


A Vision to Execute **Better.**

Everyday.

A portrait of Shri O. P. Jindal, an elderly man with dark hair, wearing glasses and a white shirt. He is looking directly at the camera with a slight smile. The background is a warm, golden-brown color with some blurred elements.

Shri O. P. Jindal

August 7, 1930 to March 31, 2005
Visionary and Founder - O. P. Jindal Group

**GREAT LEADERS
INSPIRE COUNTLESS LIVES,
LEAVE EVERLASTING MEMORIES,
TO FOREVER GUIDE DESTINIES**

Way back in 1952, an age before the phrase entered public discourse Shri O. P. Jindal heralded 'Make in India' with a small scale manufacturing unit in his home town of Hisar in Haryana. In its ground-breaking wake came a pipe manufacturing company, the Jindal Group and an industrial folklore built with steel and power.

For more than five decades, as young India, born from colonial subjugation to democratic freedom built itself into a modern state, Shri O. P. Jindal epitomised enterprise, nationalism, innovation and social service. He sired and took his eponymous business organisation to stellar heights, strengthening at every step his commitment to social work and nation building.

On this day countless individuals in the Jindal family and beyond salute his spirit, which will forever guide our destiny.

JSW Steel at a glance

The flagship company of the \$14 billion JSW Group, JSW Steel is a leading Indian integrated steel manufacturer. The Company has a current steelmaking capacity of 18 MTPA, installed across its Indian and international units and is one of the most cost-efficient producers of steel in India. It has a large-scale presence in both international and domestic markets, with its steel retailed in over 9,500 outlets in India and exported to over a hundred countries worldwide.

JSW Steel has initiated a strategic capex plan of ₹48,715 crores through to FY 2021-22 towards augmenting the installed capacity to 24 MTPA, reducing costs and improving the sales mix. With a vision to be 'Better Everyday', JSW Steel is on a continuous improvement journey, aimed at creating consistent and superior stakeholder value.

A vision to execute better. Everyday.

At JSW Steel, we believe better execution is the key to excellence. From our everyday operations to our strategic expansion projects, our differentiator has always been better execution, backed by a strong vision. Be it operating at industry-leading efficiencies or expanding at the least per-tonne cost, our will to undertake challenges, plan with conviction and execute with passion have sustained and improved over the years.

In line with our Group philosophy of 'Better Everyday', we continue to deliver on our responsibilities with utmost prudence, across parameters. This year, we have yet again surpassed our previous records and have registered our best-ever performance.

FY 2018-19: A year of record performance

- Included in the Nifty50 Index
- Vijayanagar Works received the world's most coveted award for quality – The Deming Prize

MnT
16.69
Crude steel production
▲ 3% y-o-y growth

MnT
15.60
Saleable steel sales
▲ 1% y-o-y growth

crores
₹84,757
Revenue from operations
▲ 16% y-o-y growth

crores
₹18,952
Operating EBITDA
▲ 28% y-o-y growth

crores
₹7,524
Net profit
▲ 23% y-o-y growth

₹31.60
Diluted earnings per share
▲ 23% y-o-y growth

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MESSAGE FROM THE CHAIRMAN & MANAGING DIRECTOR

Ready to ride high with India

Dear Shareholders,
It gives me great pleasure to report yet another remarkable year at your Company - one that validates our actions towards a 'Better Everyday' and our contribution to the story of 'New India' that's taking gigantic strides on to the world stage.



Scaling new peaks

FY 2018-19 was indeed a year of two halves for India - with very strong business environment in the first half, and a challenging second half after the onset of certain strains in the overall financial system. Regardless of this, we continued to increase our domestic market share in FY 2018-19.

We delivered strong profitable performance on higher steel spreads in the first half, focussed cost reduction and favourable change in our portfolio mix towards value-added steel products (VASP).

We recorded the highest ever production, shipments, revenue and EBITDA during FY 2018-19. Our capacity utilisation was at its highest at 93%, driven by improved utilisation levels in the Vijayanagar and Salem plants, which led to a 3% increase in production volumes. Our EBITDA, which reflects strength of underlying improving operational excellence stood at ₹18,952 crores. Our Balance Sheet is strong with cash and cash equivalents of ₹6,269 crores as of March 31, 2019. The Board of Directors has recommended a dividend of ₹4.10/ per share for the year.

This year, our Vijayanagar plant received the world's most coveted recognition for quality, the Deming Prize, for outstanding practices in managing continuous improvements across all functions. Deming Prize is like a Gold medal for a large scale manufacturing enterprise and is testimony to our operational excellence. The inclusion of JSW Steel in the National Stock Exchange's (NSE) benchmark index of India's top 50 companies, Nifty50, in September 2018

was a clear validation of our growing scale and influence, not just in terms of market capitalisation, but also in terms of our ability to consistently create value for our stakeholders. JSW Steel was also recognised as one of "Steel Sustainability Champions" 2018 by World Steel Association.

Favourable domestic business environment

After a two-year strong steel cycle, an increase in supply coupled with trade actions led to a fall in steel prices globally towards the end of Q3 of FY 2018-19. Further, a series of counter-trade actions by various countries following the imposition of Section 232 by the USA led to diversion of steel exports into India by steel surplus countries like Japan, South Korea and China. This combination of lower international steel prices and increasing imports weighed on domestic steel prices as well.

That said, with the general election overhang now behind us and given the strong mandate, the central government is likely to push through key structural reforms and infrastructure development projects at full throttle, at least for the foreseeable future.

India is home to 1.3 billion people, has favourable demographics with 65% of the population below 35 years age. India is modernising, urbanising and managing the rising aspirations of a large population, this is a unique opportunity in itself and the scale is unprecedented. India has set a target of becoming a \$5 trillion economy

by 2024, and to bring that target within the realm of reality, the government is likely to spend heavily on developing social as well as economic infrastructure.

The ongoing affordable housing scheme, dedicated freight and industrial corridors, 'Make in India' initiatives and the newly launched project to provide piped water at every home have significant potential to propel urban as well as rural steel demand. Next-generation infrastructure, gas grids, water grids, highways, etc. could witness significant investment boost.

The Indian economy is likely to grow at around 7% over the next decade. As GDP growth and steel consumption growth have displayed a strong correlation in recent past, steel demand is likely to grow at around 6-7%, which implies that the country would need to produce an additional 7 million tonnes of steel every year with consumption expected to cross the 100 million tonnes milestone in 2019.

Well positioned to capitalise on opportunities

In line with the Indian Government's vision of Indian Steel capacity increasing to 300 million tonnes by 2031, from 140 million tonnes currently, JSW Steel's Vision is to increase our domestic capacity in India to 45 million tonnes - and have a global capacity footprint of 10 million tonnes over the same time period.

We are in the midst of a large organic growth programme involving a

spend of about ₹48,700 crores over FY 2018-2022 to expand capacity (from 18 MTPA to 24 MTPA; modernise and expand downstream capacities), achieve backward and forward integration and cost reduction. We strengthened our raw material sourcing by securing six iron ore mines in the recent mining auctions. We acquired facilities in the US and Italy, and a joint control with AION Capital in Monnet Ispat & Energy Limited through the Insolvency and Bankruptcy Code route. We are also awaiting approvals from the adjudicating authority for our bid for Bhushan Power and Steel Limited.

Fiscal prudence and a relentless focus on efficient capital allocation is our guiding principle. In sync with this, we continue to pursue returns accretive projects with a strategic intent of continuing to deliver industry-leading returns through the cycle.

Our best-in-class technology and sustained R&D initiatives helped deliver customised and innovative offerings. We remain strategically focussed on enriching our portfolio mix, VASPs are finding increasing applications in automobiles, construction and appliances. We have a strong and expanding domestic retail presence, with over 9,500 direct and indirect outlets, distributing contemporary steel products.

Vijayanagar Works is poised for even higher operational efficiency in FY 2020. In order to transport iron ore from the mine to the plant, we installed the world's longest, 24-kilometre-long conveyor pipe, which will ensure zero spillage of raw material while transporting and reduce the cost of transportation. The conveyor pipe will also lower our carbon footprint and contribute towards traffic decongestion by eliminating diesel trucks in the transportation process.

Ushering in Industry 4.0

We have deployed various new-age technologies, including Industry 4.0 interventions such as Machine Learning, Internet of Things (IoT) and Artificial Intelligence (AI); powered simulations and optimisation engines; and computer vision to enhance productivity, minimise human intervention and ensure greater

safety. The digital tools deployed at Dolvi Works are facilitating enhanced tracking and predictability of the schedule of our ongoing expansion project, which will drive on-time completion within the budgeted cost.

We have created 'connected factories' in procurement and large capital projects to track and manage various processes, which has improved transparency and lowered manual interventions. Computer vision-aided video analytics is being used to drive manual process time reduction, enhance throughput and improve productivity of Steel Melting Shops (SMS). Big data and analytics-driven real time models are being used to reduce power consumption and associated losses.

In the past two years, we have implemented over 100 digital technology projects across manufacturing, supply chain, sales and procurement, which helped generate approximately ₹180 crores in accrued saving. We have envisaged additional cost saving of ₹300 crores in FY 2020 from digital-led projects. We will pursue further digital initiatives to create differentiation and innovation. Using analytics, robotics and hybrid cloud, we are aligning business processes with the dynamic sectoral and economic realities.

Being better by doing good

We are driven by integrated thinking and follow a multi-capital approach to value creation (including other non-financial dimensions of capital like human, social, intellectual and natural). We maintain an unwavering focus on environment, health and safety (EHS) and engage continuously with the communities who are in the direct impact zones of our operations. That's why, our Corporate Social Responsibility initiatives go way beyond compliance. The outreach programme at JSW Foundation have been instrumental in positively impacting the lives and livelihoods of more than 1.5 million people.

In Vijayanagar, our hospital equipped with the latest medical facilities and trained doctors continues to play a crucial role in ensuring a healthy community. In Dolvi, our mangrove plantations have helped regain the

lost ecological balance, and have facilitated the sustenance and livelihood of the local community.

As a large steelmaker, we depend on natural resources for running our operations. Across the value chain, we strive to reduce the usage of water, energy and other resources and recycle them wherever possible. We have undertaken several projects across our facilities to minimise our environmental impact. Our capacity expansion projects ensure that all new production units exceed compliance under the Indian as well as Euro emission norms.

The Road Ahead

Globally, and especially in India, steel is expected to witness sustained demand growth. Trends such as recyclability, light weighting and better design are on the horizon and are expected to impact consumption patterns. We expect large demand for high-tensile, high-strength steel, tailored to our customers' requirements.

As we move forward, we will continue to focus on maximising value per tonne in steel, driven by technology and R&D, and drive portfolio mix shift towards 50%+ of VASP. Our expansion projects will focus on value accretion and profitability while catering to the nation's growing appetite for steel for developing infrastructure and catapulting itself to a global economic superpower over the next decade.

As we continue our journey of scaling new peaks while being better everyday, I would like to thank the Board for guiding me to execute my responsibilities in the best possible manner. I would like to extend my gratitude to each and every member of our team for their relentless 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 authorities for the support and assistance provided throughout our journey.

I solicit your continued cooperation.

Sincerely,

Sajjan Jindal

VALUE CREATION HIGHLIGHTS

Integrated thinking in action

At JSW Steel, integrated thinking forms the very basis of our decision-making. Leading from this, our robust operating model is a part of a larger framework that warrants value creation for every stakeholder. We measure our performance across the capitals we impact and the value thus created has been summarised below for FY 2018-19.

MANUFACTURED CAPITAL

18

MTPA, Installed capacity

16.69

MnT, Crude steel production

9,500+

Exclusive and non-exclusive retail outlets

HUMAN CAPITAL

12,599

Total employees

40

Training hours per employee

0.35

LTIFR

FINANCIAL CAPITAL

₹84,757

Crores, Revenue from operations

₹18,952

Crores, Operating EBITDA

19.6%

ROCE

INTELLECTUAL CAPITAL

52

New grades developed/ customised during the year

₹45

Crores, R&D expenditure

18

Total number of patents filed during the year

SOCIAL AND RELATIONSHIP CAPITAL

₹63

Crores CSR expenditure

3.88

(Out of 5)
Customer satisfaction index

26,700+

Influencers in 3,000+ meets

NATURAL CAPITAL

3.79

m³/TCS Specific water consumption

2.75

TCO₂/TCS Greenhouse Gas emissions

4.5

MnT, Material recycled & reused

CORPORATE INFORMATION

Chairperson Emeritus

Mrs. Savitri Devi Jindal

Board of Directors

Mr. Sajjan Jindal

Chairman & Managing Director,
Non-Independent Executive Director

Mr. Seshagiri Rao M.V.S.

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

Dr. Vinod Nowal

Deputy Managing Director,
Non-Independent Executive Director

Mr. Jayant Acharya

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

Mr. Gangaram Baderiya

Nominee Director, KSIIDC

Mr. Hiroyuki Ogawa

Nominee Director, JFE Steel Corpn, Japan

Mr. Malay Mukherjee

Independent Non-Executive Director

Mr. Seturaman Mahalingam

Independent Non-Executive Director

Dr. (Mrs.) Punita Kumar Sinha

Independent Non-Executive Director

Mr. Haigreave Khaitan

Independent Non-Executive Director

Mr. Harsh Charandas Mariwala

Independent Non-Executive Director

Mrs. Nirupama Rao

Independent Non-Executive Director

Company Secretary

Mr. Lancy Varghese

Auditors

Statutory Auditor

M/s. S R B C & CO LLP
Chartered Accountants

Cost Auditor

M/s. Shome & Banerjee
Cost Accountants

Secretarial Auditor

M/s. S. Srinivasan & Co.
Company Secretaries

Bankers

Allahabad Bank
Bank of Baroda
Bank of India
ICICI Bank Ltd.
IDBI Bank Ltd.
Indian Bank
Indian Overseas Bank
Punjab National Bank
State Bank of India
Union Bank of India

Registered Office

JSW Centre, Bandra
Kurla Complex
Bandra (East),
Mumbai – 400 051
Tel. No.: +91 22 4286 1000
Fax No.: +91 22 4286 3000

Works

Vijayanagar Works

P.O. Vidyannagar, Toranagallu Village, Sandur Taluk,
Bellary District, Karnataka – 583 275
Tel. No.: +91 8395 - 250120 to 30
Fax No.: +91 8395 - 250138/250665

Dolvi Works

Geetapuram, Dolvi Village, Pen Taluk,
Raigad District, Maharashtra – 402 107
Tel. No.: +91 2143 - 277501 to 15
Fax No.: +91 2143 - 277533 / 42

Salem Works

Pottaneri
M. Kalipatti Village,
Mecheri Post, Mettur Taluk,
Salem District,
Tamil Nadu – 636 453
Tel. No.: +91 4298 - 272000
Fax No.: +91 4298 - 272272

Registrar & Share Transfer Agents

Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31-32 Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500 032
Tel. No.: +91 40 - 6716 1500
Fax No.: +91 40 - 2300 1153
E-mail: einward.ris@karvy.com
Website: www.karvy.com
Toll Free No. of Exclusive Call Centre:
1-800-3454001

DIRECTORS' REPORT (CONTD)

To the Members of JSW STEEL LIMITED,

Your Directors take pleasure in presenting the Second Integrated Report alongwith financial statements on the business and operational performance of the Company for the Financial year ended 31 March, 2019.

1. FINANCIAL RESULT

(₹ in crores)

	Standalone		Consolidated	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
I Revenue from operations	76,727	67,723	84,757	73,211
II Other income	519	213	204	167
III Total income (I+II)	77,246	67,936	84,961	73,378
IV Expenses:				
Cost of materials consumed	39,589	35,995	43,476	38,779
Purchases of stock-in-trade	498	1,063	320	2
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(188)	412	(590)	244
Employee benefits expense	1,400	1,260	2,489	1,843
Finance costs	3,708	3,591	3,917	3,701
Depreciation and amortization expense	3,397	3,054	4,041	3,387
Excise duty expense	-	1,259	-	1,278
Other expenses	17,025	13,993	20,110	16,271
Total expenses	65,429	60,627	73,763	65,505
V Profit before share of profit/(loss) of joint ventures (net) and exceptional items (III-IV)	11,817	7,309	11,198	7,873
VI Share of profit/(loss) of joint ventures (net)	-	-	(30)	42
VII Profit before exceptional items and tax (V+VI)	11,817	7,309	11,168	7,915
VIII Exceptional items	-	234	-	264
IX Profit before tax (VII-VIII)	11,817	7,075	11,168	7,651
X Tax expense/(benefit):				
Current tax	2,348	1,578	2,473	1,826
Deferred tax	1,210	872	1,171	(288)
	3,558	2,450	3,644	1,538
XI Net Profit for the year (IX- X)	8,259	4,625	7,524	6,113
XII Other comprehensive income				
A i) Items that will not be reclassified to profit or loss				
a) Re-measurements of the defined benefit plans	(15)	(3)	(19)	(5)
b) Equity instruments through Other Comprehensive Income	4	82	(2)	92
ii) Income tax relating to items that will not be reclassified to profit or loss	5	1	7	2
Total (A)	(6)	80	(14)	89
B i) Items that will be reclassified to profit or loss				
a) The effective portion of gains and loss on hedging instruments	31	(341)	85	(401)
b) Changes in Foreign Currency Monetary Item Translation Difference account (FCMITDA)	(49)	(33)	(49)	(33)
c) Foreign currency translation reserve (FCTR)	-	-	(60)	9
ii) Income tax relating to items that will be reclassified to profit or loss	6	130	(12)	150
Total (B)	(12)	(244)	(36)	(275)
Total Other comprehensive income / (loss) (A+B)	(18)	(164)	(50)	(186)
XIII Total comprehensive income (XI+ XII)	8,241	4,461	7,474	5,927
Total Profit /(loss) for the year attributable to:				
- Owners of the company			7,639	6,214
- Non-controlling interests			(115)	(101)
			7,524	6,113

	Standalone		Consolidated	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Other comprehensive income/(loss) for the year attributable to:				
- Owners of the company			(24)	(184)
- Non-controlling interests			(26)	(2)
			(50)	(186)
Total comprehensive income/(loss) for the year attributable to:				
- Owners of the company			7,615	6,030
- Non-controlling interests			(141)	(103)
			7,474	5,927

The Company has adopted Indian Accounting Standard (referred to as 'Ind AS') with effect from 1 April, 2016 and accordingly these financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under Section 133 of the Companies Act, 2013 ("Act") read with the relevant Rules framed thereunder and the other accounting principles generally accepted in India.

2. RESULTS OF OPERATIONS

The year 2018 started on an optimistic note driven by strong economic activity and policy level interventions. In the first half of the year, economic growth remained robust backed by fiscal stimulus and resilient Emerging Markets. However, the second half of the year was marked by volatility, weakening demand caused by trade tensions, China's slowdown and tightening financial conditions.

In 2018, global crude steel production reached 1,808.60 million tonnes, up 4.6% from 2017 levels. The upsurge in production was majorly driven by China, with its share in global crude steel production increasing from 50.3% in 2017 to 51.3% in 2018.

For the Steel industry, the year began with a strong underlying demand and rising international prices, which resulted in higher spreads and improved profitability. However, towards the second half, on-going trade disputes between US and China and slowdown across some of the developed economies, led to softening of the prices and demand for steel globally. Despite the headwinds, global steel demand grew by 2.1% in CY18, largely driven by China, coupled with an investment-led recovery in the advanced economies.

Cash flows and profitability in FY 2018-19 was driven by stronger steel spreads, as the increase in finished steel products prices was higher than the increased price of principal raw materials like Iron ore and Coking Coal.

On the domestic front, India became the world's second largest steel producer with a crude steel production of 106.5 million tonnes. In the first half of FY 2018-19, the demand for steel remained positive owing to continued government spending on infrastructure. Towards the last two quarters, activities surrounding the national election led to restrained investment activity. However, the demand for steel during FY 2018-19 sustained a growth of 7.5%. Steel imports increased by 4.7% specifically in coated products. However, steel exports from India reduced by 26.4% due to subdued international demand and various trade measures. In this competitive environment, the Company continued to increase the market share in the domestic market by strategically focusing on increasing domestic sales volume, which witnessed a growth of 11% YoY mainly driven by OEM segment. Sales of value added and special products (VASP) accounted for 53% of total sales volumes.

This robust domestic demand, strong operational performance focused cost reduction, backward integration and healthy mix of value added portfolio helped the Company deliver strong operational and profitable performance and consequently the Company's profitability improved during FY 2018-19.

(A) STANDALONE RESULTS

The Company delivered its highest ever production volumes, sales volume, EBITDA and profit after tax during the FY 2018-19.

The Company achieved highest ever crude steel production for the year at 16.69 million tonnes, a growth of 3% YoY as the capacity utilisation levels improved to 93%. Saleable steel sales volume for the year grew by 1% YoY to 15.76 million tonnes, driven by domestic sales.

Revenue from operations for FY 2018-19 stood at ₹ 76,727 crores, up 13% YoY. This revenue was mainly driven by higher average realisations on the back of improved price realisations. The Company continued

DIRECTORS' REPORT (CONTD)

to improve its market share as domestic sales surged to 13.9 million tonnes in FY 2018-19, an increase of 10% YoY compared to 7.5% YoY increase in Indian steel demand.

In the last fiscal, the Company strategically focused on reducing costs by working on the following areas as a part of its continuous improvement journey:

- Commissioning of Coke oven battery at Dolvi to eliminate procurement of coke
- Increase PCI injection to reduce fuel consumption
- Operationalised three iron ore mines and use of captive iron ore, thereby reducing dependency on imported iron ore
- Diversifying the coal procurement basket and optimising coal cost by dynamic coal blends
- Reducing logistics cost by port optimisation and usage of Cape vessels to reduce freight costs

The Company progressed well on these performance improvement initiatives and the operating EBITDA for the year grew by 34% YoY to ₹18,403 crores. Consequently, the Company registered a net profit growth of 79% YoY at ₹8,259 crores for FY 2018-19 as compared to the net profit of ₹4,625 crores for FY 2017-18.

The Company's net worth increased to ₹35,162 crores as on 31 March, 2019 as compared to ₹27,907 crores as on 31 March, 2018. The Company's gearing (Net Debt to Equity) at the end of the year stood at 1.03x (as against 1.27x as on 31 March, 2018) and Net Debt to EBITDA stood at 1.97x (as against 2.59x as on 31 March, 2018).

(B) CONSOLIDATED RESULTS

Revenue from operations on a consolidated basis for FY 2018-19 stood at ₹84,757 crores. The operating EBITDA stood at ₹18,952 crores, registering an increase of 28% YoY. The Company reported a net profit growth of 23% YoY at ₹7,524 crores for FY 2018-19 as compared to the net profit of ₹6,113 crores for FY 2017-18.

The performance and financial position of the subsidiary companies and joint arrangements are included in the consolidated financial statement of the Company. The consolidated performance for the year includes the acquired assets of Acero Junction Holdings, Inc. along with its wholly owned subsidiary JSW Steel USA Ohio Inc. and Aferpi S.p.A, Piombino Logistics S.p.A and GSI Lucchini S.p.A from the respective date of their acquisition.

The Company's net worth increased to ₹34,345 crores as on 31 March, 2019 as compared to ₹27,534 crores as on 31 March, 2018. The Company's gearing (Net Debt to Equity) at the end of the year stood at 1.20x (as against 1.38x as on 31 March, 2018) and Net Debt to EBITDA stood at 2.17x (as against 2.57x as on 31 March, 2018).

In terms of Section 134(3) (I) of the Companies Act, 2013, except as disclosed elsewhere in this Report, no material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this Report.

3. TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profits in the profit and loss account, except for an amount of ₹144 Crores, which has been transferred to the Debenture Redemption Reserve as required under the Companies Act 2013.

4. DIVIDEND

The Board of Directors of the Company has approved a Dividend Distribution Policy on 31 January, 2017 in accordance with the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is available on the Company's website: www.jsw.in/investors/investor-relations-steel.

In terms of the Policy, Equity Shareholders of the Company may expect Dividend if the Company has surplus funds and after taking into consideration relevant internal and external factors enumerated in the policy for declaration of dividend. The policy also enumerates that efforts will be made to maintain a dividend payout (including dividend distribution tax and dividend on preference shares, if any) in the range of 15% to 20% of the consolidated net profits of the Company after tax, in any financial year, subject to compliance of covenants with Lenders / Bond holders.

In line with the said policy, the Board has, subject to the approval of the Members at the ensuing Annual General Meeting, recommended dividend at the stipulated rate of 0.01% per share on the 48,54,14,604; 0.01% Cumulative Redeemable Preference Shares (proportionately considering four instalments of redemption) (₹ 0.000790411 per share) for the year ended 31 March, 2019.