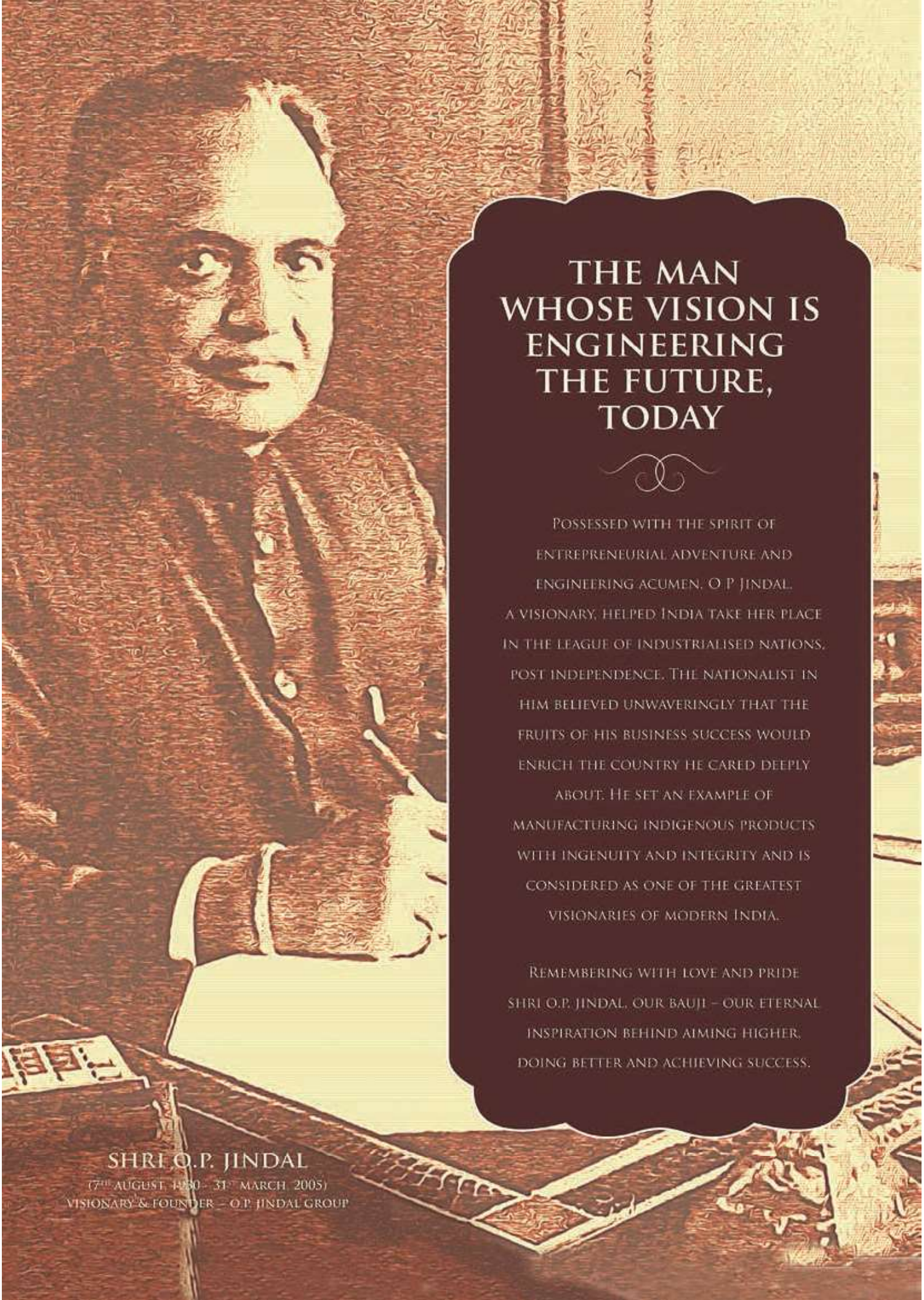


Better Everyday

Integrated Report 2017-18

JSW Steel



THE MAN WHOSE VISION IS ENGINEERING THE FUTURE, TODAY

Possessed with the spirit of entrepreneurial adventure and engineering acumen, O P Jindal, a visionary, helped India take her place in the league of industrialised nations, post independence. The nationalist in him believed unwaveringly that the fruits of his business success would enrich the country he cared deeply about. He set an example of manufacturing indigenous products with ingenuity and integrity and is considered as one of the greatest visionaries of modern India.

Remembering with love and pride Shri O.P. Jindal, our Bauji – our eternal inspiration behind aiming higher, doing better and achieving success.

SHRI O.P. JINDAL

(7th August, 1930 - 31st March, 2005)

Visionary & Founder – O.P. Jindal Group

Contents

1 About this Report

Corporate Overview

2 Better Everyday. In Pursuit Of Excellence.
Best Ever Annual Performance
3 The Six Capitals Driving JSW Steel
6 Corporate Overview & Vision, Mission, Values
8 Value Chain
9 Geographic Presence
10 Product Portfolio
12 Project Showcase
14 Chairman and Managing Director's Message
18 Key performance indicators
20 Value-Creation Model
22 Stakeholder Engagement and Materiality
24 Business Environment
26 Strategic Focus Areas and Enablers
30 Risk Management
32 Value-creation by the Capitals
34 Financial Capital
40 Manufactured Capital
46 Human Capital
54 Intellectual Capital
60 Social and Relationship Capital
66 Natural Capital
72 Board of Directors
76 Corporate Governance Framework
78 CSR @ JSW Steel
80 Assurance Statement
83 Business Responsibility Reports
86 Mapping the Principles of the National Voluntary Guidelines
89 Mapping the UN SDGs and the Capitals
90 GRI Index

Statutory Reports

94 Management Discussion and Analysis
130 Directors' Report
184 Report of Corporate Governance

Financial Statements

216 Standalone Financials
301 Consolidated Financials

About this Report

JSW Steel Ltd. (JSW Steel) has been disclosing its financial and non-financial performance in accordance with leading national and global frameworks, both statutory and voluntary. These include reporting requirements under the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Indian Accounting Standard (IndAS), the Global Reporting Initiative (GRI) Standards, the National Voluntary Guidelines (NVGs) for Business Responsibility Reporting (BRR), UN Sustainable Development Goals (UN SDGs), Carbon Disclosure Project (CDP) and Worldsteel Association, among others. The financial year 2017-18 marks an important milestone in the Company's corporate reporting journey as it has adopted Integrated Reporting to inform stakeholders about its value creation by focussing on the six 'capitals'. With the aim to provide an insight into this value creation process, JSW Steel is pleased to present its maiden Integrated Report, which captures the Company's performance in accordance with the Integrated Reporting framework for the period April 1, 2017, to March 31, 2018.

The content of the report has been reviewed by the Company's Senior Management, under the guidance of the Board. This has ensured accuracy and completeness of the information disclosed in this report.

Reporting Framework

The non-financial section of the report is based on the Integrated Reporting ‹IR› framework of the International Integrated Reporting Council (IIRC) as well as the GRI Standards. The statutory and financial section of the report is in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standards.

Reporting Boundary

The information contained in this integrated report pertains to JSW Steel, including its national and international subsidiaries, joint ventures and associate companies. However, non-financial information is limited to the Company's major manufacturing operations in India.

Independent Assurance

The financial statements presented in the report have been audited by S R B C & Co. LLP and the non-financial information disclosed under IR has been independently assured by Deloitte Haskins and Sells LLP.

For more information, please write to suman.majumdar@jsw.in

Please find the online version at: www.jsw.in

JSW Steel

Better Everyday.
In Pursuit of Excellence.

Excellence is not a state, but a journey. It is the combination of relentless efforts to become better and do better, every day.

At JSW steel Limited (JSW Steel), exploring newer and improved ways of maintaining leadership across everything we do is intrinsic to us. Be it steel production, community empowerment, environmental initiatives or continuous innovation, we achieve the best and strive to make it better.

Over the years, JSW Steel has grown to be the market leader in the Indian steel industry, with strategic international presence. We have overcome dynamic market conditions and challenging demand-supply equations to lead from the front. This has been accomplished through the over-arching guiding philosophy of the Group – that of becoming 'Better Everyday'.

Looking ahead, we have planned a capex of ~₹40,000 crore over FY19 and FY21 to increase capacity to 24.7 MTPA, modernise and expand our downstream facilities and to facilitate strategic backward integration projects to achieve cost reduction. Additionally, we will pursue strategic growth across high-margin areas; further diversify our product suite and customer base; achieve full integration across our business; drive optimum resource utilisation; adopt prudent financial management; and ensure sustainability across all functions of our business.

At JSW Steel, with a successful run at present and a positive outlook ahead, 'Better Everyday' is our motivation to race against ourselves in striving for excellence. It is our way of life.

FY18: Best Ever Annual Performance

16.27
MnT
Crude steel production – highest ever in a year
3%↑

15.55
MnT
Saleable steel sales
6%↑

14,794
₹ CRORE
Operating EBITDA
22%↑

71,503
₹ CRORE
Revenue from operations
18%↑

6,113
₹ CRORE
Net profit after tax
76%↑

25.71
₹
Diluted earnings per share
76%↑

↑ y-o-y growth

The Six Capitals Driving JSW Steel

Given below is a brief introduction of the six capitals as applicable to JSW Steel

Financial Capital



Refers to the funds available to the Company to create value utilisation in asset creation and production processes, or funds generated by its operations. These include debt, equity, revenue, internal accruals and investments, among others.

Page 34

Manufactured Capital



Pertains to the facilities for steel production and processing, including the structures and equipment at the plants, along with supporting infrastructure for logistics, warehousing and sales.

Page 40

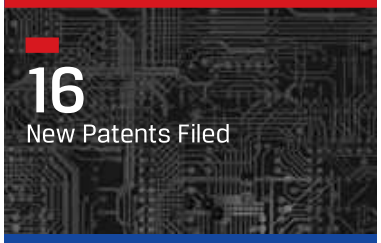
Human Capital



Includes the skills, capabilities, experience, diversity and level of motivation of the on-roll and contractual employees along with their safety, wellbeing and the ability to align with the organisation's vision.

Page 46

Intellectual Capital



Covers the knowledge base of the organisation, and includes the systems, processes, patents, trademarks, copyrights and new value-added products developed through R&D, improvement initiatives and collaboration with institutions.

Page 54

Social and Relationship Capital



Refers to the trust-based, mutually beneficial relationships of the Company with key stakeholders such as investors, customers, vendors, society and government, among others.

Page 60

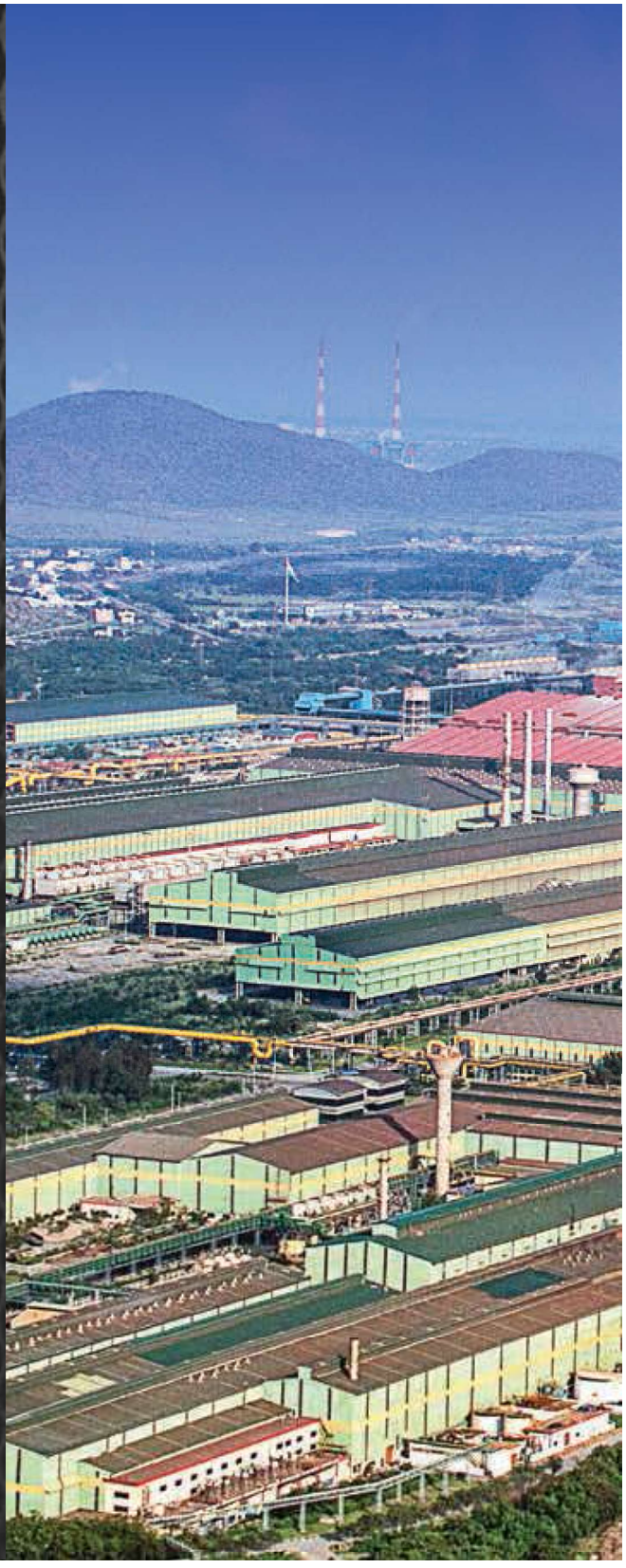
Natural Capital



Includes resources such as iron ore, coal and other minerals along with air, water, energy land and biodiversity, which are either utilised by the Company or impacted by its operations.

Page 66

JSW Steel at a Glance



Value Chain	Geographic Presence	Product Portfolio	Project Portfolio



Corporate Overview



JSW STEEL IS INDIA'S LEADING INTEGRATED STEEL MANUFACTURER WITH A CAPACITY OF 18 MTPA

JSW Steel is the flagship company of the JSW Group, a $13 billion-worth leading Indian conglomerate. It is the most efficient steel producer in India and has the ability to expand capacities at lower costs. The Company has one of the lowest conversion costs in the steel industry and is constantly striving to further improve this metric. JSW Steel is also among the fastest-growing companies in India and has a strong track record on project execution.

The Company has maintained its leadership position in the country by constantly enhancing its technological capabilities. It has a diversified workforce of 11,619 permanent employees across all its plants.

8,600+
Retail outlets till date

5
Iron ore mines owned ensuring seamless availability of raw material

7
Manufacturing facilities in India

650,000
Beneficiaries of CSR activities

VISION

BRING POSITIVE TRANSFORMATION TO EVERY LIFE WE TOUCH

PURPOSE

- BUILDING WORLD-CLASS INFRASTRUCTURE, PRODUCTS AND SOLUTIONS
- DEPLOYING WORLD-CLASS CAPABILITIES
- NURTURING OUR COMMUNITIES
- CONFIDENCE

VALUES

CONFIDENCE
COURAGE
COMMITMENT
COMPASSION
COLLABORATION

Transformational Journey to Market Leadership

	FY02	FY18	CAGR
World Steel Demand (MnT)	771 (CY 2001)	1,588 (CY 2017)	5%
India Steel Demand (MnT)	27	91	8%
Capacity (MTPA)	1.6	18	16%
Production (MnT)	1.3	16.3	17%
Revenue (₹ crore)	1,736	70,225	26%
EBITDA (₹ crore)	281	14,794	28%
Net Debt (₹ crore)	5,584	38,019	–
Net Debt to EBITDA	19.87	2.57	–
Net Worth (₹ crore)	268	27,534	34%
Market Capitalisation (₹ crore)	528	69,652	132x increase in market value [1]

[1] From March 31, 2002 to March 31, 2018

Value Chain

● Capitals involved

1st Phase — Raw Materials

- Optimise mix and sourcing of key inputs like iron ore and coal to weather a volatile pricing environment
- Explore various contract options like long-term/spot/indexing
- Backward integration through acquisition of iron ore mines

Enabling production of steel at competitive rates, safeguarding and increasing market share, thereby generating value for shareholders

2nd Phase — Inbound Logistics

- Modal shift: 80% of raw material transported via rail/sea
- Centralised logistics cell to ensure end-to-end integration
- Optimisation of infrastructure spend

Improving reliability and cost of logistics network, helping conserve financial capital and mitigating climate change

3rd Phase — Manufacturing

- State-of-the-art manufacturing facilities set up
- Installation of latest technology to reduce consumption of water in operations
- Energy management through waste heat and gas recovery

Reducing costs, improving profitability and conserving natural resources

4th Phase — Processing

- Hot rolled steel: Construction and infrastructure, industrial and engineering, pipes and tubes, automotive and energy sectors
- Cold rolled steel: Automotive and, industrial and engineering sectors
- Electrical steel: Electric motors, generators, nuclear power stations and power plants, among others
- Galvanised steel: Construction and infrastructure and consumer durables sectors
- Colour coated steel: Construction and infrastructure, and consumer durables sectors

Forming the backbone of the Indian economy and enabling growth of core sectors

5th Phase — Outbound Logistics

- Modal shift: 80% of finished products transported via rail/sea
- Centrally integrated
- Last-mile connectivity tracking using digital technologies

Higher reliability in dispatching, better monitoring of logistics, cost optimisation and improved supply chain efficiencies

6th Phase — Use

- Highly diversified portfolio
- Focus on innovation and new value-added product development
- Joint venture agreement with Marubeni-Itochu Steel Inc., Tokyo, to set up contemporary steel processing centres

Developing 73 new grades with a 13% increase in sales of value-added and special products

7th Phase — Recycling

- Recycling of steel scrap
- Increase in recycling of water
- Supply of recycled water for irrigation in water-starved regions around the operations

Reducing environmental footprint and demand for virgin resources

Geographic Presence

With a comprehensive product offering and highly visible trade channels, JSW Steel has established presence in diverse markets across the globe. The global footprint of the Company includes over 100 countries, spread across five continents.

Manufacturing Facilities

JSW Steel has seven state-of-the-art manufacturing facilities in western and southern parts of India, including three integrated iron and steel sites. The strategic location of the Company's facilities has provided significant logistics advantage and production capacity. The Company has also announced a $500-million expansion plan for its Plate and Pipe making steel mill in Texas, USA, to strengthen its global network. The Company have recently acquired an integrated flat steelmaking facility in the US, Acero Junction Holdings, with a potential capacity of 3 MTPA for an enterprise value of US$182 million. JSW Steel propose to invest up to US$500 million cumulatively at this location, in phases, to make it a fully integrated 3 MTPA steelmaking capacity.

JSW Shoppe and JSW Explore

The Company was among the first in India to initiate the retail revolution in steel by establishing JSW Shoppe and JSW Explore. The innovative retail models, offering an expansive brand portfolio and related services, are helping the Company gain increasing market dominance in rural, semi-urban and urban markets.

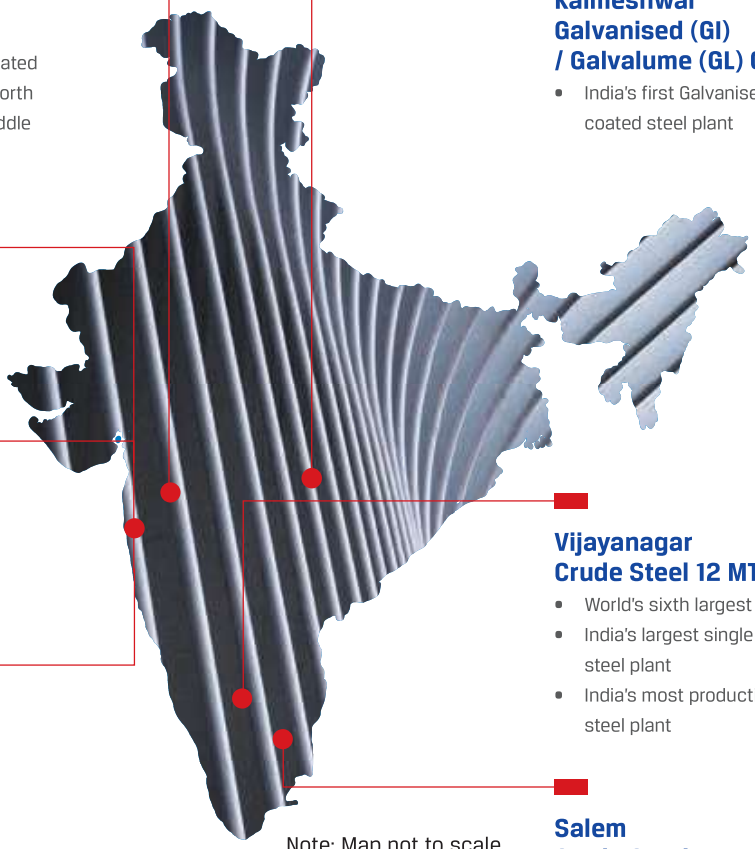
As on March, 31 2018, the Company had about 8,600 exclusive and non-exclusive retail outlets across India.

Plant Locations (Domestic)

Tarapur
GI/GL 0.76 MTPA
- India's largest exporter of Coated Products to Europe, Africa, North and South Americas, and Middle East regions

Kalmeshwar
Galvanised (GI) / Galvalume (GL) 0.58 MTPA
- India's first Galvanised and colour coated steel plant

Dolvi
Crude Steel 5 MTPA
- Strategically connected to a 15 MTPA capacity jetty



Salav
DRI/HBI 0.90 MTPA
- Specialised in Direct Reduced Iron and Hot Briquetted Iron

Vijayanagar
Crude Steel 12 MTPA
- World's sixth largest steel plant
- India's largest single location steel plant
- India's most productive steel plant

Vasind
GI/GL 0.45 MTPA
- India's largest exporter of colour-coated products for the appliance industry

Salem
Crude Steel 1 MTPA
- India's largest special alloy steel plant

Note: Map not to scale

JSW Steel also owns and operates steel manufacturing facilities in the US and Europe, among others. The subsidiaries include JSW SCPL, JSW SPCL, JSW ARCL, JSW Industrial Gases and JSW Salav.

Product Portfolio

JSW Steel is globally recognised as a manufacturer of high-end, value-added steel. The Company has a large bouquet of flat and long products to meet diverse global needs. The Company is also strengthening its value-added product portfolio to address the rising demand for such types of steel.

Flat Products

Hot Rolled



APPLICATIONS

- Cold rolling and galvanising
- Drawing and press forming
- Electrical stampings and forming
- Welded tubes and pipes
- Line pipes, structural and general engineering
- High tensile structural applications
- Chequered sheets and plates for structural use
- HSLA grade for automobile and other engineering applications
- LPG cylinders, boiler tubes and pressure vessels
- Medium carbon steel
- Corrosion resistant steel

Cold Rolled



- Automobile
- White goods
- Cold formed sections
- Drums and barrels
- Furniture

Galvanised



- Roofing and cladding
- Ducting
- Boxes
- Coolers
- Furniture
- Heat plates
- Solar heating panels
- Electrical and light fittings
- Agricultural equipment
- Sandwich panels
- Automotive

Colour Coated Products



- White Goods
- Roofing and Cladding
- Sandwich Panels
- Pre-engineered Buildings

Electrical Steel



- Electric motors
- Power generation
- Nuclear power stations
- Domestic appliances
- Transformers and automotive electricals

Long Products

TMT Bars



APPLICATIONS

- Construction
- Infrastructure

Wire Rods



- Automobile
- General engineering
- Cold drawing
- Cold forming
- Spring applications
- Welding
- Wire ropes
- Tools
- Heat treatment
- Bearings
- Office and household equipment

Special Alloy Steel



- Gears
- Crank shafts
- Bearings
- Other forging applications

New in FY18

JSW Everglow

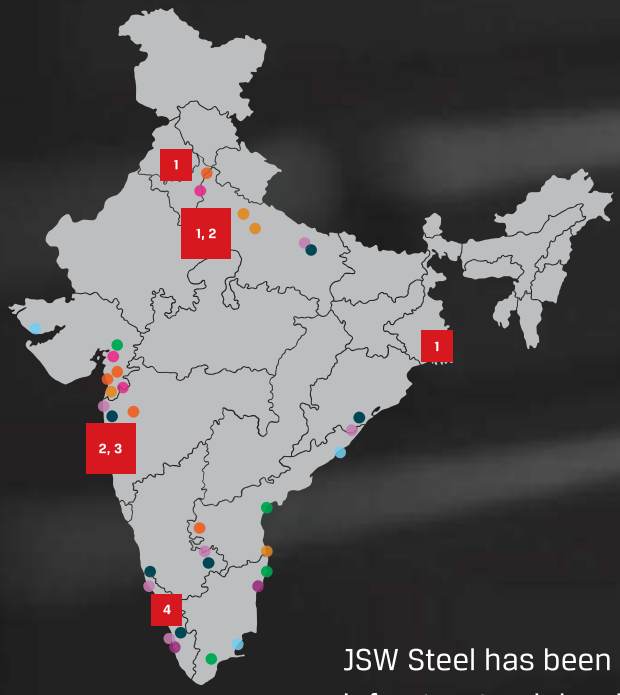


JSW Steel has played a pioneering role in the Indian steel industry by launching path-breaking and innovative products. Over the last two decades, the Company has been at the forefront of the roofing and wall categories by introducing galvalume and colour-coated products. Continuing this tradition, the Company launched another innovative product in this segment, JSW Everglow.

JSW Everglow is a colour-coated steel product that provides beautiful and innovative roofing and wall solutions. Super premium and technologically superior, it scores high on aesthetics and is the first product in the roofing solutions category that offers colour coating on both the sides. It also comes with a 10-year warranty – another first in India. JSW Everglow offers high value proposition to customers focused on aesthetics.

The launch of this product is in line with JSW Steel's strategy to boost its value-added products portfolio. With a firm eye on the changing preferences of Indian consumers and the emerging trends, JSW Steel will continue to lead the way on innovation.

JSW Steel: Building India



Note: Map not to scale

JSW Steel has been an integral part of India's multifaceted infrastructural development and continues to deliver its best in nation building.

Key Projects that the Company is Currently Partnering With

1 EASTERN DEDICATED FREIGHT CORRIDOR (LUDHIANA-DELHI-KOLKATA)



- Supported by World Bank
- Will cover total distance of 1,839 kms
- The DFC will reduce greenhouse gas emissions by 2.25 times over next 30 years

ESTIMATED COMPLETION DATE – AUGUST 2018 (1ST PHASE)

Other Marquee Projects



STRATEGIC PROJECTS

- Indira Gandhi Centre for Atomic Research, Kalpakkam
- ISRO Propulsion Complex (IPRC), Mahendragiri
- Kakrapar Atomic Power Station
- Satish Dhawan Space Centre (SHAR), Nellore



INDUSTRIAL PROJECTS

- Bharat Petroleum's Kochi Refinery
- Renault-Nissan Automotive India Pvt. Ltd., Chennai



AIRPORT PROJECTS

- Chhatrapati Shivaji International Airport, Mumbai – Terminal 2
- Air Traffic Control Tower, Mumbai
- Indira Gandhi International Airport, Delhi



ROADS AND HIGHWAYS

- Chennai Outer Ring Road
- Eastern Freeway, Mumbai
- Lucknow-Agra Expressway
- Yamuna Expressway

2 WESTERN DEDICATED FREIGHT CORRIDOR (DELHI-MUMBAI)



Expected to*:

a) Double employment potential
b) Triple industrial output
c) Qudraple exports from the region

*In five years:

- Include 4,000 MW power plant, 3 seaports and 6 airports
- Good connectivity with existing ports
- 24 industrial regions, 8 smart cities, 5 power projects, 2 mass rapid transit systems and 2 logistic hubs

ESTIMATED COMPLETION DATE – POST MARCH 2020

3 WORLD ONE (LODHA GROUP), MUMBAI



- Once completed, would be the world's largest residential towers
- Interiors are designed by Giorgio Armani

JSW TO SUPPLY 8,000 MT STEEL FOR THE PROJECT

ESTIMATED COMPLETION DATE - 2019

4 KANNUR INTERNATIONAL AIRPORT (UNDER CONSTRUCTION)



- Largest International Airport in Kerala
- The airport to act as a cargo hub for the Northern Malabar region
- JSW to supply 15,000 MT steel for the project
- Steel Construction by - L&T

JSW TO SUPPLY 15,000 MT STEEL FOR THE PROJECT

ESTIMATED COMPLETION DATE – SEPTEMBER 2018



PORT PROJECTS

- Adani Ports and SEZ Mundra
- Tuticorin Port Trust
- Visakhapatnam Port



COMMERCIAL AND SPORTS

- JSW Centre, Mumbai
- DLF Cyber City, Gurugram
- Infosys Office, Bengaluru
- Reliance TC 22, Navi Mumbai
- Wankhede Stadium, Mumbai



URBAN TRANSIT PROJECTS

- Bengaluru Metro
- Chennai Metro
- Delhi Metro
- Hyderabad Metro
- Kochi Metro
- Lucknow Metro
- Mumbai Monorail



POWER PROJECTS

- NTPC Vallur Thermal Power Station

Chairman and Managing Director's Message



Dear Stakeholders,

It is with great pride and pleasure that I report to you at the end of a very successful financial year that saw us report market-leading numbers, together with the triggering off of multiple strategic initiatives aimed at realising our long-term vision.

During the year, we launched our revamped Group brand identity. Elucidated through the tagline, 'Better Everyday', our new brand positioning is all about being 'a bold and unwavering transformer'. It demonstrates our drive to make 'better' every life we touch; be it our employees, our business associates, our customers, the communities around our plants and facilities, or the industry fraternity at large. And we do so by following the principle of bettering ourselves, time and again, continuously, with dynamic enthusiasm. Further, to establish this culture and create a consistent brand experience, both for our internal and external stakeholders, we are adopting a personality that is optimistic, empathetic, nationalistic and bold.

Thus, our credo borrows from the actions and outcomes we have demonstrated. In JSW Steel too, we find resonance of 'Better Everyday', in the manner that we have performed, and in the strategic focus we have outlined. We can only get better if we pursue excellence across all facets of our business on a daily basis, and therefore, this annual report highlights some of the ways in which we are aiming for excellence.

This is our first Integrated Report. Creating value for all stakeholders and providers of diverse capitals is inbuilt into our strategy, and the way we measure our performance. Our report now reflects the outcomes of our actions, as relevant to different stakeholders, and the impact of our strategy and integrated thinking. It is also in-line with our commitment to the highest standards of governance and transparency.

THIS IS OUR FIRST INTEGRATED REPORT. CREATING VALUE FOR ALL STAKEHOLDERS AND PROVIDERS OF DIVERSE CAPITALS IS INBUILT INTO OUR STRATEGY, AND THE WAY WE MEASURE OUR PERFORMANCE.

An Encouraging Environment

FY18 was characterised by broad-based improvement in global growth, rising industrial production, kick-starting of the supply side reforms in China and uptick in global steel pricing environment.

In 2017, global economy grew at 3.8% which is the fastest since 2011. This growth was an outcome of a combination of factors namely higher investments, favourable monetary policies and buoyant global trade. The International Monetary Fund (IMF) expects this momentum to continue and has forecasted that global economy could grow by 3.9% in 2018 as well as 2019.

The Indian economy too saw a strong rebound in demand, especially in the second half, demonstrating a healthy resilience to disruptions and structural changes. India's macro fundamentals, such as fiscal deficit and credit rating are improving, and broad-based financial reforms are being undertaken through initiatives such as relaxation of FDI rules, enactment of the IBC and growth stemming from government spending. Although the GDP growth at 6.7 per cent was a tad lower than the 7.1 per cent achieved in the previous fiscal, it is a remarkable achievement given the context of reform. Growth is expected to rebound to 7.4% in fiscal 19, driven by multiple internal and external factors.

For the first time in many years, elasticity of steel demand to GDP growth exceeded 1x. Infrastructure received a big boost in the form of budgetary allocation, and consumer sentiment, too, is on the rise. We also crossed the GDP threshold of $2.5 trillion, there is likely to be a huge thrust on infrastructure development, which is very positive for steel demand growth.

In addition, the introduction of GST, is a seminal reform, which will help formalise the economy, introduce transparency and go a long way in creating a level-playing field, besides weeding out a lot of tertiary inefficiencies. We view this very positively.

Of particular importance are the initiatives around stressed assets resolution, under the new Insolvency and Bankruptcy code. JSW Steel is participating in strategic opportunities under this process, and is hopeful that quality, efficiency and governance will converge to make better utilisation of some of the capacities that are financially encumbered.

Setting New Milestones

JSW Steel achieved a record performance in the year. With an all-time high crude steel production of 16.27 million tonnes, our shipments remained buoyant. Revival in domestic demand in the second half of the year was a key catalyst of our performance and was driven by improving prospects of the auto, construction and capital goods sectors. Rising share of value added products in the overall business was another highlight of the year. These products contributed 58% to our revenues as compared to 34% in FY17 and were instrumental in boosting our realisations as well as profitability.

During the year, our Consolidated revenues grew 18.1% - substantially outpacing the domestic industry steel consumption growth of 8.1% and global consumption growth of 4.7%. Thus, we continued to further consolidate our leadership position in the market.

Our consolidated EBITDA stood at ₹14,794 crore - an increase of 21.5% over the previous year. Shift in product mix towards high-margin value added products was a key enabler for this growth.

We reported our highest ever profit after tax at ₹6,113 crore - a growth of 76.3% over the previous year. Our relentless efforts to enhance operational efficiencies are yielding rich dividends as reflected in our robust return on capital employed (ROCE) ratio of 16% - placing us among the top 5 ROCE steel companies globally. De-leveraging was a key theme that played out during the year. Consequently, our Net Debt to EBITDA fell to 2.59 times as against 3.20 times in the previous year. The cash flows freed up from the de-leveraging initiatives will be deployed for capacity expansion and other capital intensive projects, going forward.

DURING THE YEAR, OUR CONSOLIDATED REVENUES GREW 18.1% – SUBSTANTIALLY OUTPACING THE DOMESTIC INDUSTRY STEEL CONSUMPTION GROWTH OF 8.1% AND GLOBAL CONSUMPTION GROWTH OF 4.7%.

An Exciting Future

We are very positive about the long-term growth potential for steel consumption in the domestic market. Even if one assumes a nominal rate of growth for the overall steel demand, India will need to create at least 150 million tonnes of new steel capacity in the next ten years. As one of the most competitive and efficient players, naturally, JSW Steel, will be looking to capitalise on this opportunity and invest in capacity expansion and market share.

Our Board has approved additional capital expenditure programmes to expand capacities at our plants in Vijayanagar and Dolvi and also to modernise and expand capacities of our downstream business. These expansions will further enhance our efficiencies and generate superior returns at lower costs.

Inorganic growth has always been an integral part of our growth journey and we will continue to explore strategic opportunities – both in domestic and international markets. In the domestic market, your Company has emerged as the successful resolution applicant for acquiring Monnet Ispat and Industries Limited, a 1.5 MTPA steelmaking facility in Raigarh, Chhattisgarh. Located in close proximity to the mineral rich belts of Chhattisgarh and Odisha, this acquisition will be crucial in furthering our footprint in the central and eastern markets of India.

Capacity Expansions by March 2020

PARTICULARS	EXISTING CAPACITY (MTPA)	TARGETED CAPACITY (MTPA)
Total	18	24.7
Vijayanagar	12	13
Dolvi	5	10.7

WE HAVE ACQUIRED AN 100% STAKE IN US-BASED STEEL PLANT ACERO JUNCTION HOLDINGS FOR $80.85 MILLION (~₹550 CRORE) RECENTLY. THIS ACQUISITION WILL FURTHER BOLSTER OUR MANUFACTURING PRESENCE IN THE US MARKET.

Limiting the Impact of Rising Protectionism

Global economies are increasingly stepping up protectionist trade measures to safeguard the interest of their domestic industries. While this trend could continue in the future, it will not hinder our growth in the international markets. This is because we have selectively pursued some value-accretive acquisitions in the overseas markets during the year with the objective of replicating our low capital cost model in a relatively higher operating cost environment.

Accordingly, we have acquired an 100% stake in US-based steel plant Acero Junction Holdings for $80.85 million (~₹550 crore) recently. This acquisition will further bolster our manufacturing presence in the US market. Similarly, we are in the process of acquiring the facilities of Italian steel maker Aferpi (erstwhile Lucchini) for ₹440 crore. Through this acquisition, your Company will get a stronger foothold in the European market and can swiftly tap into the emerging opportunities in the continent.

Favourable Policy Environment

The Government of India has put in place multiple policies to support the domestic steel industry. Be it long term measures such as the National steel Policy which aims to make India a self-sufficient steel producing country by 2030; or shorter term measures intended to provide a level playing field for importers and domestic companies; the government has been rather pro-active. We believe these measures could lead to healthy growth of 5% in the domestic steel industry over the medium term.

Against this backdrop, your Company will continue to make the requisite investments needed to grow responsibly.

JSW – Enriching Lives

The JSW Foundation has pioneered various programmes to enrich the lives of over a million people with improved education, healthcare and sustainable means of livelihood. Continuing on this journey, in October 2017 your Company partnered with the Government of Uttarakhand for reconstruction and restoration of Kedarnath which was impacted severely during the flash floods of 2013. JSW group is playing a proactive role in reconstruction and restoration of the Adi Shankaracharya Kutir along with a museum, Ghats on River Saraswati and part reconstruction of the Teerth Purohit (Priests) houses and other infrastructural facilities related to the houses in Kedarpuri.

Through our flagship 'Sports Excellence Program (SEP)', we have been very proactive in making India a 'sporting nation'. This Program supports 39 athletes from of Boxing, Track & Field, Wrestling and Tennis. We own Bengaluru FC – one of the most successful football clubs in India in recent times.

In Conclusion

I am confident of achieving higher peaks in the future. I would like to extend a heart-felt gratitude to each and every member of our team for their sustained, untiring efforts in making JSW Steel a leading steel company in the world. I would also like to thank all our stakeholders, Board, Bankers and the Government for the support and assistance provided throughout our journey.

I solicit your continued cooperation.

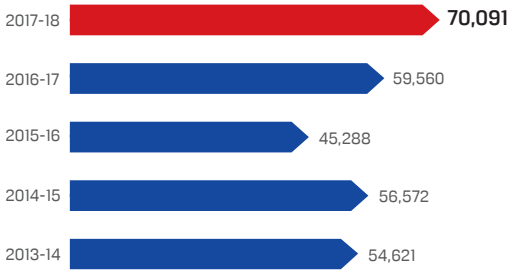
Sincerely,
Sajjan Jindal

Key Performance Indicators

Profit & Loss Statements

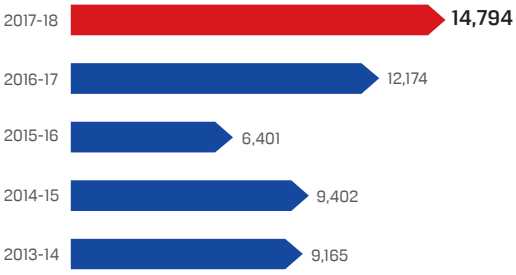
Gross Turnover (₹ crore)

6%↑

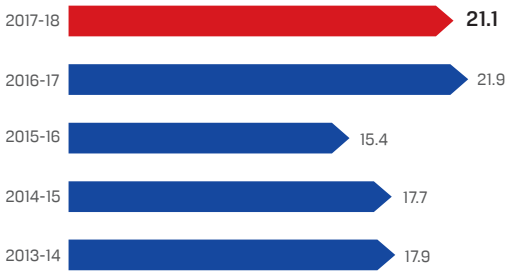


Operating EBITDA (₹ crore)

13%↑

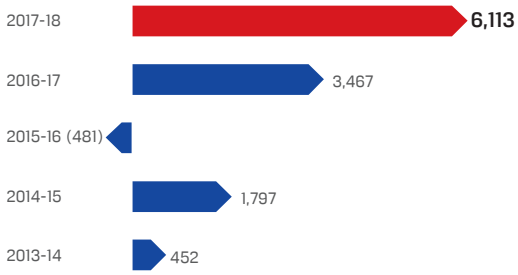


Operating EBITDA Margin (%)

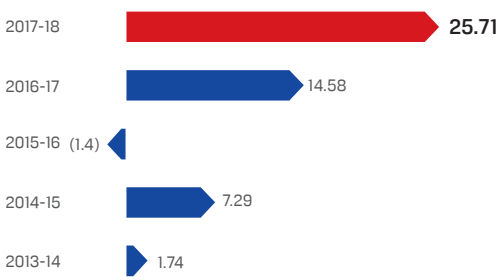


Profit After Tax (₹ crore)

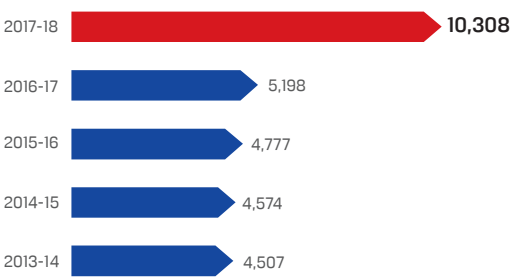
92%↑



Earnings Per Share (₹)



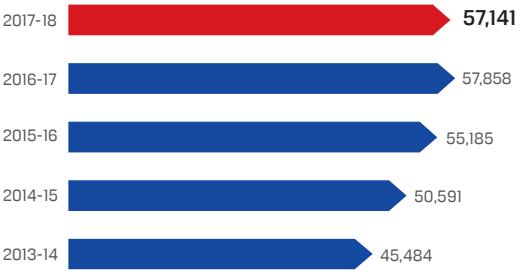
Contribution to Government and Society (₹ crore)



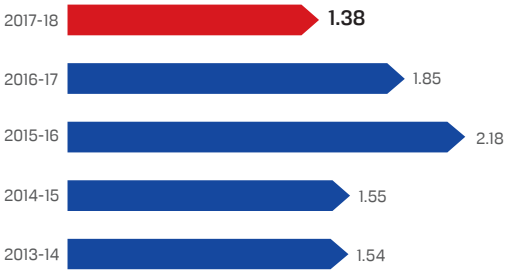
↑ CAGR growth

Balance Sheet

Net Fixed Assets (₹ crore)



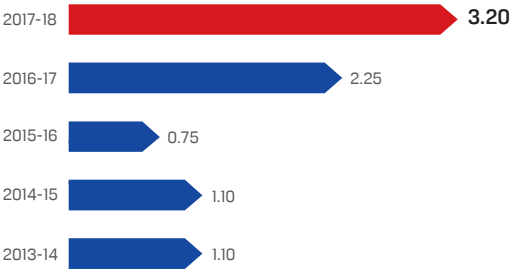
Net Debt Equity Ratio



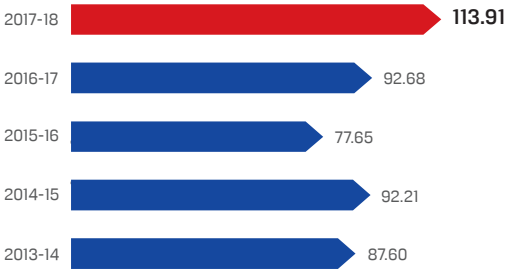
Shareholder Metrics

Dividend Per Share (₹)

31%↑

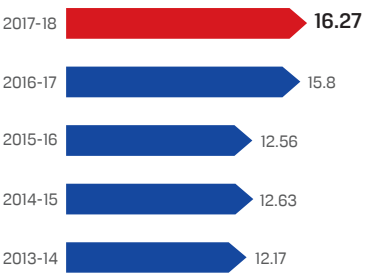


Book Value Per Share (₹)

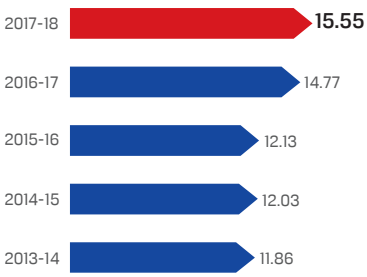


Operational Metrics

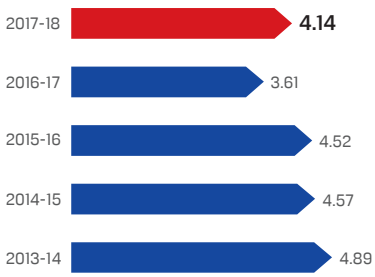
Crude Steel Production (MTPA)



Saleable Steel Sales (MT)



Specific Water Consumption (m^3/TCS)



Value-creation Model

INPUTS

- Total equity **₹240.62 crore**
  Interest bearing liabilities **₹39,620 crore**
  Capital expenditure **₹4,690 crore**
- Plants in **seven locations** in India
  Combined capacity of **18 MTPA**
  Added **47 new steel grades**
  Six key new projects in the pipeline
- Number of employees **11,619**
  Employee benefit expenditure **₹1,843 crore**
  37 training man-days for employees
- Expenditure on R&D **₹41 crore**
  155 number of persons in R&D
  Technological collaborations with JFE Steel and Marubeni-Itochu
- CSR spend **₹61 crore**
  Number of vendors and customers ~**12,700**
  Stateholder mapping and engagement
- **448.6 MnGJ** of energy consumed
  67.3 Mn m³ of freshwater intake
  31 MnT iron bearing materials
  17.2 MnT of coal used

EXTERNAL FACTORS

- INDUSTRY CONSOLIDATION
- SKILLS SHORTAGE
- CLIMATE CHANGE
- GROWING GLOBAL ECONOMY
- RISING STEEL DEMAND AND PRICES
- TRANSFORMATIONAL REFORMS OF GOVT.
- HIGHER GOVT. SPENDING ON INFRASTRUCTURE

STRATEGIC FOCUS AREAS

(Read more on Pg 26-27)

- STRATEGIC GROWTH
- DIVERSIFICATION
- BACKWARD AND FORWARD INTEGRATION
- RESOURCE OPTIMISATION
- PRUDENT FINANCIAL PRINCIPLES
- MAINSTREAMING SUSTAINABILITY

BUSINESS ACTIVITIES

(Read more on Pg 8)

1. RAW MATERIALS
2. INBOUND LOGISTICS
3. MANUFACTURING
4. PROCESSING
5. OUTBOUND LOGISTICS
6. USE
7. RECYCLING

VALUES

PURPOSE

VISION

KEY CAPITALS

- Financial Capital
- Manufactured Capital

OUTPUTS

- Revenue from operations **₹71,503 crore**
  Profit after tax **₹6,113 crore**
  EBITDA **₹14,794 crore**
- Capacity utilisation of **91%**
  Crude Steel production **16.27 MnT**
  Saleable Steel sales **15.62 MT**
- Female employees in organisation **4.13%**
  4.1% of women in management
  Attrition rate **4.65%**
- **~₹46 crore** saved due to digitalisation
  73 new products developed
  16 patents filed
- **6** women-only BPOs (JSW Shakti)
  4 certified to ISO 27001
  650,000 beneficiaries of CSR
  Customer Satisfaction Index **3.76/5.0**
- **3.3 MnT** material recycled
  17.7 Mn m^3 water recycled and reused
  3.1 MnGJ energy conserved
  96% waste off-gases utilised

OUTCOMES

- Strong balance sheet
  Net worth **₹27,534** crore
  Market cap **₹69,652** crore
- Largest producer and exporter of steel in India
  6th rank in global steel companies
  (by World Steel Dynamics)
  Among the lowest conversion costs in the world
- Diverse and professional work environment
  Top management-led safety culture transformation
  Coaching and mentoring employees for leadership roles
- Paradigm shift to digitalisation and automation
  Development of value added and special products
- Enabling mass awareness on climate change through the JSW-TOI Earth Care Awards
  Improving quality of life in the neighbouring communities
  Supplier of choice in 100+ countries across sectors
- Applying circular economy principle across value chain
  Operational excellence for resource conservation
  Restoring ecosystem

Human Capital	Intellectual Capital	Social And Relationship Capital	Natural Capital

Stakeholder Engagement and Materiality

Stakeholder Engagement

JSW Steel's overall business strategy and daily business decisions ensure that the interests of all its stakeholders are safeguarded. The Company has formal mechanisms to continually engage with its key stakeholders to understand their expectations and concerns. Formal engagement also helps the Company in sharing information on its approach and actions in areas of stakeholder interest. The Company is creating a 'Better Everyday' by generating sustained value for stakeholders.



CUSTOMERS

- Large bouquet of high-quality products
- Meeting increasing demand for value-added and special products
- Enhanced experience through JSW Shoppe and JSW Explore



EMPLOYEES

- Trained and motivated workforce
- Diversity promotion



COMMUNITY

- Social-economic development through CSR activities
- Empowering women through SHGs

BETTER EVERYDAY — VALUE CREATED FOR OUR STAKEHOLDERS



GOVERNMENT

- Contribution to the exchequer
- 'Make in India' initiative promoted



INSTITUTIONS

- Collaborative technology
- Research and development



CIVIL SOCIETY AND INVESTORS

- Market leadership for shareholder value
- Accountability and disclosure of information



SUPPLIERS

- Enhanced capability
- Timely payments

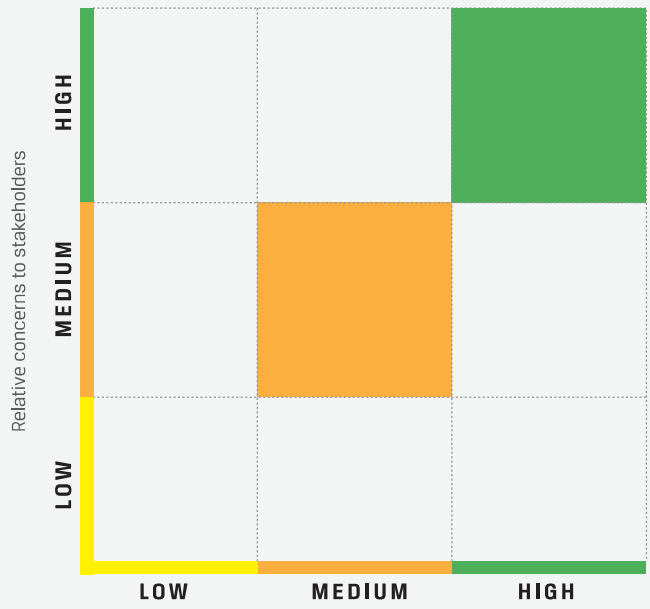
Materiality

Material issues are those that have direct or indirect impact on an organisation's ability to create, preserve or deplete economic, environmental and social value for itself, its stakeholders and the society. At JSW Steel, the identification of material issues goes beyond prioritising and addressing risks to helping the Company capitalise on emerging opportunities. Materiality assessment has been instrumental in ensuring the Company retains focus on aspects which enable it to create long-term sustained value.

The material issues for JSW Steel were identified based on their criticality to the Company's business and importance to stakeholders. The Company believes deeper engagements with stakeholders significantly enhances its knowledge and understanding on externalities that may impact its business environment. By focusing on the macro-level trends identified in these engagements, the Company is able to align its strategic focus areas with the emerging priorities.

JSW Steel conducted over 300 detailed interactions with internal and external stakeholders to understand their specific concerns, major risks and opportunities, along with justification for key issues raised and their potential impact on business. The stakeholders engaged included customers, employees, suppliers, community, government, civil society and investors and institutions. This year, the Company recalibrated its material issues through focussed interactions with internal stakeholders.

Materiality Assessment



1. Key economic perameters of the Company
2. Impact of investments on the community
3. Adopt best-in-class procurement systems and processes
4. Engagement with local community
5. Compliance with laws and regulations
6. Talent development
7. Input materials used in the operations
8. Energy management in the organisation
9. Water used and recycled by the organisation
10. Effluents and waste generated due to the operations

11. Productive and motivated workforce
12. Ensuring health and safety of all employees at work
13. Promoting diversity and equal opportunity at all levels
14. Grievance redressal for all stakeholders
15. Emissions generated due to operations

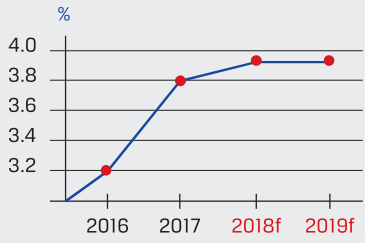
Business Environment

Opportunities

Global

Improving Growth of Global Economy

GLOBAL ECONOMIC GROWTH

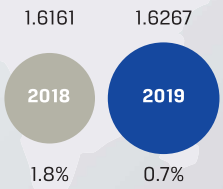


SOURCE: INTERNATIONAL MONETARY FUND
f: FORECAST

Rising Steel Demand and Strong Commodity Prices

HEALTHY PROSPECTS FOR GLOBAL STEEL DEMAND

FORECASTED DEMAND (IN BILLION TONNES)



% GROWTH Y-O-Y	1.8%	0.7%

SOURCE: WORLD STEEL ASSOCIATION

Higher Investments in the US Subsidiary Commodity Prices

COMMODITY PRICE INDEX

YEAR	ENERGY	METAL & MINERALS
2015	64.9	66.9
2016	55.0	63.0
2017	68.0	78.2
2018E	81.5	84.9
2019E	81.2	83.1

WORLD BANK : APRIL '18
E: ESTIMATED

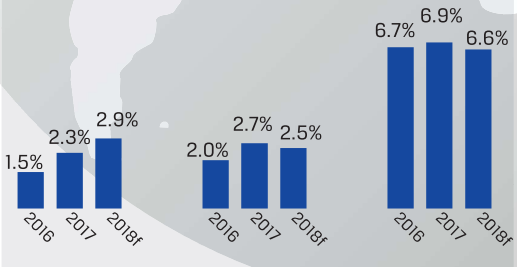
Availability of Good-quality Assets / Companies at Reasonable Valuations

RECENT ACQUISITIONS BY JSW STEEL (INTERNATIONAL)

ACQUIRED COMPANY (COUNTRY)	ACQUISITION VALUE
Acero Junction Holdings (US)	₹550 crore
Aferpi (Italy)	₹440 crore

Rebound in Economies of the US and EU; Stabilising Chinese Economy

ECONOMIC GROWTH



SOURCE: INTERNATIONAL MONETARY FUND
f: FORECAST

India

India overtakes France to be the sixth-largest economy in the world and remains the fastest growing among major global economies.

India GDP stood at $2,597 trillion in FY18

Increasing Rural Demand and Continued Growth in Urban Demand

- Rural steel demand
- Housing demand
- Automobiles
- Renewable energy

Transformational Reforms and Policies of Government of India

Key reforms implemented in the year:

- Goods and Services Tax
- Insolvency and Bankruptcy Code
- RERA
- National Steel Policy

Uptick in Exports

INDIA: UPTICK IN ECONOMY & EXPORTS

($Bn)

	DOMESTIC	EXPORTS
FY18	2,603	303
FY17	2,274	276
GROWTH%	14	10

CSO: Avg Ex. rate 2016-17 ₹67.09/$ & 2017-18 ₹64.45/$

Higher Government Spending in Infrastructure

GOI SPENDING ON INFRASTRUCTURE

₹4.94 lakh Cr	₹5.97 lakh Cr
FY18 BUDGET	FY19 BUDGET

CSO: Avg Ex. rate 2016-17 ₹67.09/$ & 2017-18 ₹64.45/$

Near Normal Monsoon Prediction

RAINFALL PROJECTIONS FOR 2018

India Meteorological Department
97% of long-period average

Skymet
100% of long-period average

(RAINFALL BETWEEN 96% AND 104% OF THE LPA IS DEFINED AS NORMAL)

Insolvency Resolution through NCLT

525 corporates were undergoing insolvency resolution process at the end of March '18.

Challenges

Industry Consolidation

Large unpaid debt and increasing protectionist measures coupled with benefits of consolidation such as improved margins and stability are moving the global steel industry towards consolidation.

Increased Regulation

Dynamic regulatory environment with increased regulations covering export bans, royalties and taxes have the potential to impact raw material supply and increase price volatility.

Resource Nationalism

This is aimed at ensuring retention of a fair share of the value of natural resources of a region through new laws aimed at increasing local participation, government oversight and taxation.

Climate Change

As a result of its energy intensive processes, the steel industry is increasingly facing direct and indirect effects of climate change like water stress, supply chain disruption, pressure to change energy mix, increased investor pressure and public scrutiny.

Skills Shortage

Shortage of talent with required skills and knowledge base is exacerbated by globalisation and introduction of disruptive technologies, leading to project delays, safety concerns, higher operational costs and reduction in productivity.

READ MORE ON THE OPPORTUNITIES AND CHALLENGES IN THE MD&A SECTION (PAGES 96-104)

Strategic Focus Areas and Enablers

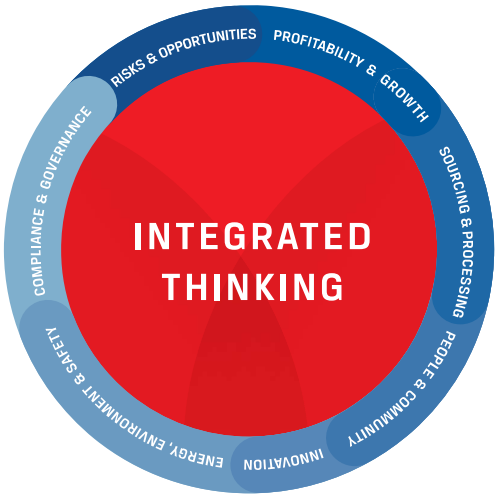
The long-term success of a company depends on its ability to take a holistic view of its operations and the external environment. This is enabled by integrated thinking, which is achieved by breaking down silos, enhancing connectivity and building synergies within the organisation. Integrated thinking enables the development and implementation of an inclusive strategy and builds on internal strengths, while taking advantage of opportunities and overcoming challenges.

Rapidly evolving technologies, globalisation and the accelerating pace of change drives strategy at JSW Steel. The philosophy of 'Better Everyday' has been the guiding force in the Company's growth and will remain so for future endeavours. The Company is driven by a passion for growth and makes consistent efforts to achieve it every day. A triple bottom-line approach which integrates economic progress, environmental protection and community development is at the heart of this strategy and guides all decisions and imperatives.

JSW Steel has made big strides in each of the focus areas listed here and has also charted well-defined plans to achieve them.

Strategic Pillars

STRATEGIC FOCUS AREA	S1 STRATEGIC GROWTH	S2 DIVERSIFICATION OF PRODUCT PROFILE AND CUSTOMER BASE	S3 BACKWARD & FORWARD INTEGRATION
Capitals involved			
ACTION PLAN	• Maintain leadership through value-accretive organic and inorganic opportunities • Undertake brownfield expansions at relatively low investment cost	• Increase proportion of high margin value-added products • Enhance customer base, both within India and in international markets • Continue to focus on fast-growing rural markets in India	• Raw material security by evaluating assets in India and abroad • Targeting strategic tie-ups and investments
FY18 PROGRESS	• Commenced brownfield expansion at Dolvi to 10 MTPA at an investment of only ₹3,000 crore for every additional MTPA – an industry benchmark • Initiated acquisition of Monnet Ispat and Acero Junction (steelmaking capacity of 1.5 MTPA), and Aferpi (downstream capacity of 1.32 MTPA)	• Value Added and Special Products (VASP) contributed 58% to overall sales volume • 73 new grades developed/customised • 8,600+ retail outlets catering to the nation • Commenced capacity expansion of CRM-1 complex at Vijayanagar from 0.85 MTPA to 1.8 MTPA • 0.25 MTPA Tin Plate capacity under construction	• Operationalised Tunga Iron Ore Mine in Karnataka • Announced a $500 million expansion plan for Pipe and Plate making steel mill in Texas, USA, subject to necessary approvals • Announced a $500 million investment in Acero to make it a fully integrated 3 MTPA steel making facility
OUTLOOK	• Capex of ~₹19,800 crore planned in FY19-21 to achieve 24.7 MTPA capacity by 2021 • Continue to evaluate organic/inorganic growth opportunities to achieve 40 MTPA by 2030	• Continued focus on increasing the share of value-added products in the portfolio, to enhance margins • Modernisation and capacity enhancement at Vasind and Tarapur by 1.5 MTPA by setting up PLTCM • Set up 0.3 MTPA colour coated line in CRMI at Vijaynagar • Install additional 0.25 MTPA Tin Plate facility at Tarapur • Capacity enhancement of Pre-Painted Galvalume Line at Kalmeshwar by 0.22 MTPA	• All five iron ore mines in Karnataka to be operational by FY19 • Moitra coal block with reserves of ~30 million tonnes to be operational by FY20 • To participate in Government of India's iron ore and coal auctions for raw material security



JSW STEEL DEMONSTRATES INTEGRATED THINKING ACROSS THE VARIOUS FACETS OF THE ORGANISATION

Strategic Pillars

STRATEGIC FOCUS AREA	S4 FOCUS ON RESOURCE OPTIMISATION	S5 PRUDENT FINANCIAL MANAGEMENT	S6 MAINSTREAMING SUSTAINABILITY IN BUSINESS IMPERATIVES
Capitals involved			
ACTION PLAN	• Focus on cost reduction • Enhanced operational efficiency • Adoption of digital technologies in the operations	• Continuously seek to improve financial profile • Manage capacity expansion and debt profile to capture market opportunities without excessive risk	• Continuously seek to improve financial profile • Manage capacity expansion and debt profile to capture market opportunities without excessive risk
FY18 PROGRESS	• Energy intensity: 27.57 GJ/T • Plant capacity utilisation of 91% • Various cost savings projects implemented with a resultant savings of ₹495 crore • 12 digital initiatives implemented and achieved cost savings of ₹46 crore	• Net debt reduction of ₹3,529 crore • Net Debt to EBITDA down to 2.59x or 2.59x from 3.20x • Net debt geared down to 1.27x from 1.53x • Return on capital employed of 16%	• Number of Patents filed - 16 • Commenced preparations in Vijayanagar and Dolvi plants for achieving the Deming Award • Material recycled: 3.3 MnT • LTIFR: 0.42
OUTLOOK	• Continue to focus on improving resource efficiency of processes • Phase 1 DCPL coke oven of 1.5 MTPA by FY19 to eliminate purchase of coke to reduce cost to be commissioned • To operationalise Pipe Conveyor System, for transport of iron ore from the mines to Vijayanagar plant to optimise logistics cost • To implement the identified 'Deep Drive Projects' with savings of ₹541 crore identified • Digital initiative to be implemented in phases. Estimated savings of ₹463 crore	• Projects to be funded by a mix of debt and internal accruals with the overall leverage ratios within levels of 3.75x net debt/EBITDA and 1.75x net debt/equity • To diversify sourcing of funding by way of right mix of rupee and foreign currency debt • Return on capital employed to become one among the top five steel companies globally	• Make conscious efforts to improve gender parity in employment, continue focus on quality management and improve HSE metrics • To prepare for the Deming Prize for Vijayanagar and Dolvi units by FY20

Enablers	
Market leader and well-placed to benefit from upcycle	• India's largest producer and seller of steel by value and volume • India's largest exporter of steel • Planned capex and brownfield expansions to further catalyse growth • Government emphasis via National Steel Policy and target of 300 MT by 2030-31 • Decreasing steel imports from China and improved margins
Strong business profile and diversified by region, markets and products	• Geographically diversified with manufacturing facilities in South and West India • Wide offering of flat and long products • Flexibility to adapt product mix to market demands • Continuously enriching product mix with value-added and special products • Developing new products and capturing niche markets • Facilities well-connected to rail and road networks
Strong focus on operational efficiency with globally renowned operations	• Focussed on sweating of assets • One of the lowest conversion costs in the industry due to efficient operations, manpower productivity, strategic locations and state-of-the-art manufacturing facilities • Production facilities backed by captive power plants • Ongoing cost-benefit initiatives • Raw material assets pursued continuously for raw material security
Robust financial profile and stable cash flows	• Strong track record of volume growth • Continued positive momentum in operating revenues • Robust EBITDA margin of 21.1% • Strong operating cash flows
Prudent financial management	• Focussed leverage management by way of target levels for Net Debt to Equity and Net Debt to EBITDA • Diversification of funding sources • Continuous improvement in debt maturity profile

Enablers	
Proven track record of growth through organic and inorganic expansions	• Combination of organic and inorganic growth
Skilled workforce led by an experienced management team	• Diverse skills in manufacturing, sales, marketing, finance and supply chain management • Extensive experience and alignment to organisational strategy • Continuous investment in building and enhancing competencies and encouragement to employees to participate in sponsored learning programmes
Adept at using a mix of technologies and flexible capabilities	• Widest range of manufacturing technologies in India to lower cost of production • Well-placed to use wide range of raw material blends
Strong project execution capabilities	• Strong track record of successful project implementation by in-house team within planned timelines and highly experienced project management team supported by cross-functional teams • Leveraging long-term relationship with key domestic and international suppliers
Agile organisational culture	• Ability to perceive and convert opportunities into business gains with speed • Agility to convert threats into opportunities • Flexibility to shift sales between domestic and international markets based on market conditions • Flexibility built in business decisions to proactively address challenges

Risk Management

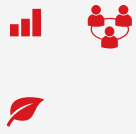
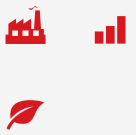
In a fast changing world, it is imperative that an organisation proactively works towards identifying and managing the diverse risks that it faces or may face. New age risks like digital effectiveness and cyber risk along with conventional ones like regulatory risk and social licence to operate present a formidable challenge to organisations.

To effectively deal with these challenges and better its value creation ability, JSW Steel Ltd. follows the globally recognised Committee of Sponsoring Organisations of the Treadway Commission (COSO) framework for risk management. The Company's robust risk management framework identifies, evaluates and mitigates business risks to:

- Protect interests of key stakeholders
- Achieve business objective and
- Enable long-term sustainable growth

The key risks faced by JSW Steel and the strategies adopted to mitigate them, along with the capitals being affected, are explained or summarised in the table below.

Strategic Risks

RISK TYPE	STRATEGIC RESPONSE	CAPITALS IMPACTED
Competitive dynamics and industry cyclicality	• Tracking of macro-environment • Better market intelligence • Agile response to external environment • Broader value-added product range • Responsive credit and pricing policy	
Ability to market increasing volumes and changing portfolio	• Increasing domestic market share • Enhancing export volumes • Expanding downstream capacity • Price competitiveness	
Raw material security	• Participating in mine auctions • Prioritising domestic sourcing over import • Exploring contract options like long-term/ spot/indexing • Creating additional storage capacity	
Infrastructure and logistics	• Prioritising sea v/s rail v/s road • Deploying higher capacity barges/carriers • Enhancing infrastructure at jetties • Creating additional storage capacities	

Operational Risks

RISK TYPE	STRATEGIC RESPONSE	CAPITALS IMPACTED
Water security	• Enhancing water storage capacities • Enhancing efficiency of water management	
Energy security	• Optimising utilisation of waste off-gases • Adding capacity of power transmission infrastructure	
Environment protection	• Complying to increasingly stringent norms • Adopting cleaner technologies • Focussing on safe and sustainable products • Promoting environmental stewardship and circular economy	
Talent management	• Attracting and retaining talent • Implementing inclusive policies and processes • Succession planning • Providing learning and development opportunities • Improving gender diversity	
IT enablement	• Strengthening cyber security • Developing disaster recovery site for SAP-ERP	

Regulatory Risks

RISK TYPE	STRATEGIC RESPONSE	CAPITALS IMPACTED
Occupational Health and Safety	• Enhancing behavioural safety • Including safety performance in the variable pay of the senior management • Conducting regular safety training and drills • Providing medical facilities and health insurance benefits to all employees	

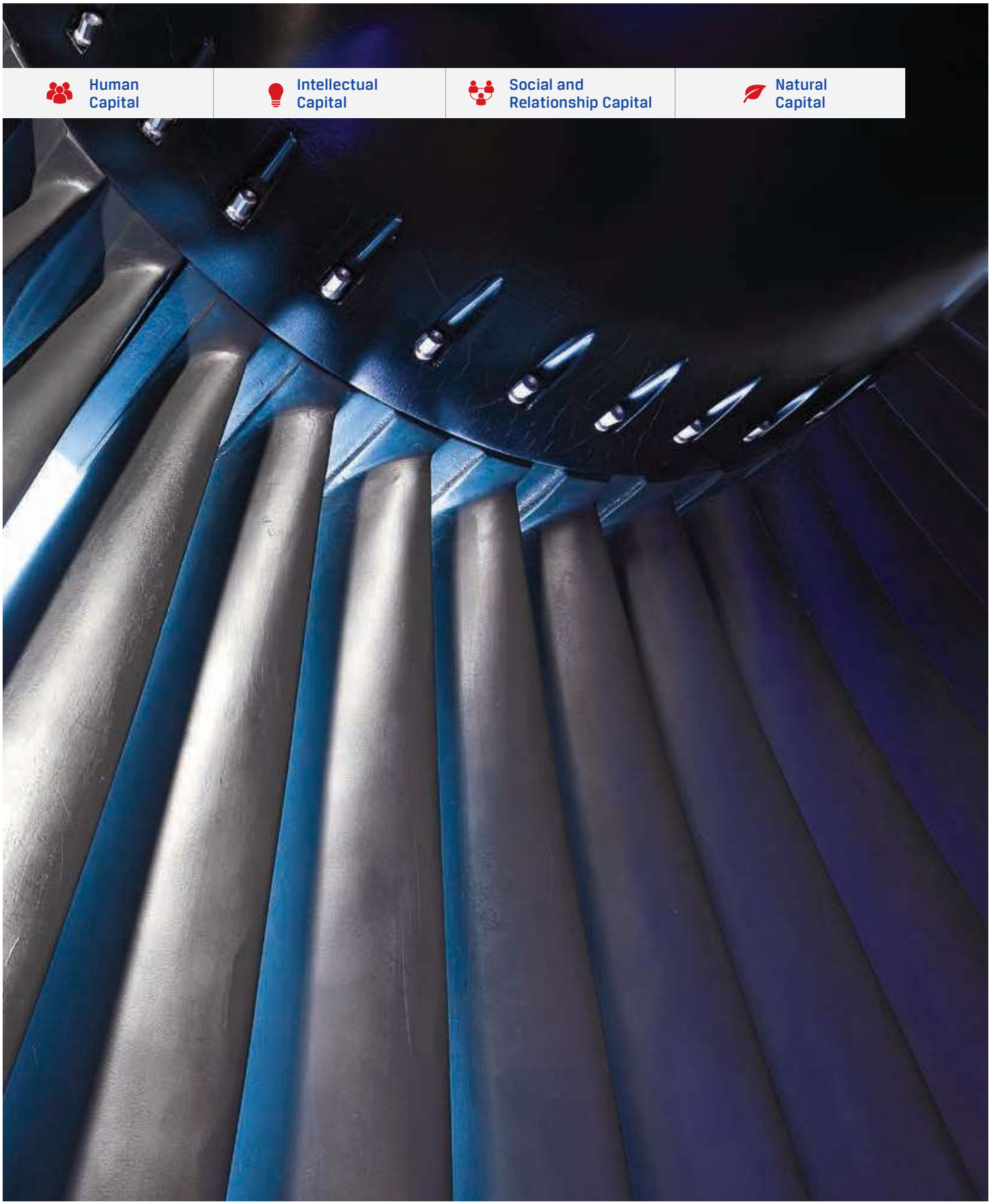
KEY CAPITALS

Financial Capital

Manufactured Capital

Value-creation by The Capitals




Human Capital
Intellectual Capital
Social and Relationship Capital
Natural Capital



Financial Capital

UNDERTAKING ONE OF THE LARGEST CAPEX PROGRAMMES IN ITS HISTORY

A ~₹40,000 crore capacity expansion drive to achieve manufacturing capability of 24.7 MTPA and build downstream facilities by FY21



Making Cost Efficiency Better Everyday

Interlinked Strategies (Pg 26-27) S1, S3, S5

JSW Steel has a strong pool of financial capital to sustain its growth.

Being in a capital-intensive industry, the Company's objective are to maintain a strong credit rating, healthy capital ratios and establish a capital structure that maximises returns to stakeholders through an optimum mix of debt and equity.

The Company's capital requirement is mainly to fund capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principle source of funding for the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funds from bank borrowings and the capital markets.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio; and closely monitors the judicious allocation of the same amongst competing capital expansion projects and strategic acquisitions to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes interest-bearing loans and borrowings-less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

Funds generated are utilised for operations of the business, government levies, dividend and funding growth and strategic investments.



Financial Performance

During FY18, the global business cycle turnaround and structural factors provided fundamental support to steel demand. Supply reforms in China by way of continuing closure of inefficient production facilities and pollution-induced production curtailments, coupled with strong domestic demand in the country, led to lower exports. This discipline along with robust steel demand helped improve global steel demand-supply balance. Steel prices rebounded during the year due to resilient demand and improved steel demand-supply balance. Further, the improved steel spread coupled with higher volumes enabled the steel industry to deliver better results.

The Company delivered its highest-ever production volumes, sales, EBITDA and profit after tax during FY18. The Company also progressed well on several performance improvement initiatives, from diversified sourcing, optimisation of logistics costs, to digitalisation projects, thereby driving improvement in yields and productivity.

A detailed discussion on the financial and operational performance for FY18 is available in the Management Discussion and Analysis section.

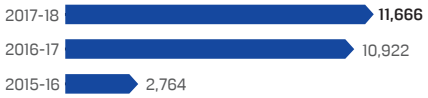
Key Outputs and Outcomes

₹27,534 crore
Net Worth

21%
EBITDA Margins

- Robust financial profile and cash flows
  - EBITDA margins: 21.1%, ₹14,974 crore
  - Operating cash flow: ₹12,379 crore
  - Capital investment cost: Less than $600/MT
- A strong balance sheet, indicating robust financial performance, achieved consistently over the years
  - Reduction in Net Debt by ₹3,529 crore
  - Net Worth of ₹27,534 crore
  - Net Debt to EBITDA improved to 2.57x from 3.41x
  - Net Debt to Equity down to 1.38x from 1.85x
- Diversified funding sources
  - INR debt: 63%; Foreign currency debt: 37%
  - Loans: 74%; Debentures and bonds: 26%
- Earnings per share of ₹25.85
- Highest-ever dividend of ₹3.20 per fully paid-up equity share of ₹1 each. The dividend pay-out ratio of 15% is based on the consolidated profit of the Company

Export Turnover (₹ crore)



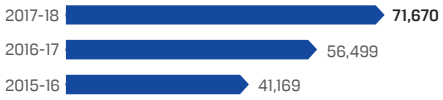
Domestic Turnover (₹ crore)



Other Income (₹ crore)



Economic Value Generated (₹ crore)



₹71,670 crore
Economic Value Generated

₹63,193 crore
Economic Value Distributed

₹8,477 crore
Economic Value Retained

CASE STUDY

Cost Optimisation





IT IS NO SURPRISE THEN THAT THE COMPANY IS CONSTANTLY RANKED AMONG THE TOP LOWEST-COST STEEL PRODUCERS IN THE WORLD. IT IS KNOWN TO UNDERTAKE SIZEABLE CAPACITY EXPANSIONS AT LOWER COST AND ITS CONVERSION COSTS ARE AMONG THE BEST IN THE INDUSTRY

In view of the finite resources at the Company's disposal, it constantly strives to achieve higher efficiencies across the value chain of its operations. From sourcing of raw materials to delivering products to customers, it is persistently identifying ways to optimise costs and margins. Accordingly, a host of initiatives have been identified to achieve higher efficiencies across the Organisation.

A major step was the backward integration exercise in which iron ore mines were acquired to keep a lid on raw material costs and which will play a crucial role in making JSW Steel self-sufficient. Other measures include modifying the procurement strategy and sourcing raw material at costs better than the competitors, optimising coal blend with semi-hard and utilisation of low fe content iron ore to produce high-quality steel and keeping coke-making costs under check. In the year gone by, the Company did feel the heat from the sudden spike in prices of ferro alloys and electrodes. This is one area where there is scope to curtail costs significantly and the Company believes its efforts and investments on this front will yield results in FY19.

JSW Steel aspires to align with global benchmarks in the areas of energy management and use of environment-friendly inputs and processes, and will continue to set new milestones on these fronts. It is also taking initiatives to bring down logistics costs across the plants to optimise the process of transporting inputs as well as finished products.

It is no surprise then that the Company is constantly ranked among the top lowest-cost steel producers in the world. This is an outcome of relentless efforts to bring down conversion costs. The Company's endeavours to boost cost optimisation are reflected adequately in its EBITDA margin which is above 20% in the last 2 years a feat achieved by only a handful of companies across the globe.

CASE STUDY

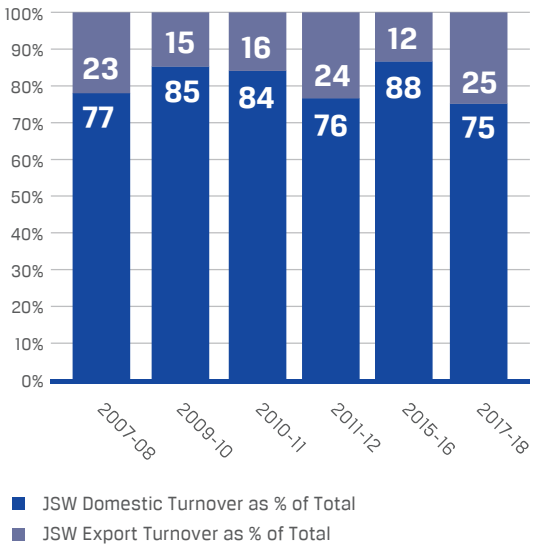
Flexibility and Agility





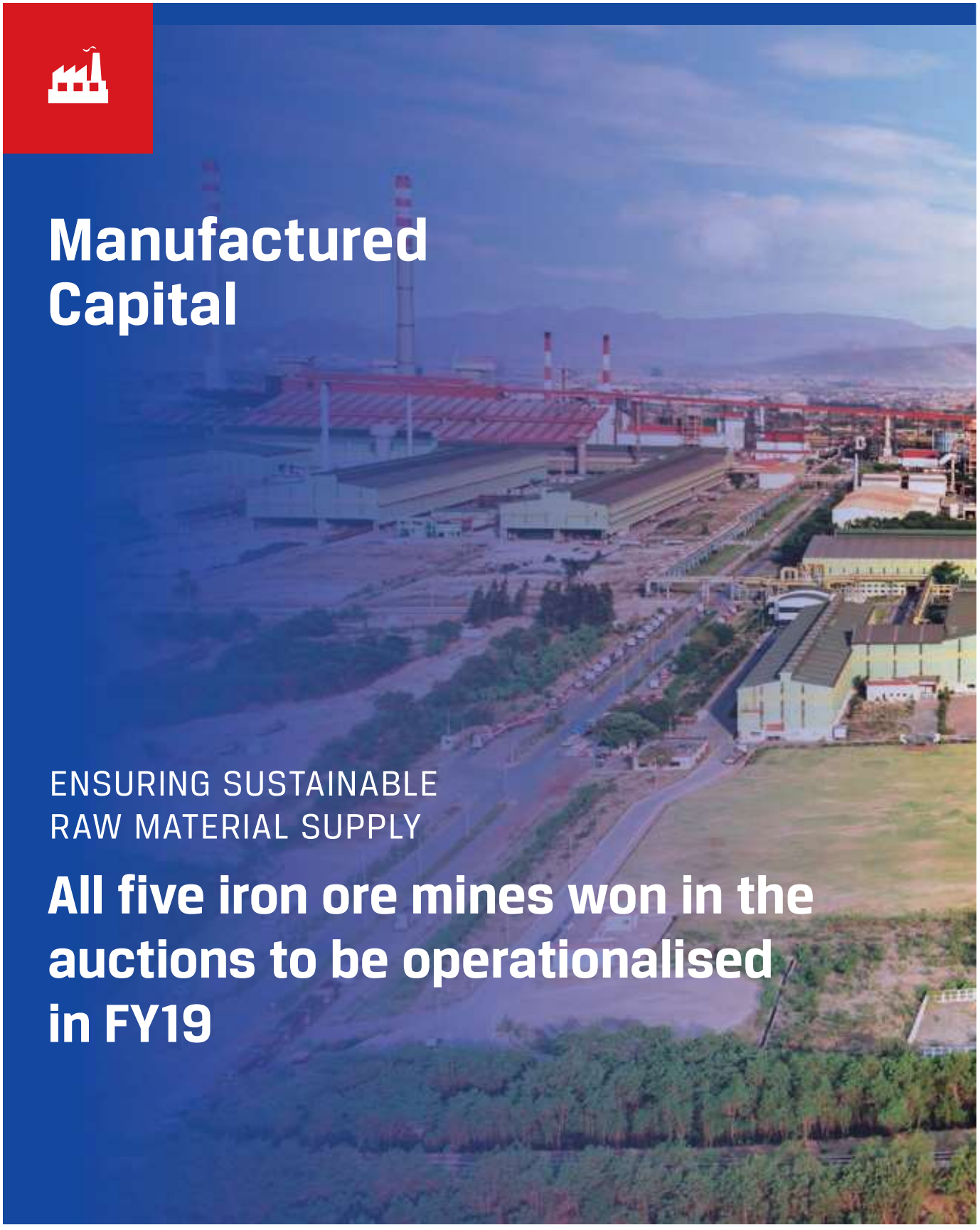
THE COMPANY'S FLEXIBILITY TO JUDICIOUSLY SHIFT BETWEEN DOMESTIC AND INTERNATIONAL MARKETS BASED ON MARKET CONDITIONS ALLOWS IT TO REMAIN RESILIENT IN ADVERSITIES

Domestic and Exports Turnover as % of Total



Adversities in the international steel market such as protectionism and demand crunch, or those in the domestic market such as liquidity crisis and import pressure, can limit the sales potential. As one of the largest steel producers in India with an export presence in over 100 countries, such scenarios have the potential to create significant effect on JSW Steel However, the Company's flexibility to judiciously shift between domestic and international markets based on market conditions allows it to remain resilient in such situations. This is enabled by its extensive geographical presence in India and a nimble sales setup that is quick to realign sales efforts as per market conditions.

Manufactured Capital



ENSURING SUSTAINABLE RAW MATERIAL SUPPLY

All five iron ore mines won in the auctions to be operationalised in FY19



Retaining Market Leadership by Being Better Everyday

Interlinked Strategies (Pg 26-27) S1, S2, S3, S6

Manufactured capital is part of the fabric of JSW Steel. It supports productivity, stimulates research and development, and guarantees investment for the future. Significant investments have been made in establishing efficient facilities at different locations across the country. Manufactured capital of the Company has the crucial role of an investor as well as a beneficiary of the Government of India's flagship 'Make in India' campaign.

Steel is the backbone of a developing economy like India and JSW Steel is a leading supplier to a variety of sectors: construction, infrastructure, automotive, industrial, engineering, energy and pipes and tubes. The Company can fulfil the requirements of the country with its dedicated investments under manufactured capital. Manufactured in the hot-strip mills of its Vijayanagar (Karnataka) and Dolvi (Maharashtra) plants, a wide range of hot-rolled products are offered by JSW Steel essential for the manufacture of several white goods, the Company's cold-rolled steel products are made in Vijayanagar plant.

Electrical steel products are manufactured in the modern facility at Vijayanagar Works. This steel has use across multiple sectors such as electric motors, generators, nuclear power stations, power generation plants and equipment, domestic appliances, transformers and automotive electricals.



Key Outputs and Outcomes

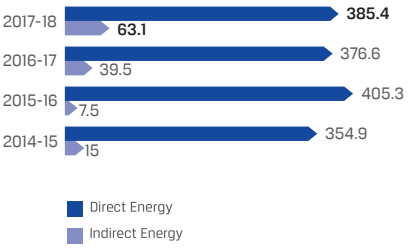
91%
Capacity Utilisation

16.27 MTPA
Highest Ever Crude Steel Production

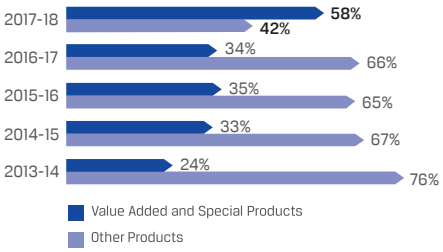
15.55 MTPA
Sales Volume

- Capacity utilisation: 91%
- Tunga Iron Ore Mines (Karnataka) made operational; another four iron ore mines to be made operational in FY19
- Highest ever crude steel production: 16.27 MnT
- Diverse product portfolio in the market (top 5):
  - Hot rolled coils and sheets: 6.53 MnT
  - Cold rolled coils and sheets: 2.07 MnT (up 6% y-o-y)
  - Long rolled products: 3.55 MnT (up 16% y-o-y)
  - Galvanised coils and sheets: 1.72 MnT (up 4% y-o-y)
  - Prepainted Galvanised sheets: 0.62 MnT (up 3% y-o-y)
- Sales volume: 15.55 MnT (up 6% y-o-y)
  - Value added and special products: 9 MnT (up 13% y-o-y)
- Pan-India reach through 8,600+ retail outlets and an export presence in over 100 countries, ensuring that the Company's products enable people to lead a better quality of life
- Has one of the lowest conversion costs and low per tonne capacity addition cost, thereby ensuring maximum value creation for all stakeholders
- Reduction in energy consumption: 3.053 million GJ

Energy Consumption (Million GJ), JSW SL



Share of Products in Total Sales (JSW SL)



Specific Energy Consumption (GJ/Tonne), JSW SL



Capacity Utilisation (JSW SL) (%)

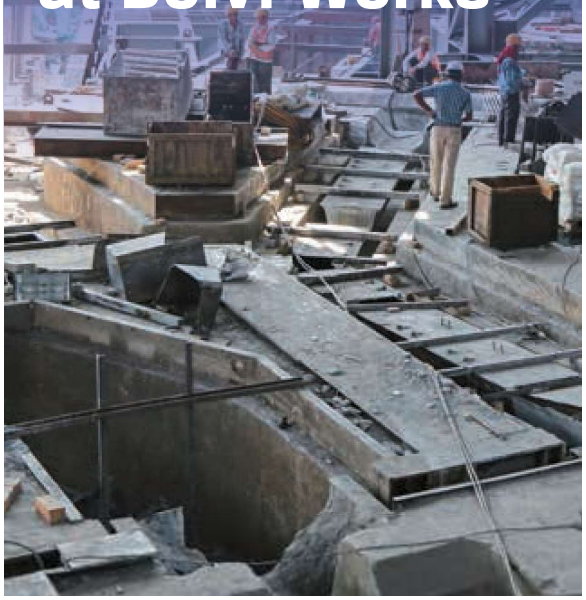


	JSW SCPL	JSW SPCL	JSW ARCL	JSW INDUSTRIAL GASES	JSW SALAV
DIRECT ENERGY CONSUMPTION (IN '000 GJ)	2,202.9	0.4	46,742.7	175.0	9,507.1
INDIRECT ENERGY CONSUMPTION (IN '000 GJ)	1,009.9	15.1	952.5	2,389.0	0
SPECIFIC ENERGY CONSUMPTION (IN GJ/TONNES)	8.39	0.03	9.13	1,676 (GJ/MnNM3)	14.25

Note: This unit of measure is needed since the product is gases.

CASE STUDY

Debottle-necking SMS at Dolvi Works





In line with the Company's 'Better Everyday' vision, the multiple manufacturing facilities of JSW Steel undergo continuous efficiency improvement drives. The case in point pertains to the debottlenecking exercise at the Steel Melting Shop (SMS) of JSW Steel Dolvi Works during the fourth quarter of FY18.

The process improvements taken up and the resulting benefits at the site were in four particular areas as elucidated below.

Improved launder utilisation for hot metal pouring

Benefits

- Reduction in refractory delays (Eccentric Bottom Tap-hole, i.e. EBT Jam, Flapper Jamming, etc.)
- Increase in shell life
- Reduction in setup time by 6.3 minutes

Increase in oxygen blowing rate

Benefits

- Oxygen blowing flow increased by 15 Nm^3/hr
- This has resulted in a decrease in blowing time by 2 min/heat

Preventive maintenance during EBT change and shell change

Benefits

- Proactive and preventive maintenance in the change process
- Reduction in delays caused earlier

Maximum hot metal usage

Benefits

- Hot metal usage was increased by 2.9%
- The arcing time has reduced by 3.2 min/heat

OVERALL, THIS DEBOTTLENECKING EXERCISE HAS RESULTED IN IMPROVED EFFICIENCY IN ASSET UTILISATION, REDUCED TIME CONSUMPTION AND LOWERED THE UNEXPECTED PROCESS DELAY RATES

CASE STUDY

Low Conversion and Capacity Addition Cost





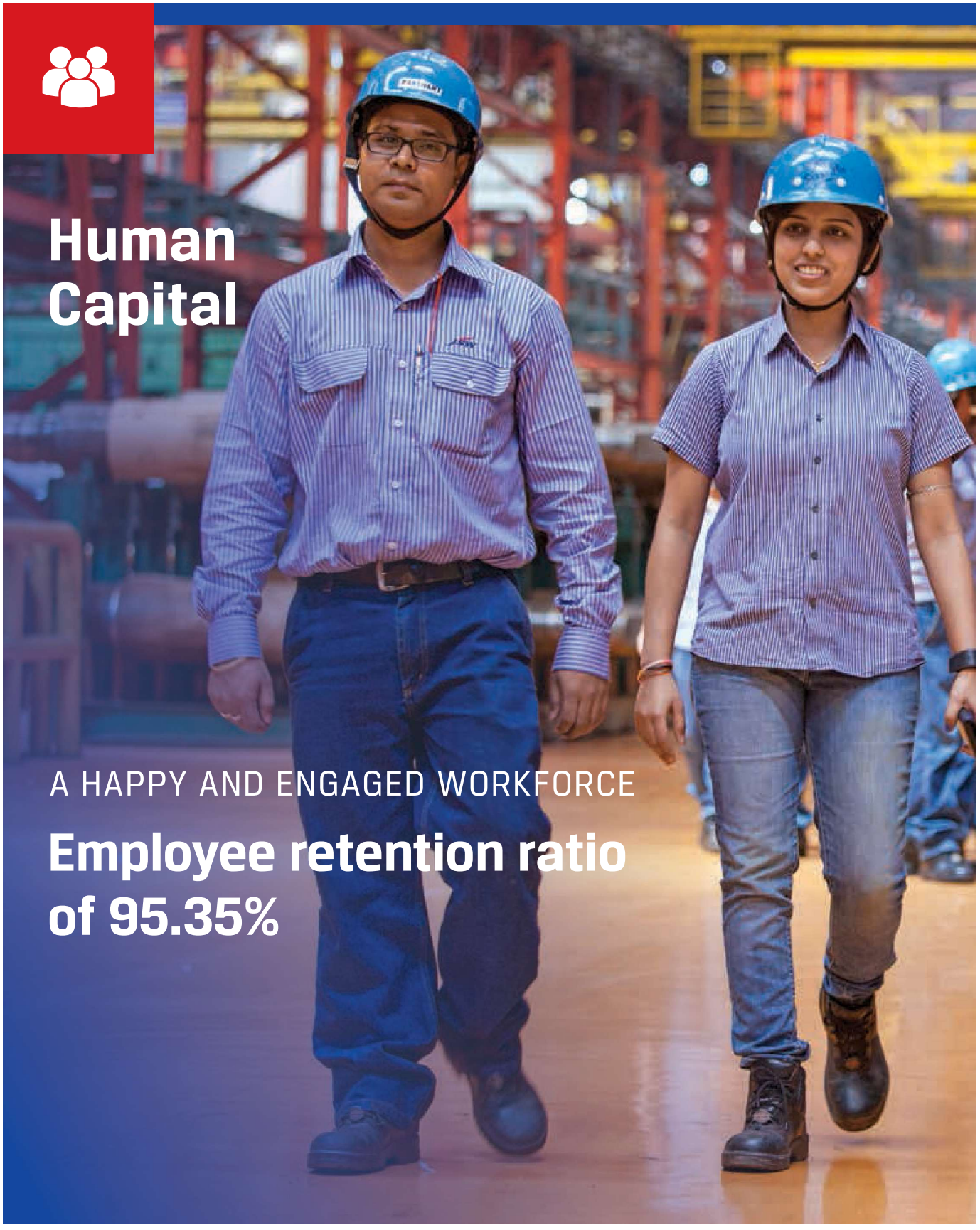
WITH ADDITIONAL CAPACITIES IN PLACE, JSW STEEL IS AT THE FOREFRONT OF TAPPING INTO THE INCREMENTAL DEMAND IN THE DOMESTIC MARKET

JSW Steel is constantly ranked among the lowest-cost steel producers in the world. It is known to undertake sizeable capacity expansions at lower cost, with conversion costs that are among the best in the industry. For the last 10 years, the Company has been rated among the top 10 companies by World Steel Association. Guided by the philosophy of becoming 'Better Everyday', this is an outcome of the relentless efforts to improve performance, including those to bring down conversion costs.

CAPACITY ADDITION COST
$580 per tonne

CONVERSION COST
$116 per tonne

The agility of operations at JSW Steel has been the key source of strength and has helped it sail through numerous headwinds faced by the industry. It strives to be aware of the ground realities of the external environment and responds to them in a prompt and efficient manner. Owing to this proactiveness, the Company has been able to spot the power demand turnaround in the domestic market far ahead of its peers. Consequently, the Company embarked on a capacity expansion programme a few years ago and is now realising its potential.



Human Capital

A HAPPY AND ENGAGED WORKFORCE

Employee retention ratio of 95.35%



Nurturing Talent to be Better Everyday

Interlinked Strategies (Pg 26-27) S6

In line with the vision to bring positive transformation to every life JSW Steel touches, the Company encourages individuals to explore their full potential and prepares them for greater responsibilities. The Company truly believes that improving everyday helps make 'better' happen for everyone, including employees. This is achieved by being empathetic and understanding what 'better' means to all stakeholders. A pre-requisite for this is to listen to all stakeholders without prejudice and use that learning to measure actions. This also enables JSW Steel to achieve one of the key purposes, 'Empowering Our People', which the Company does by adopting a participatory approach.

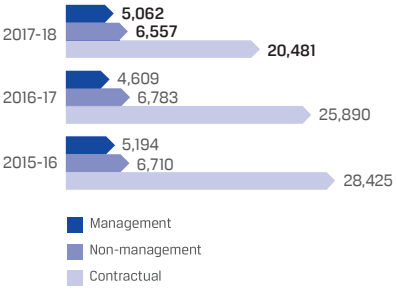


Key Outputs and Outcomes

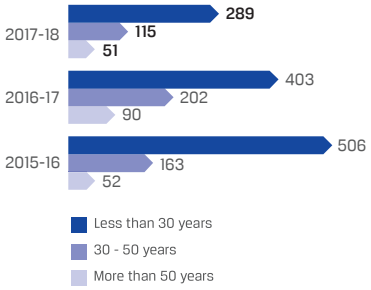


- Employee retention of 95+%, as a result of continuous engagement with employees, welfare measures and learning and development opportunities to create a motivated workforce
- Learning & Development initiatives such as Project Lakshya, Future Fit Leaders and IIM-A Executive Education Programme enable employees to be better prepared for the strategic pillar 'Build for Tomorrow'
- Online JSW Learning Academy to simplify and accelerate training around three strategic pillars: career-based capabilities, competency-based capabilities and leadership
- Widening reach across leading campuses in India through Summer Internship Programme and Management Internship Programme to attract and retain talent
- Human rights policy to ensure no discrimination and demonstrating diversity enriches the Human Capital; same benefits, training and skill enhancement for all members of workforce - including contract workers and differently-abled persons. Monitoring of compliance with regulations as well as internal policies to ensure nil complaints on child labour, forced labour and sexual harassment at workplace.
- Promoting diversity by recruiting, developing, retaining and advancing diverse talent, and initiatives such as JSW Diversity and Inclusion - Springboard for women employees
- Institutional mechanism to listen to employees through interactions, tool-box talks, town halls and joint safety committees. Also, Candid Conversation as a platform for employees to have meaningful and free-flowing interaction with the leadership team
- Addressing corruption through: biometric attendance system and direct transfer of wages to the bank account of contract employees
- Emphasis on safety at the workplace with Near-Miss Reporting going up three-fold from FY17, increase in safety training, linking of safety performance with the variable pay of senior management (including executive director) including executive director and safety audit by the top management

Total Employees, JSW SL



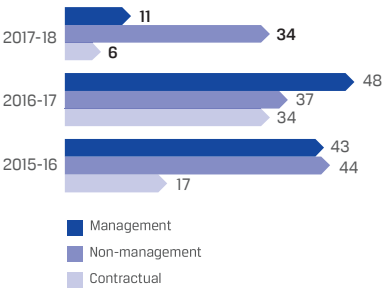
Workforce Turnover by Age, JSW SL



Injuries, JSW SL



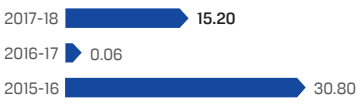
Training Hours Per Employee, JSW SL



Lost Time Injuries Rate, JSW SL



Lost Day Rate, JSW SL



11,619
Permanent Employees

Management	5,062
Non-management	6,557
Women	480
Differently-abled	19

Employees at Sites
(segmented by age)

⟨ 30 years	3,764
30-50 years	6,120
⟩ 50 years	989

Average Hours of Training Per Employee

Permanent Employees	37
Management	11
Non-management	34
Permanent Female Employees	17
Temporary/contractual employees	6

28
Permanent Workforce Represented through Recognised Employee Association (%)

Temporary/Contractual	20,481
New Employee Hires	638
Resigned Employees	506

Employees Separated
(segmented by age)

⟨ 30 years	305
30-50 years	123
⟩ 50 years	78

Occupational Health & Safety

Reported Injuries	77
Fatalities	5
LTI	72
LTIFR	0.42
Fatality Rate	0.03
Lost Day Rate	15.2

100%
Percentage of employees receiving regular performance and career development reviews

	JSW SCPL	JSW SPCL	JSW ARCL	JSW INDUSTRIAL GASES	JSW SALAV
PERMANENT EMPLOYEES	1,978	26	213	33	155
Management	759	8	160	22	98
Non-management	1,219	18	53	11	57
Male Employees	1,950	26	209	32	153
Female Employees	28	0	4	1	2
CONTRACTUAL EMPLOYEES	1,885	199	394	5	190
NEW EMPLOYEE HIRES	22	0	0	1	0
RESIGNED EMPLOYEES	63	1	8	2	23
EMPLOYEES AT SITES (SEGMENTED BY AGE)					
〈 30 Years	113	15	70	8	7
30-50 Years	1,278	9	129	22	83
〉50 Years	587	2	14	3	65
AVERAGE HOURS OF TRAINING PER EMPLOYEE					
Permanent Employees	10.67	24.64	11.62	35.71	3.75
Management			3.83		3.69
Non-management			19.52		3.78
Permanent Female Employees			1.00		3.81
Temporary/Contractual Employees	2.01		3.29	12.9	3.81
PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE & CAREER DEVELOPMENT REVIEWS	100	100	100	100	100
OCCUPATIONAL HEALTH & SAFETY					
Reported Injuries	9	0	5	0	1
LTI	9	0	5	0	1
LTIFR	0.15	0	0.264	0	0.10
Lost Day Rate	16.06	0	44.76	0	2.43

CASE STUDY

Human Rights are Fundamental to All Human Beings





THESE STEPS PROVIDE A SAFE AND SECURE WORK ENVIRONMENT FOR ALL THE EMPLOYEES, LEADING TO GREATER PRODUCTIVITY AND WORK SATISFACTION

JSW Steel places great importance on its human capital and firmly believes that human rights of every individual need to be respected. The Company's Guidelines and Code of Conduct are in harmony with the UN Declaration on Human Rights as well as the ILO (International Labour Organisation) Conventions. The policies address human rights issues across the supply chain.

The Company's human rights policy is complemented by other specific policies such as occupational health and safety, environment, anti-corruption, etc. It articulates the Company's stand on human rights, including non-discrimination, prohibition of child and enforced labour, and freedom of association and the right to engage in collective bargaining. Further, officers of security agencies are trained to act in a manner that respects human rights at all times and to comply with all the applicable national, state and local laws.

The Company contributes to the fulfilment of human rights through compliance with local human rights legislation, wherever it has operations, as well as through its policies, programmes and grievance redressal mechanisms.

JSW Steel is one of the six pioneering companies to sign up for the Business for Human Rights (Biz4HR) initiative of the Confederation of Indian Industry (CII) that intends to improve the human rights record in the value chain.

CASE STUDY

Pre-retirement Workshops



Driven by 'Better Everyday', the Company has initiated pre-retirement workshops for its employees with the main objective of assisting them in preparing for the changes that takes place at retirement. These workshops explore the opportunities that the change in lifestyle makes available to them and makes them aware of the possible issues that become important while leading a retired life. These workshops that are held for the retiring employees and their spouses, cover the following core areas:

Psychological Preparedness

Social Preparedness

Financial Preparedness

Health Preparedness

Intellectual Capital



STAYING AHEAD OF THE CURVE WITH ROBUST R&D INITIATIVES

Filed 16 patents across product and process categories in FY18


PIXcel3D

Innovating for a Future that will be Better Everyday

Interlinked Strategies (Pg 26-27) S2, S4, S5, S6

Intellectual capital is critical to enhance the value proposition through development of unique and sustainable products and service solutions. The drive to better serve the growing infrastructure needs of India has spurred the adoption of new and improved technologies. The Company understands the importance of R&D and innovation and makes constant efforts to evolve and adapt to the changing needs. Resources to the tune of ₹41 crore are made available to a dedicated team of 155 persons constantly working to address these requirements. Intellectual capital helps the Company to realise its vision to 'Bring positive transformation to every life we touch'.

The Company believes that there is virtually no limit to becoming 'better' – be it related to products, processes, infrastructure or the surrounding world.

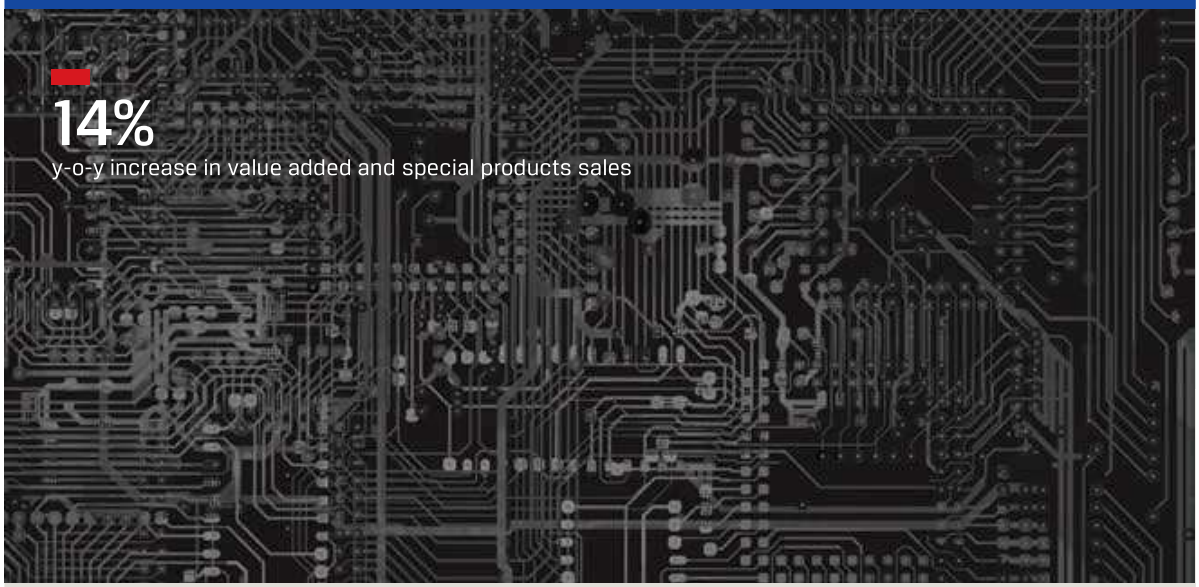
Building on the core strength of efficiency, the Company is driven to achieve excellence through innovation, expertise, quality and operational efficiency. This is demonstrated by numerous improvement initiatives in the Company.

Intellectual capital also enables the Company to engage with the consumers, giving it an opportunity to learn about the evolving needs, as well as to communicate the advantages of using superior quality steel at manufacturing sites. The product, JSW Neosteel, helps achieve this objective.

The Company believes that it is important to deliver the product of choice to the consumer. Through JSW Shoppes and JSW Explore, the Company is combining sales and services for providing the desired product to the end consumer.



Key Outputs and Outcomes



- The Company has initiated digitalisation and automation, thereby getting people involved in the digital agenda. In the reporting year, JSW Steel saved about ₹~46 crore as a result of the digitalisation efforts
- The Company's increasing focus on value added and special products like Galvalume and customised products catering to the passenger vehicle industry led to a 14% yoy increase in their sales, ultimately reducing imports, boosting local economy and saving foreign exchange for the nation
- JSW Steel is the first iron and steel Company in India to get an Environment Product Declaration (EPD) label — for HR coils, in line with the principles of Life Cycle Assessment (LCA) as per ISO 14025
- Throughout the year, the Company's team of experts are engaged in various facets of new development initiatives, which are practically implementable on the shop floor and otherwise
- Increased understanding of consumer needs has enabled JSW Steel to better communicate the Company's point of view and the value that its products bring with them
- JSW Colouron+ continued to be the leading Colour Coated Brand in the country with highest market share. The Company undertook a large-scale influencer awareness campaign to educate them on how to identify a genuine product
- Continuing its endeavour to improve the customer value proposition of its products, the Company launched JSW Everglow in December 2017. It is a first-of-its-kind product in the steel roofing segment and offers 10-year paint which is a first in India
- The Company implemented multiple cost optimisation initiatives under Project Deep Drive at various business critical departments (logistics, agglomeration and iron making, power and others). Following the signature 4i methodology of Identify-Ideate-Implement-Institutionalise, this initiative has led to substantial cost savings
- The Company continues to collaborate with leading academic and research institutions such as National Metallurgical Laboratory - Jamshedpur, IIT Bombay, IIT Madras, IIT Kharagpur, IISc Bangalore, NIT Surathkal, NCCBM Ballabhgarh, IMMT Bhubaneswar and BITS Pilani. These collaborations have gone a long way in enriching the intellectual capital of JSW Steel through the development of new and improved products and processes

CASE STUDY

Digitalisation at JSW Steel





A DIGITAL CENTRE OF EXCELLENCE AND GOVERNANCE HAS HELPED IDENTIFY, PRIORITISE, MONITOR AND REVIEW PROJECTS THAT ARE CURRENTLY BEING IMPLEMENTED

The highly-competitive sector has begun witnessing a range of digitalisation efforts. JSW Steel is applying these to all critical areas of manufacturing operations, supply chain, and sales and marketing; and is collaborating with global firms to facilitate the journey. This process began with the identification of projects under Wave 1, and thereafter the implementation of the same. These helped the Company establish the power of analytics and automation, while simultaneously getting people involved in the digital agenda. Since the Company was able to identify the potential for value addition from these projects, several other new ones have been identified and are currently being implemented.

CASE STUDY

CoRe Programme





THE CoRe TEAM PARTICIPATED IN THE FROST & SULLIVAN PERP AWARD 2017 AND WAS RECOGNISED AS THE FIRST RUNNER UP IN THE CATEGORY OF COST LEADERSHIP

Continuous Optimisation to Realise Excellence or CoRe was launched in FY17 as a breakthrough improvement methodology focusing on cost management. The purpose of the initiative was to generate ideas by involving every employee in the plant, besides suppliers and functional experts who were working at the site in other functions. The initiative was a KPI-based improvement approach, applying concepts of compressible, semi-compressible and incompressible costs. The scope included generation of ideas, evaluation of ideas, preparation of an action plan for implementation along with responsibility and target dates, and handover of the file to the respective HODs for implementation. The programme yielded benefits of about ₹227 crore in the last two years.



Social & Relationship Capital

EXPANDING STAKEHOLDER CONNECT AND BRAND PRESENCE

22,000+ influencers contacted through 3,000 meets



Building Better Relationships Everyday

Interlinked Strategies (Pg 26-27) S2, S3

JSW Steel engages continuously with its diverse external stakeholders in a variety of ways. All along its development from a humble beginning to becoming a leading corporate citizen over the last two and a half decades, the Company has made incessant efforts to improve the quality of life in the neighbouring community. The Company reinforces relationships through regular engagement and partnerships with its key stakeholders: employees, customers, suppliers, community, financial and research institutions, government bodies and the civil society. Initiating meaningful changes, the Company has deployed a strategic inclusive development approach for its neighbouring communities.

On behalf of the Company, JSW Foundation has led the efforts over the years to identify and implement initiatives on seven thematic areas for social and community development prioritised after needs assessment. They encompass water, sanitation, environment, health, nutrition, education, skills, livelihoods, sports and art, culture and heritage, along with:

1. Over 200,000 persons benefitted from various health and nutrition initiatives, with malnutrition down by 35% and 22% in Vijayanagar and Tarapur, respectively.
2. In Vijayanagar, 1,063 farmers working on 923 hectares of farm land under soil improvement and moisture retention project have reported doubling of profitability, and 500 women were empowered economically through livelihood initiatives.
3. The OP Jindal Centres and JSW Skill Schools provide government-affiliated, state-of-the-art certificate vocational courses on topics such as metallurgical engineering, electrician, apparel-making and safety. Further, entrepreneurship training is imparted to over 450 women through 35 new self-help groups with credit linkages of ₹2.93 crore.
4. Over 10 million m^3 of additional water storage capacity is being created through water-holding structures, restoring moisture in the soil and increasing ground-water level, resulting in prevention of migration of farmers.
5. Preserving national heritage
6. Promoting sports
7. Contributing to Swachh Bharat Abhiyaan (Clean India Mission)

These initiatives at all the manufacturing sites are regularly reviewed and their impacts assessed to serve as inputs for further engagement and better quality of lives in the community.

JSW Steel believes engaging effectively with all stakeholders constitute a fundamental part of its business operations, and the resources of the Company are utilised to benefit the society at large. While the Company is dependent on domestic as well as international suppliers for meeting its raw material requirement, it prioritises domestic sourcing over import wherever possible. A testimony to this is the fact that about 85% of the iron ore procured by the Company in FY18 was from domestic sources. Not only do the suppliers and vendors of the Company agree to abide by its Code of Conduct covering ethical, social and environmental aspects, it also subscribes to similar requirements from its customers. As a responsible corporate citizen, the Company complies with all regulatory and legal requirements, has not been subject to any penalties on account of the same, and also not been subject to any cases filed by any stakeholder relating to unfair trade practices, irresponsible advertising or anti-competitive behaviour.

Key Outputs and Outcomes



- JSW Steel has been committing and consistently spending resources beyond the statutory requirement of 2% of the profits for CSR initiatives, even before the regulation was created
- The Company engages with the government for policy advocacy through leading apex and sector industry bodies such as CII, FICCI, ASSOCHAM and Indian Steel Association, among others
- Responds to queries from investors and rating agencies across the world and engages with them to share insights and experiences
- Design and implementation of an integrated water management plan across all locations to ensure water security for all, with about 200,00 m^3 of water conserved around the plants
- Creating plantations to enhance local ecosystems; 400,000 mangroves have been planted
- Engaging with the adjacent communities to provide them healthcare in areas such as Palghar, Vijayanagar and Ballari, among others enabling them to lead a better life. Some sample results include about 8,000 community and individual toilets were built, neurological and ophthalmologic support was provided to 5,500 persons, and a 20% reduction in malnutrition cases in Vijayanagar.
- Improving the quality of education by enabling access to improved infrastructure and advanced methods such as digital learning at a total cost of ₹21 crore, benefitting 45,000 children
- Empowering women to make the whole household 'better'; 400+ self-help groups created and employment provided to 430 women in BPOs, generating a revenue of ₹2.4 crore
- Ensuring food security and encouraging environmental stability through the 'Zero-till Agriculture' and 'Salboni hi-tech agriculture project', in partnership with Jain Irrigation, that has benefitted 3,500+ farmers in the last two years.
- JSW Foundation selected as training partner for the new Skill Enhancement Scheme of Government of Maharashtra, to improve employability of youth; 810 persons benefitted from these skill enhancement initiatives while over ₹1.15 crore was spent on village transformation
- Dedicated efforts have been directed towards restoration of art, culture and heritage, thereby bringing them back to their ancient glory





CASE STUDY

Adhering to the Principles of Ethics, Transparency and Accountability



JSW Steel believes in pursuing its business objectives ethically, transparently and with accountability to its stakeholders across the value chain. The Company is committed to promoting integrated responsible behaviour and value for social and environmental wellbeing. To this end, it has a policy on business conduct that is applicable to all its employees and value chain partners. JSW Steel is committed to not only continuing to allocate resources towards special corpus for Corporate Social Responsibility as per the categories of the Companies Act, 2013, but also to:

- Assess the programmes and their impact through external agencies for culling out learnings along with continually evolving its own monitoring processes
- Continue its stakeholder engagement in a mutually respectful manner and through social processes that help identify essential needs of the community for its overall growth of the same
- Spread the culture of volunteerism through the process of social engagement
- Align its actions to achieve not only the desired results at the grassroots level, but also to contribute towards the attainment of the UN Sustainable Development Goals

In line with the above, JSW Steel engages with leading industry bodies and organisations such as the World Steel Association, CII, FICCI, ASSOCHAM, Indian Steel Association, GRI, DJSI, CDP, UN Global Compact, Bangalore Chamber of Industry & Commerce, Karnataka Iron & Steel Manufacturing Association, Indian Institute of Metals, American Society of Metals, Association of Iron & Steel Technology (USA), Iron and Steel Institute of Japan, PMS (Metal Society of USA), Indian Chamber of Commerce and Bengal Chamber of Commerce & Industry. These engagements provide an opportunity for the Company to partner with the government for policy advocacy and work towards the collective welfare of the society, thereby enhancing value for all.

CASE STUDY

Customer Engagement at JSW Steel



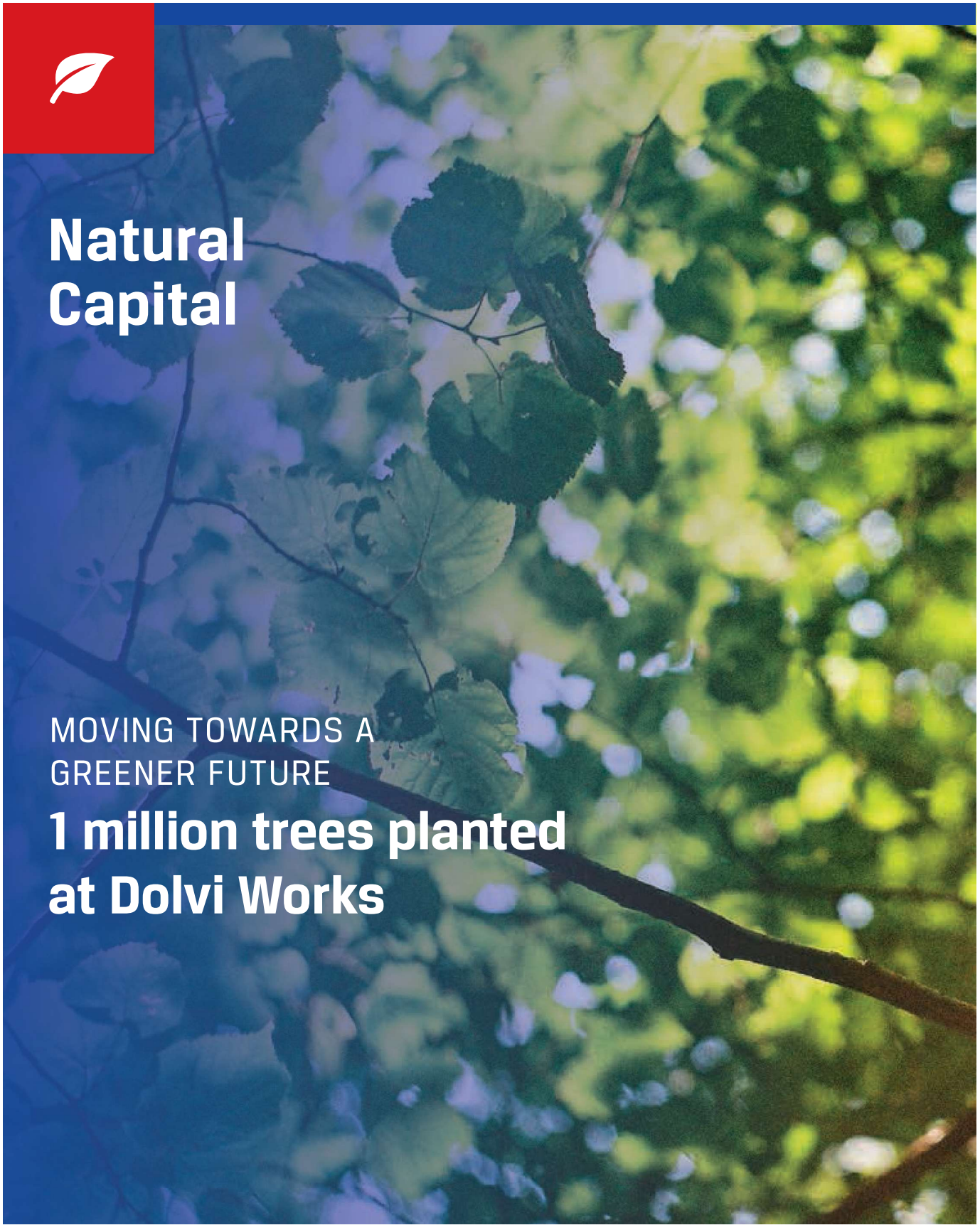
JSW Steel's focus is to add value to its customers and remain a supplier of choice in all markets, while improving the wellbeing of customers and the society. The Company is committed to operating processes and conducting marketing promotions in a transparent and responsible manner by sharing product information.

JSW Steel strives to ensure an efficient customer feedback mechanism and conducts regular customer satisfaction surveys to understand their expectations and concerns.

IN FY18, THE COMPANY RECEIVED 1,145 COMPLAINTS FROM CUSTOMERS, OF WHICH 99% WERE RESOLVED

To enable this, the Company has portals for customers and suppliers. While this facilitates procurement and delivery, it also provides opportunity to gauge evolving customer requirements and supplier capabilities. With some customers and suppliers, the Company even collaborates and co-creates. This type of innovation has helped in mutual profitability, while also reducing emissions and use of energy and other resources. Additionally, a grievance redressal mechanism is available to all stakeholders. Besides resolving the grievances seamlessly, this also provides an opportunity to engage more closely with the entire value chain. JSW Steel conducts customer satisfaction surveys through a third party. The survey captures customer expectations on the following attributes:

Product Quality	Order Servicing	Customer Relationship	Company Personnel	Customer Loyalty



Natural Capital

MOVING TOWARDS A GREENER FUTURE

1 million trees planted at Dolvi Works



Minimising Environmental Footprint to be Better Everyday

Interlinked Strategies (Pg 26-27) S3, S4, S6

Natural resources such as iron ore, coal and other minerals are critical to the operations of JSW Steel. The Company realises that natural resources are indispensable, and continued and serious efforts are required to ensure they are not depleted. The objective of minimising the environmental footprint is essential for all business operations. The Company has adopted processes and developed products which are not only unique, but also environment friendly. To tackle concerns such as climate change and diminishing natural resources, the Company has a policy on Conservation and Preservation of the Environment which extends to the entire value chain. Through significant investment in natural capital, all plants of JSW Steel exceed compliance requirements.

JSW Steel has spearheaded several initiatives for the conservation of flora and fauna. The Company was among the pioneers to sign up and commit to the Indian Business and Biodiversity Initiative set up by the Confederation of Indian Industry (CII) in partnership with India's Ministry of Environment, Forests & Climate Change.

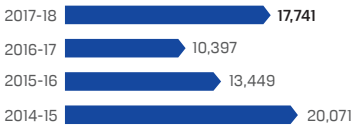
Metrics for JSW Steel

#	ITEM	UNIT	QUANTITY
1.	Recycled Input Materials	Million Tonnes	3.3
2.	GHG Emission Intensity	tCO_2/ Tonnes	2.59
3.	Emissions from Ozone Depleting Substances (ODS)	KG	2,150.3
4.	Water Discharge by Quality and Destination	kL	Zero discharge

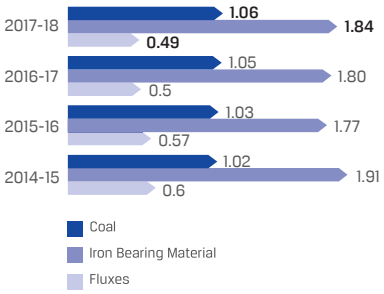
Specific Water Consumption
(m^3/T of crude steel), JSW SL



Total Water Recycled & Reused
('000 Kl), JSW SL



Specific Material Consumption
(T/T of crude steel), JSW SL



Specific material consumption reported for iron bearing materials in previous years was for iron ore fines + lumps: 1.97, 1.64, 1.56 and 1.59 for 2014-15, 2015-16, 2016-17 and 2017-18

Key Outputs and Outcomes

3.05 million

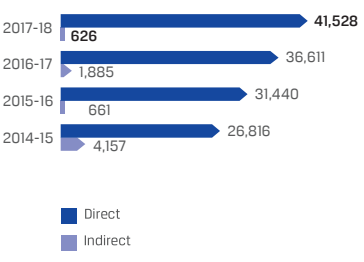
GJ of energy consumption reduced

- While 4.49 million GJ of energy was consumed, there was also 3.05 million GJ of energy reduction due to efficiency measures and conservation efforts
- While 67.32 million m^3 of water was taken in, 17.74 million m^3 water was recycled or reused, and nearly 0.2 million m^3 of water was conserved
- While 17.24 million tonnes of coal and 25.89 million tonnes of iron ore was used as inputs, 3.30 million tonnes of material was recycled
- 75 – kg paper recycling plant at Vijayanagar
- 42.15 million tonnes of GHG emissions, with specific GHG emissions of 2.59
- The Company has worked closely with the Forest Department, Government of Karnataka to protect and enhance awareness on the endangered sloth bears at Daroji Bear Sanctuary
- Working to ensure water security in tandem with various government schemes such as Jal Yukta Shivar Abhiyan (Maharashtra) and NABARD watershed development programme (Tamil Nadu)
- Supported JSW Foundation in the JSW-Times of India Earth Care Awards since 2007 to create mass awareness and also to recognise excellence in addressing climate change
- Reduced waste being generated and sent to landfills through initiatives such as Waste to Wealth for the recycling of paper. Further, reduction in biodegradable waste being disposed at all sites and townships has been undertaken through the installation of composting equipment
- The Company sold 113% of the total slag generated for use as input material in cement companies

DISCLOSURE	JSW SCPL	JSW SPCL	JSW ARCL	JSW INDUSTRIAL GASES	JSW SALAV
Total Water Consumed ('000 m^3)	1,169	4.287	2,446	1,047	2,644
Specific Water Consumption (m^3/t of finished product)	1.450	0.01	0.47	684.58 M3/MnNM3 of finished product	3.96
Specific Emissions of NOx	0.038 Kg/t of finished product	-	0.012 Kg/t of finished product	0.399 kg/MnNM3 of finished product	0.049 Kg/t of finished product
Specific Emissions of SOx	0.089 Kg/t of finished product	-	0.016 Kg/t of finished product	0.304 kg/MnNM3 of finished product	0.016 Kg/t of finished product
Specific Emissions of SPM	0.058 Kg/t of finished product	-	0.059 Kg/t of crude steel	0.011 kg/MnNM3 of finished product	0.069 Kg/t of finished product
Hazardous Waste Generated	59 '000 t (+ 21,766 drums)	12.01 t	1,790 t + 10 m^3	3,295 t	28.91 L
Non-hazardous Waste Generated	163 '000 t	73.17 t	10,720 t	-	495 t

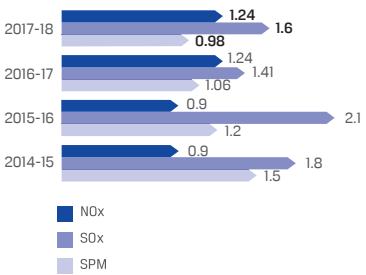
GHG Emissions

('000 TCO_2e), JSW SL



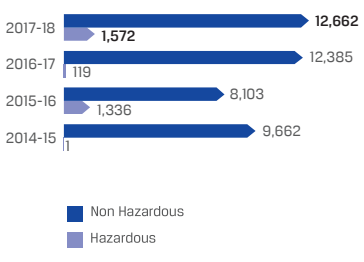
Other Emissions

(Kg/T of crude steel), JSW SL



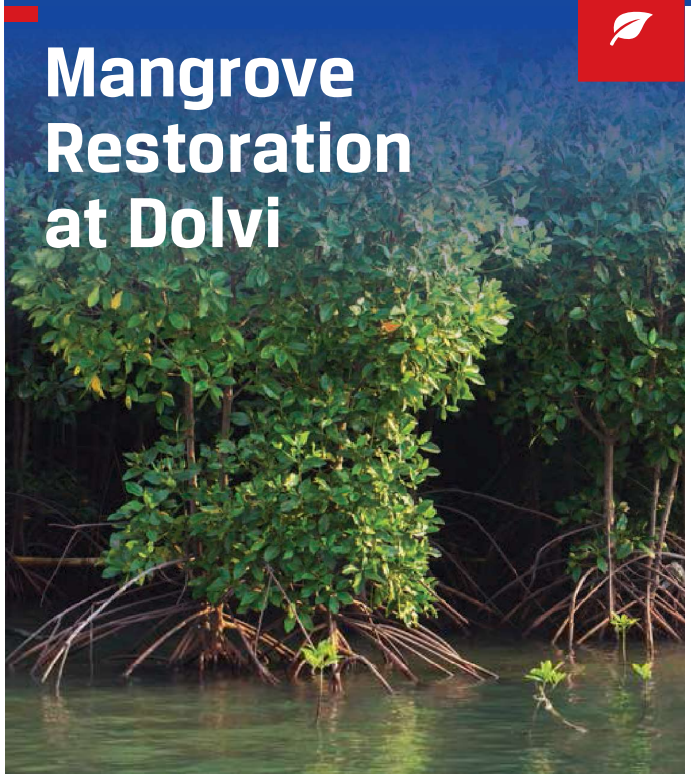
Total Waste Generated

('000 Tonnes), JSW SL



CASE STUDY

Mangrove Restoration at Dolvi



JSW Steel proactively gets involved multiple initiatives to enhance natural capital as it benefits the society. In line with this thought and with the knowledge that mangroves help reduce the impact of climate-related coastal hazards, the Company undertook an extensive mangrove restoration initiative at Dolvi. The phase-wise project, initiated in 2016, will be carried out over three years.

Following are the key highlights of the project, implemented in association with Gram Panchayats and self-help groups:

5
Villages Covered

5,000 ha
Land Impacted

34
Mangroves Working Self-Help Groups (SHGs) (345 Members)

1,05,435
Total Nursery Plants Developed and Planted

7,817
Fishermen and Farmers Benefitted

7
Trainings Conducted for Mangroves Nursery

26
Meetings Conducted with Villagers

Development of Low-cost, Accelerated Weathering Technology for Steel Slag



Steel slag disposal is one of the major areas of concern for the steel industry, mainly because of its toxicity and slow weathering characteristic.

Progress so far:

June 2016
Laboratory trials completed

Feb 2017
Field trial starts with pilot projects

Nov 2016
Laboratory testing of aggregates completed

Mar 2017
Development of self-weathering method indigenously

Mar 2018
Discussion on with technology provider

CASE STUDY

A Leader in Environment Protection



As a responsible producer of high-quality steel, the Company has undertaken a number of initiatives to improve the environment and help build a greener world. Select initiatives are listed below:

Installation of 71 dust analysers on stacks, 8 gas monitors on stacks, 6 AAQMS, 22 CCTVs and 6 effluent monitors across the steel complex

Installation of CO_2 injection system at SMS-2: A unique project having the potential of saving 1,000 m^3 of water daily, with a resultant reduction in the downtime of scrubbers from 72 hrs in a year to 36 hrs

2,023 tonnes of granulated blast furnace slag, 33,302 tonnes of slag sand, 178,575 tonnes of dry pit slag and 60,617 tonnes of steel slag is sold for road-making (NHAI project; Ballari-Hospet) under the the 'green highway' initiative

Introduction of low-cost alternate coals and semi-soft coal in coal blend

GHG emissions at Dolvi Works is the lowest amongst steel plants in India

Installation of water sprinkler/wind net, dry fog and wet fog system in the raw material handling areas at Salem to reduce the fugitive emissions

Board of Directors



From left to right:
Dr. Vinod Nowal, Mr. Seshagiri Rao M.V.S., Mr. Malay Mukherjee, Mr. Kannan Vijayaragavan, Dr. Vijay Kelkar, Mr. Sajjan Jindal, Dr. (Mrs.) Punita Kumar Sinha, Mr. Seturaman Mahalingam, Mr. Hiroyuki Ogawa, Mr. Jayant Acharya



MRS. SAVITRI DEVI JINDAL

Chairperson Emeritus

Mrs. Jindal was on the Board of the Company from May 2005 to October 2011. She is a visionary, renowned industrialist and the matriarch of O.P. Jindal Group. She was appointed Chairperson Emeritus of the Company w.e.f. October 21, 2011, upon the cessation of her role as its Director and Chairperson.

MR. SAJJAN JINDAL ●

Chairman & Managing Director,
Non-Independent Executive Director

Mr. Jindal holds a bachelor's degree in mechanical engineering from Bangalore University. He is also the principal promoter of the Company. His dedication to the cause of a self-reliant India is reflected in the technological innovations that define and set apart each JSW company. Under his leadership, JSW Group has expanded into other core sectors of the economy, such as steel, power, infrastructure-building and cement. Today, the Group runs some of the most energy-efficient and eco-friendly manufacturing facilities in the country. Mr. Jindal serves as council member of Indian Institute of Metals and is a member of the Executive Committee as well as the Chairman of the Sustainability Committee of World Steel Association, and the former President of Institute of Steel Development and Growth. In 2007, he was named Ernst and Young 'Entrepreneur of the Year' in the manufacturing category. In 2009, he was honoured with Willy Korf Ken Iverson Steel Vision Award by American Metal Market & World Steel Dynamics.

Commitees

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder Relationship Committee
- Risk Management Committee

Not in group photo



Mr. Haigreve Khaitan



Mr. N. Jayaram

MR. SESHAGIRI RAO M.V.S. ●

Joint Managing Director & Group CFO,
Non-Independent Executive Director

Mr. Rao is the Joint Managing Director & Group CFO of JSW Steel, responsible for overall operations of JSW Steel, including strategy formulations related to business development, expansion of existing businesses, joint ventures, mergers and acquisitions, and cost management. He possesses a rich experience spanning over three decades in the steel sector and in the areas of corporate finance and banking. He joined JSW Group in 1997 as Chief Financial Officer and has played an active role in growth strategies of JSW Group since then. He has been involved in all the strategic decision-making within the Group and has grown with JSW Steel, progressively shouldering higher responsibilities. Prior to joining JSW Steel, he has worked with reputed organisations in various capacities. Mr. Rao is a member of Institute of Cost and Works Accountants of India and a licentiate member of Institute of Company Secretaries of India. He is also a certified associate of Indian Institute of Bankers and a diploma holder in business finance awarded by Institute of Chartered Financial Analysts of India.

MR. JAYANT ACHARYA ●

Director (Commercial & Marketing),
Non-Independent Executive Director

Mr. Acharya was appointed Director (Sales & Marketing) in May 2009 and was redesignated as Director (Commercial & Marketing) in April 2010. He is also the Co-Chair of the Committee on Steel & Non-Ferrous Metals for Federation of Indian Chamber of Commerce and Industry. Mr. Acharya holds a bachelor's degree in chemical engineering and a master's degree in physics from Birla Institute of Technology & Science, Pilani. He also holds a master's in business administration from Indore University. He has over two decades of experience in the steel industry spanning the entire range of flat and long steel products.

DR. VINOD NOWAL ●

Deputy Managing Director,
Non-Independent Executive Director

Dr. Nowal was appointed Director (Commercial) in April 2007 and redesignated as Director & Chief Executive Officer in April 2009. He was subsequently redesignated as Deputy Managing Director of JSW Steel in May 2013. He has been associated with the Group since 1984. He is currently the President of Karnataka Iron and Steel Manufacturers' Association. He has also served as the President of Bangalore Chamber of Industry and Commerce and Tarapur Industrial Manufacturers Association, along with being the Chairman of Manufacturing Task Force Southern Region at ASSOCHAM, member of Manufacturing Task Force constituted by Government of Karnataka, member of a committee under Chief Minister of Karnataka for Employment in the manufacturing sector, member of Governing Body of M.S. Ramaiah Institute of Technology, Bangalore, advisory member on Board of T. John College, Bangalore, and member of Advisory Committee of Center of Excellence in Steel Technology (COEST) at IIT-Bombay. Dr. Nowal holds a master's degree in business administration and a doctorate in inventory management. He has also acquired Advanced Management Program (AMP), a comprehensive executive leadership programme from the prestigious Harvard Business School, Boston, USA.

MR. HIROYUKI OGAWA

Nominee Director, JFE Steel Corporation, Japan

Mr. Ogawa holds a master's degree in engineering from the Department of Mechanical Engineering, Graduate School of Engineering, The University of Tokyo. Mr. Ogama is Senior Vice President, Corporate Planning Department, Vietnam FHS Project Team, Mexico CGL Project Team, Technical Cooperation Dept. Prior to that he was Vice President, General Superintendent, West Japan Works, Fukuyama and Assistant General Superintendent, West Japan Works-Kurashiki. He joined Kawasaki Steel Corporation in 1985.

MR. MALAY MUKHERJEE

Independent Non-Executive Director

Mr. Mukherjee has over 40 years of experience in a range of technical, commercial and managerial roles in the mining and steel industry. Between October 2009 to 2011, Mr. Mukherjee served as the CEO of Essar Steel Global, a large integrated steel company in India. Before joining Essar Steel, Mr. Mukherjee was a member of the Board of Directors at Arcelor Mittal between 2008 and 2009. Between 2006 and 2008, Mr. Mukherjee served as the Senior Executive Vice President at Arcelor Mittal and a member of the Group Management Board. He was in charge of mines and operations in Africa, Asia, southern Europe (Bosnia, Macedonia), CIS, Ukraine and Kazakhstan and also responsible for stainless steel, pipes and tubes and technology. He also served as the COO of Mittal Steel Company between 2004 and 2006. He served as Executive Director of Works at Bhilai steel plant of Steel Authority of India Limited between 1991 and 1992. Mr. Mukherjee is a recipient of MECON Award from Indian Institute of Metals. Mr. Mukherjee holds a master's degree in mining from the USSR State Commission in Moscow and a BSc degree from Indian Institute of Technology in Kharagpur. Mr. Mukherjee is a member of Academy of Natural Sciences Kazakhstan and life member of Indian Institute of Metals. He was awarded a letter of appreciation from the President of Kazakhstan for work rendered in Kazakhstan from 1995 to 1999.

MR. N. JAYARAM, IAS

Nominee Director, KSIIDC

A postgraduate from Bangalore University, Mr. Jayaram joined the Indian Administrative Service (IAS) in 2004. He has rich experience of working with the state government and various corporate bodies. He is presently the Managing Director of Karnataka State Industrial & Infrastructure Development Corporation Limited (KSIIDC) and is responsible for spearheading the implementation of infrastructure projects, including those on public-private partnership basis. He is also the Chief Executive Officer and executive member of Karnataka Industrial Areas Development Board (KIADB), which is developing and maintaining industrial areas, estates and industrial nodes along with corridors throughout the state.

DR. (MRS.) PUNITA KUMAR SINHA

Independent Non-Executive Director

Dr. (Mrs.) Sinha was appointed to the Board of Directors in October 2012. She is the founder and Managing Partner, Pacific Paradigm Advisors, an independent investment advisory and management firm. Prior to founding Pacific Paradigm Advisors in 2012, she was Senior Managing Director of Blackstone Group, leading Blackstone Asia Advisors as the business unit head and Chief Investment Officer. Dr. (Mrs.) Sinha was also the Senior Portfolio Manager for The India Fund (NYSE: IFN), the largest Indian fund in the US for almost 15 years and The Asia Tigers Fund (NYSE: GRR), and The Asia Opportunities Fund L.P. Dr. (Mrs.) Sinha has more than 20 years of experience in fund management in international and emerging markets. She has a PhD and a master's in finance from Wharton School, University of Pennsylvania. She received her undergraduate degree in chemical engineering with distinction from Indian Institute of Technology, New Delhi. She also has an MBA and is a CFA Charter holder. Dr. (Mrs.) Sinha is a member of Boston Security Analysts Society and the Council on Foreign Relations. She is a Charter Member and Board Member of TIE-Boston.

MR. HAIGREVE KHAITAN

Independent Non-Executive Director

Mr. Khaitan, LLB, is a partner at Khaitan & Co. since 1995 and heads the firm's M&A and private equity practice. Mr. Khaitan began his career in litigation and moved on to specialise in corporate law. He has rich experience in all aspects of mergers and acquisitions – due diligence, structuring, documentation involving listed companies, cross-border transactions, medium and small businesses, etc., in restructuring, such as advice and documentation involving creditors restructuring, sick companies, demerger spinoffs and sale of assets and foreign investment, joint ventures and foreign collaborations. He advises a range of large Indian conglomerates and multinational clients in various business sectors, including infrastructure, power, telecom, automobiles, steel, software and information technology, retail, etc.

MR. KANNAN VIJAYARAGAVAN

Independent Non-Executive Director

Mr. Vijayaraghavan is a fellow member of Institute of Chartered Accountants of India, a certified management consultant and fellow of Institute of Management Consultants. He is the chairman and founder of Sathguru Management Consultants Pvt. Ltd., Hyderabad, a large consultancy and policy advisory firm founded in 1985. He is also a partner at DFK International, a worldwide firm of accountants and business advisors, a visiting fellow and faculty, Executive Education, Cornell University, Ithaca, NY, and a regional coordinator for Cornell University Research Programs in South Asia and South East Asian region. Over the last 26 years, he has handled over 300 assignments in the areas of strategic planning, mergers and acquisitions and organisational growth in emerging market related environment. He also has wide exposure to overseas environment with consulting exposure to large multinational and emerging national companies. Global companies consulted include 20 Fortune 500 companies, about 100 mid-cap enterprises and NASDAQ listed companies. He is a member of the International Advisory Committee of AUTM and honorary President of the Society for Technology Management (STEM), Indian Association of Technology Management Professionals.

DR. VIJAY KELKAR

Independent Non-Executive Director

Dr. Kelkar was appointed on the Board of Directors in January 2010. He has held several key posts in the Government of India, including as advisor to the Minister of Finance, as Finance Secretary, Secretary of Ministry of Petroleum & Natural Gas, Chairman of 13th Finance Commission and Chairman of India Development Foundation in the rank of a Union cabinet minister. He has also previously served on several Government Task Forces, including as Chairman of the Tariff Commission, Chairman of the Implementation of the Fiscal Responsibility and Budget Management Act. He has served as the Chairman of NSE, and as Chairman (Elect.), Forum of Federations, Ottawa, Canada. He has also represented the Government of India on global forums as Executive Director for India, Sri Lanka, Bangladesh and Bhutan at International Monetary Fund, Washington D.C., USA, and has previously served as Director at the United Nations Conference on Trade and Development. Dr. Kelkar holds a BSc degree from University of Pune and MSc degree from the University of Minnesota (USA). He also holds a doctorate of philosophy in development economics from the University of California at Berkeley, USA. He is the recipient of the prestigious Padma Vibhushan award in 2011 for his exemplary service to India.

Commitees

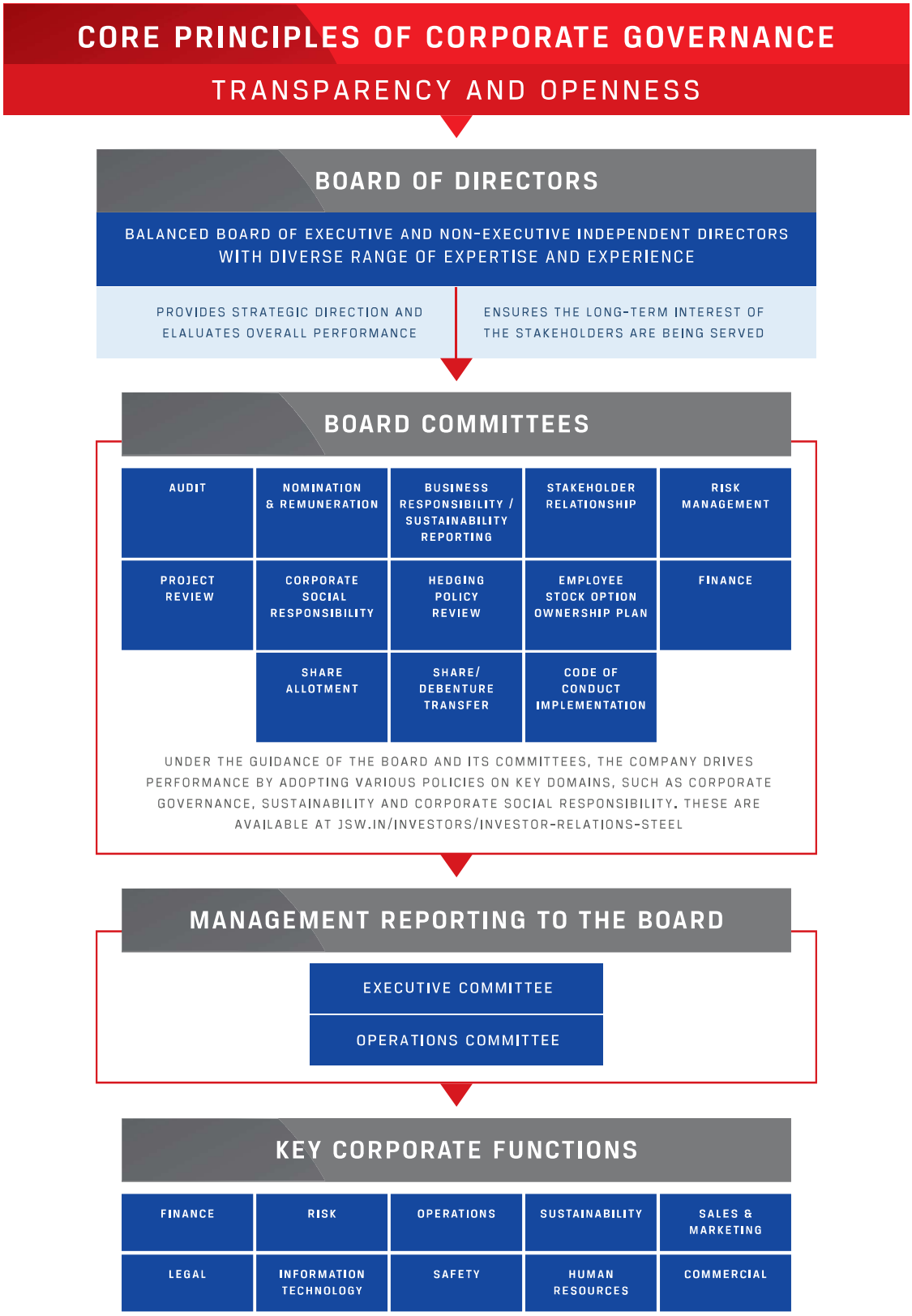
- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder Relationship Committee
- Risk Management Committee

MR. SETURAMAN MAHALINGAM

Independent Non-Executive Director

Mr. Mahalingam, a chartered accountant by qualification, began his career as an IT consultant and thereafter played a major role in marketing Tata Consultancy Services (TCS) across the globe, developing processes and creating large software development centres for the company. He has held key positions such as Executive Director and Chief Financial Officer of TCS. Mr. Mahalingam retired from TCS in February 2013 after serving the company for over 42 years. Prior to becoming the Chief Financial Officer in February 2003, Mr. Mahalingam has managed many of the key functions in TCS, including marketing, operations, education and training, as well as human resources. He managed the Company's operations in London and New York in the early days of TCS' global journey. Mr. Mahalingam has also been the President of Computer Society of India and the Chairman of southern region of Confederation of Indian Industry (CII). He was also the President of Institute of Management Consultants of India. Mr. Mahalingam is the Chairman of CII National Council Task Force on Sector Skills Councils & Employment and was a member of the Tax Administration Reform Commission (TARC) set up by the Government of India under the chairmanship of Dr. Parthasarathi Shome. Mr. Mahalingam was chosen as the 'Best CFO' in various years by Business Today, International Market Assessment (IMA), CNBC TV18, CFO Innovation, Finance Asia and Institutional Investors. In 2012, Treasury & Risk, a US-based magazine, named him as one of the 16 most influential CFOs globally.

Corporate Governance Framework









CSR at JSW Steel

Community and Social Development

JSW Steel's commitment to nation-building is also reflected in its CSR policy which is led by the philosophy of working closely with communities living contiguous to the Company's operations and beyond. All the activities in the seven priority areas are carried out by the JSW Foundation on behalf of JSW Steel, and have benefitted over 650,000 persons. The financial year registered the best-ever performance for the Company, and the expenditure for CSR was ₹61 crore.



Health and Nutrition

- Real-time growth tracking of children aged below six years
- Administration of spirulina
- Institutional child-births
- Mobile phone based updates for pre-and post-natal care
- Focus sites: Vijayanagar, Vasind and Tarapur
- Cases of malnutrition down by 35% in Vijayanagar and by 22% in Tarapur
- Rural health camps, such as eye care
- Upgradation of primary health care infrastructure across sites.
- Salem: eye care for students in government schools
- Vasind: cataract in tribal population (Shahapur taluka, Thane district).
- Vasind: Free physiotherapy for senior citizens by experts from the Neurology Foundation of Bombay Hospital
- Vijayanagar, Dolvi and Salem: Continued awareness campaigns, check-up, counselling and referral on HIV-AIDS for truck drivers.
- **Over 2,00,000 beneficiaries**



Education and Learning

- Continued emphasis on upgrading infrastructure of government-run "anganwadis" (day-care centres) and schools across sites
- Computer-aided learning, digital classrooms and remedial classes for rural students
- Bellary and Palghar: Continued funding mid-day meals in rural schools
- Bellary: Shifting of Tamanna School for children with special needs to a new building with a capacity to house over 100 children
- Vasind and Salav: Mini science labs in government schools
- **Over 230,000 beneficiaries**



Agriculture

- Vijayanagar: 923 hectares of farmland under soil improvement and moisture-retention projects led to doubling of profit for 1,063 farmers and empowered over 500 women
- Palghar: over 3,500 farmers benefitted through the watershed initiatives to irrigate farms and scientific inputs from ICRISAT
- Palghar: training in bee-keeping to over 40 farmers
- Palghar: Facilitated signing of farm-to-market agreements for over 100 farmers



Water and Environment

- Retain rainwater by constructing water-holding structures, restoring moisture in the soil and increasing the ground water level
- Vijayanagar and Salem: water conservation efforts have led to increase of ground water level, resulting in water availability in peak summer
- Palghar: efforts to strengthen watershed in order to arrest migration of farmers
- **Expect to increase over 10 million m3 of additional water storage capacity**



Rural BPO

- Women-only rural BPO; renamed JSW Shakti
- New fourth Centre inaugurated at Dolvi in January 2018
- Current employment in four BPOs: 430
- Combined revenue ₹2.4 crore; surplus of ₹38 lakh.
- Three BPOs certified to ISO 27001
- MoUs signed with District Administration of West Medinipur (West Bengal) and Ogawa Society, Nagpur (Maharashtra) to set up 2 additional women-only BPOs
- **Aisha Begum, a BPO operator at Vijayanagar took a flight for the first time in her life to receive an award from Bureaucracy Today at Delhi in "Women Empowerment" category**

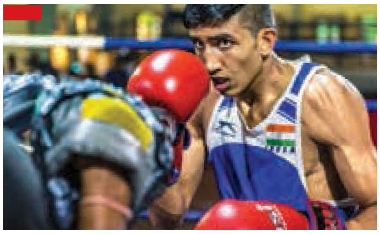
Summary of Site-wise Beneficiaries

Vijayanagar: 2,00,000+
Tarapur: 1,00,000+
Salav: 5,000+
Kalmeshwar: 40,000+
Vasind: 75,000+
Salem: 15,000+
Dolvi: 2,00,000+



Skill Enhancement

- OP Jindal Centres (OPJCs) and JSW Skill Schools committed to provide state-of-the-art government-affiliated certificate vocational courses to students.
- Vijayanagar: OPJC enrolled 216 students for courses such as metallurgical engineering and safety
- Vijayanagar: 75 persons certified electricians and apparel makers under the Pradhan Mantri Kaushal Vikas Yojana
- Vasind: 543 students enrolled in JSW Skills School for certificate courses that would help in gaining employment in topics such as basic automotive servicing, domestic electrician, and arc and gas welding. These are under the state government's Pramod Mahajan Kaushalya Vikas Yojna
- Vasind: Beautician training course for girls at the OPJC
- **Vijayanagar: 49 trained women started their own enterprises in embroidery, candle-making, jewellery and fashion designing, goat farming, etc.**
- **35 new SHGs created for over 450 women; ₹2.93 crore credit linkages**



Sports

- Palghar: over 1,500 youths received training in football and encouraged to participate in various state-level and district-level tournaments
- Salav: 182 girls trained in karate in association with the district karate association

Assurance Statement

Independent Limited Assurance Statement on sustainability related performance indicator disclosures in the Integrated Report of JSW Steel Limited for the Financial Year Ended March 31, 2018

To The Board of Directors of JSW Steel Limited

We have been engaged by the Management of JSW Steel Limited, to provide an independent Limited Assurance Statement on sustainability related performance indicators ('SPIs') described below and presented as per the "GRI Sustainability Reporting Standards ('In accordance' - Core)" issued by the Global Reporting Initiative ('the GRI Standards') in the Integrated Report of JSW Steel Limited ('JSW Steel/The Company') for the year ended March 31, 2018 ('the Report') covering - JSW Steel, JSW Steel Coated Products Limited ('JSW SCPL'), JSW Steel Processing Centre Limited ('JSW SPCL') , Amba River Coke Limited ('ARCL'), JSW Steel (Salav) Limited ('JSW Salav'), and JSW Industrial Gases Private Limited ('JSW Industrial Gases').

Subject Matter

We are required to provide limited assurance on the following SPIs reported in numerical figures, specific to the period from April 1, 2017 to March 31, 2018 in the Report in accordance with the GRI Standards for the year ended March 31, 2018.

The scope of work includes the following:

Natural Capital:

UNIT OF MEASURE/INDICATORS	GRI STANDARD TOPIC DISCLOSURE	SCOPE OF COVERAGE
Coal	301: Materials	JSW Steel
Iron Ore		
Fluxes		
Recycled Input Materials		
Energy Consumption within Organization: Direct	302: Energy	JSW Steel, JSW SCPL, JSW SPCL, JSW ARCL, JSW Industrial Gases, JSW Salav
Energy Consumption within Organization: Indirect		
Total Energy		
Energy Intensity		
Reduction in Energy Consumption		JSW Steel
Water withdrawal by source	303: Water	JSW Steel, JSW SCPL, JSW SPCL, JSW ARCL, JSW Industrial Gases, JSW Salav
Water recycled & reused		JSW Steel
Direct Scope 1 GHG emissions	305: Emissions	JSW Steel
Indirect Scope 2 GHG emissions		JSW Steel
GHG emission intensity		JSW Steel
Ozone depleting substances (ODS)		JSW Steel
Non GHG emissions (SOx, NOx and TPM/SPM)		JSW Steel, JSW SCPL, JSW SPCL, JSW ARCL, JSW Industrial Gases, JSW Salav
Water Discharge	306: Waste and Effluents	306: Waste and Effluents
Waste by type disposal: Hazardous		JSW Steel, JSW SCPL, JSW SPCL, JSW ARCL, JSW Industrial Gases, JSW Salav
Waste by type disposal: Non-Hazardous		

Human Capital:

UNIT OF MEASURE/INDICATORS	GRI STANDARD TOPIC DISCLOSURE	SCOPE OF COVERAGE
Permanent Employees	405: DIVERSITY & EQUAL OPPORTUNITY	JSW Steel, JSW SCPL, JSW SPCL, JSW ARCL, JSW Industrial Gases, JSW Salav
Management		
Non-Management		
Women		
New Employees hires	401: EMPLOYMENT	
Employees Resigned		
Employees (segmented by age)		
Employees Separated (segmented by age)		
Average hours of Training per employee	404: TRAINING AND EDUCATION	
Reported Injuries	403: OCCUPATIONAL HEALTH AND SAFETY	
Fatalities		
LTI		
LTIFR		
Lost Day Rate		

Project Boundary

Sustainability Reporting boundary covers the following operations:

- JSW Steel Limited - Operations specific to Vijayanagar, Dolvi, and Salem
- JSW Steel Coated Products Limited - Operations specific to Kalmeshwar, Tarapur and Vasind
- JSW Steel Processing Centres Limited
- Amba River Coke Limited
- JSW Steel (Salav) Limited and
- JSW Industrial Gases Private Limited

Responsibility of the Management

The Company's management is responsible for content of the report, identification of key issues, engagement with stakeholders, the identification and presentation of information including the responsibility for establishing and maintaining relevant and appropriate performance management systems and internal control framework to facilitate collection, calculation, aggregation and validation of the data with respect to the GRI Standards based SPIs, included in the Report and reported to us for obtaining assurance.

Our Independence, Ethical Requirements and Quality Control

We have complied with independence policies of Deloitte Haskins and Sells LLP, which address the requirements of the International Federation of Accountants ('the IFAC') Code of Ethics for Professional Accountants in the role as independent auditors. We have complied with the relevant applicable requirements of the International Standard on Quality Control (ISQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We also confirm that we have maintained our independence in the Report and there were no events or prohibited services related to the Assurance Engagement which could impair our independence.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the SPIs, set out in the scope of work paragraph, as disclosed in the Report based on the procedures we have performed and the evidene we have obtained. We conducted our limited assurance in accordance with International Standard on Assurance Engagement ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information ('ISAE 3000') issued by the IFAC. This standard requires us to comply with ethical requirements and to plan and perform our limited assurance engagement to obtain sufficient appropriate evidence about whether the KPIs are free from material misstatement.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal controls, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of process followed, inspection of documents, analytical procedures, evaluating appropriateness of quantification methods, agreeing or reconciling with underlying data.

In performing the procedures listed above we:

- Interviewed key personnel including senior executives at respective plant locations and at the corporate office to understand the governance, systems and controls in place during the reporting period; and

- Carried out site visits at the respective operational locations as specified in the project boundary in order to:
  - Test data, perform analytical procedures, review of records and review of relevant documentations submitted by the Company, to arrive at the data presented in their Report; and
  - Analyse and review key structures, systems, processes, procedures relating to collation, aggregation, validation and reporting of the selected SPIs on sample basis.

We have relied on the information, documents, records and explanations provided by the Company for the purpose of our review.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion about whether the SPIs have been presented, in all material respects, in accordance with GRI Standards.

Further, a limited assurance engagement does not constitute an audit or review of any of the underlying information in accordance with International Standards on Auditing or International Standards on Review Engagements and accordingly, we do not express an audit opinion or review conclusion.

Our Observations

We believe our work provides an appropriate basis for our observations, which are mentioned below:

- The companies can improve on bringing uniformity in reporting of SPIs across locations;
- Good practices adopted in certain plants can be replicated across all the other plants;
- Companies may undertake actions to understand the biodiversity near the operational sites;
- Make provision to include human rights discrimination and environmental issues as areas of concern under grievances handling mechanism across all locations;
- Provision of more focused training on human rights policies to employees, associates and security staff; and
- Make provision to undertake supplier assessments for reporting indicators on supplier environmental assessment.

Areas of further improvement wherever identified have been brought before the attention of the management of the Company. Site-specific observations and recommendations have been provided in the management letter, which shall be submitted to the Company separately.

Our Conclusions

The procedures we have performed and the documents and records that were made available to us and according to the information and explanations provided to us by the Company in connection to the review of the SPIs disclosed in the Report provides an appropriate basis for our conclusion as per ISAE 3000 (Revised).

Based on the procedures performed and the evidence we have obtained obtained, nothing has come to our attention that causes us to believe that the SPIs set out in the subject matter paragraph for the year ended March 31, 2018, are not prepared, in all material respects, in accordance with the GRI Standards.

Other Matters

The assurance scope excludes:

- The Company's financial performance;
- The Company's statements that describe or report data pertaining to market share assessment; opinion; beliefs; future performance plans/strategies;
- Any comparison in any form of performance related to any of the SPIs of the financial year 2017-18 with the SPIs of other Financial Years; and
- Design standards or features or technical assessment of the capacity, efficiency and efficacy of the technologies or utilities of the Company.

Restriction on Use and Distribution

Our work has been undertaken to enable us to express a limited assurance conclusion on the SPI disclosures in the Report to the Directors of the Company in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than the Company, for our work, for this report, or for the conclusion we have reached.

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

Pratiq Shah
Partner
(Membership No. 111850)

Place: Mumbai
Date: July 4, 2018

Business Responsibility Report (2017-18)

Section A: General Information about the Company

	DISCLOSURE ITEM	RESPONSE
1	Corporate Identity Number (CIN) of the Company	L27102MH1994PLC152925
2	Name of the Company	JSW Steel Limited
3	Registered address	JSW Centre Bandra Kurla Complex Bandra East, Mumbai - 400 051. Maharashtra India. Tel: +91 22 4286 1000 Fax: +91 22 4286 3000
4	Website	www.jsw.in
6	Financial Year reported	2017-18
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture of Iron and Steel

Industrial Group	Description
071	Mining of iron ores
241	Manufacture of basic iron and steel
243	Casting of metals
259	Manufacture of other fabricated metal products; metalworking service activities

8	List three key products/services that the Company manufactures/provides (as in balance sheet)	1. Hot rolled coils 2. Cold rolled coils 3. Galvanised steel
9	Total number of locations where business activity is undertaken by the Company	
	i. Number of International Locations (Provide details of major 5)	Through subsidiaries: a. USA (Texas, near Houston): Plate and pipe mill b. USA (West Virginia): Coking coal mines c. Chile (North Caldera): Iron ore mines under care & maintenance d. Mozambique: Mining operations under care & maintenance e. Georgia (Rustavi): Steel plant (Joint Venture)
	ii. Number of National Locations	In India, JSW Steel Ltd. has three main operational integrated iron and steel manufacturing locations, at Vijayanagar (Karnataka), Dolvi (Maharashtra) and Salem (Tamil Nadu).
10	Markets served by the Company - Local/State/National/ International/	JSW Steel is India's leading integrated iron and steel producer, with a pan-India presence and exports to over 140 countries. Nearly 23% of the total sales are carried out through retail network of more than 8,300 outlets in across 575 districts. The focus geographic areas of the company are south and west, but it serves a variety of customers in various market segments.

Section B: Financial Details of the Company

	DISCLOSURE ITEM	RESPONSE
1	Paid up capital (₹)	241.72 crore
2	Total turnover (₹)	71,670 crore
3	Total profit after taxes (₹)	6,113 crore
4	Total spending on corporate social responsibility (CSR) as percentage of profit after tax (₹) (%)	61 crore (This is 3.8% of average PAT of previous 3 financial years)
5	List of activities in which expenditure in # 4 above has been incurred.	
	The Company's efforts have focused on five areas - Nutrition & Healthcare, Water & Sanitation, Education, Skill Development, Art Culture & Sports - and expenditure has been under the following heads:	
	a. Improving living conditions	
	b. Promoting social development	
	c. Addressing social inequalities	
	d. Addressing environmental issues	
	e. Preserving national heritage	
	f. Promotion of sports	
	g. Rural development projects	
	h. Clean India Mission (Swachh Bharat Abhiyaan)	
	i. Project Management Cost	

Section C: Other Details

	DISCLOSURE ITEM	RESPONSE
1	Does the Company have any Subsidiary Company/Companies?	Yes
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)	Yes. Some of the major subsidiaries of JSW Steel Ltd. are: a. JSW Steel Coated Products Ltd. b. JSW Steel Processing Centres Ltd. c. Amba River Coke Ltd. d. JSW Steel (Salav) Ltd. e. JSW Industrial Gases Pvt. Ltd.
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%).	JSW Steel's value chain partners (e.g., suppliers and contractors) are encouraged to contribute to its CSR initiatives. However, with the expansive nature of JSW Steel's value chain, currently less than 30% of the entities directly partner with JSW Steel in its BR initiatives.

Section D: BR Information

1. Details of Director/Directors Responsible for BR

#	NAME	DIN	TELEPHONE	EMAIL ID
1	**Mr. Malay Mukherjee** Chairman & Independent Director	02861065	(91) 11 4103 2905	malayumauk@googlemail.com
2	**Mrs. Punita Kumar Sinha** Independent Director	5229262	(91) 98333 63533	punitakumarsinha@gmail.com
3	**Mr. K. Vijayaraghavan** Independent Director	00544730	(91) 40 2335 0586	vijay@sathguru.com
4	**Mr. Seshagiri Rao M.V.S.** Executive Director	00029136	(91) 22 4286 1000	seshagiri.rao@jsw.in
5	**Dr. Vinod Nowal** Executive Director	00046144	(91) 22 4286 1000	vinod.nowal@jsw.in
6	**Mr. Jayant Acharya** Executive Director	00106543	(91) 22 4286 1000	jayant.acharya@jsw.in

NAME	DESIGNATION	TELEPHONE	EMAIL ID
Dr. S. Majumdar	Chief Sustainability Officer, JSW Group	(91) 22 4286 1000	suman.majumdar@jsw.in

2. Principle-wise (as per the National Voluntary Guidelines) BR policy/policies (Reply in Y/N)

#	DISCLOSURE ITEM	RESPONSE								
	QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for:	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy been formulated in consultation with relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Does the policy conform to any international/ national standards? If yes, specify? (50 words)	Yes ref. A, F, G	Yes ref. B, F	Yes ref. C, F	Yes ref. B, F	Yes ref.B, F	Yesref. A,D,F,G	Yes ref. E, F	Yes ref. A, F	Yes ref. A, F
	A: National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business B: ILO Convention on Human Rights C: Report on Affirmative Action by CII D: National Action Plan on Climate Change, National Environmental Policy E: UN Sustainable Development Goals F: Global Reporting Initiative G: Carbon Disclosure Project (CDP) H: Dow Jones Sustainability Index (DJSI)									
4	Has the policy been approved by the Board?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online?	http://www.jsw.in/investors/investor-relations-steel (under section "Sustainability Policies")								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the company have in-house structure to implement the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2a If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

	QUESTIONS	P1	P2	P3	P4	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

1	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	3-6 months
2	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	This Integrated Report for JSW Steel Ltd. acts as the Sustainability Report as well as the Business Responsibility Report for FY18 The hyperlink to view all the published reports: http://www.jsw.in/investors/investor-relations-steel

Mapping the Principles of the National Voluntary Guidelines

	Current Location	Disclosure	Page No.
Principle 1			
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?	Case study in Social & Relationship Capital	P1-1	64
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	Social and Relationship Capital	P1-2	62
Principle 2			
1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Key Intellectual Capital Outputs and Outcomes Natural Capital Introduction	P2-1	57, 68
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional).	Key Natural Capital Outputs and Outcomes	P2-2	68-69
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 50 words or so.	JSW value chain: Logistics	P2-3	8
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?	Social and Relationship Capital	P2-4	62
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.	JSW value chain: Recycling Natural Capital	P2-5	8, 68-69
Principle 3			
1. Please indicate the Total number of employees.	Human Capital	P3-1	49-51
2. Please indicate the total number of employees hired on temporary/contractual/casual basis.	Human Capital	P3-2	49-51
3. Please indicate the Number of permanent women employees.	Human Capital	P3-3	49-51
4. Please indicate the Number of permanent employees with disabilities.	Human Capital	P3-4	49-51
5. Do you have an employee association that is recognised by management?	Human Capital	P3-5	49-51
6. What percentage of your permanent employees is members of this recognized employee association?	Human Capital	P3-6	49-51
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.	Human Capital	P3-7	49
8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	Human Capital	P3-8	48-53
Principle 4			
1. Has the company mapped its internal and external stakeholders? Yes/No	Stakeholder Engagement and Materiality Social and Relationship Capital	P4-1	22-23, 62-63

Mapping the Principles of the National Voluntary Guidelines

	Current Location	Disclosure	Page No.
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders.	Social and Relationship Capital	P4-2	62-63
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 50 words or so.	Social and Relationship Capital	P4-3	62-63
Principle 5			
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?	Key Human Capital Outputs and Outcomes Case study in Human Capital	P5-1	49, 52
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Social and Relationship Capital Human Capital	P5-2	59, 62
Principle 6			
1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/others.	Natural Capital	P6-1	68
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.	Natural Capital	P6-2	68-71
3. Does the company identify and assess potential environmental risks? Y/N	Natural Capital	P6-3	68-71
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 does not have any project related to Clean Development Mechanism	P6-4	NA
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.	Natural Capital	P6-5	68-71
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Social & Relationship Capital	P6-6	62
7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Social & Relationship Capital	P6-7	62
Principle 7			
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.	Key Social and Relationship Capital Outputs and Outcomes Social & Relationship Capital case study	P7-1	63-64

Mapping the Principles of the National Voluntary Guidelines

	Current Location	Disclosure	Page No.
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Key Social and Relationship Capital Outputs and Outcomes Social & Relationship Capital case study	P7-2	63-64
Principle 8			
1. Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8 ? If yes details thereof	Social & Relationship Capital	P8-1	62-63
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	Social & Relationship Capital	P8-2	62-63
3. Have you done any impact assessment of your initiative?	Social & Relationship Capital	P8-3	62-63
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	Performance Highlights for FY18 Social & Relationship Capital	P8-4	3, 62-63
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.	Social & Relationship Capital	P8-5	62-63
Principle 9			
1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.	Social & Relationship Capital case study	P9-1	65
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)	NA	P9-2	NA
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.	Social & Relationship Capital	P9-3	62
4. Did your company carry out any consumer survey/consumer satisfaction trends?	Social & Relationship Capital case study	P9-4	65

Mapping the UN SDGs and the Capitals

SDG	TARGETS	CAPITALS
 Ensure healthy lives and promote well-being for all at all ages	3.9 Reduce number of deaths and illnesses due to pollution **PG 54-71**	
	3.2 End preventable deaths of newborns and children under 5 years of age **PG 60-65**	
 Achieve gender equality and empower all women and girls	5.5 Ensure women's full and effective participation and equal opportunities for leadership **PG 46-53**	
 Ensure availability and sustainable management of water and sanitation for all	6.3 Improve water quality **PG 60-71**	
	6.4 Increase water-use efficiency **PG 66-71**	
	6.6 Protect and restore water-related ecosystems **PG 60-71**	
 Ensure access to affordable, reliable, sustainable and modern energy for all	7.3 Improve energy efficiency **40-45, 66-71**	
 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.8 Protect labour rights and promote safe and secure working environment **PG 46-53**	
 Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	9.2 Promote inclusive and sustainable industrialisation **PG 40-45**	
	9.4 Upgrade infrastructure and retrofit industries to make them sustainable **PG 40-45, 54-59, 66-71**	
 Reduce inequality within and among countries	10.3 Equal opportunity and reduction in inequalities **PG 46-53**	
 Ensure sustainable consumption and production patterns	12.2 Sustainable management and efficient use of natural resources **PG 66-71**	
	12.4 Environmentally sound management of chemicals and all wastes **PG 66-71**	
	12.5 Reduce waste generation **PG 40-45, 66- 71**	
	12.6 Adopt sustainable practices and integrate sustainability information into reporting **PG 34-39, 46-53, 66-71**	
 Take urgent action to combat climate change and its impacts	13.3 Education, awareness-raising and human and institu tional capacity on climate change **PG 8, 20-21, 66-71**	

GRI Content Index

GRI STANDARD NUMBER	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NO.
GRI 102	General Disclosures	102-1	Name of the organization	1
GRI 102	General Disclosures	102-2	Activities, brands, products and services	6-13
GRI 102	General Disclosures	102-3	Location of headquarters	Mumbai
GRI 102	General Disclosures	102-4	Location of operations	9
GRI 102	General Disclosures	102-5	Ownership and legal form	6
GRI 102	General Disclosures	102-6	Markets served	9
GRI 102	General Disclosures	102-7	Scale of the organization	20-21
GRI 102	General Disclosures	102-8	Information on employees and other workers	49-51
GRI 102	General Disclosures	102-9	Supply chain	8, 62
GRI 102	General Disclosures	102-10	Significant changes to the organization and its supply chain	8, 62
GRI 102	General Disclosures	102-11	Precautionary Principle or approach	8,22-23, 26-31, 56-59, 68-71
GRI 102	General Disclosures	102-12	External initiatives	1
GRI 102	General Disclosures	102-13	Membership of associations	64
GRI 102	General Disclosures	102-14	Statement from senior decision-maker	14-17
GRI 102	General Disclosures	102-16	Values, principles, standards and norms of behaviour	6
GRI 102	General Disclosures	102-18	Governance structure	72-77
GRI 102	General Disclosures	102-40	List of stakeholder groups	22-23
GRI 102	General Disclosures	102-41	Collective bargaining agreements	50, 52
GRI 102	General Disclosures	102-42	Identifying and selecting stakeholders	22-23
GRI 102	General Disclosures	102-43	Approach to stakeholder engagement	22-23
GRI 102	General Disclosures	102-44	Key topics and concerns raised	22-23
GRI 102	General Disclosures	102-45	Entities included in the consolidated financial statements	1
GRI 102	General Disclosures	102-46	Defining report content and topic Boundaries	1
GRI 102	General Disclosures	102-47	List of material topics	23
GRI 102	General Disclosures	102-48	Restatements of information	NA
GRI 102	General Disclosures	102-49	Changes in reporting	NA
GRI 102	General Disclosures	102-50	Reporting period	1
GRI 102	General Disclosures	102-51	Date of most recent report	FY17
GRI 102	General Disclosures	102-52	Reporting cycle	1
GRI 102	General Disclosures	102-53	Contact point for questions regarding the report	1
GRI 102	General Disclosures	102-54	Claims of reporting in accordance with the GRI Standards	80
GRI 102	General Disclosures	102-55	GRI content index	90
GRI 102	General Disclosures	102-56	External assurance	80-82

GRI Content Index

GRI STANDARD NUMBER	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NO.
		Economic Performance		
GRI 103	Management Approach	103-1 103-2 103-3		36-39
GRI 201	Economic Performance	201-1	Direct economic value generated and distributed	37
		Indirect Economic Impacts		
GRI 103	Management Approach	103-1 103-2 103-3		62-63
GRI 203	Indirect Economic Impacts	203-1	Infrastructure investments and services supported	62-63
GRI 203	Indirect Economic Impacts	203-2	Significant indirect economic impacts	62-63
		Procurement Practices		
GRI 103	Management Approach	103-1 103-2 103-3		62-65
GRI 204	Procurement Practices	204-1	Proportion of spending on local suppliers	62
		Materials		
GRI 103	Management Approach	103-1 103-2 103-3		68-69
GRI 301	Materials	301-1	Materials used by weight or volume	68-69
GRI 301	Materials	301-2	Recycled input materials used	68-69
		Energy		
GRI 103	Management Approach	103-1 103-2 103-3		68-69
GRI 302	Energy	302-1	Energy consumption within the organization	43
GRI 302	Energy	302-3	Energy intensity	43
GRI 302	Energy	302-4	Reduction of energy consumption	68-69
		Water		
GRI 103	Management Approach	103-1 103-2 103-3		68-69
GRI 303	Water	303-1	Water withdrawal by source	68-69
GRI 303	Water	303-3	Water recycled and reused	68-69

GRI Content Index

GRI STANDARD NUMBER	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NO.
		Emissions		
GRI 103	**Management Approach**	103-1 103-2 103-3		68-69
GRI 305	**Emissions**	305-1	Direct (Scope 1) GHG emissions	68-69
GRI 305	**Emissions**	305-2	Energy indirect (Scope 2) GHG emissions	68-69
GRI 305	**Emissions**	305-4	GHG emissions intensity	68-69
GRI 305	**Emissions**	305-6	Emissions of ozone-depleting substances (ODS)	68-69
GRI 305	**Emissions**	305-7	Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	68-69
		Effluents and Waste		
GRI 103	**Management Approach**	103-1 103-2 103-3		68-69
GRI 306	**Effluents and Waste**	306-1	Water discharge by quality and destination	68-69
GRI 306	**Effluents and Waste**	306-2	Waste by type and disposal method	68-69
		Environmental Compliance		
GRI 103	**Management Approach**	103-1 103-2 103-3		62-63
GRI 307	**Environmental Compliance**	307-1	Non-compliance with environmental laws and regulations	62
		Employment		
GRI 103	**Management Approach**	103-1 103-2 103-3		48-49
GRI 401	**Employment**	401-1	New employee hires and employee turnover	49-51
		Occupational Health and Safety		
GRI 103	**Management Approach**	103-1 103-2 103-3		48-49
GRI 403	**Occupational Health and Safety**	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	49-51
		Training and Education		
GRI 103	**Management Approach**	103-1 103-2 103-3		48-51
GRI 404	**Training and Education**	404-1	Average hours of training per year per employee	49-51
GRI 404	**Training and Education**	404-2	Programs for upgrading employee skills and transition assistance programmes	49-53

GRI Content Index

GRI STANDARD NUMBER	GRI STANDARD TITLE	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE NO.
		Diversity and Equal Opportunity		
GRI 103	**Management Approach**	103-1 103-2 103-3		48-49
GRI 405	**Diversity and Equal Opportunity**	405-1	Diversity of governance bodies and employees	49-51, 72-77
		Local Communities		
GRI 103	**Management Approach**	103-1 103-2 103-3		62-63
GRI 413	**Local Communities**	413-1	Operations with local community engagement, impact assessments, and development programmes	62-63
		Socioeconomic Compliance		
GRI 103	**Management Approach**	103-1 103-2 103-3		62-63
GRI 419	**Socioeconomic Compliance**	419-1	Non-compliance with laws and regulations in the social and economic area	62-63