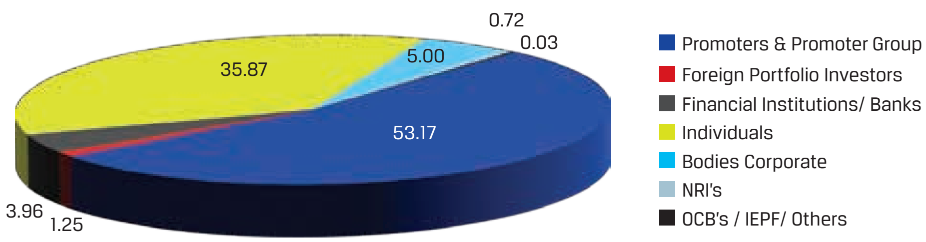
Category	No. of Folios	% of Shareholders	No. of Shares	% of Equity share Capital
1 – 500	93235	72.39	13492405	2.87
501 - 1000	14548	11.30	12234668	2.61
1001 - 2000	8431	6.55	13336859	2.83
2001 - 3000	3604	2.80	9479740	2.02
3001 - 4000	1675	1.30	6097704	1.30
4001 - 5000	2097	1.62	10145620	2.16
5001 - 10000	2704	2.10	20943381	4.46
10001-50000	2056	1.60	44135008	9.40
50001-100000	243	0.19	18531708	3.95
Above 100000	194	0.15	321150441	68.40
TOTAL	**128787**	**100.00**	**469547534**	**100.00**

ii. Shareholding pattern:

Shareholding pattern of the Company as on 31 March 2022 is given as under:

Category	No. of Shares
Promoters & Promoter Group	24,96,49,241
Foreign Portfolio Investors	58,72,022
Financial Institutions/ Banks	1,86,09,341
Individuals	16,84,42,496
Bodies Corporate	2,34,67,262
NRI's	33,82,646
OCB's / IEPF/ Others	1,24,526
Total	**46,95,47,534**

Distribution Graph (%)



Top ten Shareholders as on 31 March 2022:

Name of the Shareholder's	No. of Equity Shares	Percentage of paid-up Equity Share Capital
Creixent Special Steels Limited	22,59,34,607	48.12
JTPM Atsali Limited	2,35,08,427	5.01
UCO Bank	42,12,967	0.90
Nexpact Limited	34,50,000	0.73
Indian Bank	29,69,392	0.63
ICICI Bank Ltd	29,39,609	0.63
Rishi Agarwal	25,97,669	0.55
Safal Constructions India Private Limited	25,00,000	0.53
Bank of India	20,23,735	0.43
Deutsche Bank A.G.	15,95,256	0.34
Total	**27,17,31,662**	**57.87**

P. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Pursuant to the provisions of Section 124(5) of the Act, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of Section 125 of the Act. The details of unclaimed/unpaid dividend are available on the website of the Company viz. www.aionjsw.in.

As on 31 March 2022, there are no unclaimed/unpaid dividend required to be transferred to IEPF.

Q. Mandatory transfer of shares to demat account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the demat account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such demat account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the demat account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules.

In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement in this regard.

R. Utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) during the financial year 2021-22.

S. Commodity price risk or foreign exchange risk and hedging activities

The Company has in place a policy approved by the Board, which establishes the financial risk management framework and defines the procedures and controls for the effective management of the Company's risks that arise due to imports of raw material, capital goods and exports of steel, pellets and sponge iron. Currency hedging is guided by the Hedging Policy adopted by the Company.

Exposure of the Company to the following material commodities was as under;

Commodity Name	Actual Exposure		%of such exposure hedged through commodity derivatives				
	Exposure in ₹ towards the particular commodity (in ₹ crores)	Exposure in quantity terms towards the particular commodity (in metric ton)	Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Iron Ore	1,854.98	2,388,348	The Company has not hedged commodities.				
DRI Coal	700.50	736,095					
Coke	1,087.81	321,137					

T. Plant Location

Raipur Works : Monnet Marg, Mandir Hasaud, Raipur- 492101 (Chhattisgarh).

Raigarh Works : Village Naharpali, Tehsil Kharsia, Distt. Raigarh 496661(Chhattisgarh)

U. Address for correspondence

Registered & Corporate Office : JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai-400051

Phone: 022-42861000

E-mail: isc_jisp@aionjsw.in

8) Other Disclosures:

A. Related Party Transactions

Details of related parties and related party transactions as required under Indian Accounting Standard IND AS 24 are furnished under Note No. 41 of the notes to the accounts attached with the standalone financial statements of the Company for the year ended 31 March 2022.

During the year under review, the Company has entered into material related party transactions with JSW Steel Limited and in terms of Section 134 of the Act details of the same are stated in Form AOC-2 in Annexure-2 of Directors report. The material related party transactions are entered by the Company are with the limits and in terms of the approval accorded by the Shareholders at previous Annual General Meeting. All related party transactions are reviewed and approved by the Audit Committee. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such related party transactions. The Company has not entered into any materially significant related party transaction that may have potential conflict with the interests of the Company at large. The Board of Directors have approved and adopted a "Policy on Materiality of Related Party Transactions (RPT) and dealing with RPT" and the same has been uploaded on the website of the Company and can be accessed at www.aionjsw.in.

During the financial year 2021-22, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors apart from paying Director's remuneration. Further, the Directors have not entered into any contracts with the Company or its subsidiaries, which will be in material conflict with the interest of the Company.

B. Details of fees paid for all services by the Company and its subsidiaries on consolidated basis to the statutory auditor and to all entities in the network firm/network entity of which the statutory auditor is a part is as under:

Particulars	Amount (in ₹ crores)
- Fees paid to Auditors	0.86
Total	**0.86**

C. Matters related to capital market

Post implementation of the Resolution Plan of the Company, as approved by the Hon'ble National Company Law Tribunal, Mumbai, vide its order 24 July 2018, there was no non-compliance by the Company, nor have any penalties or strictures been imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three financial years, except for the following incident of alleged non-compliance pertaining to year 2016-2017.

- SEBI has issued an order on 26th June 2020, against the Company levying penalty of ₹ 6.00 lacs, with respect to the certain alleged disclosures not made by the Company during the financial year 2016-2017 (pre CIRP period) for the erstwhile Non-Convertible Debentures (NCDs) of the Company.

SEBI has issued the said order, even though the Company has submitted in its reply inter-alia informing that it is not liable for any non¬compliance or violations committed prior to approval of Resolution Plan. The Company also submitted that as per the amendment to Insolvency and Bankruptcy Code (IBC), the Company is not liable for any offence or violation that may have been committed prior to the commencement of the corporate insolvency resolution process.

The Company had filed an appeal with Securities Appellate Tribunal, Mumbai (SAT) against the SEBI Order by an adjudicating officer vide appeal no. 237 of 2020. The SAT vide order dated 29.10.2020 had quashed the impugned order of the SEBI. The SEBI has filed an appeal in the Supreme Court against the SAT order and is pending for admission.

D. Details of Vigil Mechanism, Whistle blower Policy

The Vigil Mechanism approved by the Board provides a formal mechanism for all Directors, employees and vendors of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures regarding the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Under the Policy, every Director, employee or vendor of the Company has an assured access to the Chairman of the Audit Committee. Details of the Vigil Mechanism are given in the Directors' Report and no personnel has been denied access to the Audit Committee. The whistle blower policy is available on the Company's website www.aionjsw.in.

E. Compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all the mandatory requirements of Stock Exchanges, SEBI Listing Regulations and other statutory authorities during the last financial year. The Company has adopted non-mandatory requirement of the SEBI Listing Regulations as specified in Part E of Schedule II of SEBI Listing Regulations to such extent provided in this Report.

F. Subsidiary Companies

All subsidiary companies of the Company are managed by their respective Boards having the rights and obligations to manage companies in the best interest of their stakeholders.

During the year under review, the Company did not have any material subsidiary as per provisions of SEBI Listing Regulations and Policy for determining material subsidiaries of the Company, which is available on the website of the Company www.aionjsw.in. The Company monitors performance of subsidiary in the following ways:

a) Minutes of Board Meetings of the unlisted subsidiary were placed before the Company's Board;

b) Significant transaction, arrangement, investments, if any, of the unlisted subsidiary, are reviewed by the Board/Audit Committee of the Company;

G. Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount

As on 31 March 2022, the Company or its subsidiaries did not extend any loan or provide advance to firms/ companies in which directors are interested.

H. Recommendations of Committees

All recommendations of the Board Committees made during the year were accepted by the Board. There were no instances of any disagreement between the Committees and the Board.

I. Declaration affirming compliance of Code of Conduct

The Company has adopted "Code of Conduct for Directors and Senior Management Personnel" ('Code') pursuant to the provisions of Regulation 17 of the SEBI Listing Regulations, which is available on the website of the Company www.aionjsw.in.

The Company has received declarations under Regulation 26(3) of the SEBI Listing Regulations from other Directors and members of the Senior Management of the Company to whom the Code of Conduct is applicable.

J. Code of Conduct for prevention of Insider Trading

The Company has adopted a "Code of Internal Procedures and Conduct for Regulation, Monitoring and Reporting of Trading by Designated Persons and their Immediate Relatives" pursuant to SEBI Listing Regulations, as amended, with a view to regulate, monitor and report trading in securities of the Company by its Directors and designated persons.

K. Certificate from a Company Secretary

Pursuant to Regulation 34(3) of SEBI Listing Regulations, a certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being the appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority, is annexed to this report.

L. Certificate on Corporate Governance

As required by Regulation 34(3) Schedule V (E) of the SEBI Listing Regulations, the certificate from Statutory Auditors regarding compliances of conditions of Corporate Governance is annexed to this report.

M. CEO/CFO Certification

The Board has received a compliance certificate from, the Whole Director of the Company and the Chief Financial Officer of the Company pursuant to Regulation 17 (8) read with Schedule II Part B of SEBI Listing Regulations.

N. Disclosure under the Sexual Harassment of Women at WorkPlace (Prevention, Prohibition and Redressal) Act, 2013

The Company has laid down Anti Sexual Harassment Policy on gender equality, gender protection, prevention of sexual harassment and redressal system in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, Apprenticeship) are covered under this policy. Details of the complaints filed, disposed or pending as on the end of the financial year are;

i. Number of complaints filed during the financial year - NIL

ii. Number of complaints disposed off during the financial year - NIL

iii. Number of complaints pending as on the end of the financial year - NIL

O. Loans and advances in the nature of loans to firms/ companies in which directors are interested

The Company has not granted loans and advances to firms/companies in which directors are interested during the financial year 2021-22.

P. Disclosure of Accounting Treatment

The financial statement of the Company is prepared as per the prescribed Indian Accounting Standards (Ind-AS) and reflects true and fair view of the business transactions in the Corporate Governance.

Q. Disclosures with respect to demat suspense account/ unclaimed suspense account

The Company doesn't have any shares in the demat suspense account/unclaimed suspense account.

R. Non-Mandatory Requirements

The non-mandatory requirements as specified in Part E of Schedule II of SEBI Listing Regulations have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

i. **Shareholders' Rights:**

The quarterly, half-yearly and annual financial results of the Company are published in newspapers, posted on Company's website and are also available on the websites of Stock Exchanges where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com.

ii. **Modified opinion(s) in audit report:**

The audit report on the Company's Financial Statements for the year ended 31 March 2022 is unmodified.

iii. **Separate posts of Chairman and CEO:**

The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Whole-time Director.

iv. **Reporting of Internal Auditor:**

The Internal Auditor directly reports to the Audit Committee.

By Order of the Board
For **JSW Ispat Special Products Limited**
(Formerly known as Monnet Ispat and Energy Limited)

Jyotin Mehta
Chairman
DIN: 00033518

Place: Mumbai
Date: 11 May 2022

Corporate Governance Comliance Certificate

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT FOR SENIOR MANAGEMENT PERSONNEL

In accordance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Thirukkoteeswaran Mohan Babu, Whole Time Director of the Company, hereby declare that the Company has, in respect of the year ended March 31, 2022, received from the members of the Board of Directors, Key Managerial Personnel and Senior Management of the Company, a declaration of compliance with the Code of Conduct, as applicable to them.

For **JSW Ispat Special Products Limited**
(Formerly known as Monnet Ispat and Energy Limited)

Thirukkoteeswaran Mohan Babu
Whole-time Director
DIN: 09169018

Place: Mumbai
Date: 11 May 2022

Corporate Governance Compliance Certificate

To the Members of
JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited)

Independent Auditor's Certificate on Corporate Governance

1. This certificate is issued in accordance with the terms of our engagement letter reference no. MP/EL/2021-22/17 dated 23 September 2021.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited) ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March 2022.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mehul Parekh
Partner
(Membership No. 121513)
(UDIN: 22121513AIUQSJS4700)

Place: Mumbai
Date: 11 May 2022

Certificate of Non-Disqualification of Directors

(Pursuant to regulation 34(3) read with schedule V para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
JSW ISPAT SPECIAL PRODUCTS LIMITED
JSW Centre, Bandra Kurla Complex,
Bandra (East), Mumbai City- 400 051

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of JSW ISPAT SPECIAL PRODUCTS LIMITED having CIN L02710MH1990PLC363582 and having registered office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai City- 400 051 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March 2022, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in the Company
1	Mr. Jyotin Kantilal Mehta	00033518	30/07/2018
2	Mr. Krishna Deshika	00019307	20/07/2021
3	Mr. Nikhil Omprakash Gahrotra	01277756	31/08/2018
4	Ms. Anuradha Ambar Bajpai	07128141	30/07/2018
5	Mr. Naresh Kumar Hashmat Rai Lalwani	07587109	24/12/2021
6	Mr. Sanjay Kumar	07929953	31/08/2018
7	Mr. Kaushik Subramaniam	08190548	19/01/2021
8	Mr. Thirukkoteeswaran Mohan Babu	09169018	01/06/2021

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S. Srinivasan & Co.,**
Company Secretaries

S. Srinivasan
Practicing Company Secretary
FCS: 2286 | CP. No.: 748
UDIN: F002286D000273700

Place: Mumbai
Date: 05 May 2022

Independent Auditor's Report

To the Members of JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited) ("the Company"), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total 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 financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key audit matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the standalone financial statements of the current period. This matter was addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	Auditor's response
Recoverable value assessment of Property, plant and equipment With continuing pressure on margins, the management has assessed the recoverable value of property, plant and equipment engaging an independent external expert. Replacement cost estimation involves significant judgement and estimates. Refer note 4(ii) to the financial statements	**Our principle procedures included but were not limited to:** - Evaluated the design and implementation, and testing the operating effectiveness of the relevant controls over determination of recoverable value of property, plant and equipment. - Assessed the competence and independence of the valuation expert engaged by the Company for determining the replacement cost of property, plant and equipment. - Reviewed the information shared with the independent expert engaged by the management. - Evaluated the reasonableness of the valuation provided by the independent expert by challenging the significant assumptions used and estimates and judgements made in deriving the valuation with the help of internal fair value specialist. - Verification of accounting implications, and appropriateness of disclosures in the 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, Management discussion and analysis, Corporate governance report and Business responsibility report, but does not include the consolidated financial statements, the standalone financial statements and our auditor's report thereon.

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

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

Management's responsibility for the Standalone 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 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 financial statements, the 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 the 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 responsibility for the audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.

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

a) Identify and assess the risks of material misstatement of the standalone 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.

b) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

d) 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 standalone 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.

e) Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

f) Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the standalone financial statements.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the 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 financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone 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 have been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 49 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

         (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the Note 49 to financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Mehul Parekh
Partner
(Membership No. 121513)
(UDIN: 22121513AIULUQ2914)

Place: MUMBAI
Date: 11 May, 2022

Annexure "A" to the Independent Auditor's Report

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

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

We have audited the Internal Financial Controls over financial reporting of JSW Ispat Special Products Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over financial reporting.

Meaning of Internal Financial Controls over financial reporting

A Company's Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with Generally Accepted Accounting Principles. A Company's Internal Financial Control over financial reporting includes those policies and procedures that i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 iii) 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 standalone Financial Statements.

Inherent limitations of Internal Financial Controls over financial reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at 31 March 2022, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

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

Mehul Parekh
Partner
(Membership No. 121513)
(UDIN: 22121513AIULUQ2914)

Place: MUMBAI
Date: 11 May, 2022

Annexure B To The Independent Auditor's Report

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

(i) In respect of the Company's Property, Plant and Equipment, capital work-in-progress, investment properties:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of Property, Plant and Equipment, capital work-in-progress and right-of-use assets so as to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant and equipment, capital work-in progress and right-of-use assets) are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) during the year. The company does not have any intangible assets.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for (goods-in-transit and stocks held with third parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties, by the Management. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) (a) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) (a), (b) and (f) of the Order are not applicable.

(b) The Company has granted loans of Rs. 57.12 crore for which schedule of repayment of principal and payment of interest has been stipulated and loans of Rs. 140.96 crore are payable on demand. As described in note 16 to the financial statements, these loans were granted prior to NCLT order approving the Resolution Plan under IBC and have been provided for being non-recoverable at the time of implementation of resolution plan. Of the above, provision against loan of Rs. 8.34 crore has been reversed during the year and is repayable on (June 30, 2022) as per schedule of repayment.

(c) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date other than the loans fully provided for in earlier years referred in paragraph (iii) (b) above.

(d) None of the loans or advances in the nature of loans granted by the Company have fallen due during the year.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

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

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March 2022. The disputes pertaining to the periods prior to the NCLT Order approving the Resolution Plan have not been considered for reporting under this clause (refer note 37 to the standalone financial statements).

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures companies.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.

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

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

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto 31 March 2022.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company, or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group has more than one CIC as part of the group. There are 4 CIC forming part of the group.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company is not required to contribute any amount towards Corporate Social Responsibility (CSR) considering the past losses and accordingly reporting under clause 3 (xx) of the Order is not applicable for the year.

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

Mehul Parekh
Partner
(Membership No. 121513)
(UDIN: 22121513AIULUQ2914)

Place: MUMBAI
Date: 11 May, 2022

Balance Sheet
as at 31 March 2022

₹ in crores

		Notes	As at 31 March 2022	As at 31 March 2021
A.	**ASSETS**			
1.	**Non-current assets**			
	a. Property, plant and equipment	4	2,991.27	3,124.57
	b. Capital work-in-progress	5	166.90	175.14
	c. Intangible assets	6	34.37	-
	d. Right of use assets	40	43.05	43.84
	e. Investments in subsidiaries and joint ventures	7	0.01	-
	f. Financial assets			
	i. Investments	8A	1.40	0.92
	ii. Other financial assets	9	104.86	65.47
	g. Current tax assets (net)	10	9.57	4.30
	h. Other non-current assets	11	28.65	22.22
	Total non-current assets		**3,380.08**	**3,436.46**
2.	**Current assets**			
	a. Inventories	12	1,110.38	925.03
	b. Financial assets			
	i. Investments	8B	0.27	0.25
	ii. Trade receivables	13	254.45	188.68
	iii. Cash and cash equivalents	14 a	49.84	11.23
	iv. Bank balance other than (iii) above	14 b	80.02	116.39
	v. Derivative assets	15	0.94	0.23
	vi. Loans	16	8.34	-
	vii. Other financial assets	17	19.57	14.79
	c. Other current assets	18	279.29	283.30
	Assets classified as held for sale	38	*	11.00
	Total current assets		**1,803.10**	**1,550.90**
	TOTAL ASSETS		**5,183.18**	**4,987.36**
B.	**EQUITY AND LIABILITIES**			
	Equity			
	a. Share capital	19	995.53	995.53
	b. Other equity	20	396.39	387.98
	Total equity		**1,391.92**	**1,383.51**
	Liabilities			
1.	**Non-current liabilities**			
	a. Financial liabilities			
	i. Borrowings	21	2,239.88	2,273.33
	ii. Lease liabilities	22	26.93	27.16
	iii. Other financial liabilities	23	49.12	34.18
	b. Provisions	24	6.53	5.60
	c. Deferred tax liabilities (net)	25	-	-
	Total non-current liabilities		**2,322.46**	**2,340.27**
2.	**Current liabilities**			
	a. Financial liabilities			
	i. Borrowings	21	431.88	268.95
	ii. Lease liabilities	22	0.45	0.46
	iii. Trade payables	26		
	- Total outstanding dues of micro and small enterprises		5.63	0.04
	- Total outstanding dues of creditors other than micro and small enterprises		843.07	780.53
	iv. Derivative liabilities	27	0.87	2.23
	v. Other financial liabilities	23	90.40	100.53
	b. Other current liabilities	28	93.59	109.96
	c. Provisions	24	2.91	0.88
	Total current liabilities		**1,468.80**	**1,263.58**
	Total liabilities		**3,791.26**	**3,603.85**
	TOTAL EQUITY AND LIABILITIES		**5,183.18**	**4,987.36**

* ₹10,000

See accompanying notes to the Standalone Financial Statements
In terms of our report of even date annexed

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner

Place : Mumbai
Date: 11 May 2022

For and on behalf of the Board of Directors

Thirukkoteeswaran Mohan Babu
Whole Time Director
DIN: 09169018

Naresh Lalwani
Director
DIN: 07587109

J. Nagarajan
Chief Financial Officer

Ajay Kadhao
Company Secretary
M. No. ACS-13444

Statement of Profit and Loss

for the year ended 31 March 2022

₹ in crores

	Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
I	**Income from operations**			
	a. Sales of products and services	29A	6,011.54	4,150.14
	b. Other operating income	29B	49.11	37.60
	Total revenue from operations		**6,060.65**	**4,187.74**
II	**Other income**	30	30.13	12.99
III	**Total income (I+II)**		**6,090.78**	**4,200.73**
IV	**EXPENSES**			
	a. Cost of materials consumed		4,387.57	2,965.57
	b. Purchase of traded goods		13.88	-
	c. Changes in inventories of finished goods, stock in trade and work-in-progress	31	(95.94)	4.41
	d. Employee benefits expense	32	129.72	115.58
	e. Finance costs	33	270.60	275.78
	f. Depreciation and amortisation expense	34	223.21	227.47
	g. Power and fuel		476.00	267.07
	h. Other expenses	35	676.56	449.84
	Total expenses		**6,081.60**	**4,305.72**
V	**Profit / (loss) before tax (III - IV)**		9.18	(104.99)
VI	**Tax expense:**	25		
	Current tax		-	-
	Deferred tax		-	-
VII	**Profit / (loss) for the year (V-VI)**		9.18	(104.99)
VIII	**Other comprehensive (loss) / income (OCI)**			
	i. Items that will not be reclassified to profit or loss			
	a. Remeasurement of net defined benefit plans		(3.27)	2.05
	b. Equity instruments through other comprehensive income		2.50	0.46
	ii. Income tax effect		-	-
	Total other comprehensive (loss) / income		**(0.77)**	**2.51**
IX	**Total comprehensive income/ (loss) for the year (VII+VIII)**		8.41	(102.48)
X	**Earnings per equity share of ₹10/- each**	36		
	(1) Basic		0.20	(2.24)
	(2) Diluted		0.09	(2.24)

See accompanying notes to the Standalone Financial Statements

In terms of our report of even date annexed
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Mehul Parekh
Partner

Thirukkoteeswaran Mohan Babu
Whole Time Director
DIN: 09169018

Naresh Lalwani
Director
DIN: 07587109

J. Nagarajan
Chief Financial Officer

Ajay Kadhao
Company Secretary
M. No. ACS-13444

Place : Mumbai
Date: 11 May 2022

Statement of Cash Flows

for the year ended 31 March 2022

₹ in crores

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit / (loss) before tax		9.18		(104.99)
Adjusted for :				
Depreciation and amortization expenses	223.21		227.47	
Interest income	(11.14)		(8.96)	
Interest expenses	270.60		275.78	
Loss/(profit) on sale of property, plant and equipment	1.42		3.14	
Loss on sale of assets held for sale	-		1.80	
Unrealised exchange loss(net)	1.21		2.39	
Gain arising on fair valuation of financial instruments designated as FVTPL	(2.94)		(0.23)	
Loss arising on fair valuation of financial instruments designated as FVTPL	0.87		2.23	
Provision/ liability written back	(15.15)		(0.93)	
Export obligation deferred liability written back	(5.43)		-	
Allowance for doubtful debts	-		0.58	
Non recoverable advances written off	-		0.47	
Advance to suppliers written off	-		2.91	
Capital work-in-progress written off	-		3.83	
Provision for non recoverable advances	11.88	474.53	0.14	510.62
Operating Profit before working capital changes		**483.71**		**405.63**
Working capital adjustments:				
Increase in inventories	(185.35)		(67.54)	
Increase in trade and other receivables	(66.33)		(329.84)	
Increase in trade and other liabilities	49.87		377.68	
Increase/ (decrease) in provisions	(0.31)	(202.12)	3.05	(16.65)
Cash generated from operating activities		**281.59**		**388.98**
Income taxes paid (net)		(5.27)		(1.05)
Net cash generated from operating activities		**276.32**		**387.93**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment including capital work-in-progress	(145.12)		(95.10)	
Proceeds from sale of property, plant and equipment	-		0.04	
Proceeds from sale of assets held for sale	11.00		4.16	
Proceeds from sale of investments	1.99		0.03	
Interest received	10.38		8.35	
Net cash used in investing activities		**(121.75)**		**(82.52)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Interest paid	(243.05)		(249.76)	
Payment of lease liabilities	(0.48)		(0.48)	
Proceeds from long term borrowings	102.42		63.76	
Repayment of long term borrowings	(52.00)		-	
Proceeds / (repayment) from short term borrowings (net)	77.15		(142.90)	
Net cash used in financing activities		**(115.96)**		**(329.38)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**38.61**		**(23.97)**
Cash and cash equivalents at the beginning of the year		**11.23**		**35.20**
Cash and cash equivalents at the end of the year (note 14 a)		**49.84**		**11.23**

Note:

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7 - Statement of Cash Flows.

See accompanying notes to the Standalone Financial Statements

In terms of our report of even date annexed
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Mehul Parekh
Partner

Thirukkoteeswaran Mohan Babu
Whole Time Director
DIN: 09169018

Naresh Lalwani
Director
DIN: 07587109

J. Nagarajan
Chief Financial Officer

Ajay Kadhao
Company Secretary
M. No. ACS-13444

Place : Mumbai
Date: 11 May 2022

Statement of Changes in Equity

for the year ended 31 March 2022

A. Share capital for issued, subscribed and paid up shares

₹ in crores

Particulars	Note	Equity share capital	Compulsory convertible preference share capital	Total
As at 1 April 2020	19	469.55	525.98	995.53
Changes during the year		-	-	-
As at 31 March 2021	19	**469.55**	**525.98**	**995.53**
Changes during the year		-	-	-
As at 31 March 2022	**19**	**469.55**	**525.98**	**995.53**

B. Other equity (Refer note 20)

₹ in crores

Particulars	Reserves and surplus								Items of OCI	Total equity
	Capital reserve	Securites premium	Capital redemption reserve	Capital reconstruction reserve	Amalgamation reserve	Equity contribution resulted on merger	General reserve	Retained earnings	Equity instruments through OCI	
As at 1 April 2020	77.77	1,114.46	472.35	19.68	3.31	7,287.03	250.09	(8,631.73)	(102.50)	490.46
Loss for the year	-	-	-	-	-	-	-	(104.99)	-	(104.99)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	2.05	0.46	2.51
As at 31 March 2021	**77.77**	**1,114.46**	**472.35**	**19.68**	**3.31**	**7,287.03**	**250.09**	**(8,734.67)**	**(102.04)**	**387.98**
Profit for the year	-	-	-	-	-	-	-	9.18	-	9.18
Other comprehensive loss for the year, net of income tax	-	-	-	-	-	-	-	(3.27)	2.50	(0.77)
As at 31 March 2022	**77.77**	**1,114.46**	**472.35**	**19.68**	**3.31**	**7,287.03**	**250.09**	**(8,728.76)**	**(99.54)**	**396.39**

See accompanying notes to the Standalone Financial Statements

In terms of our report of even date annexed
For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner

Place : Mumbai
Date: 11 May 2022

For and on behalf of the Board of Directors

Thirukkoteeswaran Mohan Babu
Whole Time Director
DIN: 09169018

Naresh Lalwani
Director
DIN: 07587109

J. Nagarajan
Chief Financial Officer

Ajay Kadhao
Company Secretary
M. No. ACS-13444

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

1. Corporate information

JSW Ispat Special Product Limited ("JISPL" or the "Company") is a limited company domiciled in India and was incorporated on 1 February 1990. Equity shares of the Company are listed in India on the Bombay Stock Exchange, the National Stock Exchange and the Kolkata Stock Exchange. The registered office of the Company is located at JSW Centre Bandra (East), Bandra Kurla Complex, Maharashtra – 400 051, India.

JISPL is engaged in manufacturing and marketing of sponge iron, pellets, steel and ferro alloys. JISPL is primary steel producer and has an integrated steel plant at Raigarh, which is currently operating at a capacity of ~0.95 MTPA, with the ability to scale up to 1.5 MTPA on completion of balance steel making facilities. JISPL also has another unit for steel production at Raipur with 0.25 MTPA capacity.

2. Significant accounting policies

I. Statement of compliance

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013 , (Ind AS Compliant Schedule III),as applicable to standalone financial statement.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

These financial statements are approved for issue by the Board of Directors on 11 May 2022.

II. Basis of preparation and presentation

The Standalone Financial Statements have been prepared on a historical cost basis, except for the certain financial instruments measured at fair value at the end of each reporting year, as explained in the accounting policies below.

The financial statements are presented in INR and all values are rounded to the nearest crore, except when otherwise indicated.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Current and non-current classification

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.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

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. 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.

III. Revenue Recognition

a. Sale of Goods

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.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognized when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their standalone selling prices. Revenue from sale of by products are included in revenue.

Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

Contract balances

- **Contract assets:**
  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.

- **Refund liabilities**
  A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer including volume rebates and discounts. The Company updates its estimates of refund liabilities at the end of each reporting period.

b. Dividend and interest income

Dividend income from investments is recognised 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 recognised when it is probable that the economic benefits will flow to the Company and

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To the Standalone Financial Statements as at and for the year ended 31 March 2022

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.

IV. Foreign Currency

The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is INR.

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

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

V. Borrowing Cost

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, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

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

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

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

VI. 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.

VII. Employee Benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

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 year. Re-measurement, 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 statement of financial position with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment or when the company recognizes corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

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To the Standalone Financial Statements as at and for the year ended 31 March 2022

- 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 recognised 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 recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised 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 recognised 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.

VIII. Taxes

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

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

While determining the tax provisions, the Company assesses whether each uncertain tax position is to considered separately or together with one or more uncertain tax positions depending the nature and circumstance of each uncertain tax position.

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and on carried forward depreciation and business losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised 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 recognised 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.

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

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

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

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To the Standalone Financial Statements as at and for the year ended 31 March 2022

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 recognised in profit or loss, except when they are relating to items that are recognised 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.

IX. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates (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. 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 capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the 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 capitalised 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 capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the standalone balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

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

Particulars	Useful lives
Plant and Machinery at SMS division	20 years
Work-rolls	5 years

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

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

The 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.

X. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation 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

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

separately are carried at cost less accumulated impairment losses.

XI. Mining Assets

Acquisition Costs

The cost of Mining Assets capitalised includes costs associated with acquisition of licenses and rights to explore, stamp duty, registration fees and other such costs.

Exploration and evaluation

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation assets are assessed for impairment indicators at least annually.

The Company measures its exploration and evaluation assets at cost and classifies as Property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.

Costs of exploration drilling and equipping exploration - Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

Stripping cost

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

Other production stripping cost incurred are expensed in the statement of profit and loss.

Developmental stripping costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

Site restoration, rehabilitation and environmental costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to profit and loss over the life of the asset through amortisation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements are reviewed periodically

The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology.

XII. Impairment of Property, plant and equipment and Intangible Assets

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and

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To the Standalone Financial Statements as at and for the year ended 31 March 2022

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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

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

XIII. Leases

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

On the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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To the Standalone Financial Statements as at and for the year ended 31 March 2022

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

XIV. Inventories

Inventories are stated at the lower of cost and net realisable value.

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

Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XV. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

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.

XVI. Investment in subsidiaries, joint ventures and associates

Investment in subsidiaries, joint ventures and associates are shown at cost. Where the carrying amount of an investment in 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.

XVII. Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

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 (FVTPL)) 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.

A. Financial assets

a) **Recognition and initial measurement**

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

b) **Classification of financial assets**

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

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

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To the Standalone Financial Statements as at and for the year ended 31 March 2022

- 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.

A debt instrument is classified as FVTOCI only if it meets both the of the following conditions and is not recognised 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.

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 AS 103 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 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.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, 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 of financial assets**

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 applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as 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

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

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

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. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

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.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

e) **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. 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 year, to the net carrying amount on initial recognition.

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

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To the Standalone Financial Statements as at and for the year ended 31 March 2022

B. Financial liabilities and equity instruments

a) **Classification as debt or equity**

Debt and equity instruments issued by a 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.

b) **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 recognised at the proceeds received, net of direct issue costs.

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

c) **Financial liabilities at amortised cost**

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

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. 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.

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 equipment. 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 these arrangements for raw materials are recognized as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

by the company on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

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 standalone statement of profit or loss.

d) **Derivative financial instruments**

The Company enters into financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Standalone Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Standalone Statement of Profit and Loss depends on the nature of the hedge item.

e) **Embedded derivatives**

An embedded derivative is a component of a hybrid (combined) instrument that also includes a nonderivative 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 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.

XVIII. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques 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.

XIX. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

3A. Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company while assessing the impact of COVID 19 in preparation of the financial Statements, has considered internal and external sources of information, and determined, exercising reasonable estimates and judgement, that the carrying amounts of its assets are recoverable. The impact of COVID 19 may be different from that estimated as at the date of approval of the financial Statements, and the Company will continue to closely monitor the developments.

3B. 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 Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

A) Key sources of estimation uncertainty

I) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

II) Impairment of property, plant and equipment:

Determining whether the property, plant and equipment are impaired requires an estimate for the recoverable value of property, plant and equipment. The recoverable value computation by fair value method using cost approach involves Management relying on third party quotations of similar assets, expert's data bank for construction rates and the indices, as considered by its independent valuation expert in arriving at the fair value. Any subsequent changes in the above input factors could impact the carrying value of property, plant and equipment.

III) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The classification of matters as 'remote', 'possible' or 'probable' is based on the Company's assessment, past judgements, terms of the contract, regulatory provisions, etc.

B) Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16, Property Plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

4. Property, Plant and Equipment

₹ in crores

Particulars	Freehold land & site development	Leasehold land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Aircraft	Total
Cost									
As at April 1, 2020	**46.09**	**36.85**	**799.36**	**7,086.63**	**13.99**	**14.09**	**12.26**	**29.70**	**8,038.97**
Additions	-	-	4.66	155.06	1.39	0.69	0.82	-	162.62
Disposals	-	-	-	-	-	-	(0.25)	-	(0.25)
Re-classification	(2.87)	2.87	-	-	-	-	-	-	-
Transfer to ROU assets (note 40)	-	(39.72)	-	-	-	-	-	-	(39.72)
Transfer to held for sale (note 38)	-	-	-	-	-	-	-	(29.70)	(29.70)
As at March 31, 2021	**43.22**	**-**	**804.02**	**7,241.69**	**15.38**	**14.78**	**12.83**	**-**	**8,131.92**
Additions	-	-	14.14	70.72	1.39	0.18	3.90	-	90.33
Disposals	-	-	-	(3.99)	-	-	(0.04)	-	(4.03)
As at March 31, 2022	**43.22**	**-**	**818.16**	**7,308.42**	**16.77**	**14.96**	**16.69**	**-**	**8,218.22**
Depreciation									
As at April 1, 2020	**2.84**	**24.96**	**448.22**	**4,296.56**	**12.06**	**11.85**	**8.09**	**14.71**	**4,819.29**
Depreciation charge for the year	-	-	16.18	208.72	0.45	0.38	0.67	0.83	227.23
Disposals	-	-	-	-	-	-	(0.22)	-	(0.22)
Re-classification	1.55	(1.55)	-	-	-	-	-	-	-
Transfer to ROU assets (note 40)	-	(23.41)	-	-	-	-	-	-	(23.41)
Transfer to held for sale (note 38)	-	-	-	-	-	-	-	(15.54)	(15.54)
As at March 31, 2021	**4.39**	**-**	**464.40**	**4,505.28**	**12.51**	**12.23**	**8.54**	**-**	**5,007.35**
Depreciation charge for the year	-	-	15.98	204.67	0.46	0.45	0.65	-	222.21
Disposals	-	-	-	(2.57)	-	-	(0.04)	-	(2.61)
As at March 31, 2022	**4.39**	**-**	**480.38**	**4,707.38**	**12.97**	**12.68**	**9.15**	**-**	**5,226.95**
Net carrying value :									
As at March 31, 2022	**38.83**	**-**	**337.78**	**2,601.04**	**3.80**	**2.28**	**7.54**	**-**	**2,991.27**
As at March 31, 2021	**38.83**	**-**	**339.62**	**2,736.41**	**2.87**	**2.55**	**4.29**	**-**	**3,124.57**

Notes:

i. Refer note 21 for information on certain property, plant and equipment pledged as security by the Company.

ii. During the current year, the management has assessed the recoverable value of property, plant and equipment of Raigarh and Raipur locations with the help of independent valuation expert and concluded that no additional provision for impairment is necessary.

iii. The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) are held in the name of the Company as at the balance sheet date.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

5. Capital work-in-progress

a. Aging of capital work-in-progress

₹ in crores

Particulars	31 March 2022 Amount of capital work-in-progress for the period of				
	< 1 years	1 -2 years	2 - 3 years	> 3 years	Total
(i) Projects in progress	90.34	11.04	12.76	28.03	142.17
(ii) Projects temporarily suspended	-	0.07	-	24.66	24.73
Total	**90.34**	**11.11**	**12.76**	**52.69**	**166.90**

₹ in crores

Particulars	31 March 2021 Amount of capital work-in-progress for the period of				
	< 1 years	1 -2 years	2 - 3 years	> 3 years	Total
(i) Projects in progress	64.38	10.84	-	61.39	136.61
(ii) Projects temporarily suspended	0.59	1.48	-	36.46	38.53
Total	**64.97**	**12.32**	**-**	**97.85**	**175.14**

b. Aging of capital work-in-progress, whose completion is overdue or ecxeeded its original cost

₹ in crores

Particulars	31 March 2022 To be completed in			
	< 1 years	1 -2 years	2 - 3 years	> 3 years
(i) Projects in progress	23.80	-	28.03	-
(ii) Projects temporarily suspended	-	-	-	24.73
Total	**23.80**	**-**	**28.03**	**24.73**

₹ in crores

Particulars	31 March 2021 To be completed in			
	< 1 years	1 -2 years	2 - 3 years	> 3 years
(i) Projects in progress	33.36	10.84	-	28.03
(ii) Projects temporarily suspended	-	-	-	38.53
Total	**33.36**	**10.84**	**-**	**66.56**

6. Intangible assets

₹ in crores

	Mining Rights
As at April 1, 2020	-
Additions	-
Disposals	-
As at March 31, 2021	**-**
Additions	34.58
Disposals	-
As at March 31, 2022	**34.58**
Amortisation	
As at April 1, 2020	-
Amortisation charge for the year	-
Disposals	-
As at March 31, 2021	**-**
Amortisation charge for the year	0.21
Disposals	-
As at March 31, 2022	**0.21**
Net carrying value :	
As at March 31, 2022	**34.37**
As at March 31, 2021	**-**

Acquisition cost incurred for the mining rights such as stamp duty, registration fees and other such costs have been capitalised as Intangible Assets from capital work in progress. The Company has started mining operations on 01 March 2022.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

7. Investments in subsidiaries and joint ventures

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Investments in equity shares (unquoted)		
Subsidiaries (at cost or deemed cost)		
Monnet Global Limited 1,83,786 (March 31, 2021 : 1,83,786) Equity shares of 100 AED each fully paid up	20.54	20.54
Monnet Cement Limited 2,190,000 (March 31, 2021 : 2,190,000) Equity shares of ₹10 each fully paid up	-	-
Mivaan Steel Limited 8,000 (March 31, 2021 : NIL) Equity shares of ₹10 each fully paid up	0.01	-
Joint ventures (at cost or deemed cost)		
Mandakini Coal Company Limited 39,299,800 (March 31, 2021 : 39,299,800) Equity shares of ₹10 each fully paid up	39.30	39.30
MP Monnet Mining Company Limited 980,000 (March 31, 2021 : 980,000) Equity shares of ₹10 each fully paid up	0.98	0.98
Urtan North Mining Company Limited 5,751,347 (March 31, 2021 : 5,751,347) Equity shares of ₹10 each fully paid up	5.75	5.75
Total	**66.58**	**66.57**
Less: Aggregate amount of provision for impairment in the value of investments	(66.57)	(66.57)
Aggregate carrying unquoted value	**0.01**	**-**

8A. Non current Investments

₹ in crores

	As at 31 March 2022	As at 31 March 2021
I. Investments at fair value through OCI		
Investment in equity shares (unquoted)		
Rameshwaram Steel & Power Private Limited 4,152,273 (March 31, 2021 : 4,152,273) Equity shares of ₹10 each fully paid up	-	-
Falcon Internal Forces and Fire Services Private Limited 1,000 (March 31, 2021 : 1,000) Equity shares of ₹10 each fully paid up	-	-
Monnet Engineering & Infrastructure Private Limited 4,000 (March 31, 2021 : 4,000) Equity shares of ₹10 each fully paid up	-	-
Business India Publications Limited 100,000 (March 31, 2021 : 100,000) Equity shares of ₹10 each fully paid up	-	-
IFSL Limited 1,300,000 (March 31, 2021 : 1,300,000) Equity shares of ₹1 each fully paid up	0.05	0.05
XL Energy Limited 166,808 (March 31, 2021 : 166,808) Equity shares of ₹10 each fully paid up	*	*
Bellary Steel and Alloys Limited 803,243 (March 31, 2021 : 803,243) Equity shares of Re.1 each fully paid up	0.15	0.15
Neueon Towers Limited (formerly known as Sujana Tower Limited) 12,500 (March 31, 2021 : 12,500) Equity shares of ₹10 each fully paid up	##	#
Investment in equity shares (quoted)		
Kamanwala Housing Construction Limited 63,343 (March 31, 2021 : 63,343) Equity shares of ₹10 each fully paid up	0.08	0.03
Indiabulls Real Estate Limited 25,000 (March 31, 2021 : 25,000) Equity shares of ₹10 each fully paid up	0.25	0.20
RattanIndia Infrastructure Limited 73,750 (March 31, 2021 : 73,750) Equity shares of ₹10 each fully paid up	0.34	0.04
Yaarii Digital Integrated Services Limited (formerly known as Indiabulls Integrated Service Limited) 3,125 (March 31, 2021 : 3,125) Equity shares of ₹10 each fully paid up	0.02	0.04
Pioneer Investment Limited 23,392 (March 31, 2021 : 23,392) Equity shares of ₹10 each fully paid up	0.08	0.06
Grasim Industries Limited 1,500 (March 31, 2021 : 1500) Equity shares of ₹10 each fully paid up	0.25	0.22
Aditya Birla Capital Limited 2,100 (March 31, 2021 : 2,100) Equity shares of ₹10 each fully paid up	0.02	0.03
Aditya Birla Fashion & Retail Limited 5,200 (March 31, 2021 : 5200) Equity shares of ₹10 each fully paid up	0.16	0.10

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Orrisa Sponge Iron & Steel Limited NIL (March 31, 2021 : 1,994,633) Equity shares of ₹10 each fully paid up	-	-
Monnet Power Company Limited 220,101,460 (March 31, 2021 : 220,101,460) Equity shares of ₹10 each fully paid up	-	-
	1.40	**0.92**
Aggregate book value of quoted investments	1.20	0.72
Aggregate book value of unquoted investments	0.20	0.20
Aggregate market value of quoted investments	1.20	0.72
Aggregate market value of unquoted investments	0.20	0.20
* ₹41,702 # ₹ 10,750 ## ₹ 45,625		

8B. Current Investments

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Investments at fair value through profit or loss (unquoted)		
SBI MF Magnum Tax Gain 55,123 (March 31, 2021 : 55,123) units	0.27	0.25
Nippon India Mutual fund ETF liquid BeES 26 (March 31, 2021 : 26) units	-	-
Total	**0.27**	**0.25**
Aggregate book value of unquoted investments	0.27	0.25
Aggregate market value of unquoted investments	0.27	0.25

9. Other financial assets (Non-current) (unsecured)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Bank deposits (having maturity of more than 12 months)*	78.59	59.19
Security deposits	26.27	6.28
Total	**104.86**	**65.47**
* Lien marked bank deposits	78.59	58.66

10. Current tax assets (net) (Non-current)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Income tax paid (net of provision for tax)	66.97	61.70
Less: Provision for impairment	(57.40)	(57.40)
Total	**9.57**	**4.30**

11. Other non-current assets

(Unsecured unless otherwise stated, considered good)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Capital advance	15.64	14.20
Less: Provision for doubtful advances	(8.09)	-
Advance to suppliers	4.69	4.69
Advance to gratuity fund (refer note 39)	-	0.79
Other advances	16.41	2.54
Total	**28.65**	**22.22**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

12 Inventories

(valued at the lower of cost and net realizable value)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Raw materials {includes goods in transit ₹108.21 crores (31 March 2021: ₹37.74 crores)}	500.37	442.21
Work-in-progress	7.02	5.98
Finished goods	459.43	364.53
Stores and spares	144.85	113.60
	1,111.67	**926.32**
Less : Provision for impairment of inventory	(1.29)	(1.29)
Total	**1,110.38**	**925.03**

Note:

I. Inventories of Raigarh Plant have been pledged as security against borrowings, refer note 21.

13. Trade receivables (unsecured)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Trade receivables - considered good	254.45	188.68
Trade receivables – credit impaired	2.14	2.20
Less: Allowance for doubtful debts	(2.14)	(2.20)
Total	**254.45**	**188.68**

Notes:

i) The Credit period on sale of goods ranges from 30 to 120 days.

ii) Trade receivables of Raigarh Plant have been given as collateral towards borrowings, refer note 21.

iii) For credit risk management regarding trade receivables, refer note 44 (4).

iv) Trade receivables from related parties, have been disclosed in note 41.

v) Trade receivables do not include any receivables from directors and officers of the Company.

Ageing of receivables from due date of payment

₹ in crores

Particulars	31 March 2022						
	Not due	< 6 months	6 months - 1 year	1 - 2 year	2 - 3 years	> 3 years	Total
(i) Undisputed trade receivables - Considered good	73.19	181.26	-	-	-	-	254.45
(ii) Undisputed trade receivables - Credit impaired	-	1.22	0.14	0.38	0.40	-	2.14
Total	**73.19**	**182.48**	**0.14**	**0.38**	**0.40**	**-**	**256.59**

₹ in crores

Particulars	31 March 2021						
	Not due	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
(i) Undisputed trade receivables - Considered good	170.5	17.71	0.09	0.03	0.35	-	188.68
(ii) Undisputed trade receivables - Credit impaired	-	0.61	0.65	0.61	0.33	-	2.20
Total	**170.50**	**18.32**	**0.74**	**0.64**	**0.68**	**-**	**190.88**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

Movement in the expected credit loss allowance

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	2.20	2.23
Change in loss allowance	(0.06)	0.58
Amount written off	-	(0.61)
Balance at the closing of the year	**2.14**	**2.20**

14. Cash and bank balances

14 a. Cash and cash equivalents :

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks		
in current accounts	49.78	11.15
Cash on hand	0.06	0.08
Total	**49.84**	**11.23**

14 b. Bank balances other than above

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Earmarked bank balances*	-	0.10
Other bank deposits with maturity more than 3 months but less than 12 months at inception	44.12	94.59
Other bank deposits with maturity more than 3 months but less than 12 months at inception (lien marked)#	35.90	21.70
Total	**80.02**	**116.39**

* Earmarked bank balances pertain to unclaimed dividend.

Other bank deposits are provided as collateral against credit facilities.

15. Derivative assets

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Forward contracts (refer note 44)	0.94	0.23
Total	**0.94**	**0.23**

16. Loans

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Loans		
- to related parties (refer note 41)	57.12	70.46
- to others	140.96	140.96
Less: allowance for doubtful loans	(189.74)	(211.42)
Total	**8.34**	**-**
Loans receivable unsecured unless otherwise stated, considered good	8.34	-
Loans receivables – credit impaired		
Loans and advances to related parties	48.78	70.46
Loans and advances to others	140.96	159.40

Note:

The Company had granted loans aggregating to ₹198.08 crore (previous year ₹211.42 crore) to related and other parties prior to the NCLT order approving the Resolution Plan. The loans were considered as not recoverable by the new management at the time of acquisition and hence provided for in full.

During the year, the Company has reversed a provision of ₹8.34 crore as considered recoverable from Monnet Global Limited, a wholly owned subsidiary of the Company.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

17. Other financial assets (Current)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Interest accrued on deposits	2.82	2.06
Other receivables	16.75	12.73
Total	**19.57**	**14.79**

18. Other current assets (unsecured unless otherwise stated, considered good)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Advances to suppliers	241.33	239.92
Less: Provision for doubtful advance	(3.79)	-
Cess paid under protest	18.44	18.44
Less: Provision for impairment	(18.44)	(18.44)
MAT credit entitlement	18.25	18.25
Less: Provision for impairment	(18.25)	(18.25)
Prepaid expenses	8.26	12.57
Indirect tax balances	15.86	21.00
Less: Provision for impairment	(1.01)	(1.01)
Advance to employees	0.63	0.35
Others	18.01	10.47
Total	**279.29**	**283.30**

19. Share capital

₹ in crores

		As at 31 March 2022	As at 31 March 2021
a) Equity share capital			
Authorised:			
1,000,000,000 (31 March 2021: 1,000,000,000) Shares of ₹10/- each		1,000.00	1,000.00
Issued subscribed and paid up:			
469,547,534 (31 March 2021: 469,547,534) shares at par value of ₹10/- each		469.55	469.55
Total	**a**	**469.55**	**469.55**
b) Preference Share capital			
Authorised:			
550,000,000 (31 March 2021: 550,000,000) shares at par value of ₹10/- each		550.00	550.00
Issued subscribed and paid up:			
0.01% Compulsory Convertible Preference Shares (CCPS) 525,980,000 (31 March 2021: 525,980,000) shares at par value of ₹ 10/- each		525.98	525.98
Total	**b**	**525.98**	**525.98**
Total	**(a+b)**	**995.53**	**995.53**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

A. Reconciliation of the shares outstanding at the beginning and at the end of the year

₹ in crores

Equity shares	As at 31 March 2022		As at 31 March 2021	
	No of shares (in crores)	Amount	No of shares (in crores)	Amount
At the beginning of the year	46.95	469.55	46.95	469.55
Movement during the year	-	-	-	-
Outstanding at the end of the year	**46.95**	**469.55**	**46.95**	**469.55**

₹ in crores

Compulsory convertible preference shares (CCPS)	As at 31 March 2022		As at 31 March 2021	
	No of shares (in crores)	Amount	No of shares (in crores)	Amount
At the beginning of the year	52.60	525.98	52.60	525.98
Movement during the year	-	-	-	-
Outstanding at the end of the year	**52.60**	**525.98**	**52.60**	**525.98**

B. Terms of / Rights attached to equity shares

The Company has a single class of equity shares having par value of ₹10 per share. Each shareholder is eligible for one vote per share held. 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.

C. Terms of / Rights attached to CCPS

The holders of CCPS shall be entitled to payment of 0.01% per annum as dividend on each CCPS, as and when the Company declares any dividend. Each CCPS shall be convertible into 1 (one) equity share at any date prior to the expiry of the term of 20 (Twenty) years from the date of issuance of the CCPS ("CCPS Term") at the option of the holder of the CCPS. Unless already converted each CCPS outstanding at the expiry of the CCPS Term shall be compulsorily converted into 1 (one) equity share of the Company. The CCPS will have priority with respect of dividend, if declared, or repayment of capital vis-a- vis equity shares. The CCPS holders shall not be entitled to participate in the surplus fund of the Company or participate in the surplus assets and profits, on winding up which may remain after the entire capital has been repaid. The payment of dividend shall be on a non cumulative basis.

D. Following shareholders hold equity shares more than 5% of the total equity shares of the Company at the end of the year

₹ in crores

	As at 31 March 2022		As at 31 March 2021	
	Number of shares held (in crores)	% of holding in class	Number of shares held (in crores)	% of holding in class
Creixent Special Steels Limited (Parent Company)	22.59	48.12%	22.59	48.12%
AION Investments Private II Limited	-	-	9.95	21.18%
JTPM Atsali Limited	2.35	5.01%	2.35	5.01%

E. Following shareholders hold preference shares more than 5% of the total convertible preference shares of the Company at the end of the year

₹ in crores

	As at 31 March 2022		As at 31 March 2021	
	Number of shares held (in crores)	% of holding in class	Number of shares held (in crores)	% of holding in class
Creixent Special Steels Limited (Parent Company)	34.05	64.73%	34.05	64.73%
JTPM Atsali Limited	18.55	35.27%	18.55	35.27%

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

F. Equity shares allotted as fully paid up (during 5 years preceding March 31, 2022) without payment being received in cash

34,90,00,000 equity shares and 52,59,80,000 compulsorily convertible preference shares issued on August 16, 2018, to the shareholders of Milloret Steel Limited in terms of the scheme of amalgamation ('the Scheme') sanctioned by Mumbai bench of National Company Law Tribunal vide its order dated July 24, 2018.

G. Shares held by the Promoters of the Company

₹ in crores

Promoter Name	As at 31 March 2022		
	Number of shares held (in crores)	% of total shares	% of changes in current year
A) Equity			
Creixent Special Steels Limited (Parent Company)	22.59	48.12%	-
AION Investments Private II Limited	-	-	21.18%
JTPM Atsali Limited	2.35	5.01%	-
JSW Techno Projects Management Limited	0.02	0.04%	-
JSW Steel Limited	*	-	-
Total	**24.96**	**53.17%**	**21.18%**
B) Preference shares			
Creixent Special Steels Limited (Parent Company)	34.05	64.73%	-
JTPM Atsali Limited	18.55	35.27%	-
JSW Steel Limited	**	0.00%	-
Total	**52.60**	**100.00%**	**-**

₹ in crores

Promoter Name	As at 31 March 2021		
	Number of shares held (in crores)	% of total shares	% of changes in current year
A) Equity			
Creixent Special Steels Limited (Parent Company)	22.59	48.12%	-
AION Investments Private II Limited	9.95	21.18%	-
JTPM Atsali Limited	2.35	5.01%	-
JSW Techno Projects Management Limited	0.02	0.04%	-
JSW Steel Limited	*	-	-
Total	34.91	74.35%	-
B) Preference shares			
Creixent Special Steels Limited (Parent Company)	34.05	64.73%	-
JTPM Atsali Limited	18.55	35.27%	-
JSW Steel Limited	**	0.00%	-
Total	**52.60**	**100.00%**	**-**

* 399 shares ** 601 shares

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

20. Other equity

₹ in crores

	As at 31 March 2022	As at 31 March 2021
a) Capital reserve		
Opening balance	77.77	77.77
Changes during the year	-	-
Closing balance	**77.77**	**77.77**
b) Securities premium		
Opening balance	1,114.46	1,114.46
Changes during the year	-	-
Closing balance	**1,114.46**	**1,114.46**
c) Capital redemption reserve		
Opening balance	472.35	472.35
Changes during the year	-	-
Closing balance	**472.35**	**472.35**
d) Capital reconstruction reserve		
Opening balance	19.68	19.68
Changes during the year	-	-
Closing balance	**19.68**	**19.68**
e) Amalgamation reserve		
Opening balance	3.31	3.31
Changes during the year	-	-
Closing balance	**3.31**	**3.31**
f) General reserve		
Opening balance	250.09	250.09
Changes during the year	-	-
Closing balance	**250.09**	**250.09**
g) Equity instruments through OCI		
Opening balance	(102.04)	(102.50)
Changes during the year	2.50	0.46
Closing balance	**(99.54)**	**(102.04)**
h) Equity contribution resulted on merger		
Opening balance	7,287.03	7,287.03
Changes during the year	-	-
Closing balance	**7,287.03**	**7,287.03**
i) Retained earnings		
Opening balance	(8,734.67)	(8,631.73)
Profit / (loss) for the year	9.18	(104.99)
Re-measurement (loss) / gain on defined benefit plans	(3.27)	2.05
Closing balance	**(8,728.76)**	**(8,734.67)**
Total other equity	**396.39**	**387.98**

a) Capital reserve

The reserve created pursuant to the acquisition of business represents the difference of liabilities and assets acquired.

b) Securities premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

c) Capital redemption reserve

Reserve is created for redemption of preference shares as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

d) Capital Reconstruction Reserve

Reserve acquired at the time of amalgamation accounted for using the pooling of interest method.

e) Amalgamation Reserve

Reserve is created on account of gain arising at the time of amalgamation accounted for using the pooling of Interest method.

f) General reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations.

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 may transfer any amount from the surplus of profit or loss to the General reserves, if it wants to voluntarily. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

g) Equity instruments through OCI

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

h) Equity contribution resulted on merger

The equity contribution resulted on merger is a surplus after extinguishment of optionally convertible preference shares (OCPS) issued to Milloret Steel Limited.

i) 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.

21. Borrowings

(measured at amortized cost)

₹ in crores

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
A. Long term borrowings				
a. Term loans				
i. Secured				
From banks	1,712.77	2,166.63	107.50	44.22
From a financial institution	418.50	-	22.50	-
Less: Unamortised upfront fees on borrowing	(16.39)	(18.30)	-	-
Net	**2,114.88**	**2,148.33**	**130.00**	**44.22**
ii. Unsecured				
From a related party	125.00	125.00	-	-
Total (A)	**2,239.88**	**2,273.33**	**130.00**	**44.22**
B. Short term borrowings				
a. Short term loan				
i. Unsecured				
From a related party	-	-	89.50	89.50
b. Working capital facility				
i. Secured				
From banks	-	-	212.38	135.23
Total (B)	**-**	**-**	**301.88**	**224.73**
Total (A+B)	**2,239.88**	**2,273.33**	**431.88**	**268.95**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

Terms of Borrowings

₹ in crores

Type of loan	31 March 2022	31 March 2021	Interest rate	Security Guarantee	Repayment terms
Term loan from banks (Secured)	1,820.27	2,210.85	8.35%	Secured by first charge on all immovable and movable fixed assets (present & future) of the Raigarh plant and second charge on all current assets of the Raigarh plant.	Repayable in 36 structured quarterly instalments, starting from the end of 39th month from the date of first disbursement, i.e. 31 August 2018.
Long term loan from a financial institution (Secured)	441.00	-	8.20%		
Long term loan from a related party (Unsecured)	125.00	125.00	SBI 1 year MCLR + 200 bps or 10% whichever is higher	N.A.	Repayable in 9 equal annual instalments of ₹13.89 Crore, starting from 31 August 2024 and ending at 31 August 2032.
Short term loan from a related party (Unsecured)	89.50	89.50			At the end of 12 months from the date of disbursement.
Working capital facilities	212.38	135.23	1 Year MCLR	Secured by first charge on entire current assets (both present and future) of the Raigarh plant and second charge on all immovable and movable fixed assets of the Raigarh plant.	

Notes:

i) The statement of net current assets filed by the Company with bank is in agreement with the books of accounts.

ii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

22. Lease liabilities

₹ in crores

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
	Non-current		Current	
Lease liabilities (refer note 40)	26.93	27.16	0.45	0.46
Total	**26.93**	**27.16**	**0.45**	**0.46**

23. Other financial liabilities

₹ in crores

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
	Non-current		Current	
Payables for capital projects				
Acceptances	-	-	11.45	30.75
Other than acceptances	-	-	22.14	15.98
Interest accrued but not due on borrowings	49.12	34.18	22.10	12.81
Security deposits and retention money	-	-	12.77	13.28
Unclaimed dividends	-	-	0.01	0.11
Others	-	-	21.93	27.60
Total	**49.12**	**34.18**	**90.40**	**100.53**

24. Provisions

₹ in crores

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
	Non-current		Current	
Provision for employee benefits				
Provision for gratuity (refer note 39)	-	-	2.01	-
Provision for compensated absences (refer note 39)	6.53	5.60	0.90	0.88
Total	**6.53**	**5.60**	**2.91**	**0.88**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

25. Income tax

A. Income tax expense

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Current tax		
Current tax	-	-
Deferred tax		
Deferred tax	-	-
MAT credit entitlement	-	-
Total tax expense	**-**	**-**

Reconciliation of tax expense and the accounting profit

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Profit / (loss) before tax	9.18	(104.99)
Enacted tax rate in India	34.944	34.944
Profit / (loss) before income tax	**9.18**	**(104.99)**
Expected income tax expense/(benefits) at statutory tax rate 34.94% (31 March 2021: 34.94%)	3.21	(36.69)
Expenses not deductible in determining taxable profits	0.07	0.61
Deferred tax asset not recognised	(3.28)	36.08
At the effective income tax rate of 0.0% (31 March 2021: 0.0%)	**-**	**-**
Income tax expense reported in the statement of profit and loss	-	-
	-	-

The Company had recognised MAT credit amounting to ₹18.25 crores, however due to uncertainty regarding utilisation within the stipulated period of 15 years, the same had been fully provided in earlier years (refer note 18).

B. Deferred tax liabilities (net)

₹ in crores

Deferred tax balance in relation to	As at 31-Mar-21	For the year ended 31 March 2022: Recognised / (reversed) through profit and loss	For the year ended 31 March 2022: Recognised in / (reclassified) from OCI	As at 31-Mar-22
Property, plant and equipment	(392.92)	(22.37)	-	(415.29)
Derivatives	0.70	(0.70)	-	-
Provisions for Impairment of Inventory/Trade receivables and loans	2.91	9.45	-	12.36
Provision for employee benefits expense and Trade payable	12.10	(10.95)	-	1.51
Lease obligations	0.12	0.05	-	0.17
Unamortised upfront fees on borrowings	0.73	0.33	-	1.06
Carried forward business loss/ unabsorbed depreciation (recognised to the extent of deferred tax liabilities (net))	376.36	23.83	-	400.19
Total	**-**	**-**	**-**	**-**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

₹ in crores

Deferred tax balance in relation to	As at 01-Apr-20	For the year ended 31 March 2021 Recognised / (reversed) through profit and loss	For the year ended 31 March 2021 Recognised in / (reclassified) from OCI	As at 31-Mar-21
Property, plant and equipment	(346.45)	(46.47)	-	(392.92)
Derivatives	(2.64)	3.34	-	0.70
Provisions for Impairment of Inventory/Trade receivables and loans	6.94	(4.03)	-	2.91
Provision for employee benefits expense and Trade payable	13.06	(0.96)	-	12.10
Lease obligations	0.09	0.03	-	0.12
Unamortised upfront fees on borrowings	0.95	(0.22)	-	0.73
Carried forward business loss/ unabsorbed depreciation (recognised to the extent of deferred tax liabilities (net))	328.05	48.31	-	376.36
Total	**-**	**-**	**-**	**-**

Expiry schedule of losses on which deferred tax assets is not recognised is as under:

₹ in crores

Expiry of losses | (as per local tax laws)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	5 Years and beyond	Indefinite	Total
Business Losses	26.91	1,108.21	227.93	168.94	501.84	-	2,033.83
Unabsorbed depreciation	-	-	-	-	-	4,767.10	4,767.10
Long term capital losses	-	19.10	-	275.18	27.80	-	322.08
Total	**26.91**	**1,127.31**	**227.93**	**444.12**	**529.64**	**4,767.10**	**7,123.01**

Based on legal advice from an independent expert, the management is of the view that vide NCLT order dated July 24, 2018 in response to the resolution plan submitted by the consortium of JSW Steel Limited and AION Investment Private II Limited for acquisition of the Company under the Insolvency Bankruptcy Code, 2016 ("NCLT Order"), the Company will be entitled to carry forward the aforementioned accumulated losses pertaining to the period prior to acquisition and off-set the same against the future taxable income of the Company.

26. Trade payables

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Acceptances	404.95	523.64
Other than acceptances		
- total outstanding dues of micro and small enterprises; (refer note 43)	5.63	0.04
- total outstanding dues of creditors other than micro and small enterprises	438.12	256.89
Total	**848.70**	**780.57**

Note:

i. Acceptances include credit availed by the Company from banks for payment to suppliers for raw materials purchased by the Company. The arrangements are interest-bearing and are payable within one year.

ii. Trade payables are non-interest bearing and are normally settled within 90 days except for SME's which are settled within 45 days.

iii. Trade payables from related parties details has been disclosed in note 41.

iv. For the Company's credit risk management processes, refer note 44.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

Ageing of payables based on the due date of payment

₹ in crores

Particulars	As at 31 March 2022						
	Unbilled	Not due	< 1 year	1 -2 years	2 - 3 years	> 3 years	Total
(i) MSME	-	5.63	-	-	-	-	5.63
(ii) Others	153.01	170.54	111.49	3.08	-	-	438.12
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
(v) Acceptances	-	404.95	-	-	-	-	404.95
Total	**153.01**	**581.12**	**111.49**	**3.08**	**-**	**-**	**848.70**

₹ in crores

Particulars	As at 31 March 2021						
	Unbilled	Not due	< 1 year	1 -2 years	2 - 3 years	> 3 years	Total
(i) MSME	-	0.04	-	-	-	-	0.04
(ii) Others	171.45	12.28	66.13	3.64	3.39	-	256.89
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
(v) Acceptances	-	523.64	-	-	-	-	523.64
Total	**171.45**	**535.96**	**66.13**	**3.64**	**3.39**	**-**	**780.57**

27. Derivative Liabilities

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Forward contracts (refer note 44)	0.87	2.23
Total	**0.87**	**2.23**

28. Other current liabilities

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Advances from customers	49.20	68.27
Statutory dues	44.39	36.26
Export obligation deferred income	-	5.43
Total	**93.59**	**109.96**

29. Revenue from operations

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
29 A. Sale of products and services		
Sale of products	5,948.64	4,139.71
Sale of services	62.90	10.43
A	**6,011.54**	**4,150.14**
29 B. Other operating income		
Other operating income		
Sale of scrap	19.48	26.51
Insurance Claim	3.19	-
Export incentives	26.44	11.09
B	**49.11**	**37.60**
A+B	**6,060.65**	**4,187.74**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

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

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from contracts with customers - Sale of products	5,948.64	4,139.71
Revenue from contracts with customers - Sale of service	62.90	10.43
Other operating revenue	49.11	37.60
Total revenue from contracts with customers	**6,060.65**	**4,187.74**
India	5,076.71	3,895.20
Outside India	983.94	292.54
Total revenue from contracts with customers	**6,060.65**	**4,187.74**
Timing of revenue recognition		
At a point in time	6,060.65	4,187.74
Over a period of time	-	-
Total revenue from contracts with customers	**6,060.65**	**4,187.74**

Breakup of revenue

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Billets	1,937.74	432.09
Sponge Iron	1,425.17	1,265.12
Structure/ TMT	715.57	872.21
Pig Iron	589.58	490.05
Slab	408.62	-
Pellets	370.40	849.87
Ferro Alloys	367.00	137.34
Others	246.57	141.06
Total	**6,060.65**	**4,187.74**

Contract balances

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables	254.45	188.68
Contract liabilities (advances from customers)	49.20	68.27

The Company does not have any significant adjustments between the contracted price and revenue recognised in the Statement of profit and loss.

The performance obligation is satisfied based on the terms of sale, normally, upon delivery of the goods and payment is generally due within 30 to 120 days from delivery.

Amount of revenue recognized from amounts included in the contract liabilities at the beginning of the year is ₹68.27 crores (previous year ₹16.97 crores).

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

30. Other income

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income earned on financial assets that are not designated as FVTPL		
Bank deposits	10.91	7.67
Others interest income	0.23	1.29
Rental income	1.32	1.50
Liabilities no longer required written back	15.15	0.93
Fair value gain arising from financial instruments designated as FVTPL	2.09	0.23
Other miscellaneous income	0.43	1.37
Total	**30.13**	**12.99**

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

₹ in crores

		For the year ended 31 March 2022	For the year ended 31 March 2021
Opening stock :			
Finished goods		364.53	369.97
Work-in-process		5.98	4.95
	A	**370.51**	**374.92**
Closing stock :			
Finished goods		459.43	364.53
Work-in-process		7.02	5.98
	B	**466.45**	**370.51**
Total	**(A-B)**	**(95.94)**	**4.41**

32. Employee benefits expense

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and wages	118.35	106.98
Contribution to provident fund and other funds (refer note 39)	6.54	6.55
Staff welfare expenses	4.83	2.05
Total	**129.72**	**115.58**

33. Finance Costs

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on borrowings	249.29	253.84
Other ancillary borrowing costs	18.01	18.55
Unwinding of interest on financials liabilities (carried at amortised cost)	3.00	3.00
Interest expenses on lease liabilities (refer note 40)	0.23	0.23
Other charges	0.07	0.16
Total	**270.60**	**275.78**

34. Depreciation and amortisation expense

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (refer note 4)	222.21	227.23
Amortisation of intangible assets (refer note 6)	0.21	-
Depreciation of right of use assets (refer note 40)	0.79	0.24
Total	**223.21**	**227.47**

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

35. Other expenses

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Stores and spares consumed	271.02	172.27
Distribution expenses	215.00	104.79
Wages & labour charges	61.85	50.93
Repairs & maintenance		
- Machinery	18.28	17.58
- Building	5.28	2.62
- Others	3.44	11.39
Legal & professional charges	15.07	11.93
Water charges	8.91	8.56
Insurance charges	11.18	9.75
Security service charges	7.46	6.61
Vehicle expenses	9.77	3.46
Auditors' remuneration		
- As audit fees	0.52	0.47
- For limited review	0.24	0.24
- For tax matters	0.05	0.05
- For certification & other matters	0.04	0.02
- Reimbursement of expenses	-	0.01
Lease rent & hire charges	0.46	1.00
Fair value loss arising from financial instruments designated as FVTPL	0.87	9.89
Exchange fluctuation (net)	1.63	4.30
Allowance for doubtful debts	0.62	0.58
Allowance for doubtful advances	11.88	0.14
Loss on sale of property, plant and equipment	1.42	3.14
Balances written off	-	9.01
Miscellaneous expenses	31.57	21.10
Write off of financial assets, current and non-current assets, trade receivables and loans and advances	14.52	260.58
Less :- Provision for impairment recognized in earlier years	(14.52)	(260.58)
	676.56	**449.84**

Corporate Social Responsibility (CSR)

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Amount required to be spent by the Company during the year	-	-
(b) Amount of expenditure incurred	0.47	0.75
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities	NA	NA
(g) Details of related party transaction	NA	NA
(h) Movement in provision made	NA	NA

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

36. Earnings Per Share (EPS)

₹ in crores

Particulars	31 March 2022	31 March 2021
Profit / (loss) for the year as per Statement of profit and loss attributable to equity shareholders (₹ in crores) [A]	9.18	(104.99)
Weighted average number of equity shares for calculating basic and diluted EPS (no. in crores) [B]	46.95	46.95
Effect of dilution:		
Weighted average number of compulsorily convertible preference shares (no. in crores)	52.60	52.60
Weighted average number of equity shares adjusted for the effect of dilution (no. in crores) [C] {refer note below}	**99.55**	**46.95**
Earnings per equity share in ₹		
Basic [A/B]	0.20	(2.24)
Diluted [A/C]	0.09	(2.24)
Face Value of each equity share in ₹	10	10

Note:

Equity shares to be issued upon conversion of compulsorily convertible preference share have not been considered for the purpose of calculation of diluted earning per share purpose during the previous year as they were anti-dilutive.

37. Commitments and contingencies

(a) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) of ₹42.19 crores (March 31, 2021 - ₹47.59 crores)

(b) Contingent liabilities

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Bank guarantees	70.87	104.41
Claim against the Company not acknowledged as debt	52.00	52.00

Pursuant to the corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 initiated on 18 July 2017, the National Company Law Tribunal on 24 July 2018 (Order date) approved (with modifications), the Resolution Plan submitted by the consortium of JSW Steel Limited and AION Investments Private II Limited read with the independent legal opinion obtained by the Company and the recent judgment of Supreme Court of India, all contingent liabilities, commitments, other claims and obligations including all taxes and other government dues standing as on the effective date (i.e. 31 August 2018) and not part of the Resolution Plan, shall stand extinguished.

38. Assets held for sale

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Assets of Monnet Ecomaister Enviro Private Limited (refer note I below)	0.001	0.001
Advance for properties (refer note II below)	-	-
Aircraft (refer note III below)	-	11.00
Total	**0.001**	**11.00**

I. The Company had entered into an MOU with Ecomaister Company Limited, South Korea for transfer of its holding in JV company Monnet Ecomaister Enviro Private Limited having gross carrying value of ₹14.21 crores (provision of ₹14.21 crores, hence net book value is zero) for a total consideration of ₹10,000 (Rupees Ten Thousand). Accordingly, the Company has measured the said investment at lower of its carrying amount and fair value less costs to sell and classified it as held-for-sale.

II. The Company upon approval of plan to sell off properties in their present condition by the Board of directors, had re-classed advance to properties as held for sale at their fair value less cost to sell and had recognised an impairment loss of ₹1.80 crore. Since the Company to whom the advance was given is under Insolvency proceedings, the Company has filed its claim and awaits the court order.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

III. In the Board Meeting held on 19 January 2021, the Board had approved to sell the aircraft. Accordingly, the Company had entered into a letter of intent with Nav Durga Aviation Private Limited on 6th October, 2020 and had measured the aircraft at lower of its carrying amount or fair value less costs to sell and had classified it as held-for-sale.

The Company has received the consideration in current year and has accordingly recognised sale.

39. Employee benefit plans

a) Defined contribution plans

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 recognised in statement of profit and loss aggregates to ₹6.54 crores (31 March 2021: ₹6.55 crores) (included in note 32).

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

b) Defined benefit plans

The Company sponsors funded defined benefit plans for all qualifying employees. The level of benefits provided depends on the member's length of service and salary at retirement age.

The gratuity plan is covered by The Payment of Gratuity Act, 1972. 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, 60 and 63. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

The fund is managed by Monnet Ispat & Energy Employees Group Gratuity Trust and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate 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 for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

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

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2022 by Independent, Qualified Actuary. 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.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

(I) Gratuity :

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

₹ in crores

	for the year ended 31 March 2022	for the year ended 31 March 2021
Defined Benefit Obligation ('DBO') at the beginning of the year	16.71	17.27
Current service cost	1.48	1.70
Interest cost	1.14	1.19
Benefits paid	(1.76)	(1.84)
Actuarial (gain)/ loss on obligations - OCI	2.71	(1.61)
Defined Benefit Obligation at the end of the year	**20.28**	**16.71**
Changes in the fair value of plan assets are, as follows:		
Fair value of plan assets at the beginning of the year	17.50	17.21
Contribution by employer	1.90	0.50
Benefits paid	(1.76)	(1.84)
Expected Interest Income on plan assets	1.20	1.19
Actuarial gain/(loss) on plan asset	(0.57)	0.44
Fair value of plan assets at the end of the year	**18.27**	**17.50**

Reconciliation of fair value of plan assets and defined benefit obligation:

₹ in crores

	for the year ended 31 March 2022	for the year ended 31 March 2021
Fair value of plan assets	18.27	17.50
Defined benefit obligation	20.28	16.71
Net liability / (asset) recognised in the balance sheet (refer note 11 and 24)	**2.01**	**(0.79)**
Amount recognised in Statement of Profit and Loss:		
Current service cost	1.48	1.70
Interest expense	1.14	1.19
Expected return on plan asset	(1.20)	(1.19)
Net expense recognised in Statement of Profit and Loss	**1.42**	**1.70**
Amount recognised in other comprehensive income:		
Actuarial changes arising from changes in demographic assumptions	(0.16)	0.07
Actuarial changes arising from changes in financial assumptions	(1.89)	(0.04)
Experience adjustments	(0.65)	1.58
Return on plan assets (excluding amounts included in net interest expense)	(0.57)	0.44
Amount recognised in other comprehensive (loss) / income	**(3.27)**	**2.05**

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

Investment details	Funded	Funded
Investment with insurance fund	100%	100%

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

Discount rate	6.90%	6.86%
Expected rate of return on Plan assets	6.90%	6.86%
Future salary increases	8.80%	7.00%
Attrition rate	8.40%	4.00%
Mortality rate during employment	Indian assured lives mortality (2006-08) ult	Indian assured lives mortality (2006-08) ult

Sensitivity analysis:-

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

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:-

₹ in crores

Gratuity Plan	Sensitivity level		Impact on DBO	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Assumptions				
Discount rate	+ 1%	+ 1%	(1.22)	(1.16)
	- 1%	- 1%	1.37	1.32
Future salary increases	+ 1%	+ 1%	1.33	1.31
	- 1%	- 1%	(1.21)	(1.17)
Attrition rate	+ 1%	+ 1%	(0.17)	(0.04)
	- 1%	- 1%	0.18	0.04

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that change in assumption would occur in isolation of the another as some of the assumptions may be correlated.

The following are the maturity analysis of projected benefit obligations:

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Within the next 12 months (next annual reporting year)	1.81	2.16
Between 2 and 5 years	7.87	4.56
Beyond 5 years	24.74	24.35
Total expected payments	**34.42**	**31.07**

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.

The Company is expected to contribute ₹2.01 crore to its gratuity plan for the next year. The weighted average duration of the plan is 12 years.

(II) Compensated absences

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation, Employee are entitled to encash leave while serving in the Company at the rate of daily salary, as per current accumulation of leave days.

₹ in crores

Compensated absences	As at 31 March 2022	As at 31 March 2021
Present value of unfunded obligation (refer note 24)	7.43	6.48
Expenses recognised in Statement of profit and loss	0.95	1.06
Discount rate (p.a.)	6.90%	6.86%
Salary escalation rate (p.a.)	8.80%	7.00%

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

40. Lease

Operating lease commitments - Company as lessee

Lease payments of ₹0.46 crore (31 March 2021 ₹1 crore) have been recognized as an expense in the statement of profit and loss.

Lease - Company as a lessee

₹ in crores

		As at 31 March 2022	As at 31 March 2021
a.	Right of use asset recognised in the Balance Sheet	43.05	43.84
b.	Lease liability recognised in the Balance Sheet (refer note 22)	27.37	27.62
c.	Depreciation charged to Statement of Profit and loss		
	- Land (refer note 34)	0.79	0.34
d.	Interest charged to Statement of Profit and Loss (refer note 33)	0.23	0.23
e.	Lease payments recognised as expense for short term leases	0.46	1.00
f.	Total cash flow for leases	0.48	0.48
g.	Carrying value of the right of use assets		
	- Land	43.05	43.84
h.	Amounts of lease commitments for leases covered other than in point (e) above		
	- Not later than one year	0.45	0.46
	- Later than one year and not later than five years	1.68	1.71
	- Later than five years	25.24	25.45
i.	Amounts of lease commitments for leases covered in point (e) above		
	- Not later than one year	0.46	0.13
	- Later than one year and not later than five years	-	-
	- Later than five years	-	-

The weighted average leases incremental borrowing rate applied to lease liabilities recognised in the Balance sheet was ranging between 9.5% to 10%.

41. Related party disclosures

A. List of related parties

(a) Parent company — Creixent Special Steels Limited

(b) Joint venturer of parent company
1 JSW Steel Limited
2 AION Investments Private II Limited

(c) Subsidiaries
1 Monnet Global Limited
2 Monnet Cement Limited
3 Mivaan Steels Limited (w.e.f. 24th February 2022)
4 Pt. Sarwa Sembada Karya Bumi (step - subsidiary) (upto 29th March 2022)
5 LLC Black Sea Natural Resources, Abkhazia (step - subsidiary)

(d) Joint ventures
1 MP Monnet Mining Company Limited
2 Mandakini Coal Company Limited
3 Urtan North Mining Company Limited
4 Monnet Ecomaister Enviro Private Limited

(e) Subsidiary of joint venture of company — Solace Land holding Limited

(f) Key management personnel
1 Mr. D Ravichandar (Whole time director) (upto 31st May 2021)
2 Mr. Thirukkoteeswaran Mohan Babu (Whole time director) (w.e.f. 1st June 2021)
3 Ms. Anuradha Ambar Bajpai (Independent Non-executive director)
4 Ms. Sutapa Banerjee (Independent Non-executive director) (upto 18th May 2021)
5 Mr. Jyotin Kantilal Mehta (Chairman and Independent Non-executive director)
6 Mr. Kaushik Subramaniam (Non-Independent Non-executive director)
7 Mr. Nikhil Gahrotra (Non-Independent Non-executive director)
8 Mr. Sanjay Kumar (Non-Independent Non-executive director)
9 Mr. Seshagiri Rao (Non-Independent Non-executive director) (upto 22nd November 2021)
10 Mr. Krishna Deshika (Independent Non-executive director) (w.e.f. 20th July 2021)
11 Mr. J. Nagarajan (Chief Financial Officer)
12 Mr. Ajay Kadhao (Company Secretary)

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

Related parties with whom the Company has entered into transactions during the year / previous year

(g) Subsidiary of joint venturer of parent company	1	JSW Steel Coated Products Limited
	2	GSI Lucchini S.P.A
	3	Amba River Coke Limited
	4	JSW Steel USA Ohio Inc.
	5	JSW Steel Italy Piombino S.P.A.
	6	Bhushan Power and Steel Limited
(h) Promoter company	1	JSW Techno Projects Management Limited
	2	JTPM Atsali Limited
(i) Post-employment benefit entity		Monnet Ispat & Energy Employees Group Gratuity Trust

B. Details relating to remuneration of key managerial personnel

i) Remuneration of key managerial personnel

₹ in crores

	for the year ended 31 March 2022	For the year ended 31 March 2021
Short term employee benefits	2.73	3.44

Note:

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

ii) Directors sitting fees

₹ in crores

Name of key managerial personnel	for the year ended 31 March 2022	For the year ended 31 March 2021
Ms. Anuradha Ambar Bajpai	0.10	0.04
Ms. Sutapa Banerjee	0.01	0.03
Mr. Jyotin Kantilal Mehta	0.09	0.04
Mr. Krishna Deshika	0.05	-

Notes
To the Standalone Financial Statements as at and for the year ended 31 March 2022

C. The following transactions were carried out with related parties in the ordinary course of business:-

₹ in crores

Particulars	Parent		Subsidiaries		Joint ventures		Other related parties		Total	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Sales of goods										
JSW Steel Limited	-	-	-	-	-	-	459.55	140.49	459.55	140.49
JSW Techno Projects Management Limited	-	-	-	-	-	-	-	94.45	-	94.45
Creixent Special Steels Limited	0.90	17.21	-	-	-	-	-	-	0.90	17.21
Bhushan Power and Steel Limited	-	-	-	-	-	-	167.62	11.36	167.62	11.36
JTPM Atsali Limited	-	-	-	-	-	-	4.71	5.04	4.71	5.04
JSW Steel Italy Piombino S.P.A.	-	-	-	-	-	-	483.32	-	483.32	-
JSW Steel USA Ohio Inc.	-	-	-	-	-	-	83.66	-	83.66	-
Loan given										
MP Monnet Mining Company Limited	-	-	-	-	0.01	0.01	-	-	0.01	0.01
Interest accrued on Loan										
JSW Steel Limited	-	-	-	-	-	-	25.52	25.07	25.52	25.07
Purchase of raw material / stores / PPE										
JSW Steel Limited	-	-	-	-	-	-	778.01	514.13	778.01	514.13
JSW Steel Coated Products Limited	-	-	-	-	-	-	1.83	3.41	1.83	3.41
GSI Lucchini S.P.A	-	-	-	-	-	-	1.11	1.13	1.11	1.13
Bhushan Power and Steel Limited	-	-	-	-	-	-	466.92	-	466.92	-
Reimbursement of expenses payable										
JSW Steel Limited	-	-	-	-	-	-	0.06	14.45	0.06	14.45
Bhushan Power and Steel Limited	-	-	-	-	-	-	1.75	-	1.75	-
Reimbursement of expenses receivable										
JSW Steel Limited	-	-	-	-	-	-	8.31	7.75	8.31	7.75
Creixent Special Steels Limited	0.12	0.19	-	-	-	-	-	-	0.12	0.19
Monnet Cement Limited	-	-	-	0.15	-	-	-	-	-	0.15
Bhushan Power and Steel Limited	-	-	-	-	-	-	0.71	-	0.71	-
JSW Steel Coated Products Limited	-	-	-	-	-	-	-	0.30	-	0.30
Amba River Coke Limited	-	-	-	-	-	-	-	0.04	-	0.04

Note:

The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (Monnet Ispat & Energy Employees Group Gratuity Trust). During the year, the Company contributed ₹1.90 crores (March 2021 : ₹0.50 crores).

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

D. Net outstanding balances :-

₹ in crores

Particulars	Parent		Subsidiaries		Joint ventures		Other related parties		Total	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Trade receivables										
JSW Steel Limited	-	-	-	-	-	-	187.16	18.43	187.16	18.43
JSW Techno Projects Management Limited	-	-	-	-	-	-	-	55.49	-	55.49
Creixent Special Steels Limited	0.01	0.58	-	-	-	-	-	-	0.01	0.58
Advances to suppliers										
JSW Steel Limited	-	-	-	-	-	-	24.65	-	24.65	-
JSW Steel Coated Products Limited	-	-	-	-	-	-	0.11	0.05	0.11	0.05
Bhushan Power and Steel Limited	-	-	-	-	-	-	-	0.81	-	0.81
Advance received										
Bhushan Power and Steel Limited	-	-	-	-	-	-	1.84	0.42	1.84	0.42
JSW Steel Italy Piombino S.P.A.	-	-	-	-	-	-	1.79	-	1.79	-
Interest payable										
JSW Steel Limited	-	-	-	-	-	-	67.64	44.67	67.64	44.67
Reimbursment of expenses receivables (Net)										
JSW Steel Limited	-	-	-	-	-	-	1.39	-	1.39	-
Creixent Special Steels Limited	0.14	0.21	-	-	-	-	-	-	0.14	0.21
JSW Steel Coated Products Limited	-	-	-	-	-	-	0.30	0.30	0.30	0.30
Monnet Cement Limited	-	-	-	0.14	-	-	-	-	-	0.14
Reimbursment of expenses payable (Net)										
JSW Steel Limited	-	-	-	-	-	-	-	6.70	-	6.70
Bhushan Power and Steel Limited	-	-	-	-	-	-	1.03	-	1.03	-
Amba River Coke Limited	-	-	-	-	-	-	0.17	0.17	0.17	0.17
Trade payables										
JSW Steel Limited	-	-	-	-	-	-	-	3.01	-	3.01
Bhushan Power and Steel Limited	-	-	-	-	-	-	170.39	-	170.39	-
JSW Steel Coated Products Limited	-	-	-	-	-	-	-	0.65	-	0.65
Loan received										
JSW Steel Limited	-	-	-	-	-	-	214.50	214.50	214.50	214.50
Loan given										
Mandakini Coal Company Limited*	-	-	-	-	-	6.41	-	-	-	6.41
Monnet Global Limited**	-	-	57.12	55.95	-	-	-	-	57.12	55.95
MP Monnet Mining Company Limited*	-	-	-	-	-	0.22	-	-	-	0.22
Monnet Ecomaister Enviro Private Limited*	-	-	-	-	-	7.88	-	-	-	7.88

* Loan given to these related parties were 100% provided. However, in current year Management based on recoverability assessment decided to write off these balances.

** Balances over and above Rs 8.34 crore is provided in the books of accounts.

Notes

To the Standalone Financial Statements as at and for the year ended 31 March 2022

42. Segment information

The Company is in the business of manufacturing steel products and allied products having similar characteristics and reviewed by the chief operating decision maker for assessment of Company's performance and resource allocation. Accordingly, the Company has only one reportable operating segment as per Ind AS 108 - Operating segments.

Revenue from operations:

₹ in crores

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
within India	5,076.71	3,895.20
outside India	983.94	292.54
Total	**6060.65**	**4187.74**

Non current assets of the Company as at 31 March 2022 are located as follows:

₹ in crores

Particulars	within India	outside India	Total
Property, plant and equipment	2,991.27	-	2,991.27
Capital work-in-progress	166.90	-	166.90
Intangible assets	34.37	-	34.37
Right of use assets	43.05	-	43.05
Other non-current assets	28.09	0.56	28.65
Total	**3,263.68**	**0.56**	**3,264.24**

Non current assets of the Company as at 31 March 2021 are located as follows:

₹ in crores

Particulars	within India	outside India	Total
Property, plant and equipment	3,124.57	-	3,124.57
Capital work-in-progress	175.14	-	175.14
Right of use assets	43.84	-	43.84
Other non-current assets	21.96	0.26	22.22
Total	**3,365.51**	**0.26**	**3,365.77**

43. Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	5.63	0.04
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

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44. Financial Instruments

44.1 Capital risk management

The Company, being in a capital intensive industry, its objective is to maintain a strong credit rating and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company monitors its capital using gearing ratio which is net debt to total equity. Net debt includes borrowings less cash and cash equivalents and other bank balances.

The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry out committed work programme requirements. The Company monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility. The Company manages its capital structure and makes adjustments to it, based on underlying macro economic factors affecting business environment, financial market conditions and interest rates environment.

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Long term borrowings (including current maturities)	2,369.88	2,317.55
Short term borrowings	301.88	224.73
Total borrowings	**2,671.76**	**2,542.28**
Less: Cash and cash equivalents	49.84	11.23
Less: Bank balances other than cash and cash equivalents	80.02	116.29
Less: Bank deposits (having maturity of more than 12 months)	78.59	59.19
Net debt	**2,463.31**	**2,355.57**
Total equity	**1,391.92**	**1,383.51**
Gearing ratio (%)	**176.97%**	**170.26%**

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

(ii) Debt is defined as long term borrowings (including current maturities) and short term borrowings as described in note 21.

44.2 Categories of financial instruments

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31 March 2022

₹ in crores

Particulars	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Financial assets					
Current investment	-	-	0.27	0.27	0.27
Non current investment	-	1.40	-	1.40	1.40
Trade receivables	254.45	-	-	254.45	254.45
Cash and cash equivalents	49.84	-	-	49.84	49.84
Bank balances other than cash and cash equivalents	80.02	-	-	80.02	80.02
Derivative assets	-	-	0.94	0.94	0.94
Loans	8.34	-	-	8.34	8.34
Other financial assets	124.43	-	-	124.43	124.43
Total	**517.08**	**1.40**	**1.21**	**519.69**	**519.69**
Financial liabilities					
Long term borrowings	2,239.88	-	-	2,239.88	2,239.88
Short term borrowings	431.88	-	-	431.88	431.88
Lease liabilities	27.38	-	-	27.38	27.38
Trade payables	848.70	-	-	848.70	848.70
Derivative liabilities	-	-	0.87	0.87	0.87
Other financial liabilities	139.52	-	-	139.52	139.52
Total	**3,687.36**	**-**	**0.87**	**3,688.23**	**3,688.23**

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As at 31 March 2021

₹ in crores

Particulars	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Financial assets					
Current investment	-	-	0.25	0.25	0.25
Non current investment	-	0.92	-	0.92	0.92
Trade receivable	188.68	-	-	188.68	188.68
Cash and cash equivalents	11.23	-	-	11.23	11.23
Bank balances other than cash and cash equivalents	116.39	-	-	116.39	116.39
Derivative assets	-	-	0.23	0.23	0.23
Loans	-	-	-	-	-
Other financial assets	80.26	-	-	80.26	80.26
Total	**396.56**	**0.92**	**0.48**	**397.96**	**397.96**
Financial liabilities					
Long term borrowings	2,273.33	-	-	2,273.33	2,273.33
Short term borrowings	268.95	-	-	268.95	268.95
Lease liabilities	27.62	-	-	27.62	27.62
Trade payables	780.57	-	-	780.57	780.57
Derivative liabilities	-	-	2.23	2.23	2.23
Other financial liabilities	134.71	-	-	134.71	134.71
Total	**3,485.18**	**-**	**2.23**	**3,487.41**	**3,487.41**

44.3 Financial risk management objectives and policies

The Company's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures, wherever required. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The sensitivity analysis of the above mentioned risk in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

A. 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's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

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

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Fixed rate borrowings	441.00	-
Floating rate borrowings	2,230.76	2,542.28
Total borrowings	**2,671.76**	**2,542.28**
Total net borrowings	2,671.76	2,542.28
Add: Upfront fees	16.39	18.30
Total borrowings	**2,688.15**	**2,560.58**

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The following table demonstrates the sensitivity to change in interest rates, all other variables held constant :

₹ in crores

	Increase/ decrease in basis points	Effect on profit before tax
31 March 2022		
INR	+50	(11.15)
INR	-50	11.15
31 March 2021		
INR	+50	(12.71)
INR	-50	12.71

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

B. Foreign currency risk management

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

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

A reasonably possible strengthening/weakening of the foreign currencies (USD / Euro) against INR would affect the measurement of financial instruments denominated in foreign currencies and affect equity and profit and loss by the amounts shown below. The analysis assumes that all other variables remain constant.

Exposure to currency risk

The carrying amounts of the Company's assets and liabilities at the end of the reporting period are:

Currency exposure as at 31 March 2022

₹ in crores

Particulars	USD	EURO	INR	Total
Financial assets				
Current investment	-	-	0.27	0.27
Non current investment	-	-	1.40	1.40
Trade receivables	-	-	254.45	254.45
Cash and cash equivalents	-	-	49.84	49.84
Bank balances other than cash and cash equivalents	-	-	80.02	80.02
Derivative assets	0.94	-	-	0.94
Loans	8.34	-	-	8.34
Other financial assets	-	-	124.43	124.43
Total financial assets	**9.28**	**-**	**510.41**	**519.69**
Financial liabilities				
Long term borrowings	-	-	2,239.88	2,239.88
Short term borrowings	-	-	431.88	431.88
Lease liabilities	-	-	27.38	27.38
Trade payables	278.33	0.10	570.27	848.70
Derivative liabilities	0.81	0.06	-	0.87
Other financial liabilities	0.03	10.78	128.71	139.52
Total financial liabilities	**279.17**	**10.94**	**3,398.12**	**3,688.23**

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To the Standalone Financial Statements as at and for the year ended 31 March 2022

Currency exposure as at 31 March 2021

₹ in crores

Particulars	USD	EURO	INR	Total
Financial assets				
Current investment	-	-	0.25	0.25
Non current investment	-	-	0.92	0.92
Trade receivables	44.29	1.88	142.51	188.68
Cash and cash equivalents	-	-	11.23	11.23
Bank balances other than cash and cash equivalents	-	-	116.39	116.39
Derivative assets	0.23	-	-	0.23
Loans	-	-	-	-
Other financial assets	-	-	80.26	80.26
Total financial assets	**44.52**	**1.88**	**351.56**	**397.96**
Financial liabilities				
Long term borrowings	-	-	2,273.33	2,273.33
Short term borrowings	-	-	268.95	268.95
Lease liabilities	-	-	27.62	27.62
Trade payables	180.31	-	600.26	780.57
Derivative liabilities	2.22	0.01	-	2.23
Other financial liabilities	2.44	27.26	105.01	134.71
Total financial liabilities	**184.97**	**27.27**	**3,275.17**	**3,487.41**

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies net of hedge. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 5% against the relevant currency. For a 5% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

₹ in crores

	Increase		Decrease	
Particulars	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Receivables				
USD/INR	0.42	-	(0.42)	-
Payables				
USD/INR	(0.57)	(0.36)	0.57	0.36
EURO/INR	-	(1.36)	-	1.36

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

a) USD

₹ in crores

As at	Nature	No of contracts	Type	USD equivalent (in crores)	INR equivalent (in crores)	MTM
31 March 2022	Liabilities	12	Buy	1.93	146.07	(0.81)
	Assets	9	Buy	1.59	120.68	0.67
	Assets	2	Sell	0.20	15.16	0.27
31 March 2021	Liabilities	11	Buy	1.88	138.04	(1.97)
	Assets	8	Buy	0.51	37.47	0.11
	Liabilities	8	Sell	0.64	47.34	(0.25)
	Assets	4	Sell	0.29	21.32	0.12

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b) **EURO**

₹ in crores

As at	Nature	No of contracts	Type	EURO equivalent (in crores)	INR equivalent (in crores)	MTM
31 March 2022	Liabilities	7	Buy	0.14	11.42	(0.06)
31 March 2021	Liabilities	1	Sell	0.02	1.88	(0.01)

Unhedged currency risk position

I) Amounts receivable in foreign currency

a) **USD**

₹ in crores

Particulars	As at 31 March 2022		As at 31 March 2021	
	US$ equivalent	INR equivalent	US$ equivalent	INR equivalent
Loans	0.11	8.34	-	-

I) Amounts payable in foreign currency

a) **USD**

₹ in crores

Particulars	As at 31 March 2022		As at 31 March 2021	
	US$ equivalent	INR equivalent	US$ equivalent	INR equivalent
Trade Payables and other financial liabilities	0.15	11.49	0.10	7.25

b) **EURO**

₹ in crores

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO equivalent	INR equivalent	EURO equivalent	INR equivalent
Other financial liabilities	-	-	0.32	27.26

The unhedged foreign currency exposure disclosed in table above does not include receivable/ payable in foreign currency, to the extent, covered by the outstanding derivative contracts.

44.4 Credit risk management:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date.

A. **Trade receivables**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At the year end the Company does not have any significant concentrations of credit risk other than that disclosed in note 13.

At each reporting date, the Company computes the expected credit loss using simplified approach. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as at the balance sheet date. The Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

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B. Financial instruments and bank deposits

Credit risk from investments with banks is managed by the Treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/or other criteria, and are only made within approved limits. The management continually re-assesses the Company's policy and updates the same as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure.

III. Liquidity risk

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

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

Maturity pattern of financial assets and liabilities:

The table below summarises the maturity profile of the Company's financial assets and liabilities based on contractual undiscounted payments.

As at 31 March 2022

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Current investment	0.27	-	-	0.27
Non current investment	-	-	1.40	1.40
Trade receivable	254.45	-	-	254.45
Cash and cash equivalents	49.84	-	-	49.84
Bank balances other than cash and cash equivalents	80.02	-	-	80.02
Derivative assets	0.94	-	-	0.94
Loans	8.34	-	-	8.34
Other financial assets	19.57	87.25	17.61	124.43
Total financial assets	**413.43**	**87.25**	**19.01**	**519.69**
Financial liabilities				
Long term borrowings	-	1,014.00	1,225.88	2,239.88
Short term borrowings	431.88	-	-	431.88
Lease liabilities	0.45	1.71	25.22	27.38
Trade payables	848.70	-	-	848.70
Derivative liabilities	0.87	-	-	0.87
Other financial liabilities	90.40	49.12	-	139.52
Interest payout liability on borrowings	204.38	773.05	369.11	1,346.54
Interest payout liability on leases	0.23	0.88	9.85	10.96
Total financial liabilities	**1,576.91**	**1,838.76**	**1,630.06**	**5,045.73**

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As at 31 March 2021

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Current investment	0.25	-	-	0.25
Non current investment	-	-	0.92	0.92
Trade receivables	188.68	-	-	188.68
Loans	-	-	-	-
Cash and cash equivalents	11.23	-	-	11.23
Bank balances other than cash and cash equivalents	116.39	-	-	116.39
Derivative assets	0.23	-	-	0.23
Other financial assets	14.79	59.19	6.28	80.26
Total financial assets	**331.57**	**59.19**	**7.20**	**397.96**
Financial liabilities				
Long term borrowings	-	832.00	1,441.33	2,273.33
Short term borrowings	268.95	-	-	268.95
Lease liabilities	0.46	1.71	25.45	27.62
Trade payables	780.57	-	-	780.57
Derivative liabilities	2.23	-	-	2.23
Other financial liabilities	100.53	34.18	-	134.71
Interest payout liability on borrowings	192.26	806.62	521.86	1,520.74
Interest payout liability on leases	0.23	0.88	10.06	11.17
Total financial liabilities	**1,345.23**	**1,675.39**	**1,998.70**	**5,019.32**

Collateral

The Company has pledged part of its trade receivables, cash and cash equivalents and other bank balances in order to fulfill certain collateral requirements for the banking facilities extended to the Company. (refer note 21)

45. Level wise disclosure of financial instruments

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021	Level	Valuation Technique
Quoted investments in equity shares measured at FVTOCI	1.40	0.92	1	Quoted bid prices in an active market.
Unquoted Investments at fair value through profit or loss	0.27	0.25	2	The mutual funds are valued using the closing NAV.
Derivative assets	0.94	0.23	2	The fair value of forward contracts is determined using forward exchange rate as at the balance sheet date.
Derivative liabilities	0.87	2.23		

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

There are no transfers between level 1 and level 2 during the year.

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46. Disclosure under Ind AS 7 'Statement of Cash Flows'

Reconciliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities.

₹ in crores

Particulars	31 March 2021	Cash flows	Non-cash changes		31 March 2022
			Fair value changes	Other	
Interest expenses	46.99	(243.05)	-	267.28	71.22
Lease liabilities	27.62	(0.48)	0.24	-	27.38
Long-term borrowings	2,317.55	50.42	1.91	-	2,369.88
Short term borrowings	224.73	77.15	-	-	301.88
Total liabilities from financing activities	**2,616.89**	**(115.96)**	**2.15**	**267.28**	**2,770.36**

₹ in crores

Particulars	31 March 2020	Cash flows	Non-cash changes		31 March 2021
			Fair value changes	Other	
Interest expenses	24.20	(249.76)	-	272.55	46.99
Lease liabilities	29.83	(0.48)	(1.73)	-	27.62
Long-term borrowings	2,251.53	63.76	2.26	-	2,317.55
Short term borrowings	367.63	(142.90)	-	-	224.73
Total liabilities from financing activities	**2,673.19**	**(329.38)**	**0.53**	**272.55**	**2,616.89**

47. Additional Information

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
A) C.I.F value of imports:		
Capital goods	6.83	8.15
Raw material, stores and spares	692.15	400.77
B) Expenditure in Foreign currency:		
Foreign travelling	0.07	0.05
Ocean freight	65.47	12.43
Interest and finance charges	2.13	-
C) Earnings in Foreign currency:		
FOB value of exports	983.94	280.11

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48. Ratios:

Particulars	31 March 2022	31 March 2021	Variance %	Note
(a) Current ratio	1.23	1.23	0.00%	
(current assets / current liabilities)				
(b) Debt-equity ratio	1.92	1.84	4.35%	
(total borrowings / total equity)				
(c) Debt service coverage ratio	1.56	1.45	7.59%	
(EBITDA (excl. loss on sale of PPE) / (finance cost + Repayment + lease expenses)				
(d) Return on Equity ratio	0.01	-0.07	-114.29%	I
(net profit/(loss) / average shareholders equity)				
(e) Inventory turnover ratio	4.23	3.33	27.03%	II
(cost of goods sold /average inventory)				
(f) Trade receivables turnover ratio	27.35	34.83	-21.48%	
(total sales / average trade receivables)				
(g) Trade Payables turnover ratio	5.42	4.78	13.39%	
(total purchases / average trade payables)				
(h) Net capital turnover ratio	18.13	14.58	24.35%	
(net sales / working capital)				
(i) Net profit ratio	0.002	-0.025	-108.00%	III
(net profit / net sales)				
(j) Return on capital employed	6.94%	4.35%	59.54%	IV
(EBIT / capital employed)				
(k) Return on investment	23.09%	184.78%	-87.50%	V
(Market value at the closing - Market value at the beginning) / Market value at the beginning				

Note :

I. During the year due to improvement in demand and better realization, the Company has earned positive net profit resulted into better return on equity.

II. During the year due to increased operations and higher productions, the Company could rotate the inventory better

III. During the year due to better performance on account of improvement in demand and realization, the Company has earned positive net profit resulted into positive net profit ratio.

IV. During the year due to better performance on account of improvement in demand and realization, the Company has earned higher EBIT resulted into higher return on capital employed.

V. During previous year due to post COVID recovery the share price had risen significantly as compared to current year resulted into higher return on investment in PY.

49. Other statutory information

i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of The Company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

vii) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.

viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

ix) The Company does not have any transactions with companies which are struck off.

50. The Board of Directors of the Company, at their meeting held on February 16, 2022, has inter alia, approved,

a) the acquisition of 100% of the paid up equity share capital of Mivaan Steels Limited ("MSL").

b) the Scheme of Arrangement under applicable provisions of the Companies Act, 2013 and rules and regulation made thereunder, for transfer of specified undertaking of the Company pertaining to manufacturing facilities at Raipur and mining facilities at Kanker and associated coal washery operations at Patherdih along with other assets, properties and liabilities as defined in the Scheme on a going concern basis to MSL by way of a slump sale.

The Company has filed the Scheme with necessary authorities and accordingly the implementation of the Scheme is subject to the necessary approvals, sanctions and consents from the stock exchanges, shareholders, creditors, National Company Law Tribunal and any other authorities as may be required under the applicable laws and regulations.

The Company completed the acquisition of entire paid up equity share capital of MSL on February 24, 2022, and with this acquisition Mivaan Steels Limited has become wholly owned subsidiary of the Company.

51. The figures for the corresponding previous years have been reclassified / regrouped wherever necessary to make them comparable.

See accompanying notes to the Standalone Financial Statements

In terms of our report of even date annexed
For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner

Place : Mumbai
Date: 11 May 2022

For and on behalf of the Board of Directors

Thirukkoteeswaran Mohan Babu
Whole Time Director
DIN: 09169018

Naresh Lalwani
Director
DIN: 07587109

J. Nagarajan
Chief Financial Officer

Ajay Kadhao
Company Secretary
M. No. ACS-13444

Independent Auditor's Report

To The Members of JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited) ("the Company" or "the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and joint ventures referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, and their consolidated profit, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	Auditor's response
Recoverable value assessment of Property, plant and equipment With continuing pressure on margins, the management has assessed the recoverable value of property, plant and equipment engaging an independent external expert. Replacement cost estimation involves significant judgement and estimates. Refer note 4(ii) to the consolidated financial statements	Our principal procedures included but were not limited to: - Evaluated the design and implementation, and testing the operating effectiveness of the relevant controls over determination of recoverable value of property, plant and equipment. - Assessed the competence and independence of the valuation expert engaged by the Company for determining the replacement cost of property, plant and equipment. - Reviewed the information shared with the independent expert engaged by the management. - Evaluated the reasonableness of the valuation provided by the independent expert by challenging the significant assumptions used and estimates and judgements made in deriving the valuation with the help of internal fair value specialist. - Verification of accounting implications, and appropriateness of disclosures in the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, Management discussion and analysis, Corporate governance report and Business responsibility report but does not include the consolidated financial statements, the standalone financial statements and our auditor's reports thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and joint ventures, is traced from their financial statements audited by the other auditors.

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

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 respective Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

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

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

a) Identify and assess the risks of material misstatement of the consolidated 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.

b) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

d) 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 ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group and its joint ventures to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

We did not audit the financial statements of 5 subsidiaries, whose standalone/ consolidated financial statements reflect total assets of Rs. 9.55 crore as at 31 March 2022, total revenues of Rs. 0.73 crore, total net profit after tax of Rs. 4.58 crore, total comprehensive income of Rs. 4.58 crore and net cash inflow of Rs. 7.26 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of Sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

In respect of three subsidiaries located outside India whose consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and which have been audited by other auditor under International Standards on Auditing issued by the International Accounting Standards Board, whose report has been furnished to us by the Management. The Company's Management has converted the consolidated financial statements of such subsidiaries located outside India from International Financial Reporting Standards to the accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Company's Management. Our report on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the report of another auditor and the conversion adjustments prepared by the Management of the Company and reviewed by us.

The consolidated financial statements also include the Group's share of net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil for the year ended 31

March 2022, as considered in the consolidated financial statements, in respect of 5 joint ventures, whose financial statements/ financial information have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of joint ventures, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/ financial information of the subsidiaries and joint ventures referred to in the Other Matters section above we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

e) On the basis of the written representations received from the directors of the Parent as on 31 March, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditor of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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

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

   i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures.

   ii. The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent, its subsidiary companies and joint venture companies incorporated in India.

   iv. (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, as disclosed in Note 50 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in Note 50 to the consolidated financial statements, no funds have been received by the Parent Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

V. The Parent/Holding Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

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

Mehul Parekh
Partner
(Membership No. 121513)
(UDIN: 22121513AIULZX3048)

Place: MUMBAI
Date: 11 May 2022

Annexure A to the Independent Auditor's Report

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

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

In conjunction with our audit of the Consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of JSW Ispat Special Products Limited (formerly known as Monnet Ispat and Energy Limited) ("the Parent"), its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI) . 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 respective 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 internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; ii) 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 iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on criteria for internal financial control over financial reporting established by the respective Companies 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to, subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of the above matter.

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

Mehul Parekh
Partner
(Membership No. 121513)
(UDIN: 22121513AIULZX3048)

Place: MUMBAI
Date: 11 May 2022

Consolidated Balance Sheet

as at 31 March, 2022

₹ in crores

		Notes	As at 31 March 2022	As at 31 March 2021
A.	**ASSETS**			
1.	**Non-current assets**			
	a. Property, plant and equipment	4	2,991.27	3,124.57
	b. Capital work-in-progress	5	166.90	175.14
	c. Intangible assets	6	34.37	-
	d. Right of use assets	42	43.05	43.84
	e. Investments in joint ventures	7	-	-
	f. Financial assets			
	i. Investments	8A	1.40	0.92
	ii. Other financial assets	9	104.86	65.47
	g. Current tax assets (net)	10	9.57	4.30
	h. Other non-current assets	11	28.65	22.22
	Total non-current assets		**3,380.07**	**3,436.46**
2.	**Current assets**			
	a. Inventories	12	1,110.38	925.03
	b. Financial assets			
	i. Investments	8B	0.27	0.25
	ii. Trade receivables	13	254.45	188.68
	ii. Cash and cash equivalents	14 a	59.38	13.33
	iv. Bank balance other than (iii) above	14 b	80.02	116.39
	v. Derivative assets	15	0.94	0.23
	vi. Loans	16	-	-
	vii. Other financial assets	17	19.57	14.79
	c. Other current assets	18	279.29	283.30
	Assets classified as held for sale	49	*	18.37
	Total current assets		**1,804.30**	**1,560.37**
	TOTAL ASSETS		**5,184.37**	**4,996.83**
B.	**EQUITY AND LIABILITIES**			
	Equity			
	a. Share capital	19	995.53	995.53
	b. Other equity	20	397.49	397.60
	Equity attributable to owners of the Company		**1,393.02**	**1,393.13**
	Non-controlling interests		-	(1.13)
	Total equity		**1,393.02**	**1,392.00**
	Liabilities			
1.	**Non-current liabilities**			
	a. Financial liabilities			
	i. Borrowings	21	2,239.88	2,273.33
	ii. Lease liabilities	22	26.93	27.16
	iii. Other financial liabilities	23	49.12	34.18
	b. Provisions	24	6.53	5.60
	c. Deferred tax liabilities (net)	25	-	-
	Total non-current liabilities		**2,322.46**	**2,340.27**
2.	**Current liabilities**			
	a. Financial liabilities			
	i. Borrowings	21	431.88	268.95
	ii. Lease liabilities		0.45	0.46
	iii. Trade payables	26		
	- total outstanding dues of micro and small enterprises;		5.63	0.04
	- total outstanding dues of creditors other than micro and small enterprises		843.07	780.53
	iv. Derivative liabilities	27	0.87	2.23
	v. Other financial liabilities	23	90.49	101.48
	b. Other current liabilities	28	93.59	109.97
	c. Provisions	24	2.91	0.88
	d. Liabilities classified as held for sale	49	-	0.02
	Total current liabilities		**1,468.89**	**1,264.56**
	Total liabilities		**3,791.35**	**3,604.83**
	TOTAL EQUITY AND LIABILITIES		**5,184.37**	**4,996.83**

Rs. 10,000

See accompanying notes to the Consolidated Financial Statements

In terms of our report of even date annexed

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner

Place : Mumbai
Date: 11 May 2022

For and on behalf of the Board of Directors

Thirukkoteeswaran Mohan Babu
Whole Time Director
DIN: 09169018

Naresh Lalwani
Director
DIN: 07587109

J. Nagarajan
Chief Financial Officer

Ajay Kadhao
Company Secretary
M. No. ACS-13444

Consolidated Statement of Profit and Loss

for the year ended 31 March, 2022

₹ in crores

	Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
I	**Income from operations**			
	a. Sales of products and services	29A	6,011.54	4,150.14
	b. Other operating income	29B	49.11	37.60
	Total revenue from operations		**6,060.65**	**4,187.74**
II	**Other income**	30	23.67	15.73
III	**Total Income (I+II)**		**6,084.32**	**4,203.47**
IV	**EXPENSES**			
	a. Cost of materials consumed		4,387.57	2,965.57
	b. Purchase of traded Goods		13.88	-
	c. Changes in inventories of finished goods, stock in trade and work-in-progress	31	(95.94)	4.41
	d. Employee benefits expense	32	129.72	115.58
	e. Finance costs	33	270.60	275.85
	f. Depreciation and amortisation expense	34	223.21	228.46
	g. Power and fuel		476.00	267.07
	h. Other expenses	35	677.79	451.54
	Total expenses		**6,082.83**	**4,308.48**
V	**Profit / (loss) before exceptional items and tax (III-IV)**		1.49	(105.01)
VI	**Exceptional items**	36	-	(314.53)
VII	**Profit before tax (V+VI)**		1.49	209.52
VIII	**Tax expense:**	25		
	Current Tax		-	-
	Deferred Tax		-	-
IX	**Profit for the year (VII-VIII)**		**1.49**	**209.52**
X	**Other comprehensive (loss) / income (OCI)**			
	A. i. Items that will not be reclassified to profit or loss			
	a. Remeasurement of net defined benefit plans		(3.27)	2.05
	b. Equity instruments through other comprehensive income		2.50	0.46
	ii. Income tax effect		-	-
	B. i. Items that will be reclassified to profit or loss			
	a. Foreign exchange translation reserve		(0.84)	7.25
	ii. Income tax effect		-	-
	Total other comprehensive (loss) / income		**(1.61)**	**9.76**
XI	**Total comprehensive (loss)/ income for the year (IX+X) attributable to:**		**(0.12)**	**219.28**
	Owners of the Company		(0.12)	220.33
	Non controlling interests		-	(1.05)
	Of the total comprehensive (loss) / income above			
	Profit for the year attributable to:			
	Owners of the company		1.49	210.57
	Non controlling interests		-	(1.05)
	Of the total comprehensive (loss) / income above			
	Other comprehensive (loss) / income for the year attributable to:			
	Owners of the company		(1.61)	9.76
	Non controlling interests		-	-
XII	**Earnings per equity share of ₹10 each**	37		
	(1) Basic		0.03	4.48
	(2) Diluted		0.01	2.12

See accompanying notes to the Consolidated Financial Statements

In terms of our report of even date annexed
For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner

Place : Mumbai
Date: 11 May 2022

For and on behalf of the Board of Directors

Thirukkoteeswaran Mohan Babu
Whole Time Director
DIN: 09169018

Naresh Lalwani
Director
DIN: 07587109

J. Nagarajan
Chief Financial Officer

Ajay Kadhao
Company Secretary
M. No. ACS-13444

Consolidated Statement of Cash Flows

for the year ended 31 March 2022

₹ in crores

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		1.49		209.52
Adjusted for :				
Depreciation and amortization expenses	223.21		228.46	
Interest income	(11.14)		(8.96)	
Interest expenses	270.60		275.85	
Loss/ (profit) on sale of property, plant and equipment	1.42		4.66	
Loss on sale of assets held for sale	-		1.80	
Unrealised exchange loss (net)	2.39		2.39	
Gain arising on fair valuation of financial instruments designated as FVTPL	(2.94)		(0.23)	
Loss arising on fair valuation of financial instruments designated as FVTPL	0.87		2.23	
Provision/ liability written back	(8.71)		(2.42)	
Export obligation deferred liability written back	(5.43)		-	
Allowance for doubtful debts	-		0.58	
Non recoverable advances written off	-		0.47	
Advance to suppliers written off	-		2.91	
Capital work-in-progress written off	-		3.83	
Provision for non recoverable advances	11.88		0.14	
Loan liability written back	-		(275.90)	
Interest liability written back	-		(42.60)	
Loss on reassessment of realizable value of assets held for sale	-		22.58	
Advance written back	-		(18.61)	
		482.15		197.18
Operating Profit before working capital changes		**483.64**		**406.70**
Working capital adjustments:				
Increase in inventories	(185.35)		(67.54)	
Increase in trade and other receivables	(67.42)		(327.85)	
Increase in trade and other liabilities	51.00		393.04	
Increase / (decrease) in provisions	(0.31)	(202.08)	3.05	0.70
Cash generated from Operations		**281.56**		**407.40**
Income taxes paid (net)		(5.27)		(1.05)
Net cash generated from operating activities		**276.29**		**406.35**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment including capital work-in-progress	(145.12)		(95.10)	
Proceeds from sale of subsidiaries	7.47		-	
Proceeds from sale of property, plant and equipment	-		1.54	
Proceeds from sale of assets held for sale	11.00		4.16	
Proceeds from sale of investments	1.99		0.03	
Interest received	10.38		8.35	
Net cash used in Investing activities		**(114.28)**		**(81.02)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Interest paid	(243.05)		(249.84)	
Payment of lease liabilities	(0.48)		(0.48)	
Proceeds from long term borrowings	102.42		63.76	
Repayment of long term borrowings	(52.00)		(18.37)	
Proceeds from / (repayment of) short term borrowings (net)	77.15		(142.90)	
Net cash used in financing activities		**(115.96)**		**(347.83)**
Net increase in Cash and Cash Equivalents (A+B+C)		**46.05**		**(22.50)**
Cash and cash equivalents at the beginning of the year		**13.33**		**35.83**
Cash and cash equivalents at the end of the year (note 14a)		**59.38**		**13.33**

Note:

The consolidated statement of cash flows has been prepared using the indirect method as set out in Ind AS 7 - Statement of Cash Flows.

See accompanying notes to the Consolidated Financial Statements

In terms of our report of even date annexed
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Mehul Parekh
Partner

Thirukkoteeswaran Mohan Babu
Whole Time Director
DIN: 09169018

Naresh Lalwani
Director
DIN: 07587109

J. Nagarajan
Chief Financial Officer

Ajay Kadhao
Company Secretary
M. No. ACS-13444

Place : Mumbai
Date: 11 May 2022

Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

A. Share capital for issued, subscribed and paid up share

₹ in crores

Particulars	Note	Equity share capital	Compulsory convertible preference share capital	Total
As at 1 April 2020	19	469.55	525.98	995.53
Changes during the year		-	-	-
As at 31 March 2021	19	**469.55**	**525.98**	**995.53**
Changes during the year		-	-	-
As at 31 March 2022	**19**	**469.55**	**525.98**	**995.53**

B. Other equity (Refer note 20)

₹ in crores

Particulars	Attributable to the equity holders of the parent												
	Reserves and surplus								Items of OCI				
	Capital reserve	Share premium	Capital redemption reserve	Capital reconstruction reserve	Amalgamation reserve	Equity contribution resulted on merger	General reserve	Retained earnings	Foreign exchange translation reserve (Net)	Equity instruments through OCI	Total equity	Non-controlling interest	Total equity
As at 1 April 2020	77.77	1,114.50	472.35	19.68	3.31	7,287.03	249.99	(8,902.07)	(42.78)	(102.51)	177.27	(0.08)	177.19
Profit for the year	-	-	-	-	-	-	-	210.57	-	-	210.57	(1.05)	209.52
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	2.05	7.25	0.46	9.76	-	9.76
Total	-	-	-	-	-	-	-	**212.62**	**7.25**	**0.46**	**220.33**	**(1.05)**	**219.28**
As at 31 March 2021	**77.77**	**1,114.50**	**472.35**	**19.68**	**3.31**	**7,287.03**	**249.99**	**(8,689.45)**	**(35.53)**	**(102.05)**	**397.60**	**(1.13)**	**396.47**
Profit for the year	-	-	-	-	-	-	-	1.49	-	-	1.49	-	1.49
Other comprehensive loss for the year, net of income tax	-	-	-	-	-	-	-	(3.27)	0.29	2.50	(0.47)	-	(0.47)
Adjustment on sale of subsidiary	-	-	-	-	-	-	-	-	(1.13)	-	(1.13)	1.13	-
Total	-	-	-	-	-	-	-	**(1.78)**	**(0.84)**	**2.50**	**(0.11)**	**1.13**	**1.02**
As at 31 March 2022	**77.77**	**1,114.50**	**472.35**	**19.68**	**3.31**	**7,287.03**	**249.99**	**(8,691.23)**	**(36.37)**	**(99.55)**	**397.49**	-	**397.49**

See accompanying notes to the Consolidated Financial Statements

In terms of our report of even date annexed
For Deloitte Haskins & Sells LLP
Chartered Accountants

Mehul Parekh
Partner

Place : Mumbai
Date: 11 May 2022

For and on behalf of the Board of Directors

Thirukkoteeswaran Mohan Babu
Whole Time Director
DIN: 09169018

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Ajay Kadhao
Company Secretary
M. No. ACS-13444

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

1. Corporate information

JSW Ispat Special Product Limited ("JISPL" or the "Company") is a limited company domiciled in India and was incorporated on 1 February 1990. Equity shares of The Group are listed in India on the Bombay Stock Exchange, the National Stock Exchange and the Kolkata Stock Exchange. The registered office of The Group is located at JSW Centre Bandra (East), Bandra Kurla Complex, Maharashtra - 400 051, India.

JISPL and its subsidiaries (together referred to as the "Group) along with its joint venture companies are engaged in manufacturing and marketing of sponge iron, pellets, steel and ferro alloys. JISPL is primary steel producer and has an integrated steel plant at Raigarh, which is currently operating at a capacity of ~0.95 MTPA, with the ability to scale up to 1.5 MTPA on completion of balance steel making facilities. JISPL also has another unit for steel production at Raipur with 0.25 MTPA capacity.

2. Significant accounting policies

I. Statement of compliance

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013 , (Ind AS Compliant Schedule III),as applicable to standalone financial statement.

Accordingly, The Group has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "financial statements").

These financial statements are approved for issue by the Board of Directors on 11 May 2022.

II. Basis of preparation and presentation

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

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Financial Statement is presented in INR and all values are rounded to the nearest crore except when otherwise stated.

Current and non-current classification

The Group 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 Group'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 Group's normal operating cycle;

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To the Consolidated Financial Statements as at and for the year ended 31 March 2022

- 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 Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. 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.

III. Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including;

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies

IV. Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Acquisition-related costs are generally recognised in Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of bargain purchase, before recognizing gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognizes any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

If the initial accounting for a business combination is incomplete by the end of the financial year, the provisional amounts for which the accounting is incomplete shall be disclosed in the financial statements and provisional amounts recognized at the acquisition date shall be retrospectively adjusted during the measurement period. During the measurement period, the group shall also recognize additional assets or liabilities if the new information is obtained about facts and circumstances that existed as of the acquisition date and if known, would have resulted in the recognition of those assets and liabilities as of that date. However, the measurement period shall not exceed the period of one year from the acquisition date.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

V. Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to an associate or a joint venture, or when the investment is classified as held for sale.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that not related to the Group.

VI. Revenue Recognition

a. Sale of Goods

The Group 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 Group expects to be entitled in exchange for those goods or services.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Group recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by The Group and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognized when such freight services are rendered.

In revenue arrangements with multiple performance obligations, The Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their standalone selling prices. Revenue from sale of by products are included in revenue.

Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

Contract balances

- **Contract assets:**
  A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If The Group 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 Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before The Group 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 Group performs under the contract including Advance received from Customer

- **Refund liabilities**
  A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount The Group ultimately expects it will have to return to the customer including volume rebates and discounts. The Group updates its estimates of refund liabilities at the end of each reporting period.

b. **Dividend and interest income**

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

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to The Group 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.

VII. Foreign Currency

The functional currency of The Group and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of The Group is INR.

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

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

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items; and

VIII. Borrowing Cost

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, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

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

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

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

IX. Government Grants

Government grants are not recognized until there is reasonable assurance that The Group 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 Group recognizes as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

X. Employee Benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

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 year. Re-measurement, 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 statement of financial position with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment or when The Group recognizes corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised 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 Group 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 recognised in the statement of financial position represents the actual deficit or surplus in The Group'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 recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

Short-term and other long-term employee benefits

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

Liabilities recognised 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 recognised 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 Group in respect of services provided by employees up to the reporting date.

XI. Taxes

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

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. While determining the tax provisions, the Group assesses whether each uncertain tax position is to considered separately or together with one or more uncertain tax positions depending the nature and circumstance of each uncertain tax position.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and on carried forward depreciation and business losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised 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 recognised 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.

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

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

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 recognised in profit or loss, except when they are relating to items that are recognised 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.

XII. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates (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. 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 capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future

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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 capitalised 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 capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the standalone balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

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

Particulars	Useful lives
Plant and Machinery at SMS division	20 years
Work-rolls	5 years

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

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

The Group 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 amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation 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.

XIV. Mining Assets

Acquisition Costs

The cost of Mining Assets capitalised includes costs associated with acquisition of licenses and rights to explore, stamp duty, registration fees and other such costs.

Exploration and evaluation

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment. Exploration and evaluation assets are assessed for impairment indicators at least annually.

The Group measures its exploration and evaluation assets at cost and classifies as Property, plant and equipment or intangible assets according to the nature of the assets acquired and applies the classification consistently. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalised as a part of the cost of the intangible asset.

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Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.

Costs of exploration drilling and equipping exploration - Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

Stripping cost

Developmental stripping costs in order to obtain access to quantities of mineral reserves that will be mined in future periods are capitalised as part of mining assets. Capitalisation of developmental stripping costs ends when the commercial production of the mineral reserves begins.

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

Other production stripping cost incurred are expensed in the statement of profit and loss.

Developmental stripping costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

Site restoration, rehabilitation and environmental costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. The costs are estimated on the basis of mine closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised. The provision for decommissioning assets is based on the current estimates of the costs for removing and decommissioning production facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate. A corresponding provision is created on the liability side. The capitalised asset is charged to profit and loss over the life of the asset through amortisation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements are reviewed periodically

The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology.

XV. Impairment of Property, plant and equipment and Intangible Assets

At the end of each reporting year, The Group 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 Group 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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.

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

XVI. Leases

The Group as a lessor

Leases for which The Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When The Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, The Group assesses whether: (i) the contact involves the use of an identified asset (ii) The Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) The Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, The Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if The Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

XVII. Inventories

Inventories are stated at the lower of cost and net realisable value.

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

Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

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XVIII. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

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.

XIX. Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

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 (FVTPL)) 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

A. Financial assets

a) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which The Group becomes a party to the contractual provisions of the instrument.

b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortised 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.

A debt instrument is classified as FVTOCI only if it meets both the of the following conditions and is not recognised 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.

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 AS 103 applies are classified as at FVTPL. For all other equity instruments, The Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an Instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If The Group 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 Group may transfer the cumulative gain or loss within equity.

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Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, The Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, 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 Group'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 of financial assets**

The Group 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 Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as 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 Group in accordance with the contract and all the cash flows that The Group 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 Group 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 Group 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 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 Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, The Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, The Group 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

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credit losses. To make that assessment, The Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

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 Group 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 Group 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.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

e) **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. 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 year, to the net carrying amount on initial recognition.

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

B. Financial liabilities and equity instruments

a) **Classification as debt or equity**

Debt and equity instruments issued by a 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

b) **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 Group are recognised at the proceeds received, net of direct issue costs.

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

c) **Financial liabilities at amortised cost**

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

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that The Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

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- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with The Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI.

The Group derecognises financial liabilities when, and only when, The Group's obligations are discharged, cancelled or they expire. 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.

Other financial liabilities:
The Group 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 equipment. The banks and financial institutions are subsequently repaid by The Group at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognized as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne by The Group on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:
The Group derecognises financial liabilities when, and only when, The Group'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 standalone statement of profit or loss.

d) **Derivative financial instruments**
The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Standalone Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Standalone Statement of Profit and Loss depends on the nature of the hedge item.

e) **Embedded derivatives**
An embedded derivative is a component of a hybrid (combined) instrument that also includes a nonderivative host contract – with the effect that some of the cash

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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 profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, The Group 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

XX. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques 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 Group's cash management.

XXI. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

3A. Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Group while assessing the impact of COVID 19 in preparation of the financial statements, has considered internal and external sources of information, and determined, exercising reasonable estimates and judgement, that the carrying amounts of its assets are recoverable and there is no obligation to bear further losses in respect of any of its components. The impact of COVID 19 may be different from that estimated as at the date of approval of the financial statements, and the Group will continue to closely monitor the developments.

3B. 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 Group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

A) Key sources of estimation uncertainty

I) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

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II) Impairment of property, plant and equipment

Determining whether the property, plant and equipment are impaired requires an estimate for the recoverable value of property, plant and equipment. The recoverable value computation by fair value method using cost approach involves Management relying on third party quotations of similar assets, expert's data bank for construction rates and the indices, as considered by its independent valuation expert in arriving at the fair value. Any subsequent changes in the above input factors could impact the carrying value of property, plant and equipment

III) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against The Group. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The classification of matter as 'remote', 'possible' or 'probable' is based on the Group's assessment, past judgements, terms of the contract, regulatory provisions, etc.

B) Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16, Property Plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Group has evaluated the amendment and there is no impact on its Consolidated financial statements.

Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Group has evaluated the amendment and the impact is not expected to be material.

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4. Property, Plant and Equipment

₹ in crores

Particulars	Freehold Land & site development	Leasehold land	Other Buildings	Plant and equipment	Office equipment	Furniture and Fixtures	Vehicles	Aircraft	Total
Cost									
As at April 1, 2020	46.09	36.85	801.82	7,086.68	13.99	14.35	12.26	67.75	8,079.79
Additions	-	-	4.66	155.06	1.39	0.69	0.82	-	162.62
Disposals	-	-	(2.46)	(0.05)	-	(0.26)	(0.25)	(35.57)	(38.59)
Re-classification	(2.87)	2.87	-	-	-	-	-	-	-
Transfer to ROU assets (note 42)	-	(39.72)	-	-	-	-	-	-	(39.72)
Translation reserve	-	-	-	-	-	-	-	(2.48)	(2.48)
Transfer to held for sale (note 49)	-	-	-	-	-	-	-	(29.70)	(29.70)
As at March 31, 2021	**43.22**	**-**	**804.02**	**7,241.69**	**15.38**	**14.78**	**12.83**	**-**	**8,131.92**
Additions	-	-	14.14	70.72	1.39	0.18	3.90	-	90.33
Disposals	-	-	-	(3.99)	-	-	(0.04)	-	(4.03)
As at March 31, 2022	**43.22**	**-**	**818.16**	**7,308.42**	**16.77**	**14.96**	**16.69**	**-**	**8,218.22**
Depreciation									
As at April 1, 2020	2.84	24.96	449.38	4,296.61	12.05	11.95	8.09	49.99	4,855.87
Depreciation charge for the year	-	-	16.29	208.72	0.46	0.42	0.67	1.68	228.24
Disposals	-	-	(1.27)	(0.05)	-	(0.14)	(0.22)	(33.71)	(35.39)
Re-classification	1.55	(1.55)	-	-	-	-	-	-	-
Transfer to ROU assets (note 42)	-	(23.41)	-	-	-	-	-	-	(23.41)
Translation reserve	-	-	-	-	-	-	-	(2.42)	(2.42)
Transfer to held for sale (note 49)	-	-	-	-	-	-	-	(15.54)	(15.54)
As at March 31, 2021	**4.39**	**-**	**464.40**	**4,505.28**	**12.51**	**12.23**	**8.54**	**-**	**5,007.35**
Depreciation charge for the year	-	-	15.98	204.67	0.46	0.45	0.65	-	222.21
Disposals	-	-	-	(2.57)	-	-	(0.04)	-	(2.61)
As at March 31, 2022	**4.39**	**-**	**480.38**	**4,707.38**	**12.97**	**12.68**	**9.15**	**-**	**5,226.95**
Net carrying value :									
As at March 31, 2022	**38.83**	**-**	**337.78**	**2,601.04**	**3.80**	**2.28**	**7.54**	**-**	**2,991.27**
As at March 31, 2021	**38.83**	**-**	**339.62**	**2,736.41**	**2.87**	**2.55**	**4.29**	**-**	**3,124.57**

Notes:

i. Refer to note 21 for information on property, plant and equipment pledged as security by the Group.

ii. During the current year, the management has assessed the recoverable value of property, plant and equipment of Raigarh and Raipur locations with the help of independent valuation expert and concluded that no additional provision for impairment is necessary.

iii. The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) are held in the name of the Group as at the balance sheet date.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

5. Capital work-in-progress

a. Aging of capital work-in-progress

₹ in crores

Particulars	31 March 2022 Amount of capital work-in-progress for the period of				
	< 1 years	1 -2 years	2 - 3 years	> 3 years	Total
(i) Projects in progress	90.34	11.04	12.76	28.03	142.17
(ii) Projects temporarily suspended	-	0.07	-	24.66	24.73
Total	**90.34**	**11.11**	**12.76**	**52.69**	**166.90**

₹ in crores

Particulars	31 March 2021 Amount of capital work-in-progress for the period of				
	< 1 years	1 -2 years	2 - 3 years	> 3 years	Total
(i) Projects in progress	64.38	10.84	-	61.39	136.61
(ii) Projects temporarily suspended	0.59	1.48	-	36.46	38.53
Total	**64.97**	**12.32**	**-**	**97.85**	**175.14**

b. Aging of capital work-in-progress, whose completion is overdue or ecxeeded its original cost

₹ in crores

Particulars	31 March 2022 To be completed in			
	< 1 years	1 -2 years	2 - 3 years	> 3 years
(i) Projects in progress	23.80	-	28.03	-
(ii) Projects temporarily suspended	-	-	-	24.73
Total	**23.80**	**-**	**28.03**	**24.73**

₹ in crores

Particulars	31 March 2021 To be completed in			
	< 1 years	1 -2 years	2 - 3 years	> 3 years
(i) Projects in progress	33.36	10.84	-	28.03
(ii) Projects temporarily suspended	-	-	-	38.53
Total	**33.36**	**10.84**	**-**	**66.56**

6. Intangible assets

₹ in crores

	Mining Rights	Software	Total
As at April 1, 2020	-	0.56	0.56
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2021	**-**	**0.56**	**0.56**
Additions	34.58	-	34.58
Disposals	-	-	-
As at March 31, 2022	**34.58**	**0.56**	**35.14**
Amortisation			
As at April 1, 2020	-	0.56	0.56
Amortisation charge for the year	-	-	-
Disposals	-	-	-
As at March 31, 2021	**-**	**0.56**	**0.56**
Amortisation charge for the year	0.21	-	0.21
Disposals	-	-	-
As at March 31, 2022	**0.21**	**0.56**	**0.77**
Net carrying value :			
As at March 31, 2022	**34.37**	**-**	**34.37**
As at March 31, 2021	**-**	**-**	**-**

Acquisition cost incurred for the Mining rights such as stamp duty, registration fees and other such costs have been capitalised as Intangible Assets from capital work in progress. The Group has started mining operations on 01 March 2022.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

7. Investments in joint ventures

₹ in crores

	As at 31 March 2022	As at 31 March 2021
A. Investments in equity shares (unquoted)		
Joint ventures (at cost or deemed cost)		
Mandakini Coal Company Limited 39,299,800 (March 31, 2021 : 39,299,800) Equity shares of ₹10 each fully paid up	23.56	23.56
MP Monnet Mining Company Limited 980,000 (March 31, 2021 : 980,000) Equity shares of ₹10 each fully paid up	0.77	0.77
Urtan North Mining Company Limited 5,751,347 (March 31, 2021 : 5,751,347) Equity shares of ₹10 each fully paid up	5.75	5.75
Total	**30.08**	**30.08**
Less: Aggregate amount of provision for impairment in the value of investments	(30.08)	(30.08)
Aggregate carrying unquoted value	-	-

8. Investments

8A. Investments in equity shares (unquoted)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
I. Investments at fair value through OCI		
Investment in equity shares (unquoted)		
Rameshwaram Steel & Power Private Limited 4,152,273 (March 31, 2021 : 4,152,273) Equity shares of ₹10 each fully paid up	-	-
Falcon Internal Forces and Fire Services Private Limited 1,000 (March 31, 2021 : 1,000) Equity shares of ₹10 each fully paid up	-	-
Monnet Engineering & Infrastructure P Limited 4,000 (March 31, 2021 : 4,000) Equity shares of ₹10 each fully paid up	-	-
Business India Publications Limited 100,000 (March 31, 2021 : 100,000) Equity shares of ₹10 each fully paid up	-	-
IFSL Limited 1,300,000 (March 31, 2021 : 1,300,000) Equity shares of Re.1 each fully paid up	0.05	0.05
XL Energy Limited 166,808 (March 31, 2021 : 166,808) Equity shares of ₹10 each fully paid up	*	*
Bellary Steel and Alloys Limited 803,243 (March 31, 2021 : 803,243) Equity shares of Re.1 each fully paid up	0.15	0.15
Neueon Towers Limited (formerly known as Sujana Tower Limited) 12,500 (March 31, 2021 : 12,500) Equity shares of ₹10 each fully paid up	##	#
Investment in equity shares (quoted)		
Kamanwala Housing Construction Limited 63,343 (March 31, 2021 : 63,343) Equity shares of ₹10 each fully paid up	0.08	0.03
Indiabulls Real Estate Limited 25,000 (March 31, 2021 : 25,000) Equity shares of ₹10 each fully paid up	0.25	0.20
RattanIndia Infrastructure Limited 73,750 (March 31, 2021 : 73,750) Equity shares of ₹10 each fully paid up	0.34	0.04
Yaarii Digital Integrated Services Limited (formerly known as Indiabulls Integrated Service Limited) 3,125 (March 31, 2021 : 3,125) Equity shares of ₹10 each fully paid up	0.02	0.04
Pioneer Investment Limited 23,392 (March 31, 2021 : 23,392) Equity shares of ₹10 each fully paid up	0.08	0.06
Grasim Industries Limited 1,500 (March 31, 2021 : 1,500) Equity shares of ₹10 each fully paid up	0.25	0.22
Aditya Birla Capital Limited 2,100 (March 31, 2021 : 2,100l) Equity shares of ₹10 each fully paid up	0.02	0.03
Aditya Birla Fashion & Retail Limited 5,200 (March 31, 2021 : 5,200) Equity shares of ₹10 each fully paid up	0.16	0.10
Orrisa Sponge Iron & Steel Limited NIL (March 31, 2021 : 1,994,633) Equity shares of ₹10 each fully paid up	-	-
Monnet Power Company Limited 220,101,460 (March 31, 2021 : 220,101,460) Equity shares of ₹10 each fully paid up	-	-
	1.41	**0.92**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Aggregate book value of quoted investments	1.20	0.72
Aggregate book value of unquoted investments	0.20	0.20
Aggregate market value of quoted investments	1.20	0.72
Aggregate market value of unquoted investments	0.20	0.20
* ₹41,702 # ₹ 10,750 ## ₹ 45,625		

8B. Current Investments

₹ in crores

	As at 31 March 2022	As at 31 March 2021
II. Investments at fair value through profit or loss		
SBI MF Magnum Tax Gain 55,123 (March 31, 2021 : 55,123) units	0.27	0.25
Nippon India Mutual fund ETF liquid BeES 25 (March 31, 2021 : 25) units	-	-
Total (I + II)	**0.27**	**0.25**
Aggregate book value of unquoted investments	0.27	0.25
Aggregate market value of unquoted investments	0.27	0.25

9. Other financial assets (Non-current) (Unsecured)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Bank deposits (having maturity of more than 12 months)*	78.59	59.19
Security deposits	26.27	6.28
Total	**104.86**	**65.47**
* Lien marked bank deposits	78.59	58.66

10. Current tax assets (net) (Non-current)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Income tax paid (net of provision for tax)	66.97	61.70
Less: Provision for impairment	(57.40)	(57.40)
Total	**9.57**	**4.30**

11. Other non-current assets

(Unsecured unless otherwise stated, considered good)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Capital advances	15.64	14.20
Less: Provision for doubtful advances	(8.09)	-
Advance to suppliers	4.69	4.69
Advance to gratuity fund (refer note 41)	-	0.79
Other advances	16.41	2.54
Total	**28.65**	**22.22**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

12. Inventories

(Valued at the lower of cost and net realizable value)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Raw materials {includes goods in transit ₹108.21 crores (31 March 2021: ₹37.74 crores)}	500.37	442.21
Work-in-progress	7.02	5.98
Finished goods	459.43	364.53
Stores and spares	144.85	113.60
	1,111.67	**926.32**
Less : provision for impairment of inventory	(1.29)	(1.29)
Total	**1,110.38**	**925.03**

Note:

I. Inventories of Raigarh plant have been pledged as security against borrowings, refer note 21.

13. Trade receivables (Unsecured)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Trade receivables - considered good	254.45	188.68
Trade receivables – credit impaired	2.14	2.20
Less: allowance for doubtful debts	(2.14)	(2.20)
Total	**254.45**	**188.68**

Notes:

i) The Credit period on sale of goods ranges from 30 to 120 days.

ii) Trade receivables of Raigarh Plant have been given as collateral towards borrowings refer note 21.

iii) For credit risk management regarding trade receivables refer note 46 (4).

iv) Trade receivables from related parties, have been disclosed in note 43.

v) Trade receivables do not include any receivables from directors and officers of the Group.

Ageing of receivables from due date of payment

Particulars	31 March 2022						
	Not due	< 6 months	6 months - 1 year	1 - 2 year	2 - 3 years	> 3 years	Total
(i) Undisputed trade receivables - Considered good	73.19	181.26	-	-	-	-	254.45
(ii) Undisputed trade receivables - Credit impaired	-	1.22	0.14	0.38	0.40	-	2.14
Total	**73.19**	**182.48**	**0.14**	**0.38**	**0.40**	**-**	**256.59**

Particulars	31 March 2021						
	Not due	< 6 months	6 months - 1 year	1 - 2 year	2 - 3 years	> 3 years	Total
(i) Undisputed trade receivables - Considered good	170.50	17.71	0.09	0.03	0.35	-	188.68
(ii) Undisputed trade receivables - Credit impaired	-	0.61	0.65	0.61	0.33	-	2.20
Total	**170.50**	**18.32**	**0.74**	**0.64**	**0.68**	**-**	**190.88**

Movement in the expected credit loss allowance

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	2.20	2.31
Change in loss allowance	(0.06)	0.50
Amount written off	-	(0.61)
Balance at the closing of the year	**2.14**	**2.20**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

14. Cash and bank balances

14 a. Cash and cash equivalents :

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks		
in current accounts	59.32	13.25
Cash on hand	0.06	0.08
Total	**59.38**	**13.33**

14 b. Bank balances other than above

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Earmarked bank balances *	-	0.10
Other bank deposits with maturity more than 3 months but less than 12 months at inception	44.12	94.59
Other bank deposits with maturity more than 3 months but less than 12 months at inception (lien marked) #	35.90	21.70
Total	**80.02**	**116.39**

* Earmarked bank balances pertain to unclaimed dividend.

Other bank deposits are provided as collateral against credit facilities.

15. Derivative assets

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Forward contracts (refer note 46)	0.94	0.23
Total	**0.94**	**0.23**

16. Loans (Unsecured)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Loans		
- to related parties (Refer note - 43)	-	14.51
- to others	140.95	140.95
Less: allowance for doubtful loans	(140.95)	(155.46)
Total	**-**	**-**
Loans receivable considered good	-	-
Loans receivables – credit impaired		
- to related parties	-	14.51
- to others	140.95	140.95

The Group had granted loans aggregating to Rs. 140.95 crore (previous year Rs. 155.46 crore) to related and other parties prior to the NCLT order approving the Resolution Plan. The loans were considered as not recoverable by the new management at the time of acquisition and hence provided for in full.

17. Other financial assets (Current)

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Interest accrued on deposits	2.82	2.06
Other receivables	16.75	12.73
Total	**19.57**	**14.79**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

18. Other current assets

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Advances to suppliers	241.33	239.92
Less: Provision for doubtful advances	(3.79)	-
Cess paid under protest	18.44	18.44
Less: Provision for impairment	(18.44)	(18.44)
MAT credit entitlement	18.25	18.25
Less: Provision for impairment	(18.25)	(18.25)
Prepaid expenses	8.26	12.57
Indirect tax balances	15.86	21.00
Less: Provision for impairment	(1.01)	(1.01)
Advance to employees	0.63	0.35
Others	18.01	10.47
Total	**279.29**	**283.30**

19. Share capital

₹ in crores

		As at 31 March 2022	As at 31 March 2021
a) Equity share capital			
Authorised:			
1,000,000,000 (31 March 2021: 1,000,000,000) shares of ₹10 each		1,000.00	1,000.00
Issued subscribed and paid up:			
469,547,534 (31 March 2021: 469,547,534) shares of par value of ₹10/- each		469.55	469.55
Total	a	**469.55**	**469.55**
b) Preference Share capital			
Authorised:			
550,000,000 (31 March 2021: 550,000,000) shares of ₹10/- each		550.00	550.00
Issued subscribed and paid up:			
0.01% Compulsory convertible preference shares (CCPS) 525,980,000 (31 March 2021: 525,980,000) shares of par value of ₹10/- each		525.98	525.98
Total	b	**525.98**	**525.98**
Total	(a+b)	**995.53**	**995.53**

A. Reconciliation of the shares outstanding at the beginning and at the end of the year

₹ in crores

	31 March 2022		31 March 2021	
Equity shares	No of shares (in crores)	Amount	No of shares (in crores)	Amount
At the beginning of the year	46.95	469.55	46.95	469.55
Movement during the year	-	-	-	-
Outstanding at the end of the year	**46.95**	**469.55**	**46.95**	**469.55**

₹ in crores

	31 March 2022		31 March 2021	
Compulsory convertible preference shares	No of shares (in crores)	Amount	No of shares (in crores)	Amount
At the beginning of the year	52.60	525.98	52.60	525.98
Movement during the year	-	-	-	-
Outstanding at the end of the year	**52.60**	**525.98**	**52.60**	**525.98**

B. Terms/Rights attached to equity shares

The Group has a single class of equity shares having par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

C. Terms/Rights attached to preference shares

The holders of CCPS shall be entitled to payment of 0.01% per annum as dividend on each CCPS, as and when the Group declares any dividend. Each CCPS shall be convertible into 1 (one) equity share at any date prior to the expiry of the term of 20 (Twenty) years from the date of issuance of the CCPS ("CCPS Term") at the option of the holder of the CCPS. Unless already converted each CCPS outstanding at the expiry of the CCPS Term shall be compulsorily converted into 1 (one) equity share of the Group. The CCPS will have priority with respect of dividend, if declared or repayment of capital vis-a- vis equity shares. The CCPS holders shall not be entitled to participate in the surplus fund of the Group or participate in the surplus assets and profits, on winding up which may remain after the entire capital has been repaid. The payment of dividend, if declared shall be on a non cumulative basis.

D. Following shareholders hold equity shares more than 5% of the total equity shares of the Group at the end of the year

₹ in crores

Name of Shareholder	31 March 2022		31 March 2021	
	Number of shares held (in crores)	% of holding in class	Number of shares held (in crores)	% of holding in class
Creixent Special Steels Limited (Parent Company)	22.59	48.12%	22.59	48.12%
AION Investments Private II Limited	-	-	9.95	21.18%
JTPM Atsali Limited	2.35	5.01%	2.35	5.01%

E. Following shareholders hold preference shares more than 5% of the total convertible preference shares of the Group at the end of the year

₹ in crores

Name of Shareholder	31 March 2022		31 March 2021	
	Number of shares held (in crores)	% of holding in class	Number of shares held (in crores)	% of holding in class
Creixent Special Steels Limited (Parent Company)	34.05	64.73%	34.05	64.73%
JTPM Atsali Limited	18.55	35.27%	18.55	35.27%

F. Equity shares allotted as fully paid up (during 5 years preceding March 31, 2022) without payment being received in cash

34,90,00,000 equity shares and 52,59,80,000 compulsorily convertible preference shares issued on August 16, 2018, to the shareholders of Milloret Steel Limited in terms of the scheme of amalgamation ('the Scheme') sanctioned by Mumbai bench of National Company Law Tribunal vide its order dated July 24, 2018.

G. Shares held by the Promoters of the Company

₹ in crores

Promoter Name	31 March 2022		
	Number of shares held (in crores)	% of total shares	% of changes in current year
A) Equity			
Creixent Special Steels Limited (Parent Company)	22.59	48.12%	-
AION Investments Private II Limited	-	-	21.18%
JTPM Atsali Limited	2.35	5.01%	-
JSW Techno Projects Management Limited	0.02	0.04%	-
JSW Steel Limited	*	-	-
Total	**24.96**	**53.17%**	**21.18%**
B) Preference shares			
Creixent Special Steels Limited (Parent Company)	34.05	64.73%	-
JTPM Atsali Limited	18.55	35.27%	-
JSW Steel Limited	**	0.00%	-
Total	**52.60**	**100.00%**	**-**

Notes

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₹ in crores

Promoter Name	31 March 2021 Number of shares held (in crores)	% of total shares	% of changes in current year
A) Equity			
Creixent Special Steels Limited (Parent Company)	22.59	48.12%	-
AION Investments Private II Limited	9.95	21.18%	-
JTPM Atsali Limited	2.35	5.01%	-
JSW Techno Projects Management Limited	0.02	0.04%	-
JSW Steel Limited	*	-	-
Total	**34.91**	**74.35%**	**-**
B) Preference shares			
Creixent Special Steels Limited (Parent Company)	34.05	64.73%	-
JTPM Atsali Limited	18.55	35.27%	-
JSW Steel Limited	**	0.00%	-
Total	**52.60**	**100.00%**	**-**

* 399 shares ** 601 shares

20. Other equity

₹ in crores

	As at 31 March 2022	As at 31 March 2021
a) Capital reserve		
Opening balance	77.77	77.77
Changes during the year	-	-
Closing balance	**77.77**	**77.77**
b) Securities premium		
Opening balance	1,114.50	1,114.50
Changes during the year	-	-
Closing balance	**1,114.50**	**1,114.50**
c) Capital redemption reserve		
Opening balance	472.35	472.35
Changes during the period	-	-
Closing balance	**472.35**	**472.35**
d) Capital reconstruction reserve		
Opening balance	19.68	19.68
Changes during the period	-	-
Closing balance	**19.68**	**19.68**
e) Amalgamation reserve		
Opening balance	3.31	3.31
Changes during the period	-	-
Closing balance	**3.31**	**3.31**
f) General reserve		
Opening balance	249.99	249.99
Changes during the period	-	-
Closing balance	**249.99**	**249.99**
g) Equity instruments through OCI		
Opening balance	(102.05)	(102.51)
Other comprehensive gain for the year	2.51	0.46
Closing balance	**(99.54)**	**(102.05)**
h) Foreign exchange translation reserve (net)		
Opening balance	(35.53)	(42.78)
Changes during the period	(0.84)	7.25
Closing balance	**(36.37)**	**(35.53)**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

₹ in crores

	As at 31 March 2022	As at 31 March 2021
i) Equity contribution resulted on merger		
Opening balance	7,287.03	7,287.03
Changes during the period	-	-
Closing balance	**7,287.03**	**7,287.03**
j) Retained earnings		
Opening balance	(8,689.45)	(8,902.07)
Profit for the year	1.49	210.57
Remeasurement (loss) / gain on defined benefit plans	(3.27)	2.05
Closing balance	**(8,691.23)**	**(8,689.45)**
Total other equity attributable to equity holders of the parent	**397.49**	**397.60**
Non-controlling interests	**-**	**(1.13)**

a) Capital reserve

The reserve created pursuant to the acquisition of business represents the difference of liabilities and assets acquired.

b) Securities premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

c) Capital Redemption Reserve

Reserve is created for redemption of preference shares as per statutory requirement. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

d) Capital reconstruction reserve

Reserve acquired at the time of amalgamation accounted for using the pooling of interest method.

e) Amalgamation reserve

Reserve is created on account of gain arising at the time of amalgamation accounted for using the pooling of Interest method.

f) General reserve

Under the erstwhile the Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations.

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 Group may transfer any amount from the surplus of profit or loss to the General reserves, if it wants to voluntarily. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

g) Equity instruments through OCI

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

h) Foreign exchange translation Reserve (net)

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Indian rupees) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Gains and losses on hedging instruments that are designated as hedging instruments for hedges of net investments in foreign operations are included in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to profit or loss on the disposal of the foreign operation.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

i) Equity contribution resulted on merger

The equity contribution resulted on merger is a surplus after extinguishment of optionally convertible preference shares (OCPS) issued to Milloret Steel Limited.

j) Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss/(gain) for 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 Group.

21. Borrowings

(measured at amortized cost)

₹ in crores

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
A. Long term borrowings				
a. Term loans				
i. Secured				
From banks	1,712.77	2,166.63	107.50	44.22
From a financial institution	418.50	-	22.50	-
Less: Unamortised upfront fees on borrowing	(16.39)	(18.30)	-	-
Net	**2,114.88**	**2,148.33**	**130.00**	**44.22**
ii. Unsecured				
From a related party	125.00	125.00	-	-
Total (A)	**2,239.88**	**2,273.33**	**130.00**	**44.22**
B. Short term borrowings				
a. Short term loan				
i. Unsecured				
From a related party	-	-	89.50	89.50
b. Working capital facility				
i. Secured				
From banks	-	-	212.38	135.23
Total (B)	**-**	**-**	**301.88**	**224.73**
Total (A+B)	**2,239.88**	**2,273.33**	**431.88**	**268.95**

Terms of borrowings

₹ in crores

Type of loan	31 March 2022	31 March 2021	Interest rate	Security Guarantee	Repayment terms
Term loan from Banks (Secured)	1,820.27	2,210.85	8.35%	Secured by first charge on all immovable and movable fixed assets (present & future) of the Raigarh plant and second charge on all current assets of the Raigarh plant.	Repayable in 36 structured quarterly instalments, starting from the end of 39th month from the date of first disbursement.
Long term loan from a financial instutuion (Secured)	441.00	-	8.20%		
Long term loan from a Company (Unsecured)	125.00	125.00	SBI 1 year MCLR + 200 bps or 10% whichever is higher	N.A.	Repayable in 9 equal annual instalments of ₹13.89 Crore, starting from 31 August 2024 and ending at 31 August 2032.
Short term loan from a Company (Unsecured)	89.50	89.50		N.A.	At the end of 12 months from the date of disbursement.
Working capital facility	212.38	135.23	1 Year MCLR	Secured by first charge on entire current assets (both present and future) of the Raigarh plant and second charge on all immovable and movable fixed assets of the Raigarh plant.	

Notes :

i) The statement of net current assets filed by the Group with bank is in agreement with the books of accounts.

ii) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

22. Lease liabilities

₹ in crores

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Lease liabilities (refer note 42)	26.93	27.16	0.45	0.46
Total	**26.93**	**27.16**	**0.45**	**0.46**

23. Other financial liabilities

₹ in crores

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Payables for capital projects				
Acceptances	-	-	11.45	30.75
Other than acceptances	-	-	22.14	15.98
Security deposits and retention money	-	-	12.77	13.28
Interest accrued but not due on borrowings	49.12	34.18	22.10	12.81
Unclaimed dividends	-	-	0.01	0.11
Others	-	-	22.02	28.55
Total	**49.12**	**34.18**	**90.49**	**101.48**

24. Provisions

₹ in crores

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits				
Provision for gratuity (refer note 41)	-	-	2.01	-
Provision for compensated absences (refer note 41)	6.53	5.60	0.90	0.88
Total	**6.53**	**5.60**	**2.91**	**0.88**

25. Income tax

A. Income tax expense

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Current tax		
Current tax	-	-
Deferred tax		
Deferred tax	-	-
MAT credit entitlement	-	-
Total tax expense	**-**	**-**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

Reconciliation of tax expense and the accounting profit:

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Profit before tax	1.49	209.52
Enacted tax rate in India	34.944	34.944
Profit before income tax	**1.49**	**209.52**
Expected income tax expense/(benefit) at statutory tax rate 34.94% (31 March 2021: 34.94%)	0.52	73.21
Expenses not deductible in determining taxable profits	0.07	0.63
Effect of different tax rates of subsidiaries in other jurisdictions	-	-
Income exempt from taxation	0.18	(109.91)
Deferred tax asset not recognised	(0.77)	36.07
At the effective income tax rate of 0.0% (31 March 2021: 0.0%)	**-**	**-**
Income tax expense reported in the statement of profit and loss	-	-
	-	-

The Group had recognised MAT credit amounting to ₹18.25 crores, however due to uncertainty regarding utilisation within the stipulated period of 15 years, the same had been fully provided in previous year (refer note 18).

B. Deferred tax liabilities (net)

₹ in crores

Deferred tax balance in relation to	As at 31-Mar-21	For the year ended 31 March 2022 Recognised / (reversed) through profit and loss	Recognised in / (reclassified) from OCI	As at 31-Mar-22
Property, plant and equipment	(392.92)	(22.37)	-	(415.29)
Derivatives	0.70	(0.70)	-	-
Provisions for Impairment of Inventory/Trade receivables and loans	2.91	9.45	-	12.36
Provision for employee benefits expense and Trade payable	12.10	(10.59)	-	1.51
Lease obligations	0.12	0.05	-	0.17
Unamortised upfront fees on borrowings	0.73	0.33	-	1.06
Carried forward business loss/ unabsorbed depreciation (recognised to the extent of deferred tax liabilities (net))	376.36	23.83	-	400.19
Total	**-**	**-**	**-**	**-**

₹ in crores

Deferred tax balance in relation to	As at 01-Apr-20	For the year ended 31 March 2021 Recognised / (reversed) through profit and loss	Recognised in / (reclassified) from OCI	As at 31-Mar-21
Property, plant and equipment	(346.45)	(46.47)	-	(392.92)
Derivatives	(2.64)	3.34	-	0.70
Provisions for Impairment of Inventory/Trade receivables and loans	6.94	(4.03)	-	2.91
Provision for employee benefits expense and Trade payable	13.06	(0.96)	-	12.10
Lease obligations	0.09	0.03	-	0.12
Unamortised upfront fees on borrowings	0.95	(0.22)	-	0.73
Carried forward business loss/ unabsorbed depreciation (recognised to the extent of deferred tax liabilities (net))	328.05	48.31	-	376.36
Total	**-**	**-**	**-**	**-**

Expiry schedule of losses on which deferred tax assets is not recognised is as under:

₹ in crores

Expiry of losses (as per local tax laws)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	5 Years and beyond	Indefinite	Total
Business Losses	26.91	1,108.21	227.93	168.94	501.84	-	2,033.83
Unabsorbed depreciation	-	-	-	-	-	4,774.27	4,774.27
Long term capital losses	-	19.10	-	275.18	27.80	-	322.08
Total	**26.91**	**1,127.31**	**227.93**	**444.12**	**529.64**	**4,774.27**	**7,130.18**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

Based on legal advice from an independent expert, the management is of the view that vide NCLT order dated July 24, 2018 in response to resolution plan submitted by consortium of JSW Steel Limited and AION Investment Private II Limited for acquisition of Monnet Ispat and Energy Limited ("MIEL") under the Insolvency Bankruptcy Code, 2016 ("NCLT Order"), the Group will be entitled to carry forward the aforementioned accumulated losses of MIEL pertaining to the period prior to acquisition and off-set the same against the future taxable income of MIEL.

26. Trade payables

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Acceptances	404.95	523.64
Other than acceptances		
- total outstanding dues of micro and small enterprises; (refer note 45)	5.63	0.04
- total outstanding dues of creditors other than micro and small enterprises	438.12	256.89
Total	**848.70**	**780.57**

Note:

i. Acceptances include credit availed by the Group from banks for payment to suppliers for raw materials purchased by the Group. The arrangements are interest-bearing and are payable within one year.

ii. Trade payables are non-interest bearing and are normally settled within 90 days except for SME's which are settled within 45 days.

iii. Trade payables from related parties details has been disclosed in note 43.

iv. For explanations on the Group's credit risk management processes, refer note 46.

Ageing of payables based on the due date of payment

₹ in crores

	31 March 2022						
Particulars	Unbilled	Not due	< 1 year	1 -2 years	2 - 3 years	> 3 years	Total
(i) MSME	-	5.63	-	-	-	-	5.63
(ii) Others	153.01	170.54	111.49	3.08	-	-	438.12
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
(v) Acceptances	-	404.95	-	-	-	-	404.95
Total	**153.01**	**581.12**	**111.49**	**3.08**	**-**	**-**	**848.70**

₹ in crores

	31 March 2021						
Particulars	Unbilled	Not due	< 1 year	1 -2 years	2 - 3 years	> 3 years	Total
(i) MSME	-	0.04	-	-	-	-	0.04
(ii) Others	171.45	12.28	66.13	3.64	3.39	-	256.89
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
(v) Acceptances	-	523.64	-	-	-	-	523.64
Total	**171.45**	**535.96**	**66.13**	**3.64**	**3.39**	**-**	**780.57**

27. Derivative Liabilities

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Forward contracts (refer note 46)	0.87	2.23
Total	**0.87**	**2.23**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

28. Other current liabilities

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Advance from customers	49.20	68.27
Statutory dues	44.39	36.27
Export obligation deferred income	-	5.43
Total	**93.59**	**109.97**

29. Revenue from operations

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
29A. Sale of products and services		
Sale of products	5,948.64	4,139.71
Sale of services	62.90	10.43
A	**6,011.54**	**4,150.14**
29B. Other operating income		
Sale of scrap	19.48	26.51
Insurance Claim	3.19	-
Export incentives	26.44	11.09
B	**49.11**	**37.60**
A+B	**6,060.65**	**4,187.74**

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

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from contracts with customer - Sale of products	5,948.64	4,139.71
Revenue from contracts with customers - Sale of service	62.90	10.43
Other operating revenue	49.11	37.60
Total revenue from contracts with customers	**6,060.65**	**4,187.74**
India	5,076.71	3,895.20
Outside India	983.94	292.54
Total revenue from contracts with customers	**6,060.65**	**4,187.74**
Timing of revenue recognition		
At a point in time	6,060.65	4,187.74
Over a period of time	-	-
Total revenue from contracts with customers	**6,060.65**	**4,187.74**

Breakup of revenue

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Billets	1,937.74	432.09
Sponge Iron	1,425.17	1,265.12
Structure/ TMT	715.57	872.21
Pig Iron	589.58	490.05
Slab	408.62	-
Pellets	370.40	849.87
Ferro Alloys	367.00	137.34
Others	246.57	141.06
Total	**6,060.65**	**4,187.74**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

Contract Balances

₹ in crores

Particulars	31 March 2022	31 March 2021
Trade receivables	254.45	188.68
Contract liabilities (advance from customers)	49.20	68.27

The Group does not have any significant adjustments between the contracted price and revenue recognised in the Consolidated Statement of Profit and Loss.

The performance obligation is satisfied based on the terms of sale, normally, upon delivery of the goods and payment is generally due within 30 to 120 days from delivery.

Amount of revenue recognized from amounts included in the contract liabilities at the beginning of the year is ₹68.27 crores (previous year ₹16.97 crores).

30. Other income

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest Income earned on financial assets that are not designated as FVTPL		
Bank deposits	10.91	7.67
Others interest income	0.23	1.29
Rental income	1.32	1.50
Liabilities no longer required written back	8.71	2.42
Fair value gain arising from financial instruments designated as FVTPL	2.09	0.23
Other miscellaneous income	0.41	2.62
Total	**23.67**	**15.73**

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

₹ in crores

		For the year ended 31 March 2022	For the year ended 31 March 2021
Opening stock :			
Finished goods		364.53	369.97
Work-in-process		5.98	4.95
	A	**370.51**	**374.92**
Closing stock :			
Finished goods		459.43	364.53
Work-in-process		7.02	5.98
	B	**466.45**	**370.51**
Total	**(A-B)**	**(95.94)**	**4.41**

32. Employee benefits expense

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and amenities	118.35	106.98
Contribution to provident fund and other funds (refer note 41)	6.54	6.55
Staff welfare expenses	4.83	2.05
Total	**129.72**	**115.58**

33. Finance Costs

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expenses on borrowings	249.29	253.84
Other ancillary borrowing costs	18.01	18.62
Unwinding of Interest on financials liabilities (carried at amortised cost)	3.00	3.00
Interest expenses on lease liabilities	0.23	0.23
Other charges	0.07	0.16
Total	**270.60**	**275.85**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

34. Depreciation and amortisation expense

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipments (refer note 4)	222.21	228.24
Amortisation of Intangible assets (refer note 6)	0.21	-
Depreciation of right of use assets (refer note 42)	0.79	0.22
Total	**223.21**	**228.46**

35. Other expenses

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Stores and spares consumed	271.02	172.27
Distribution expenses	215.00	104.79
Wages & labour charges	61.85	50.93
Repairs & maintenance		
- Machinery	18.28	17.58
- Building	5.28	2.62
- Others	3.44	11.39
Legal & professional charges	15.08	12.08
Water charges	8.91	8.56
Insurance charges	11.18	9.75
Security service charges	7.46	6.61
Vehicle expenses	9.77	3.46
Auditors' Remuneration		
- As Audit fees	0.52	0.47
- For limited review	0.24	0.24
- For tax matters	0.05	0.05
- For certification & other matters	0.04	0.02
- Reimbursement of expenses	-	0.01
Lease rent & hire charges	0.46	1.00
Fair value gain arising from financial instruments designated as FVTPL	0.87	9.89
Foreign exchange fluctuation (net)	2.80	4.30
Allowance for doubtful debts	0.62	0.58
Allowance for doubtful advances	-	-
Loss on sale of property, plant and equipment	1.42	4.66
Balances written off	-	9.01
Provision for non recoverable advances	11.88	0.14
Miscellaneous expenses	31.62	21.13
Write off of financial assets, current and non-current assets, trade receivables and loans and advances	14.52	260.58
Less :- Provision for impairment recognized in earlier years	(14.52)	(260.58)
Total	**677.79**	**451.54**

Corporate Social Responsibility (CSR)

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Amount required to be spent by the Company during the year	-	-
(b) Amount of expenditure incurred	0.47	0.75
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities	NA	NA
(g) Details of related party transaction	NA	NA
(h) Movement in provision made	NA	NA

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

36. Exceptional Items (Net)

₹ in crores

Particulars	31 March 2022	31 March 2021
i. Gain on settlement of loan outstanding with a bank (note 1)	-	275.90
ii. Gain on settlement of Interest outstanding on loan as mentioned above (note 1)	-	42.60
iii. Loss towards reassessment of realizable value (note 2)	-	(22.58)
iv. Gain on forfeiture of advance received from a buyer (note 3)	-	18.61
Total	**-**	**314.53**

Notes:

1. Gain of ₹318.50 Crore on settlement of loan outstanding of ₹294.29 Crore and interest due thereon of ₹42.60 Crore at ₹18.39 Crore, pursuant to a settlement agreement entered into with its lender.
2. Loss of ₹22.58 Crore towards reassessment of realizable value of assets held for sale pursuant to agreement entered into for sale of a subsidiary.
3. Gain of ₹18.61 Crore on forfeiture of advance received from buyer pursuant to cancellation of agreement entered into for sale of a subsidiary.

37. Earnings Per Share (EPS)

₹ in crores

Particulars	31 March 2022	31 March 2021
Profit for the year as per Consolidated Statement of Profit and Loss attributable to equity shareholders (₹ in crores) [A]	1.49	210.57
Weighted average number of equity shares for calculating basic EPS (no. in crores) [B]	46.95	46.95
Effect of dilution:		
Weighted average number of compulsorily convertible preference shares (no. in crores)	52.60	52.60
Weighted average number of equity shares adjusted for the effect of dilution (no. in crores) [C]	**99.55**	**99.55**
Earnings per equity share in ₹		
Basic [A/B]	0.03	4.48
Diluted [A/C] (refer note below)	0.01	2.12
Face Value of each equity share in ₹	10	10

38. Commitments and contingencies

(a) Commitments

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) of ₹42.19 crores (March 31, 2021 - ₹47.59 crores)

(b) Contingent liabilities

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Bank guarantees	70.87	104.41
Claim against the Group not acknowledged as debt	52.00	52.00

Pursuant to the corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 initiated on 18 July 2017, the National Company Law Tribunal on 24 July 2018 (Order date) approved (with modifications), the Resolution Plan submitted by the consortium of JSW Steel Limited and AION Investments Private II Limited read with the independent legal opinion obtained by the Group and the recent judgment of Supreme Court of India, all contingent liabilities, commitments, other claims and obligations including all taxes and other government dues standing as on the effective date (i.e. 31 August 2018) and not part of the Resolution Plan, shall stand extinguished.

The Group has already recognised its share of losses equivalent to its interest in the joint ventures and hence, the group has no further exposure. Accordingly, the share in the contingent liability of the joint ventures amounting to ₹1.30 crores (as at 31 March 2021 ₹1.30 crores) is not reckoned with by the Group.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

39. Disclosure of investments in subsidiaries:

Name	Country of Incorporation	Ownership Interest of JSW Ispat Special Products Limited (%) 31 March 2022	31 March 2021	Principal Activity
Monnet Global Limited (MGL)	U.A.E.	100%	100%	Manufacturing Company
Monnet Cement Limited (MCL)	INDIA	100%	100%	Manufacturing Company
Mivaan Steels Limited (MSL) (w.e.f. 24th February 2022)	INDIA	100%	NA	Manufacturing Company
Pt. Sarwa Sembada Karya Bumi (subsidiary of MGL) (upto 29th March 2022)	Indonesia	NIL	95%	Mining Company
LLC Black Sea Natural Resources, Abkhazia	Republic of Abkhazia	100%	100%	Mining Company

Information regarding non-controlling interest

₹ in crores

	31 March 2022	31 March 2021
Accumulated balances of material non-controlling interest:		
Pt. Sarwa Sembada Karya Bumi (subsidiary of MGL) (upto 29th March 2022)	-	(1.13)

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

Summarised Statement of Profit and loss for the year ended 31 March 2022 and 31 March 2021

₹ in crores

	31 March 2022		
	MCL	MSL	MGL (consolidated)
Revenue	-	-	0.73
Cost of raw material and components consumed	-	-	-
Other expenses	0.005	0.0001	1.24
Finance costs	-	-	-
Loss before tax	(0.0050)	(0.0001)	(0.51)
Exceptional Item	-	-	-
Income tax	-	-	-
Loss for the year	(0.005)	(0.0001)	(0.51)
Total comprehensive loss	(0.005)	(0.0001)	(0.51)
Attributable to non-controlling interests	-	-	-
Dividends paid to non-controlling interests	-	-	-

₹ in crores

	31 March 2021		
	MCL	MSL	MGL (consolidated)
Revenue	-	-	2.86
Cost of raw material and components consumed	-	-	-
Other expenses	0.04	-	2.79
Finance costs	-	-	0.06
(Loss) / Profit before tax	(0.04)	-	0.01
Exceptional Item	-	-	314.53
Income tax	-	-	-
(Loss) / Profit for the year	(0.04)	-	314.54
Total comprehensive loss	(0.04)	-	314.54
Attributable to non-controlling interests	-	-	(1.05)
Dividends paid to non-controlling interests	-	-	-

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

Summarised Balance sheet as at 31 March 2022 and 31 March 2021

₹ in crores

	31 March 2022		
	MCL	MSL	MGL (consolidated)
Inventories and cash and cash equivalents and other current assets	0.12	0.001	9.42
Property, plant and equipment and other non-current assets	-	0.002	-
Trade and other payable (current)	0.001	0.0001	0.26
Interest-bearing loans and borrowing and deferred tax liabilities	-	-	57.12
Total equity	**0.12**	**0.003**	**(47.96)**
Attributable to:			
Owner of the Company	0.12	-	(47.96)
Non-controlling interest	-	-	-

₹ in crores

	31 March 2021		
	MCL	MSL	MGL (consolidated)
Inventories and cash and cash equivalents and other current assets	0.27	-	9.22
Property, plant and equipment and other non-current assets	0.002	-	-
Trade and other payable (current)	0.15	-	1.01
Interest-bearing loans and borrowing and deferred tax liabilities	-	-	55.95
Total equity	**0.12**	**-**	**(46.62)**
Attributable to:			
Owner of the Company	0.12	-	(46.62)
Non-controlling interest	-	-	(1.13)

Summarised Cash flow statement as at 31 March 2022 and 31 March 2021

₹ in crores

	31 March 2022		
	MCL	MSL	MGL (consolidated)
Operating	(0.15)	0.001	0.20
Investing	-	-	-
Financing	-	-	-
Net (decrease)/ increase in cash and cash equivalents	**(0.15)**	**0.001**	**0.20**

₹ in crores

	31 March 2021		
	MCL	MSL	MGL (consolidated)
Operating	(0.01)	-	18.07
Investing	0.27	-	(16.85)
Financing	-	-	-
Net increase in cash and cash equivalents	**0.26**	**-**	**1.22**

40. Disclosure of significant investments in joint ventures and associates:

1) Disclosure of investment in the following joint ventures :

Name	Country of Incorporation	Ownership Interest of Monnet Ispat & Energy Limited (%) 31 March 2022	Ownership Interest of Monnet Ispat & Energy Limited (%) 31 March 2021	Principal Activity
Mandakini Coal Company Limited	India	33.33%	33.33%	Mining Company
Urtan North Mining Company Limited	India	33.33%	33.33%	Mining Company
MP Monnet Mining Company Limited	India	49.00%	49.00%	Mining Company
Monnet Ecomaister Enviro Pvt Limited	India	50.00%	50.00%	Manufacturing of PS balls

2) The group has no material Joint Venture. Hence, the financial information of such Joint Ventures has not been disclosed.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

41. Employee benefit plans

a) Defined contribution plans

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

Group's contribution to provident fund & family pension scheme recognised in the statement of profit and loss aggregates to ₹6.54 crores (31 March 2021: ₹6.55 crores) (included in note 32).

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

b. Defined benefit plans

The Group sponsors funded defined benefit plans for all qualifying employees. The level of benefits provided depends on the member's length of service and salary at retirement age.

The gratuity plan is covered by The Payment of Gratuity Act, 1972. 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, 60 and 63. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

The fund is managed by Monnet Ispat & Energy Employees Group Gratuity Trust and it is governed by the Board of trustees. The Board of trustees are responsible for the administration of the plan assets and for defining the investment strategy.

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate 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 for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

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

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2022 by Independent, Qualified Actuary. 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.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2022

(I) **Gratuity :**

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

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Defined Benefit Obligation ('DBO') at the beginning of the year	16.71	17.27
Current service cost	1.48	1.70
Interest cost	1.14	1.19
Benefits paid	(1.76)	(1.84)
Actuarial loss / (gain) on obligations - OCI	2.71	(1.61)
Defined Benefit Obligation at the end of the year	**20.28**	**16.71**
Changes in the fair value of plan assets are, as follows:		
Fair value of plan assets at the beginning of the year	17.50	17.21
Contribution by employer	1.90	0.50
Benefits paid	(1.76)	(1.84)
Expected interest income on plan assets	1.20	1.19
Actuarial gain/(loss) on plan asset	(0.57)	0.44
Fair value of plan assets at the end of the year	**18.27**	**17.50**

Reconciliation of fair value of plan assets and defined benefit obligation:

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Fair value of plan assets	18.27	17.50
Defined benefit obligation	20.28	16.71
Net liability / (assets) recognised in the balance sheet (refer note 24 and 11)	**2.01**	**(0.79)**
Amount recognised in Statement of Profit and Loss:		
Current service cost	1.48	1.70
Interest expense	1.14	1.19
Expected return on plan asset	(1.20)	(1.19)
Net expense recognised in Statement of Profit and Loss	**1.42**	**1.70**
Amount recognised in other comprehensive income:		
Actuarial changes arising from changes in demographic assumptions	(0.16)	0.07
Actuarial changes arising from changes in financial assumptions	(1.89)	(0.04)
Experience adjustments	(0.65)	1.58
Return on plan assets (excluding amounts included in net interest expense)	(0.57)	0.44
Amount recognised in other comprehensive (loss)/ income	**(3.27)**	**2.05**

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

Investment details	Funded	Funded
Investment with insurance fund	100%	100%

The principal assumptions used in determining gratuity liability for the Group's plans are shown below:

Discount rate	6.90%	6.86%
Expected rate of return on plan assets	6.90%	6.86%
Future salary increases	8.80%	7.00%
Attrition rate	8.40%	4.00%
Mortality rate during employment	Indian assured lives mortality (2006-08) ult	Indian assured lives mortality (2006-08) ult

Sensitivity analysis:-

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

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:-

₹ in crores

Gratuity Plan	Sensitivity level		Impact on DBO	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Assumptions				
Discount rate	+ 1%	+ 1%	(1.22)	(1.16)
	- 1%	- 1%	1.37	1.32
Future salary increases	+ 1%	+ 1%	1.33	1.31
	- 1%	- 1%	(1.21)	(1.17)
Attrition rate	+ 1%	+ 1%	(0.17)	(0.04)
	- 1%	- 1%	0.18	0.04

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that change in assumption would occur in isolation of the another as some of the assumptions may be correlated.

The following are the maturity analysis of projected benefit obligations:

₹ in crores

	As at 31 March 2022	As at 31 March 2021
Within the next 12 months (next annual reporting year)	1.81	2.16
Between 2 and 5 years	7.87	4.56
Beyond 5 years	24.74	24.35
Total expected payments	**34.42**	**31.07**

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.

The Group is expected to contribute ₹2.01 crores to its gratuity plan for the next year. The weighted average duration of the plan is 12 years.

(II) Compensated absences

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Group due to death, retirement, superannuation or resignation, Employee are entitled to encash leave while serving in the Group at the rate of daily salary, as per current accumulation of leave days.

₹ in crores

Compensated absences	As at 31 March 2022	As at 31 March 2021
Present value of unfunded obligation (₹ in crores) (Refer note 24)	7.43	6.48
Expenses recognised in Statement of profit and loss (₹ in crores)	0.95	1.06
Discount rate (p.a.)	6.90%	6.89%
Salary escalation rate (p.a.)	7.00%	7.00%

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

42. Lease

Operating Lease commitments - Group as lessee

Lease payments of ₹0.46 crores (31 March 2021 ₹1 crores) have been recognized as an expense in the statement of profit and loss.

Lease - Company as a lessee

₹ in crores

		As at 31 March 2022	As at 31 March 2021
a.	Right of Use Asset recognised in the Balance Sheet	43.05	43.84
b.	Lease liability recognised in the Balance Sheet (Refer note 22)	27.37	27.62
c.	Depreciation charged to Statement of Profit and loss		
	- Land (Refer note 34)	0.79	0.34
d.	Interest charged to Statement of Profit and loss (Refer note 33)	0.23	0.23
e.	Lease payments recognised as expense for the underlying asset is of low value	-	-
f.	Lease payments recognised as expense for short term leases	0.46	1.00
g.	Total cash flow for leases	0.48	0.48
h.	Carrying value of the right of use assets		
	- Land	43.05	43.84
i.	Amounts of lease commitments for leases covered other than in point e & f above		
	- Not later than one year	0.45	0.46
	- Later than one year and not later than five years	1.68	1.71
	- Later than five years	25.24	25.45
j.	Amounts of lease commitments for leases covered in point e & f above		
	- Not later than one year	0.46	0.13
	- Later than one year and not later than five years	-	-
	- Later than five years	-	-

The weighted average leases incremental borrowing rate applied to lease liabilities recognised in the Balance sheet on 1 April 2019 was ranging between 9.5% to 10%.

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

43. Related party disclosures

A. List of related parties

(a) Parent company		Creixent Special Steels Limited
(b) Joint venturer of parent company	1	JSW Steel Limited
	2	AION Investments Private II Limited
(c) Joint ventures	1	MP Monnet Mining Company Limited
	2	Mandakini Coal Company Limited
	3	Urtan North Mining Company Limited
	4	Monnet Ecomaister Enviro Private Limited
(d) Subsidiary of Joint Venture of the company		Solace Land holding Limited
(e) Key Management Personnel:-	1	Mr. D Ravichandar (Whole time director) (upto 31st May 2021)
	2	Mr. Thirukkoteeswaran Mohan Babu (Whole time director) (w.e.f. 1st June 2021)
	3	Ms. Anuradha Ambar Bajpai (Independent Non-executive director)
	4	Ms. Sutapa Banerjee (Independent Non-executive director) (upto 18th May 2021)
	5	Mr. Jyotin Kantilal Mehta (Chairman and Independent Non-executive director)
	6	Mr. Kaushik Subramaniam (Non-Independent Non-executive director)
	7	Mr. Nikhil Gahrotra (Non-Independent Non-executive director)
	8	Mr. Sanjay Kumar (Non-Independent Non-executive director)
	9	Mr. Seshagiri Rao (Non-Independent Non-executive director) (upto 22nd November 2021)
	10	Mr. Krishna Deshika (Independent Non-executive director) (w.e.f. 20th July 2021)
	11	Mr. J. Nagarajan (Chief Financial Officer)
	12	Mr. Ajay Kadhao (Company Secretary)
Related parties with whom the Group has entered into transactions during the year / previous year		
(g) Subsidiary of Joint Venturer of parent company	1	JSW Steel Coated Products Limited
	2	GSI Lucchini S.P.A
	3	Amba River Coke Limited
	4	JSW Steel USA Ohio Inc.
	5	JSW Steel Italy Piombino S.P.A.
	6	Bhushan Power and Steel Limited
(h) Promoter company	1	JSW Techno Projects Management Limited
	2	JTPM Atsali Limited

B. Details relating to remuneration of Key Managerial Personnel

i) Remuneration of Key Managerial Personnel

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Short term employee benefits	2.73	3.44

Note:

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

ii) Directors sitting fees

₹ in crores

	For the year ended 31 March 2022	For the year ended 31 March 2021
Name of key managerial personnel		
Ms. Anuradha Ambar Bajpai	0.10	0.04
Ms. Sutapa Banerjee	0.01	0.03
Mr. Jyotin Kantilal Mehta	0.09	0.04
Mr. Krishna Deshika	0.05	-

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C. The following transactions were carried out with related parties in the ordinary course of business:-

Particulars	Parent		Joint ventures		Other related parties		Total	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Sales of goods								
JSW Steel Limited	-	-	-	-	459.55	140.49	459.55	140.49
JSW Techno Projects Management Limited	-	-	-	-	-	94.45	-	94.45
Creixent Special Steels Limited	0.90	17.21	-	-	-	-	0.90	17.21
Bhushan Power and Steel Limited	-	-	-	-	167.62	11.36	167.62	11.36
JTPM Atsali Limited	-	-	-	-	4.71	5.04	4.71	5.04
JSW Steel Italy Piombino S.P.A.	-	-	-	-	483.32	-	483.32	-
JSW Steel USA Ohio Inc.	-	-	-	-	83.66	-	83.66	-
Loan given								
MP Monnet Mining Company Limited	-	-	0.01	0.01	-	-	0.01	0.01
Interest accrued on Loan								
JSW Steel Limited	-	-	-	-	25.52	25.07	25.52	25.07
Purchase of raw material / stores / PPE								
JSW Steel Limited	-	-	-	-	778.01	514.13	778.01	514.13
JSW Steel Coated Products Limited	-	-	-	-	1.83	3.41	1.83	3.14
GSI Lucchini S.P.A	-	-	-	-	1.11	1.13	1.11	1.13
Bhushan Power and Steel Limited	-	-	-	-	466.92	-	466.92	-
Reimbursement of expenses payable								
JSW Steel Limited	-	-	-	-	0.06	14.45	0.06	14.45
Bhushan Power and Steel Limited	-	-	-	-	1.75	-	1.75	-
Reimbursement of expenses receivable								
JSW Steel Limited	-	-	-	-	8.31	7.75	8.31	7.75
Creixent Special Steels Limited	0.12	0.19	-	-	-	-	0.12	0.19
Bhushan Power and Steel Limited	-	-	-	-	0.71	-	0.71	-
JSW Steel Coated Products Limited	-	-	-	-	-	0.30	-	0.30
Amba River Coke Limited	-	-	-	-	-	0.04	-	0.04

Note:

The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (Monnet Ispat & Energy Employees Group Gratuity Trust). During the year, the Company contributed ₹1.90 crores (March 2021 : ₹0.50 crores).

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To the Consolidated Financial Statements as at and for the year ended 31 March 2022

D. Net outstanding balances :-

Particulars	Parent		Joint ventures		Other related parties		Total	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Trade receivables								
JSW Steel Limited	-	-	-	-	187.16	18.43	187.16	18.43
JSW Techno Projects Management Limited	-	-	-	-	-	55.49	-	55.49
Creixent Special Steels Limited	0.01	0.58	-	-	-	-	0.01	0.58
Advances to suppliers								
JSW Steel Limited	-	-	-	-	24.65	-	24.65	-
JSW Steel Coated Products Limited	-	-	-	-	0.11	0.05	0.11	0.05
Bhushan Power and Steel Limited	-	-	-	-	-	0.81	-	0.81
Advance received								
Bhushan Power and Steel Limited	-	-	-	-	1.84	0.42	1.84	0.42
JSW Steel Italy Piombino S.P.A.	-	-	-	-	1.79	-	1.79	-
Interest payable								
JSW Steel Limited	-	-	-	-	67.64	44.67	67.64	44.67
Reimbursment of expenses receivables (Net)								
JSW Steel Limited	-	-	-	-	1.39	-	1.39	-
Creixent Special Steels Limited	0.14	0.21	-	-	-	-	0.14	0.21
JSW Steel Coated Products Limited	-	-	-	-	0.30	0.30	0.30	0.30
Reimbursment of expenses payable (Net)								
JSW Steel Limited	-	-	-	-	-	6.70	-	6.70
Bhushan Power and Steel Limited	-	-	-	-	1.03	-	1.03	-
Amba River Coke Limited	-	-	-	-	0.17	0.17	0.17	0.17
Trade payables								
JSW Steel Limited	-	-	-	-	-	3.01	-	3.01
Bhushan Power and Steel Limited	-	-	-	-	170.39	-	170.39	-
JSW Steel Coated Products Limited	-	-	-	-	-	0.65	-	0.65
Loan received								
JSW Steel Limited	-	-	-	-	214.50	214.50	214.50	214.50
Loan given								
Mandakini Coal Company Limited*	-	-	-	6.41	-	-	-	6.41
MP Monnet Mining Company Limited*	-	-	-	0.22	-	-	-	0.22
Monnet Ecomaister Enviro Private Limited*	-	-	-	7.88	-	-	-	7.88

* Loan given to these related parties were 100% provided. However, in current year Management based on recoverability assessment decided to write off these balances.

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44. Segment information

The Group is in the business of manufacturing steel products and allied products having similar characteristics and reviewed by the chief operating decision maker for assessment of Group's performance and resource allocation. Accordingly, the Group has only one reportable operating segment as per Ind AS 108 - Operating segments.

Revenue from operations:

₹ in crores

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
within India	5,076.71	3,895.20
outside India	983.94	292.54
Total	**6,060.65**	**4,187.74**

Non current assets of the Group as at 31 March 2022 are located as follows:

₹ in crores

Particulars	within India	outside India	Total
Property, plant and equipment	2,991.27	-	2,991.27
Capital work-in-progress	166.90	-	166.90
Intangible assets	34.37	-	34.37
Right of use assets	43.05	-	43.05
Other non-current assets	28.09	0.56	28.65
Total	**3,263.68**	**0.56**	**3,264.24**

Non current assets of the Group as at 31 March 2021 are located as follows:

₹ in crores

Particulars	within India	outside India	Total
Property, plant and equipment	3,124.57	-	3,124.57
Capital work-in-progress	175.14	-	175.14
Intangible assets	-	-	-
Right of use assets	43.84	-	43.84
Other non-current assets	21.96	0.26	22.22
Total	**3,365.51**	**0.26**	**3,365.77**

45. Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Group is given below:

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	5.63	0.04
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

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To the Consolidated Financial Statements as at and for the year ended 31 March 2022

46. Financial Instruments

46.1 Capital risk management

The Group, being in a capital intensive industry, its objective is to maintain a strong credit rating and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Group monitors its capital using gearing ratio which is net debt to total equity. Net debt includes borrowings less cash and cash equivalents and bank balances.

The objective of the Group's capital management structure is to ensure that there remains sufficient liquidity within the Group to carry out committed work programme requirements. The Group monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility. The Group manages its capital structure and makes adjustments to it, based on underlying macro economic factors affecting business environment, financial market conditions and interest rates environment.

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Long term borrowings (including current maturities)	2,369.88	2,317.55
Short term borrowings	301.88	224.73
Total borrowings	**2,671.76**	**2,542.28**
Less: Cash and cash equivalents	59.38	13.33
Less: Bank balances other than cash and cash equivalents	80.02	116.29
Less: Bank deposits (having maturity of more than 12 months)	78.59	59.19
Net debts	**2,453.77**	**2,353.47**
Total equity	**1,393.02**	**1,392.00**
Gearing ratio (%)	**176.15%**	**169.07%**

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

(ii) Debt is defined as long term borrowings (including current maturities) and short term borrowings as described in note 21.

46.2 Categories of financial instruments

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31 March 2022

₹ in crores

Particulars	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Financial assets					
Current investment	-	-	0.27	0.27	0.27
Non current investment	-	1.40	-	1.40	1.40
Trade receivable	254.45	-	-	254.45	254.45
Cash and cash equivalents	59.38	-	-	59.38	59.38
Bank balances other than cash and cash equivalents	80.02	-	-	80.02	80.02
Derivative Instrument	-	-	0.94	0.94	0.94
Loans	-	-	-	-	-
Other financial assets	124.43	-	-	124.43	124.43
Total	**518.28**	**1.40**	**1.21**	**520.89**	**520.89**
Financial Liabilities					
Long term borrowings	2,239.88	-	-	2,239.88	2,239.88
Short term borrowings	431.88	-	-	431.88	431.88
Lease liabilities	27.38	-	-	27.38	27.38
Trade payables	848.70	-	-	848.70	848.70
Derivative liabilities	-	-	0.87	0.87	0.87
Other financial liabilities	139.61	-	-	139.61	139.61
Total	**3,687.45**	**-**	**0.87**	**3,688.32**	**3,688.32**

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As at 31 March 2021

₹ in crores

Particulars	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Financial assets					
Current investment	-	-	0.25	0.25	0.25
Non current investment	-	0.92	-	0.92	0.92
Trade receivable	188.68	-	-	188.68	188.68
Cash and cash equivalents	13.33	-	-	13.33	13.33
Bank balances other than cash and cash equivalents	116.39	-	-	116.39	116.39
Derivative Instrument	-	-	0.23	0.23	0.23
Loans	-	-	-	-	-
Other financial assets	80.26	-	-	80.26	80.26
Total	**398.66**	**0.92**	**0.48**	**400.06**	**400.06**
Financial Liabilities					
Long term borrowings	2,273.33	-	-	2,273.33	2,273.33
Lease liabilities	27.62	-	-	27.62	27.62
Short term borrowings	268.95	-	-	268.95	268.95
Trade payables	780.57	-	-	780.57	780.57
Derivative liabilities	-	-	2.23	2.23	2.23
Other financial liabilities	135.66	-	-	135.66	135.66
Total	**3,486.13**	**-**	**2.23**	**3,488.36**	**3,488.36**

46.3 Financial risk management objectives and policies

The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures, wherever required. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The sensitivity analysis of the above mentioned risk in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

A. 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

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

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Fixed rate borrowings	441.00	-
Floating rate borrowings	2,230.76	2,542.28
Total borrowings	**2,671.76**	**2,542.28**
Total net borrowings	2,671.76	2,542.28
Add: Upfront fees	16.39	18.30
Total borrowings	**2,688.15**	**2,560.58**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

The following table demonstrates the sensitivity to change in interest rates, all other variables held constant :

₹ in crores

	Increase/ decrease in basis points	Effect on profit before tax
31 March 2022		
INR	+50	(11.15)
INR	-50	11.15
31 March 2021		
INR	+50	(12.71)
INR	-50	12.71

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

B. **Foreign currency risk management**

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

The Group's functional currency is Indian Rupee (INR). The Group also undertakes transactions denominated in foreign currencies. Consequently, exposure to exchange rate fluctuations arises. Volatility in exchange rates affects the Group's revenue from export markets and the cost of imports, primarily in relation to raw materials. The Group is exposed to exchange rate risk under its trade portfolio.

A reasonably possible strengthening/weakening of the foreign currencies (USD / Euro) against INR would affect the measurement of financial instruments denominated in foreign currencies and affect equity and profit and loss by the amounts shown below. The analysis assumes that all other variables remain constant.

Exposure to currency risk

The carrying amounts of the Group's monetary assets and liabilities at the end of the reporting period are:

Currency exposure as at 31 March 2022

₹ in crores

Particulars	USD	EURO	INR	Total
Financial assets				
Current investment	-	-	0.27	0.27
Non current investment	-	-	1.40	1.40
Trade Receivable	-	-	254.45	254.45
Cash and cash equivalents	9.42	-	49.96	59.38
Bank balances other than Cash and cash equivalents	-	-	80.02	80.02
Derivative Assets	0.94	-	-	0.94
Loans	-	-	-	-
Other financial assets	-	-	124.43	124.43
Total financial assets	**10.36**	**-**	**510.53**	**520.89**
Financial Liabilities				
Long term borrowings	-	-	2,239.88	2,239.88
Short term borrowings	-	-	431.88	431.88
Lease liabilities	-	-	27.38	27.38
Trade payables	278.33	0.10	570.27	848.70
Derivative liabilities	0.81	0.06	-	0.87
Other financial liabilities	0.30	10.78	128.53	139.61
Total financial liabilities	**279.44**	**10.94**	**3,397.94**	**3,688.32**

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

Currency exposure as at 31 March 2021

₹ in crores

Particulars	USD	EURO	INR	Total
Financial assets				
Current investment	-	-	0.25	0.25
Non current investment	-	-	0.92	0.92
Trade Receivable	44.29	1.88	142.51	188.68
Cash and cash equivalents	1.83	-	11.50	13.33
Bank balances other than Cash and cash equivalents	-	-	116.39	116.39
Derivative Assets	0.23	-	-	0.23
Loans	-	-	-	-
Other financial assets	-	-	80.26	80.26
Total financial assets	**46.35**	**1.88**	**351.83**	**400.06**
Financial Liabilities				
Long term borrowings	-	-	2,273.33	2,273.33
Short term borrowings	-	-	268.95	268.95
Lease Liabilities	-	-	27.62	27.62
Trade payables	180.31	-	600.26	780.57
Derivative liabilities	2.22	0.01	-	2.23
Other financial liabilities	2.44	27.26	105.96	135.66
Total financial liabilities	**184.97**	**27.27**	**3,276.12**	**3,488.36**

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies net of hedge. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 5% against the relevant currency. For a 5% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

₹ in crores

	Increase		Decrease	
Particulars	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Receivables				
USD/INR	0.47	0.46	(0.47)	(0.46)
Payables				
USD/INR	(0.58)	(0.41)	0.58	0.41
EURO/INR	-	(1.36)	-	1.36

The forward exchange contracts entered into by the Group and outstanding are as under:

a) **USD**

₹ in crores

As at	Nature	No of contracts	Type	USD equivalent (in crores)	INR equivalent (in crores)	MTM
31 March 2022	Liabilities	12	Buy	1.93	146.07	(0.81)
	Assets	9	Buy	1.59	120.68	0.67
	Assets	2	Sell	0.20	15.16	0.27
31 March 2021	Liabilities	11	Buy	1.88	138.04	(1.97)
	Assets	8	Buy	0.51	37.47	0.11
	Liabilities	8	Sell	0.64	47.34	(0.25)
	Assets	4	Sell	0.29	21.32	0.12

b) **EURO**

₹ in crores

As at	Nature	No of contracts	Type	USD equivalent (in crores)	INR equivalent (in crores)	MTM
31 March 2022	Liabilities	7	Buy	0.14	11.42	(0.06)
31 March 2021	Liabilities	1	Sell	0.02	1.88	(0.01)

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

Unhedged currency risk position

I) Amounts receivable in foreign currency

a) USD

₹ in crores

Particulars	As at 31 March 2022		As at 31 March 2021	
	US$ equivalent	INR equivalent	US$ equivalent	INR equivalent
Cash & cash equivalents	0.12	9.42	0.02	1.83
Other recoverable	0.00004	0.003	0.10	7.39

II) Amounts payable in foreign currency

a) USD

₹ in crores

Particulars	As at 31 March 2022		As at 31 March 2021	
	US$ equivalent	INR equivalent	US$ equivalent	INR equivalent
Trade Payables and other financial liabilities	0.15	11.58	0.10	7.25
Other Payables	-	-	0.01	1.01

b) EURO

₹ in crores

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO equivalent	INR equivalent	EURO equivalent	INR equivalent
Other payables	-	-	0.32	27.26

The unhedged foreign currency exposure disclosed in table above does not include receivable/ payable in foreign currency, to the extent, covered by the outstanding derivative contracts.

46.5 Credit risk management:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date.

A. Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

At the year end the Group does not have any significant concentrations of credit risk other than that disclosed in note 13.

At each reporting date, the Company computes the expected credit loss using simplified approach. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as at the balance sheet date. The Group does not hold collateral as security. The Group has evaluated the concentration of risk with respect to trade receivables as low. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

B. Financial instruments and bank deposits

Credit risk from deposits with banks is managed by the Treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/or other criteria, and are only made within approved limits. The management continually re-assesses the Group's policy and updates the same as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2022

III. Liquidity risk

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

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

Maturity pattern of financial assets and liabilities:
The table below summarises the maturity profile of the Group's financial assets and liabilities based on contractual undiscounted payments.

As at 31 March 2022

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Current investment	0.27	-	-	0.27
Non current investment	-	-	1.40	1.40
Trade receivable	254.45	-	-	254.45
Cash and cash equivalents	59.38	-	-	59.38
Bank balances other than Cash and cash equivalents	80.02	-	-	80.02
Derivative assets	0.94	-	-	0.94
Loans	-	-	-	-
Other financial assets	19.57	87.25	17.61	124.43
Total financial assets	**414.63**	**87.25**	**19.01**	**520.89**
Financial liabilities				
Long term borrowings	-	1,014.00	1,225.88	2,239.88
Short term borrowings	431.88	-	-	431.88
Lease Liabilities	0.45	1.71	25.22	27.38
Trade payables	848.70	-	-	848.70
Derivative liabilities	0.87	-	-	0.87
Other financial liabilities	90.49	49.12	-	139.61
Interest payout liability on borrowings	204.38	773.05	369.11	1,346.54
Interest payout liability on leases	0.23	0.88	9.85	10.96
Total financial liabilities	**1,577.00**	**1,838.76**	**1,630.06**	**5,045.82**

As at 31 March 2021

₹ in crores

Particulars	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Current investment	0.25	-	-	0.25
Non current investment	-	-	0.92	0.92
Trade receivable	188.68	-	-	188.68
Loans	-	-	-	-
Cash and cash equivalents	13.33	-	-	13.33
Bank balances other than Cash and cash equivalents	116.39	-	-	116.39
Derivative assets	0.23	-	-	0.23
Other financial assets	14.79	59.19	6.28	80.26
Total financial assets	**333.67**	**59.19**	**7.20**	**400.06**
Financial liabilities				
Long term borrowings	-	832.00	1,441.33	2,273.33
Short term borrowings	268.95	-	-	268.95
Lease Liabilities	0.46	1.71	25.45	27.62
Trade payables	780.57	-	-	780.57
Derivative liabilities	2.23	-	-	2.23
Other financial liabilities	101.48	34.18	-	135.66
Interest payout liability on borrowings	192.26	806.62	521.86	1,520.74
Interest payout liability on leases	0.23	0.88	10.06	11.17
Total financial liabilities	**1,346.18**	**1,675.39**	**1,998.70**	**5,020.27**

Collateral
The Group has pledged part of its trade receivables, cash and cash equivalents and bank balances in order to fulfill certain collateral requirements for the banking facilities extended to the Group. (refer note 21)

Notes

To the Consolidated Financial Statements as at and for the year ended 31 March 2022

47. Level wise disclosure of financial instruments

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021	Level	Valuation Technique
Quoted investments in equity shares measured at FVTOCI	1.40	0.92	1	Quoted bid prices in an active market
Unquoted Investments at fair value through profit or loss	0.27	0.25	2	The mutual funds are valued using the closing NAV.
Derivative assets	0.94	0.23	2	The fair value of forward contracts is determined using forward exchange rate as at the balance sheet date.
Derivative liabilities	0.87	2.23		

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

48. Disclosure under Ind AS 7 'Statement of Cash Flows'

Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities.

₹ in crores

Particulars	31 March 2021	Cash flows	Non-cash changes		31 March 2022
			Fair value changes	Other	
Interest expenses	46.99	(243.05)	-	267.28	71.22
Lease liabilities	27.62	(0.48)	0.24	-	27.38
Long-term borrowings	2,317.55	50.42	1.91	-	2,369.88
Short term borrowings	224.73	77.15	-	-	301.88
Total liabilities from financing activities	**2,616.89**	**(115.96)**	**2.15**	**267.28**	**2,900.36**

₹ in crores

Particulars	31 March 2020	Cash flows	Non-cash changes		31 March 2021
			Fair value changes	Other	
Interest expenses	67.84	(249.84)	-	228.99	46.99
Lease liabilities	29.83	(0.48)	(1.73)	-	27.62
Long-term borrowings	2,553.07	45.39	(280.91)	-	2,317.55
Short term borrowings	367.63	(142.90)	-	-	224.73
Total liabilities from financing activities	**3,018.37**	**(347.83)**	**(282.64)**	**228.99**	**2,616.89**

49. Held for Sale

₹ in crores

Particulars	As at 31 March 2022	As at 31 March 2021
Assets		
Assets of Monnet Ecomaister Enviro Private Limited (refer note I below)	0.001	0.001
Assets of PT Sarwa Sembada Karya Bumi (refer note II below)	-	7.37
Advance for properties (refer note III below)	-	-
Aircraft (refer note IV below)	-	11.00
Total assets	**-**	**18.37**
Liabilities		
Liabilities of PT Sarwa Sembada Karya Burmi (refer note II below)	-	0.02
Total liabilities	**-**	**0.02**

Note:

I. The Group had entered into an non binding MOU with Ecomaister Company Limited, South Korea for transfer of its holding in JV company Monnet Ecomaister Enviro Private Limited having gross carrying value of ₹14.21 crores (provision of ₹14.21 crores, hence net book value is zero) for a total consideration of ₹10,000 (Rupees Ten Thousand). Accordingly, the Group has measured the said investment at lower of its carrying amount and fair value less costs to sell and classified it as held-for-sale.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2022

II. In the Board Meeting held on 21 October 2019 , resolution was passed to sell entire stake in PT Sarwa Sembada Karya Bumi. Accordingly, the Group has re-classified its assets and liabilities as held for sale. On 29 March 2022, Monnet Global Limited (MGL) sold its investments held in PT Sarwa Sembada Karya Bumi ('PT Sarwa'), a subsidiary of MGL. Consequent to the above PT Sarwa ceased to be a subsidiary of MGL and the Group from that date.

III. The Group upon approval of plan to sell off properties in their present condition by the Board of directors, had re-classed advance to properties as held for sale at their fair value less cost to sell and had recognised an impairment loss of Rs.1.80 crore. Since the Company to whom the advance was given is under insolvency proceedings, the Group has filed its claim and awaits the court order.

IV. In the Board Meeting held on 19 January 2021, the Board had approved to sell the aircraft. Accordingly, the Company had entered into a letter of intent with Nav Durga Aviation Private Limited on 6th October, 2020 and had measured the aircraft at lower of its carrying amount or fair value less costs to sell and had classified it as held-for-sale. The Company has received the consideration in current year and has accordingly recognised sale.

50. Other statutory information

i) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.

ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

vi) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

vii) The Group is not declared wilful defaulter by and bank or financials institution or lender during the year.

viii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

ix) The Group does not have any transactions with companies which are struck off.

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To the Consolidated Financial Statements as at and for the year ended 31 March 2022

51. Disclosure of additional information pertaining to the Parent Company and Subsidiaries as per Schedule III of Companies Act,2013

₹ in crores

Name of entity in the group	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive loss	Amount	As % of consolidated total comprehensive loss	Amount
Parent Company								
JSW Ispat Special Products Limited	99.92	1,391.92	612.00	9.18	47.83	(0.77)	(7,008.33)	8.41
Subsidiaries (Indian)								
Monnet Cement Limited	(0.15)	(2.07)	(0.33)	(0.005)	-	-	4.17	(0.005)
Mivaan Steels Limited								
Subsidiaries (Foreign)								
Monnet Global Limited - Group	(4.92)	(68.50)	(34.00)	(0.51)	-	-	425.00	(0.51)
Non-Controlling interest in all Subsidiaries	-	-	-	-	-	-	-	-
Joint Ventures (Indian)								
Mandakini Coal Company Limited	-	-	-	-	-	-	-	-
Urtan North Mining Company Limited	-	-	-	-	-	-	-	-
MP Monnet Mining Company Limited	-	-	-	-	-	-	-	-
Solace Land Holding Limited	-	-	-	-	-	-	-	-
Adjustment arising out of consolidation	5.14	71.67	(478.00)	(7.17)	-	-	5,975.00	(7.17)
Foreign exchange translation reserve	-	-	-	-	52.17	(0.84)	700.00	(0.84)
Total	**100.00**	**1,393.02**	**100.00**	**1.50**	**100.00**	**(1.61)**	**100.00**	**(0.12)**

52. The figures for the corresponding previous years have been reclassified / regrouped wherever necessary to make them comparable.

For and on behalf of the Board of Directors

Thirukkoteeswaran Mohan Babu
Whole Time Director
DIN: 09169018

Naresh Lalwani
Director
DIN: 07587109

J. Nagarajan
Chief Financial Officer

Ajay Kadhao
Company Secretary
M. No. ACS-13444

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