

Independent Auditors' Report

To the Members of Jindal Stainless Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Jindal Stainless Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter

Revenue Recognition:

Refer notes 23 and 38 of the accompanying standalone financial statements for the revenue recorded during the year ended 31 March 2023 and related accounting policy adopted by the Company for revenue recognition.

The Company recognises revenue from the sales of products when control over goods is transferred to customers and are accounted for net of returns and rebates.

The Company has a large number of customers operating in various geographies and the sales contracts / arrangements with such customers have distinct varying commercial terms, including Incoterms that determine the timing of transfer of control. Accordingly, significant efforts and judgment of the management is required in determining the timing of transfer of control and measurement of revenue recognition in accordance with Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115').

Further, revenue is also a key performance indicator for the Company and there is risk of revenue being overstated due to the pressure to achieve targets or earning expectations.

Owing to the multiplicity of the Company's products, volume of sales transactions, size of distribution network and varied terms of contracts with customers, in line with the requirements of the Standards on Auditing, revenue is determined to be an area involving significant risk requiring significant auditor attention and is therefore considered to be a key audit matter in the current year audit.

How our audit addressed the key audit matter

Our audit procedures in relation to the recognition of revenue included, but were not limited to the following:

- Obtained an understanding of the Company's process of revenue recognition and evaluated the appropriateness of accounting policy adopted by the Company in accordance with Ind AS 115.
- Evaluated the design and tested the operating effectiveness of the internal controls put in place by the Company over recognition and measurement of revenue in accordance with underlying customer contracts and accounting policies.
- Performed test of details (including year end cut-off testing) by selecting samples of revenue transactions recorded during the year and samples from specific period before and after year end. For such samples selected, verified the underlying documents, which included sales invoices / contracts and dispatch / shipping documents to ensure revenue is booked with accurate amount and in the correct period.
- Performed analytical procedures including ratio analysis and period-on-period variance analysis, over revenue recorded during the year to identify any unusual indicators / trends.
- Performed test of details over the outstanding trade receivable balances which included obtaining direct independent confirmations from customers, on a sample basis, for balances outstanding as at the year end.
- Assessed the appropriateness and adequacy of the related disclosures in financial statements of the Company in accordance with the applicable accounting standards.

Key audit matter

Business Combinations

Refer note 33 of the accompanying standalone financial statements relating to a Composite Scheme of Arrangement ('the Scheme') amongst the Company, Jindal Stainless (Hisar) Limited, JSL Lifestyle Limited, Jindal Lifestyle Limited, JSL Media Limited and Jindal Stainless Corporate Management Services Private Limited, pursuant to Sections 230 to 232 and other relevant provisions of Companies Act, 2013 approved by the Hon'ble National Company Law Tribunal, Chandigarh Bench, vide order dated 02 February 2023 ('the NCLT Order'), with an appointed date of 01 April 2020.

The Scheme was accounted for as a business combination in accordance with Ind AS 103 'Business Combinations' ('Ind AS 103') which requires recognition of identifiable assets and liabilities including identifiable intangibles, at fair value on the date of acquisition, with the excess of the acquisition price over such identified fair values recognised as goodwill.

The Company appointed an independent valuation expert to allocate the purchase consideration to the respective assets and liabilities acquired as per the fair values determined using various valuation models adopted by the expert, which involved significant management estimates and judgements with respect to future business plans and projections, which involve high inherent estimation uncertainty.

The management determined that the fair values of the net identifiable assets acquired was ₹ 3,226.72 crores as part of the above fair valuation exercise and accordingly, the consideration paid in excess of the net identifiable assets acquired resulted in recognition of Goodwill of ₹ 89.95 crores.

We have considered the accounting and valuation of the said business combination to be a matter of most significance to our current year audit given the complexity and judgement involved, and the materiality of the business acquisition to the accompanying financial statements, and accordingly, this matter has been identified as a key audit matter.

The above matter is also considered fundamental to the understanding of the users of the accompanying financial statements on account of restatement of the comparative financial information as the accounting effect has been given from the acquisition date, being the Appointed Date approved under the Scheme.

How our audit addressed the key audit matter

Our audit procedures in relation to Business Combination included, but were not limited to, the following:

- Obtained an understanding of the Scheme and the NCLT Order documents to understand the key terms and conditions of the acquisition.
- Assessed the design and tested the operating effectiveness of the Company's controls over the accounting of business combination which includes valuation of identified assets and liabilities acquired under the business combination.
- Assessed appropriateness of the accounting policy adopted by the Company in terms of the requirements of Ind AS 103.
- Evaluated the competence and objectivity of the management's valuation expert engaged for the purchase price allocation and obtained an understanding of the approach adopted by the expert for this purpose.
- Critically evaluated the reasonableness of key assumptions, estimates and judgements involved in the identification and valuation of acquired assets (including intangible assets) and liabilities, based on our knowledge of the Company and the industry.
- Involved auditor's valuation experts to assess appropriateness of the valuation methodology and valuation assumptions such as discount rate used by the management's expert.
- Assessed the adequacy of the Company's disclosures included in the financial statements in respect of the acquisition in accordance with the requirements of Ind AS 103.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures

responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The comparative financial information of the Company presented in these financial statements for the year ended 31 March 2022 has been restated to give effect to the Composite Scheme of Arrangement ('Scheme') amongst the Company, Jindal Stainless (Hisar) Limited, JSL Lifestyle Limited, JSL Media Limited and Jindal Stainless Corporate Management Services Private Limited as further detailed in note 33. The financial information of Jindal Stainless (Hisar) Limited included as above, is based on audited financial statements for the year ended 31 March 2022, which has been jointly audited by one of the joint auditors, Lodha & Co, together with another auditor, who have jointly issued an unmodified opinion vide audit report dated May 05, 2022. Further, the financial information pertaining to JSL Lifestyle Limited, JSL Media Limited and Jindal Stainless Corporate Management Services Private Limited included as above, is based on the audited financial statements of such companies for the year ended 31 March 2022 which have been audited by their respective auditors, who have issued unmodified opinions vide their audit reports dated 27 March 2023, 27 April 2022 and 18 April 2022 respectively. The aforesaid audit reports of other auditors have been furnished to us by the management and relied upon by us for the purpose of our joint audit of the accompanying financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company, as detailed in note 39 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
- iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 52 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the

- understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 52 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year ended 31 March 2023 and until the date of this audit report is in compliance with section 123 of the Act. Further, as stated in note 14 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandniok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No. 083906
UDIN: 23083906BGXEKK9848

Place: Gurugram
Date: 17 May 2023

For **Lodha & Co.**
Chartered Accountants
Firm Registration No. 301051E

Shyamal Kumar
Partner
Membership No: 509325
UDIN: 23509325BGXJFP8169

Place: Gurugram
Date: 17 May 2023

Annexure I referred to in Paragraph 17 of the Independent Auditors' Report of even date to the members of Jindal Stainless Limited on the standalone financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 2 and 49 to the standalone financial statements are held in the name of the Company except for the following properties detailed in the table below, for which the Company's management is in the process of getting the registration in the name of the Company.

Description of property	Gross carrying value (₹ in Crores)	Held in name of	Whether promoter, director or their relative or employee	Period held*	Reason for not being held in name of company
2,771.19 kanal land situated at Tehsil Hisar and District Hisar, Haryana	302.24	Jindal Stainless (Hisar) Limited	No	Since 01 April 2020	The title of property is in the name of Jindal Stainless (Hisar) Limited and the Company is in process of transfer of title deeds pursuant to composite scheme of arrangement
46.50 kanal land situated at Tehsil Hisar and District Hisar, Haryana	7.91	Jindal Stainless (Hisar) Limited	No	Since 12 October 2021	The title of property is in the name of Jindal Stainless (Hisar) Limited and the Company is in process of transfer of title deeds pursuant to composite scheme of arrangement
34.90 kanal land situated at Tehsil Hisar and District Hisar, Haryana	6.15	Jindal Stainless (Hisar) Limited	No	Since 07 March 2022	The title of property is in the name of Jindal Stainless (Hisar) Limited and the Company is in process of transfer of title deeds pursuant to composite scheme of arrangement
59.13 kanal land situated at Delhi-Rohtak road, Tehsil Bahadurgarh and District Jhajjar, Haryana	21.30	JSL Lifestyle Limited	No	Since 01 April 2020	The title of property is in the name of JSL Lifestyle Limited and the Company is in process of transfer of title deeds pursuant to composite scheme of arrangement
4,050 square meter land situated at plot no. 50, sector 32, Gurugram, Haryana	40.50	Jindal Stainless (Hisar) Limited	No	Since 01 April 2020	The title of property is in the name of Jindal Stainless (Hisar) Limited and the Company is in process of transfer of title deeds pursuant to composite scheme of arrangement
Residential Flats	31.70	Sureka Merlin Private Limited	No	Since 01 November 2020	The title of property has not been transferred in the name of Jindal Stainless Limited owing to ban imposed by High Court of Orissa on registration of Sale Deed relating to apartment and flats

*Considered as Appointed date (refer note 33) and date of purchase by the respective acquired company, whichever is later.

For title deeds of immovable properties in the nature of land situated at Delhi and Visakhapatnam with gross carrying values of ₹ 31.69 Crores and ₹ 33.64 Crores as at 31 March 2023, in addition to the properties detailed in table above, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.
- (b) As disclosed in note 52(ix) to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs 5 Crore by banks and financial institutions based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and financial institutions and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit/review.
- (iii) (a) The Company has made investments (refer note 4, 34 and 35) and provided/granted loans and guarantee to subsidiaries during the year as per details given below:

Particulars	Guarantees	Loans
	(₹ Crore)	(₹ Crore)
Aggregate amount provided/granted during the year:		
- Subsidiaries	98.61	16.00
Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	98.61	16.00

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and terms and conditions of the grant of all loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular. The Company does not have any outstanding advances in the nature of loans at the beginning of the current year nor has granted advances in the nature of loans during the year.
- (d) There is no overdue amount in respect of loans granted to such companies.
- (e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year.
- (f) The Company has not granted any loans, which are repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- (v) In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India ('the RBI'), the provisions of sections 73 to 76 and other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted or amounts which have been considered as deemed deposit. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any Court or any other Tribunal, in this regard.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of Statute	Nature of dues	Gross Amount (₹ Crores)	Amount paid under protest (₹ Crores)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956	Central Sales Tax	1.64	0.16	April 2016 to June 2017	Additional Commissioner of Commercial Tax
The Odisha Value Added Tax Act, 2004	Value Added Tax	22.92	-	Financial year 2013-14 and 2014-15	Hon'ble High Court, Odisha
The Orissa Entry Tax Act, 1999	Entry Tax	97.43	42.33	1 October 2006 to 30 September 2010	Hon'ble High Court of Odisha
The Orissa Entry Tax Act, 1999	Entry Tax	57.18	20.96	Financial year 2013-14 and 2014-15	Additional Commissioner of Commercial Tax
The Orissa Entry Tax Act, 1999	Entry Tax	78.24	53.26	01 October 2010 to 31 March 2013 and 01 April 2015 to 31 March 2017	Hon'ble High Court of Odisha
The Customs Tariff Act, 1975	Customs Duty	7.97	0.60	Financial year 2012-13	Customs Excise and Service Tax Appellate Tribunal, Kolkata
The Customs Act, 1962	Customs Duty	1.70	0.13	Financial year 2014-15	Customs Excise and Service Tax Appellate Tribunal, Kolkata
The Customs Act, 1962	Customs Duty	1.02	1.00	Financial years 2014-15 and 2015-16	Customs Excise and Service Tax Appellate Tribunal, Kolkata
The Central Excise Act, 1944	Central Excise Duty	1.30	1.30	Financial years 2006-07, 2007-08 and 2008-09	Customs Excise and Service Tax Appellate Tribunal
The Central Excise Act, 1944	Central Excise Duty	0.50	0.05	September 2006 to August 2011	Customs Excise and Service Tax Appellate Tribunal
The Central Excise Act, 1944	Central Excise Duty	0.30	0.03	May 2008 to March 2009	Customs Excise and Service Tax Appellate Tribunal
The Central Excise Act, 1944	Central Excise Duty	20.33	-	December 2012 to February 2014	Customs Excise and Service Tax Appellate Tribunal
The Central Excise Act, 1944	Central Excise Duty	3.25	0.24	January 2013 to January 2014	Customs Excise and Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	0.06	-	Financial year 2016-17	Assistant/Deputy Commissioner of Central GST and Central Excise, Jajpur Division
The Central Goods and Services Tax Act, 2017	Goods and Service Tax	11.24	-	Financial year 2017-18	Joint Commissioner of Commercial Tax
Income-tax Act, 1961	Income tax	0.97	-	Assessment year 2003-04	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income tax	4.16	-	Assessment year 2004-05	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income tax	7.26	-	Assessment year 2005-06	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income tax	0.37	-	Assessment year 2006-07	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income tax	8.69	-	Assessment year 2006-07	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income tax	2.76	-	Assessment year 2007-08	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income tax	0.83	-	Assessment year 2007-08	Assessing Officer
Income-tax Act, 1961	Income tax	0.09	-	Assessment year 2009-10	Assessing Officer

Name of Statute	Nature of dues	Gross Amount (₹ Crores)	Amount paid under protest (₹ Crores)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	0.21	-	Assessment year 2010-11	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income tax	19.47	-	Assessment year 2011-12	Income tax Appellate Tribunal
Income-tax Act, 1961	Income tax	18.21	-	Assessment year 2012-13	Income tax Appellate Tribunal
Income-tax Act, 1961	Income tax	14.34	-	Assessment year 2013-14	Income tax Appellate Tribunal
Income-tax Act, 1961	Income tax	12.99	-	Assessment year 2014-15	Income tax Appellate Tribunal
Income-tax Act, 1961	Income tax	1.21	-	Assessment year 2017-18	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income tax	1.63	-	Assessment year 2018-19	Commissioner of Income Tax (Appeals)
Mines and Mineral (Development & Regulation) Act, 1957	Royalty	0.45	0.45	Financial year 2016-17	Appellate Authority Mining tribunal
Mines and Mineral (Development & Regulation) Act, 1957	Royalty	1.15	-	Financial years 2013-14 and 2014-15	Appellate Authority Mining tribunal
Mines and Mineral (Development & Regulation) Act, 1957	Royalty	3.20	-	Financial years 2002-03 to 2004-05	Appellate Authority Mining tribunal
Mines and Mineral (Development & Regulation) Act, 1957	Royalty	77.53	77.53	Financial year 2018-19	Revision Authority, Ministry of mines, New Delhi
The Central Excise Act, 1944	Central Excise Duty	0.67	0.20	July 2005 to December 2007	Hon'ble High Court of Punjab & Haryana
The Central Excise Act, 1944	Central Excise Duty	2.66	-	April 2006 to March 2007	Hon'ble High Court of Punjab & Haryana
The Central Excise Act, 1944	Central Excise Duty	0.02	-	April 1995 to June 1995	Hon'ble High Court, New Delhi
The Central Excise Act, 1944	Central Excise Duty	6.58	-	January 1999 to December 2004	Hon'ble High Court of Punjab & Haryana
The Central Excise Act, 1944	Central Excise Duty	29.61	1.11	July 2005 to March 2007	Customs Excise and Service Tax Appellate Tribunal - New Delhi
The Central Excise Act, 1944	Central Excise Duty	0.08	-	May 1994 to August 1994	Additional Commissioner, Rohtak
The Central Excise Act, 1944	Central Excise Duty	0.05	-	May 2007 to October 2007	Hon'ble High Court of Punjab & Haryana
The Central Excise Act, 1944	Central Excise Duty	0.05	-	July 2009	Hon'ble High Court of Punjab & Haryana
The Central Excise Act, 1944	Central Excise Duty	8.82	-	May 2004 to November 2004	Hon'ble High Court, Hyderabad
The Central Excise Act, 1944	Central Excise Duty	79.90	0.01	July 2009 to March 2010	Commissioner of Central Excise, Customs & Service Tax, Vishakhapatnam
Customs Act 1956	Customs Duty	16.36	1.23	March 2014 to May 2018	Deputy Commissioner of Custom, Gurgaon
Sales Tax	Sales Tax	0.03	-	April 1993 to March 1994	Hon'ble High Court of Punjab & Haryana
The Central Sales Tax Act, 1956	Central Sales Tax	0.53	0.19	April 2017 to June 2017	Deputy Commissioner (CT), Vizianagaram (AP)

Name of Statute	Nature of dues	Gross Amount (₹ Crores)	Amount paid under protest (₹ Crores)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	0.76	0.04	April 2014 to June 2017	Customs Excise and Service Tax Appellate Tribunal – Chandigarh
Finance Act, 1994	Service Tax	0.96	-	April 2017 to June 2017	Hon'ble High Court Orissa
Mines Labour Welfare Act	Labour Welfare Cess	0.05	-	April 2006 to March 2011	Hon'ble High Court, Andhra Pradesh
Local Area Development Tax/ Entry Tax Act	Local Area Development Tax / Entry Tax Act	197.36	-	January 2007 to June 2017	Hon'ble High Court of Punjab & Haryana
The Punjab Electricity (Duty) Act, 1958	Electricity Duty on Open Access Power	57.84	-	November 2009 to March 2023	Hon'ble High Court of Punjab & Haryana
The Electricity Act 2003	Additional Surcharge on Open Access Power	62.20	-	October 2019 to January 2022	Hon'ble High Court of Punjab & Haryana
Employees Provident Fund & Miscellaneous Provision Act, 1952	Provident Fund	3.24	0.96	April 2018 to March 2020	Central Government Industrial Tribunal-cum-Labour Court-II, Chandigarh
Finance Act, 1994	Service Tax	0.24	-	January 2005 to March 2008	Additional Commissioner of Central Excise, Customs & Service Tax, Vishakhapatnam
The Electricity Act, 2003	Electricity Fuel Surcharge Adjustment	12.51	-	April 2008 to March 2009	Hon'ble Supreme Court

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and financial institution and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has eight CICs as part of the Group.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No. 083906
UDIN: 23083906BGXEKK9848

Place: Gurugram
Date: 17 May 2023

For Lodha & Co.
Chartered Accountants
Firm Registration No. 301051E

Shyamal Kumar
Partner
Membership No: 509325
UDIN: 23509325BGXJFP8169

Place: Gurugram
Date: 17 May 2023

Annexure II to the Independent Auditors' Report of even date to the members of Jindal Stainless Limited on the standalone financial statements for the year ended 31 March 2023

Independent Auditors' Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Jindal Stainless Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether

adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

Manoj Kumar Gupta

Partner

Membership No. 083906

UDIN: 23083906BGXEKK9848

Place: Gurugram

Date: 17 May 2023

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Lodha & Co.**

Chartered Accountants

Firm Registration No. 301051E

Shyamal Kumar

Partner

Membership No: 509325

UDIN: 23509325BGXJFP8169

Place: Gurugram

Date: 17 May 2023

Independent Auditors' Report

To the Members of Jindal Stainless Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Jindal Stainless Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates, as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associates, as at 31 March 2023,
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 and 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue Recognition:</p> <p>Refer notes 23 and 37 of the accompanying consolidated financial statements of the Holding Company for the revenue recorded during the year ended 31 March 2023 and related accounting policy adopted by the Holding Company for revenue recognition.</p> <p>The Holding Company recognises revenue from the sales of products when control over goods is transferred to customers and are accounted for net of returns and rebates.</p> <p>The Holding Company has a large number of customers operating in various geographies and the sales contracts / arrangements with such customers have distinct varying commercial terms, including Incoterms that determine the timing of transfer of control. Accordingly, significant efforts and judgment of the management is required in determining the timing of transfer of control and measurement of revenue recognition in accordance with Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115').</p> <p>Further, revenue is also a key performance indicator for the Holding Company and there is risk of revenue being overstated due to the pressure to achieve targets or earning expectations.</p>	<p>Our audit procedures in relation to the recognition of revenue included, but were not limited to the following:</p> <ul style="list-style-type: none"> - Obtained an understanding of the Holding Company's process of revenue recognition and evaluated the appropriateness of accounting policy adopted by the Company in accordance with Ind AS 115. - Evaluated the design and tested the operating effectiveness of the internal controls put in place by the Holding Company over recognition and measurement of revenue in accordance with underlying customer contracts and accounting policies. - Performed test of details (including year end cut-off testing) by selecting samples of revenue transactions recorded during the year and samples from specific period before and after year end. For such samples selected, verified the underlying documents, which included sales invoices / contracts and dispatch / shipping documents to ensure revenue is booked with accurate amount and in the correct period. - Performed analytical procedures including ratio analysis and period-on-period variance analysis, over revenue recorded during the year to identify any unusual indicators / trends.

Key audit matter	How our audit addressed the key audit matter
<p>Owing to the multiplicity of the Holding Company's products, volume of sales transactions, size of distribution network and varied terms of contracts with customers, in line with the requirements of the Standards on Auditing, revenue is determined to be an area involving significant risk requiring significant auditor attention and is therefore considered to be a key audit matter in the current year audit.</p>	<ul style="list-style-type: none"> - Performed test of details over the outstanding trade receivable balances which included obtaining direct independent confirmations from customers, on a sample basis, for balances outstanding as at the year end. - Assessed the appropriateness and adequacy of the related disclosures in financial statements of the Holding Company in accordance with the applicable accounting standards.
<p>Business Combinations</p> <p>Refer note 32 of the accompanying consolidated financial statements relating to a Composite Scheme of Arrangement ('the Scheme') amongst the Holding Company, Jindal Stainless (Hisar) Limited, JSL Lifestyle Limited, Jindal Lifestyle Limited, JSL Media Limited and Jindal Stainless Corporate Management Services Private Limited, pursuant to Sections 230 to 232 and other relevant provisions of Companies Act, 2013 approved by the Hon'ble National Company Law Tribunal, Chandigarh Bench, vide order dated 02 February 2023 ('the NCLT Order'), with an appointed date of 01 April 2020.</p> <p>The Scheme was accounted for as a business combination in accordance with Ind AS 103 'Business Combinations' ('Ind AS 103') which requires recognition of identifiable assets and liabilities including identifiable intangibles, at fair value on the date of acquisition, with the excess of the acquisition price over such identified fair values recognised as goodwill.</p> <p>The Holding Company appointed an independent valuation expert to allocate the purchase consideration to the respective assets and liabilities acquired as per the fair values determined using various valuation models adopted by the expert, which involved significant management estimates and judgements with respect to future business plans and projections, which involve high inherent estimation uncertainty.</p> <p>The management determined that the fair values of the net identifiable assets acquired was ₹ 3,532.00 Crores as part of the above fair valuation exercise and accordingly, the consideration paid in excess of the net identifiable assets acquired resulted in recognition of Goodwill of ₹ 163.27 Crores.</p> <p>We have considered the accounting and valuation of the said business combination to be a matter of most significance to our current year audit given the complexity and judgement involved, and the materiality of the business acquisition to the accompanying financial statements, and accordingly, this matter has been identified as a key audit matter.</p> <p>The above matter is also considered fundamental to the understanding of the users of the accompanying financial statements on account of restatement of the comparative financial information as the accounting effect has been given from the acquisition date, being the Appointed Date approved under the Scheme.</p>	<p>Our audit procedures in relation to Business Combination included, but were not limited to, the following:</p> <ul style="list-style-type: none"> - Obtained an understanding of the Scheme and the NCLT Order documents to understand the key terms and conditions of the acquisition. - Assessed the design and tested the operating effectiveness of the Holding Company's controls over the accounting of business combination which includes valuation of identified assets and liabilities acquired under the business combination. - Assessed appropriateness of the accounting policy adopted by the Holding Company in terms of the requirements of Ind AS 103. - Evaluated the competence and objectivity of the management's valuation expert engaged for the purchase price allocation and obtained an understanding of the approach adopted by the expert for this purpose. - Critically evaluated the reasonableness of key assumptions, estimates and judgements involved in the identification and valuation of acquired assets (including intangible assets) and liabilities, based on our knowledge of the Holding Company and the industry. - Involved auditor's valuation experts to assess appropriateness of the valuation methodology and valuation assumptions such as discount rate used by the management's expert. - Assessed the adequacy of the Holding Company's disclosures included in the financial statements in respect of the acquisition in accordance with the requirements of Ind AS 103.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material

uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities within the Group and its associates, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements of ten subsidiaries, whose financial information reflects total assets of ₹ 2,024.56 Crores and net assets of ₹ 752.90 Crores as at 31 March 2023, total revenues of ₹ 4,145.14 Crores and net cash outflows amounting to ₹ 13.87 Crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 109.91 Crores for the year ended 31 March 2023, as considered

in the consolidated financial statements, in respect of two associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates, are based solely on the reports of the other auditors.

Further, of these subsidiaries and associates, four subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. We did not jointly audit the financial statements of three subsidiaries, whose financial information reflects total assets of ₹ 226.71 Crores and net assets of ₹ (0.18) Crore as at 31 March 2023, total revenues of ₹ nil Crore and net cash inflows amounting to ₹ 0.46 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited solely by Lodha & Co, one of the joint auditors of the Holding Company, whose reports have been furnished to us by the management and Walker Chandiook & Co LLP's ('WCC') opinion so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiaries and is based solely on the audit reports issued by Lodha & Co in its individual capacity.

Our opinion is not modified in respect of these matters with respect to our reliance on the work done by and the reports of the other auditors.

17. The comparative financial information of the Group presented in these financial statements for the year ended 31 March 2022 has been restated to give effect to the Composite Scheme of Arrangement ('Scheme') amongst the Company, Jindal Stainless (Hisar) Limited, JSL Lifestyle Limited, JSL Media Limited and Jindal Stainless

Corporate Management Services Private Limited as further detailed in note 32. The financial information of Jindal Stainless (Hisar) Limited included as above, is based on audited financial statements for the year ended 31 March 2022, which has been jointly audited by one of the joint auditors, Lodha & Co, together with another auditor, who have jointly issued an unmodified opinion vide audit report dated 05 May 2022. Further, the financial information pertaining to JSL Lifestyle Limited, JSL Media Limited and Jindal Stainless Corporate Management Services Private Limited included as above, is based on the audited financial statements of such companies for the year ended 31 March 2022 which have been audited by their respective auditors, who have issued unmodified opinions vide their audit reports dated 27 March 2023, 27 April 2022 and 18 April 2022, respectively. The aforesaid audit reports of other auditors have been furnished to us by the management and relied upon by us for the purpose of our joint audit of the accompanying financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditor(s), referred to in paragraph 15 and 16, on separate financial statements of the subsidiaries, associates, we report that the Holding Company, three subsidiary companies, two associate companies incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that six subsidiary companies incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies.
19. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 and 16 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
20. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and associates incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
 - e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies, covered under the Act, none of the directors of the Group companies and its associate companies, are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies and associate companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries and associates incorporated in India whose financial statements have been audited under the Act:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates as detailed in note 38 to the consolidated financial statements;
 - ii. The Holding Company, its subsidiary companies and associate companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and associate companies during the year ended 31 March 2023;
 - iv. a. The respective managements of the Holding Company, its subsidiary companies and

- associate companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, as disclosed in note 50 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies or its associate companies to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies or its associate companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiary companies and associate companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, as disclosed in the note 50 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies or its associate companies from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies or its associate companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries and associates, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The interim dividend declared and paid by the Holding Company during the year ended 31 March 2023 and until the date of this audit report is in compliance with section 123 of the Act. Further, as stated in note 14 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No. 083906
UDIN: 23083906BGXEKI9760

Place: Gurugram
Date: 17 May 2023

For **Lodha & Co.**
Chartered Accountants
Firm Registration No. 301051E

Shyamal Kumar
Partner
Membership No: 509325
UDIN: 23509325BGXJFR9237

Place: Gurugram
Date: 17 May 2023

Annexure I to Independent Auditors' Report to the members of Jindal Stainless Limited on the consolidated financial statements for the year ended 31 March 2023**Annexure I****List of entities included in the consolidated financial statement**

S. No.	Name	Relationship
1	PT. Jindal Stainless Indonesia	Subsidiary
2	Jindal Stainless FZE	Subsidiary
3	JSL Group Holding Pte. Limited	Subsidiary
4	Iberjindal, S.L.	Subsidiary
5	Jindal Stainless Park Limited	Subsidiary
6	Rathi Super Steel Limited	Subsidiary (With effect from 16 November 2022)
7	Jindal Stainless Steelway Limited	Subsidiary
8	Jindal Lifestyle Limited	Subsidiary
9	JSL Logistic Limited	Subsidiary
10	Green Delhi BQS Limited	Subsidiary
11	Jindal Strategic Systems Limited	Subsidiary
12	JSS Steelitalia Limited	Subsidiary
13	JSL Ferrous Limited	Subsidiary (Up to 6 May 2022)
14	Jindal United Steel Limited	Associate
15	Jindal Coke Limited	Associate

(This space has been intentionally left blank)

Annexure II to the Independent Auditors' Report of even date to the members of Jindal Stainless Limited on the consolidated financial statements for the year ended 31 March 2023

Independent Auditors' Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Jindal Stainless Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its associate companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its associate companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its associate companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies and associate companies, the Holding Company, its subsidiary companies and its associate companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to six subsidiary companies, which are companies covered under the Act, whose financial information reflect total assets of ₹ 1,018.70 Crores and net assets of ₹ 581.29 Crores as at 31 March 2023, total revenues of ₹ 2,861.00 Crores and net cash outflows amounting to ₹ 4.30 Crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 109.91 Crores for the year ended 31 March 2023, in respect of two associate companies, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No. 083906
UDIN: 23083906BGXEK19760

Place: Gurugram
Date: 17 May 2023

subsidiary companies and associate companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies and its associate companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies and associate companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

10. We did not jointly audit the internal financial controls with reference to financial statements insofar as it relates to three subsidiaries, which are companies covered under the Act, whose financial information reflects total assets of ₹ 226.71 Crores and net assets of ₹ (0.18) Crore as at 31 March 2023, total revenues of ₹ nil Crore and net cash inflows amounting to ₹ 0.46 Crore for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited solely by Lodha & Co, one of the joint auditors of the Holding Company, whose reports have been furnished to us by the management and Walker Chandiook & Co LLP's ('WCC') opinion so far as it relates to the adequacy and operating effectiveness of the internal financial controls with reference to financial statements included in respect of aforesaid subsidiaries and is based solely on the audit reports issued by Lodha & Co in its individual capacity.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

For **Lodha & Co.**
Chartered Accountants
Firm Registration No. 301051E

Shyamal Kumar
Partner
Membership No: 509325
UDIN: 23509325BGXJFR9237

Place: Gurugram
Date: 17 May 2023