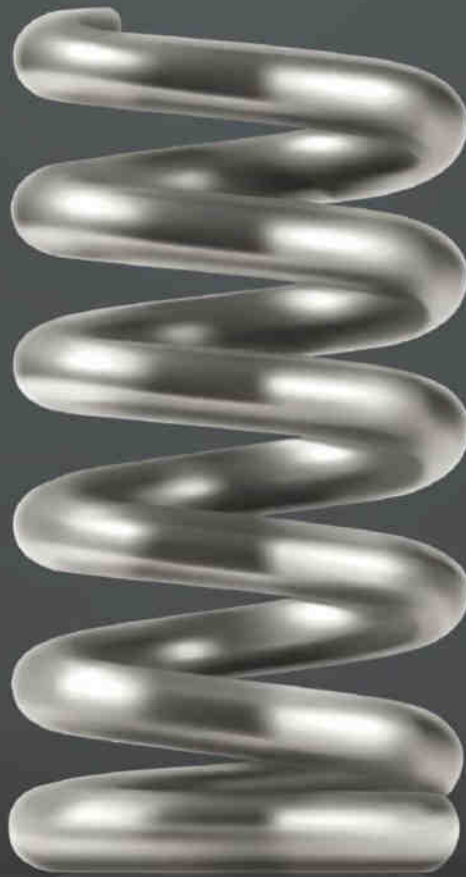


# **BOUNCING BACK WITH STAINLESS RESILIENCE**



**ANNUAL REPORT 2020-21**  
**JINDAL STAINLESS LIMITED**



# WHAT'S INSIDE



Aerial View of Jindal Stainless Limited, Jajpur, Odisha

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# VISION

Improving lives through trustworthy and innovative stain-less solutions



## IMPROVING LIVES

We will strive to improve lives of all our stakeholders (customers, suppliers, employees, shareholders and communities) and environment



## THROUGH TRUSTWORTHY

We will strive to be the most trusted and respected organization in the way we conduct ourselves with our employees, suppliers, shareholders, customers and communities and reflect our core of being truly stainless



## AND INNOVATIVE

We will always work towards innovating for better, be it processes, practices, solutions, delivering value-added and innovative solutions to the world in our areas of work



## STAIN-LESS SOLUTIONS

We will strive to provide total solutions to our customers with reliable pre and post sale services and advisory. We will educate communities on properties (strong, versatile, corrosion-resistant) and use of stainless steel and encourage downstream industries

# MISSION



To be a leading stainless steel company in the world  
Forging reliable relationships with customers, suppliers,  
employees and all other stakeholders  
Building strong capabilities driving innovative practices, high  
quality and competitive solutions



## LEADING STAINLESS STEEL COMPANY IN THE WORLD

We will strive to be amongst the top stainless steel players in the world by increasing our capacity and its utilization resulting in revenue and net profit growth



## RELIABLE RELATIONSHIPS WITH CUSTOMERS, SUPPLIERS AND ALL OTHER STAKEHOLDERS

We will build long lasting relationships and uphold our commitment to the highest standards thereby becoming the preferred choice for our customers, suppliers and stakeholders



## INNOVATIVE PRACTICES

We will evolve best-in-class innovative practices (business, manufacturing and people) to help our customers, suppliers, employees, shareholders and communities



## STRONG CAPABILITIES

We will build or buy appropriate technology, focus on research & development and enhance people capabilities



## HIGH QUALITY

We will strive to offer stainless steel products and services of the highest quality that is required



## COMPETITIVE SOLUTIONS

We will strive to provide agile, cost-competitive and efficient stainless steel solutions to our customers, giving us an edge over our competitors

# FOUNDING PRINCIPLES



## Shri OP Jindal

August 7, 1930 - March 31, 2005  
Founder - OP Jindal Group

### हाँ! एक सपना देखा था

देश की आज़ाद हवा में, बसा तिरंगा देखा था,  
अपने बल पर उड़ान भरता, एक परिवार देखा था,  
सुगम, सुरक्षित और बलवान, ऐसा विश्वास देखा था,  
सफल उद्योगों से सुसज्जित, शिक्षित समाज देखा था,  
हर परिवार का आँगन, स्त्रुशियों से महकता देखा था,  
युवा का कौशल-विशाल, सोने सा दमकता देखा था,

आज सितारों से दिखता, तिरंगा जो लहराया है,  
नींव जो रक्षी थी मजबूत, आज बनी देश की काया है,  
बहुत सही मेहनत की धूप, तब मिली सुकून की छाया है,  
आज होगा नाज़ उन्हें, सपना जो सच हो आया है!



**Smt. Savitri Devi Jindal**  
Chairperson Emeritus

“ **THE PROTECTION OF OUR ENVIRONMENT WILL REMAIN A CRUCIAL CONCERN AREA FOR WHICH WE PLAN ON TAKING RESOLUTE ALL-YEAR-ROUND STANCES** ”

At Jindal Stainless Limited (JSL), our CSR initiatives have always gone the extra mile 'Beyond Business'. Since the inception of our Company, we have always focused on a relationship-based approach. All of this would not have been possible without the support of all our stakeholders, employees, and the people associated with us at the grass-roots level. I am humbled to share that this year when our country was coping with the global pandemic of COVID-19, we were able to extend support to the most vulnerable sections of the society with no stable incomes. On one hand, food, sanitation supplies and essential resources were distributed to migrant and daily wage workers and their families during the lockdown period at several places, including Delhi-NCR and around our plant geographies. On the other hand, we ensured income generation for the farmers, despite COVID challenges by providing them with seeds, fertilizers, fungicides and pesticides at their doorsteps under strict COVID protocols with all inputs sanitized. This helped farmers ensure timely plantation taking advantage of the short window of opportunity available and

also work on market and backward linkages. The steady growth of 'Project Asmita' with the opening of a boutique managed by community women has given a voice to rural women as it showcases their prowess in entrepreneurial pursuits. Such case studies and stories need to be shared and replicated across geographies. This project, with a small number of women, has trained other women in various technical processes, from sourcing and product design to product development and marketing. Such empowering projects are great indicators of the robust community governance structure that has been successfully implemented.

'Project Sahaj', managed by a Self Help Group (SHG), is a mini sanitary napkin manufacturing unit and is an example of a mechanism that caters to women's needs, creates awareness regarding the taboo topic, and shares good health and hygiene practices in the community. It is a part of JSL's efforts to end period poverty in the Jajpur district of Odisha.

To create sustainable and scalable livelihoods, JSL initiated 'Project Sanjeevani' to enhance the entrepreneurial skills of multi-sector micro-enterprises, through a network of 200 SHGs spread across 27 villages of Danagadi block, Jajpur. The first Producer Company 'Samparna Jeevika Producer Company Limited' was approved by the Ministry of Corporate Affairs and was incorporated on 31<sup>st</sup> March 2020.

Towards education and health care, JSL has opened up non-formal education centers for children from marginalized sections of society.

Towards health, JSL has various mobile clinics and programs addressing societal issues such as female feticide. A well designed HIV and AIDS program has been extremely beneficial especially to the trucker community. To invest in the future of our society, the CSR wing has also enabled computer literacy programs and tuition centers for the economically-developing sections of our society.

Additionally, JSL has also linked all its initiatives to Sustainable Development Goals (SDGs) through a technology-based platform. The way forward will be based on data that can help in accomplishment of a select pathway of growth and development. With such an innovative approach, I am certain that we will be able to bring out a clear picture using data to show how our social initiatives are progressing under the national agenda of reporting on SDGs.

The protection of our environment will remain a crucial concern area for which we plan on taking resolute all-year-round stances. We will continue to work with fortitude towards our targets and with our core value system firmly in place to pursue the larger agenda of helping people through stainless solutions. We have always believed in creating a legacy that will strengthen people from door-to-door and will empower them to achieve their dreams. At JSL, we commit to proactively respond to the expectations of all those who surround us and have displayed constant faith in all our endeavors.



## CHAIRMAN SPEAKS

**Ratan Jindal**  
Chairman

### Dear Shareholders,

The financial year of 2020-21 has been a true test of the human spirit of survival against all odds. Almost every aspect of our lives was unsettled due to the pandemic of COVID-19. A global crisis of this stature brought about necessary focus on the importance of sustainable thinking in everything we do. It posed unprecedented challenges and forced us to come up with extraordinary solutions that emerge from an amalgamation of technological advancement, design thinking, and sustainability or green economy as the key facets.

Despite the challenges, uncertainties and complexities due to the pandemic, Jindal Stainless Limited (JSL) delivered a commendable performance in FY20-21. Your Company's upgraded ratings by major agencies like CRISIL and Ind-Ra are testimony to this superior performance. Post the payment of full recompense to lenders in cash and full redemption of the outstanding Optionally Convertible Redeemable Preference Shares (OCRPS), your Company announced its exit from the Corporate Debt Restructuring (CDR) mechanism in March 2020, which has been one of the most successful CDR exits in recent times.

The end of CY2020 saw the announcement of Jindal Stainless (Hisar) Limited's merger into JSL. The merged entity will have a stainless steel melt production capacity of 1.9 MTPA immediately, and 2.9 MTPA over the next couple of years. An integrated entity with enhanced downstream capabilities and consolidated strengths of the two companies, the merged entity will have an extensive network offering a seamless, single-window, pan-India, as well as global network access to customers and further boost the 'Just-in-Time' approach. With reinforced operational and management efficiencies and a diversified end-to-end

product portfolio, we are confident of unlocking immense value for shareholders and partners. JSL's product portfolio saw expansion in new domestic and global geographies across applications. We successfully developed specialised grades for armour and ballistic applications, along with nuclear, submarine, metro and railways, and automobile applications. We are also one of the few plants in the world with the capacity to use liquid chrome in making stainless steel.

The pandemic of COVID-19 brought economic activities to a near-standstill in the first quarter of FY21. With movement of people and business activities restricted to contain the spread of the disease, the global GDP shrank by 3.5% in CY2020. Conforming to the trend, global stainless steel melt shop production in CY2020 fell by 2.5% Y-o-Y, as reported by International Stainless Steel Forum. As per the Indian Stainless Steel Development Association, India's stainless steel melt shop production shrank by 19% Y-o-Y in the same period. The domestic industry continues to face risk from the imports from China and other nations with Chinese-backed investments in Indonesia, Vietnam, etc. Since India doesn't have any level playing trade barrier, and other stainless steel manufacturing countries have initiated or implemented ADD/CVD on Indonesia, India faces the risk of becoming a residual dumping ground for Indonesia and China. The industry, especially the MSME sector, is therefore threatened by policy moves like temporary withdrawal of duties like CVD on Chinese imports and revocation of provisional ADD on Indonesian imports in the current union budget. Accommodative monetary policies providing necessary fiscal stimulus to the domestic players, clubbed with good progress in vaccination, will be the only way to stimulate recovery for the domestic stainless steel industry.

Your Company is committed to its vision of creating innovative stainless solutions for the world and is consistently working towards improving value offerings for customers and cost competitiveness for stakeholders. Optimising operational efficiency and techno-management parameters continue to be key focus areas for the Company, to mitigate the impact of market volatility. Capacity expansion plans with moderate investments, with a keen focus on in-house innovations, will also take shape aligned with growing demand in the domestic and export markets. We are planning to double the melting capacity at Jajpur from 1.1 MTPA to 2.1 MTPA by FY23. Downstream enhancement through capacity expansion of HRAP (Hot Rolled Annealed Pickled) and CRAP (Cold Rolled Annealed Pickled) products to the tune of 1.5x and 1.7x is being planned in the same timeline. Backward integration through 1.4x capacity expansion of Ferrochrome capacity will also be accomplished in parallel. JSL is resolute on its commitment to the society at large and continues to serve by going beyond business during and after the trying phases of the pandemic. Along with supporting the local authorities with COVID awareness and management efforts, the Company continued its societal interventions as a responsible corporate citizen. Livelihood generation projects for women, community health service, and education and training projects helped communities tide over the uncertainties posed by the pandemic. JSL's employees are the backbone of its resilience and strength, and I extend my sincere gratitude to each one of them. I would also like to thank all our shareholders, board of directors, customers, lenders, investors and all other stakeholders for their support and faith in the vision of the Company.





# FROM THE MANAGING DIRECTOR'S DESK

**Abhyuday Jindal**  
Managing Director

## Dear Shareholders,

We have emerged from a phase that has impacted the personal and professional lives of almost everyone we know, and I want to start this message with wishing safety and good health to all of you and your loved ones. With lives and livelihoods severely affected in the past year, the global economy is now finding ways to coexist with the deadly disease. The silver lining of this crisis is the unification of the world in the common pursuit of emerging on the other side of the pandemic with technology-driven solutions that are more sustainable, more humane and yet, improve productivity.

The nation-wide lockdown at the beginning of the financial year 2020-21 necessitated a halt in production at your Company's Jajpur plant. For the entire industry, the first quarter was wiped out due to labour shortages, a wrecked supply chain, and national and regional lockdowns. However, I'm happy to share that the resilience of employees of Jindal Stainless Limited (JSL) helped carve the story of an inspirational rebound. On a yearly basis, FY21 standalone PAT, EBITDA and net revenue stood at INR 428 crores, INR 1,396 crores and INR 11,679 crores respectively. Sales volume and melt shop production were recorded at 8,24,825 tonnes and 8,73,907 tonnes respectively. With the merger of Jindal Stainless (Hisar) Limited into JSL progressing as planned, your Company will be one of the few stainless steel producers globally offering 120+ stainless steel grades and 360-degree approach for maximising value proposition to customers.

Your Company was accorded CRISIL Ratings of 'CRISIL A+/Stable' to the long-term credit facilities and 'CRISIL A1' to the short-term credit facilities, owing to significant improvements in overall operating efficiency, profitability and financial risk profile. A subsidiary of the Fitch Group, India Ratings and Research, i.e. Ind-Ra, has also revised your Company's long-term rating to IND A+. The improved ratings endorse efficient working capital management by the Company and consistent debt reduction through focus on

de-leveraging over the past few years. Throughout the year, safety of our employees and stakeholders was a primary concern, while maintaining profitability and a consistent drive to optimise operational and management parameters to cater to customers with ever-evolving demand. We focused on replacing imported raw materials with indigenous ones. In-house fabrication, erection and commissioning of second slag skimmer and third auto-grinder were carried out to accelerate the production of Ti-stabilized grades. Several efforts were made to reinforce our commitment to environment protection like installation and commissioning of a bag plant for air pollution control and an effluent treatment plant for run-off water management, along with massive plantation drives.

Our R&D capabilities have led to the development of new grades for metro applications, export customers, etc. As per customer demand, important finishes were also developed in alternate grades. Consistent efforts to expand our product portfolio in auto, railways, utensils, and pipe & tube segments have yielded promising results. Lift and elevator segment, metro coach application, and railway foot-over-bridge application were the other focus areas for JSL's business development efforts.

We continued our MoU scheme with key customers in FY21 and saw an enthusiastic response from all customers across Channel Partners, Pipe & Tube and Re-Rollers segment. The wave of digitisation at JSL worked in tandem with our consistent thrust on customer relationship management. Continuous usage of the SAP's Hybris e-commerce platform by customers enabled the launch of new modules like transport management and digital tracking of cargo movement. The C4C (Cloud for Customer) module also helped improve pre-sales operations and quality settlement processes.

Our marketing activities were intensified post the lifting of restrictions after the first wave of the pandemic. The second phase of our 360-degree co-branding campaign, Jindal Saathi, for the

pipes & tubes (P&T) segment received a promising response from customers. We expanded the campaign from 28 cities in FY20 to over 100 cities in eastern India in FY21. Our 3-credit elective course on stainless steel in IITs and other leading institutes continued to gain momentum. Our industry-academia collaboration was further strengthened through our case study competition at IIT Kharagpur's techno-management fest, with focus on stainless solutions today to solve the problems of tomorrow.

The nature of our industry necessitates focus on the long-term perspective to ensure a level playing field for the domestic players. Policy decisions, like revocation of CVD against Chinese and Indonesian imports, can have detrimental effects in the long haul, especially on the MSME sector. These imports lead to poor quality products gaining market share, and with 35% of India's stainless steel producers being MSMEs, this is a worrisome trend. We are hopeful that our government will implement policies that safeguard domestic interests from unfair trade even in the future. This will ensure a level playing field for the industry, which has made India fully Atmanirbhar in all grades of stainless steel products.

I am humbled to share that your Company was consistently supplying over 40 tonnes of Liquid Medical Oxygen (LMO) daily to Odisha, Andhra Pradesh, and other states, as required. Free of cost vaccination drives for all employees and their families, and financial assistance policy for families of deceased employees were some of the initiatives undertaken to support the JSL family through these trying times.

As a leader of this esteemed organization, I am proud of the workforce at JSL, for the company has been able to tide over the challenges of the past year only through their relentless efforts and complete ownership of results. We remain grateful to our Board of Directors, shareholders, lenders, business associates, customers, and all the stakeholders for their continued patronage in making JSL a force to reckon with.



# INFRASTRUCTURE & FACILITIES



STAINLESS STEEL MELTING  
CAPACITY 11,00,000 TPA



COLD ROLLED ANNEALING  
PICKLING LINE 4,50,000 TPA



FERRO ALLOYS  
2,50,000 TPA



CAPTIVE POWER  
PLANT 264 MW



Mill Plate Annealing  
& Pickling 1,00,000 TPA



# PRODUCT BASKET



Stainless steel is well known for its extensive bouquet of unique properties such as corrosion-resistance, high strength-to-weight ratio, and the ability to withstand extreme temperatures. The metal contains 10.5% or more chromium and is synonymous with strength and hygiene. The resistance to corrosion is attributed to the naturally occurring chromium-rich oxide film formed on the surface of stainless steel. Although extremely thin, this invisible, inert film is tightly adherent to the metal and thus acts as a protective shield in corrosive environments. The film is expeditiously self-repairing in nature, and the indentation due to abrasion, cutting or machining is hastily repairable in the presence of oxygen. In addition, stainless steel objects rarely turn into waste at the end of their useful life as this metal is nearly 100%

recyclable. Qualities like low lifecycle cost, high strength-to-weight ratio, aesthetic brilliance and easy cleaning ability make stainless steel the wonder metal and a preferred choice for various applications.

Jindal Stainless Limited is the largest stainless steel producers in India with a capacity of 1.1 MTPA, eventually scalable up to 3.2 MTPA.

The Company's manufacturing facility in Jajpur, Odisha, has state-of-the-art equipment from globally reputed technology suppliers. The facility comprises of 250,000 TPA of Ferro Alloy division with a captive power generation unit of 264 MW. The product range includes Slabs, HR Coils, CR Coils and Plates.





## SLAB

Manufacturing Range / Odisha

Product	Width (mm)		Thickness (mm)	
	Minimum	Maximum	Minimum	Maximum
Slab	1000	1650	160	220



## CR COIL

Manufacturing Range / Odisha

Product	Width (mm)		Thickness (mm)	
	Minimum	Maximum	Minimum	Maximum
CRAP Coil	1000	1600	0.3	5.0



## HR COIL

Manufacturing Range / Odisha

Product	Width (mm)		Thickness (mm)	
	Minimum	Maximum	Minimum	Maximum
Hot Rolled Coil	1000	1650	2.0	10
HRAP Coil / 2E	1000	1650	1.4	6.7



## PLATES

Manufacturing Range / Odisha

Product	Width (mm)		Thickness (mm)	
	Minimum	Maximum	Minimum	Maximum
Plates/ Sheets	1000	1620	11	80

# STAINLESS STEEL APPLICATIONS



## ARCHITECTURE BUILDING CONSTRUCTION

Decorative and colour-coated stainless steel | Street furniture | Escalators, Elevators | Claddings | Railings | Gates | Decorative panels | SS Roofing sheets | Railway station upgradation | Commercial complexes | Sculptures & designer items | Home furniture



## AUTOMOBILE RAILWAY TRANSPORT

Bus bodies | Exhaust systems, auto chassis, trims, suspension parts, fuel tanks, catalytic converters | Railway wagons and coaches | Luggage racks, toilets, foot stairs | Metro coaches | Fish trawlers | Pontoons



## CONSUMER DURABLES

Washing machine | Microwave | Refrigerator | Razor blades | Coin blanks | Surgical instruments | Special alloys for aerospace, defence, and other strategic applications | White goods & their components | Kitchenware and similar applications like tableware, cookware, cutlery, gas stoves, and sinks



## PROCESS & ENGINEERING

Nuclear grade SS for fuel containment and waste handling | Super critical boilers in power plants | Water treatment and drinking water supply | Desalination applications | Chemicals, petro-chemical & fertilizer plants | Sugar, food and beverage industry, oil and gas | Space applications | Structural applications | Fish rearing cages



## STAINLESS STEEL IN PLUMBING

Stainless steel pipes are increasingly being trusted for plumbing solutions as they offer a wide range of benefits, with paramount hygienic properties, resistance to corrosion, long life and low maintenance. They do not require painting and blend smoothly with modern interior design. They are also fully recyclable. Stainless steel often enjoys life cycle cost advantages compared to other materials. Even though the initial costs may be marginally higher for stainless steel plumbing materials, the gap in installed cost is reduced by a fast and more efficient method of jointing. Low maintenance, low system downtime and replacement costs, and long life make stainless steel the most suitable metal when compared to other materials.



## STAINLESS STEEL IN CHEMICAL INDUSTRY

Arguably the most demanding industries that use stainless steel (SS) are the chemical, processing, and oil and gas industries. They have created a large market for stainless tanks, pipes, pumps and valves. One of the first major success stories for 304/316 stainless steel was the storage of dilute nitric acid, as it could be used in thinner sections and was more robust than other materials. SS pipes and tubes exhibit superior corrosion resistance and heat resistance properties and have been used as raw materials that can withstand harsh environments as seen in petroleum, brewery, sugar, refining, oil and gas industries.



## STAINLESS STEEL IN BEVERAGE, DAIRY AND FOOD PREPARATION AND PROCESSING

Stainless steel's properties of being corrosion-resistant, inert, easily cleanable, sterilised without any loss of properties, and easy fabrication by various techniques make it a widely used metal in Beverage, Dairy and Food preparation, Processing, and Storage industries as they all require the metal to maintain the integrity of the structure (i.e. to be corrosion-resistant and sufficiently robust to withstand their service environment) and be inert (i.e. to impart neither colour nor flavour to food or beverages).



## STAINLESS STEEL FOR APPLICATION IN AUTOMOTIVE AND TRANSPORT SECTORS

Automotive and Transport sectors are moving towards stainless steel to reduce weight, improve aesthetics, enhance safety and minimize life cycle cost.

Characterized by superior fire- and corrosion-resistance, stainless steel ensures safety and reliability. Since stainless steel exhibits a superior combination of high strength, ductility, formability and toughness compared to other metals and alloys, the intrinsic weight of the vehicle decreases and its load carrying capacity and fuel efficiency increase. Maintenance cost is naturally lower and stainless steel components, at the end of their long life, are easily recycled.



## STAINLESS STEEL IN ARCHITECTURE, BUILDING & CONSTRUCTION

Stainless steel has been used in Architecture, Building and Construction since its invention. Stainless Steel provides tremendous design-flexibility to high profile projects while its strength and resistance to corrosion, wear & tear, and fire make it a pragmatic long-lasting choice for public and industrial buildings. Worldwide, stainless steel is being used for structural applications ranging from cutting-edge architecture to infrastructure. Exceptional examples of historical structures include the stainless steel concrete reinforcing bar in Yucatan, Mexico's Progreso Pier (1945); St. Louis, USA's Gateway Arch (1965); and the Louvre Pyramid in Paris, France (1989).



# HARNESSING THE POWER OF IT



Members of JSL IT Team



Jindal Stainless Limited (JSL) has been an industry leader in embarking up on a digital transformation journey by implementing cutting-edge technology solutions in the manufacturing industry. Information Technology has been instrumental in enabling smoother, faster, and transparent processes across multiple divisions of JSL's major operations and activities.

Under the gamut of our upgraded and newly introduced SAP initiatives, we have successfully implemented paperless material receiving (GRN) process and quality clearance for all items purchased by the plant; turnaround time (TAT) dashboards for plant vehicles from entry to exit; GPS-enabled freight management for outbound delivery, etc.

A plethora of other digital initiatives in the plant are changing the way we conduct our business. We focussed on automating important business processes like invoice management. This helped increase efficiency and same time, along with ensuring error-free, system-driven, and fast operations. We have also effectively completed designing, process mapping, and configuring of new systems, like the new Cut to Length (CTL) Line at the Hot Strip Mill (HSM), gate entry system design for slag, etc. Apart from this, several implementations were done in the area of barcode-enabled printing and scanning. A cross-plant batch scanning system was implemented for the HSM CTL2 line, and a barcode scanning system and gross weight

sticker design for material processing were implemented at the Plate Finishing Section (PFS). These implementations improved the existing processes by providing an easier way to store and read relevant information for the operations team.

As we deep dive into the sea of technology, we find that the power of IT is beyond imagination. At JSL, we are taking concrete steps to harness this potential. The sheer perseverance and unwavering dedication of the company's IT team are the bedrock of this exceptional performance on our digital transformation journey.



# AWARDS AND ACCOLADES



Best Energy Efficient Organization at the 4<sup>th</sup> edition of CII National Energy Efficiency Circle Competition, 2020



25 Par Excellence Awards at National Convention on Quality Concepts (NCQC) 2020



First Award for PAT sector specific circle competition at the 4<sup>th</sup> edition of CII National Energy Efficiency Circle Competition



CII Best Poster Award under best Practices in Energy efficiency





# UNLEASHING PEOPLE POWER



The joy of a committed and efficient workforce has been the source of Jindal Stainless Limited's (JSL's) growth into a strong and endearing organisation.

The past financial year was affected by the pandemic and so was our organisation. We have updated our Human Resource policies to provide assistance to the families of employees who lost their lives due to COVID-19. A free vaccination drive was also started for employees and their families.

Our engagement with employees through the last financial year has continued to grow through several initiatives. SAMPARK and Coffee with MD were organized to give the opportunities to employees to connect with the company's Managing Director and empower the culture of two-way communication. Cultural and sporting events were being organized to bring our employees together to build better relationships. We extended our bilateral communication to the base level and started SAMVAD, an initiative to communicate with truck drivers and contract workers to address their concerns. A quarterly Notice Board Competition has also been initiated to keep the employees motivated towards information sharing in interesting ways.

As a performance-driven organization, we have started Continuous Performance Management with digitised setting and monitoring of functional priorities and results. Reward and recognition play an important role in improving employee morale and creating a sense of joy as people

work with the organization. We have launched a new quarterly Rewards and Recognition initiative to acknowledge the efforts of employees and thank them for their dedicated service.

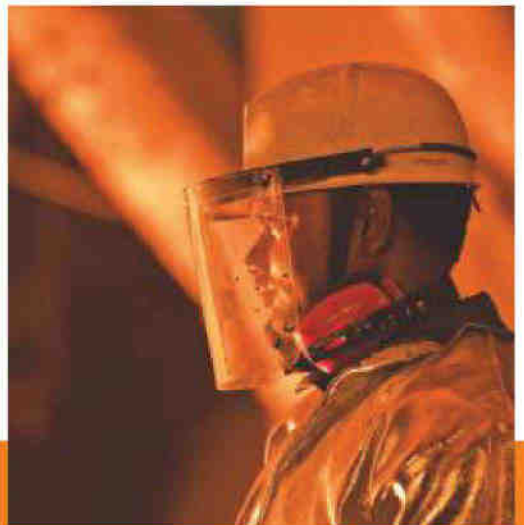
With the goal of building a strong learning culture, enabling individuals to grow their talents and maximise their performance throughout their career at Jindal Stainless, learning and development has been a major focus area for your Company. Regardless of location or lockdown restrictions, we attempted to improve our employees' skills by offering them online functional, behavioral, compliance, operational excellence, and wellness trainings. Multiple sessions on mental wellness were also organized for employees. The capability of our workers was continually enhanced with technical programs. In the manufacturing





unit, technical education is critical. As a result, the Japanese improvement practice of Kaizen was introduced as a way to engage employees in technical learning and creativity, and we have received more than 900 Kaizen entries. A comprehensive induction and orientation program was organized in different batches for GETs and DETs.

The industry recognised our efforts to establish world-class employee practices by awarding us with various accolades. To name a few, Runner-up award for 'Best Practices in Employee Well-Being' at NHRD Conclave 2021, Runner-up award for 'Excellence in Learning Technology' at BW HR Excellence Summit 2021, 25 Gold awards in Chapter Convention on Quality Concepts (CCQC), and 25 Par excellence awards in National Quality Circle Competition (NCQC). We are dedicated to making JSL the most desirable employer in the manufacturing industry.



# SUSTAINABLE INITIATIVES



## PHILOSOPHY OF SUSTAINABLE DEVELOPMENT

### CSR VISION

'Corporate Social Responsibility (CSR) is the direct connect between the head and the heart. It becomes impactful only when one speaks the language of the heart.'

Aligning with the vision of Improving Lives Through Trustworthy and Innovative Stain-less Solutions, Jindal Stainless has continuously engaged itself in improving the lives of people in and around the manufacturing facilities. CSR is the strategic approach toward sustainable community development and the key to inclusive growth. This includes the 'Beyond Business' activities that are focused on the communities that cross the path of Jindal Stainless. These programmes are focused around the needs of the local communities at the bottom of the pyramid, aimed at empowering them with employable skills and giving them a voice to deal with domestic violence and engage in other social issues. At Jindal Stainless, employees are encouraged to volunteer in community work and engage in eradicating social evils of society. Jindal Stainless has undertaken a number of CSR initiatives like skill training and education, integrated preventive health, rural development, livelihood generation, women empowerment and entrepreneurship, human rights and business.



# JINDAL STAINLESS FOUNDATION



JSL Foundation is a registered society under the Registrar of Societies, established to work for the greater good of society. Our aim is to focus 'Beyond Business Responsibilities', stressing on the importance of seeing a change in lives of communities around our Plant locations as well as other geographies. Our key focus areas are Women Empowerment, Education and Skill Development, Integrated Health Care, Environment Sustainability, Community Development, and Integrated Farming.

Under the able guidance of our Chairperson, Mrs Deepika Jindal, our team of seasoned CSR professionals implements the entire gamut of initiatives through national and international civil societies and non-government organizations. Under the aegis of JSL Foundation, it is our earnest endeavor to uplift our surrounding communities and transform the lives of people who cross our path.



## PHILOSOPHY

To address key social developmental issues and encourage all stakeholders to get engaged through focused sustainable interventions with the aim of achieving the overall vision of JSL of improving lives through trustworthy and innovative stainless solutions



## AIM

Mainstreaming communities at the bottom of the pyramid

## OBJECTIVES

- To work towards social advancement of all stakeholders including communities and their families
- To work with farming communities towards doubling their incomes through technology-based solutions and promoting climate adaptation practices
- Empower rural youth and women through skill enhancement and promote entrepreneurship
- Provide basic amenities to rural communities living around our areas of operations i.e. primary health, basic education etc.
- To work towards environmental protection
- To provide an enabling environment and promote best practices
- To ensure a proper reporting structure





# CSR ACTIVITIES

Going beyond business is in the ethos of our organisation and hence, it is befitting that our CSR projects cater to relevant issues such as Community Development, Education, Integrated Health Care, Skill Development, Gender Equality and Women Empowerment, Environment and Business & Human Rights. While a wide array of projects are undertaken each year and continued from previous years, let's have a look at some major initiatives in FY20.



## PROMOTION OF EDUCATION AND ENHANCEMENT OF SKILL

Multiple projects have been undertaken in this theme in Jajpur district of Odisha. Sixty students are studying in the education centers at Marutikar and Kiapada. The children are provided with school bags, play materials and teaching and learning materials. Village libraries are also functioning at Hudisahi and Trijanga, with various types of books, such as epics, novels, Dharma Shastras, story books, farming, patriotic books etc. On the sporting front, this is the second year of the five students sent to Sudeva Football Academy, Delhi for coaching in Football.

The children are selected from Danagadi and Sukinda blocks. We also sponsored Master Subhjeet Mallick, a student of 6th standard in Byasanagar Public School, for participation in the 4th India Open International Taekwondo Championship 2019, under 28 kg category at Kolkata. 2 water purification systems have been installed at Manatira and Kumbhiragadia high schools, in which 1120 students and teachers are benefitting under the safe drinking water project.



## WOMEN EMPOWERMENT AND GENDER EQUALITY

200 women Self Help Groups were provided with various kinds of skill training in the areas of food processing, alternative livelihood options such as phenyl making, agarbathi making, poultry farming, goat rearing, mushroom cultivation, book keeping, etc. The CSR field staff identified 57 interested women to train and take-up mushroom cultivation as an alternative livelihood. Sahaja Sanitary Napkin Making Unit has been functioning since 2016 and inculcates good hygiene practice amongst adolescent girls and women.

Sampanna Jeevika Producer Company Limited was formed with 2500 members from 200 SHGs from 30 villages of Danagadi and Sukinda Blocks of Jajpur to take up agribusiness activities. They raised their share capital amounting to Rs. 5,10,000/-.

20 underprivileged girls engaged in Asmita Production Centre earned a net profit of Rs. 4.96 Lakhs stitching safety jackets and masks during the year, after paying all expenses including their own wages. The three Tailoring Training Centers running at Kantipur, Manoharpur and Dasamnia have trained 145 girls. The Asmita Boutique centers at Rabana and Dhabalgiri marketplaces are made self-sustainable. The boutique center run by ex-student Susama Lenka at Bhubaneswar was provided three sewing machines as her center was burnt in a fire caused by a short circuit.

Grassic Design Project at Antia village is conducting workshops, engaging 20 rural artisans to upgrade their skills and help them make products of international standards.



## COMMUNITY HEALTHCARE PROJECT

Community Health Care Centre has dispensed free medicines to 2,809 patients who visited the static clinic at Trijanga. The medical team conducted awareness sessions at 15 villages to generate awareness on COVID-19, HIV/AIDS, and lung diseases. Malaria Control Programme was executed in 6 vulnerable villages.





## FARMER'S DEVELOPMENT PROJECT

Gram Unnati Foundation (GUF), our implementation partner, has been engaged to execute the farmers development project and enable farmers to get quality agri-inputs, provide access to appropriate Package of Practice (PoP), along with training for new varieties of crop such as maize, groundnut, govindbhog, paddy, introducing new seed varieties for vegetables, and establishing sustainable market linkages for remunerative prices to farmers. GUF facilitated market linkage of approximately 10 metric tonnes of maize in Mohana block. GUF works with 1527 farmers from 45 villages in four blocks of Jajpur district. The project has shown good results in reducing the costs of farming and increasing the yield of crops.

Safe Drinking Water Projects have been running in 7 schools in which 5395 children and teaching staff have been benefitted. The CSR team geared up during the first phase pandemic situation and provided relief in terms of dry food, cooked food to the most vulnerable households of Danagadi and Sukinda blocks.

## INITIATIVES AROUND DELHI NCR

We have been maintaining the Environment Park at the AIIMS crossing in Delhi for many years. In sports, we have been promoting Football and Tennis, wherein talented children from underprivileged backgrounds are sent to up-skill their talents and get an opportunity for Football at Sudeva Sports Academy, Delhi, and play Tennis at different clubs and sports schools. We have also partnered with the Delhi Golf Club for maintaining the greens and providing opportunities to the local caddies and others for up-skilling through sustained training. Road safety is another focus area for our interventions in Delhi, wherein first aid training, bicycle conspicuity drives and awareness creation efforts are undertaken. We also launched the Project Stainless Aashiyana in collaboration with Woman of Elements Trust to provide legal aid, assistance and guidance to the women and child victims of domestic violence. The helpline number received 257 calls for aid and assistance since its launch last year.





# SERVING OUR NATION IN THE FIGHT AGAINST COVID

## COVID EFFORTS



OVER 6000 MT LIQUID MEDICAL OXYGEN SUPPLIED TO HOSPITALS  
ACROSS HARYANA, ODISHA AND DELHI



35,000 GROUP EMPLOYEES AND FAMILIES OFFERED FREE VACCINATIONS



500-BED COVID EMERGENCY HOSPITAL SET UP IN HISAR





## OTHER INITIATIVES



Proper sanitisation of tactile infrastructure and social distancing ensured in all collaborative spaces

Provision of rations, masks and sanitizers were done to migrant and daily wage workers through a PPP model with the Delhi government in Delhi NCR

Isolation wards were created at plant locations for potential carriers of the virus

Bridged access to essentials like ATMs and cooking gas from plants' LPG distribution unit for workers' families

## MEDICAL SUPPORT OFFERED



Group's Hisar plant supplied ~9.5 MT LMO daily to 50+ medical facilities in Haryana and Delhi-NCR.

Group's Jajpur unit dispatched over 40 MT LMO daily to Odisha, Andhra Pradesh, and other states as required.



Set up a self-sufficient emergency COVID hospital in Hisar, in collaboration with Government of Haryana, equipped with best equipment and oxygen supply from Company's Hisar plant.

Additional 200 oxygen beds along with isolation wards and screening units dedicated for COVID at JIMS, Hisar.



Free telephonic consultation offered for OPD patients to support patients while adhering to social distancing.

150 ICU beds, 60 ventilators, and several other facilities activated to their maximum capacity to support patients at JIMS, Hisar.



**Chairperson Emeritus**

Mrs. Savitri Devi Jindal

**Chairman and Managing Director**

Mr. Ratan Jindal

**Managing Director**

Mr. Abhyuday Jindal

**Whole Time Director**

Mr. Tarun Kumar Khulbe

**Directors**

Mr. Suman Jyoti Khaitan

Ms. Bhaswati Mukherjee

Mr. Jayaram Easwaran

Mrs. Arti Luniya

Mr. Parveen Kumar Malhotra (Nominee Director)

**Chief Financial Officer**

Mr. Anurag Mantri

**Company Secretary**

Mr. Navneet Raghuvanshi

**Working Capital Bankers**

Axis Bank

Bank of Baroda

Canara Bank

ICICI Bank

Punjab National Bank

State Bank of India

Standard Chartered Bank

**Statutory Auditors**

M/s. Walker Chandiok & Co. LLP

**Secretarial Auditors**

M/s. Vinod Kothari & Co.

Practicing Company Secretaries

**Cost Auditors**

M/s. Ramanath Iyer & Co.

Cost Accountants

**Registered Office**

O.P. Jindal Marg

Hisar - 125005 (Haryana)

**Works**

Jajpur (Odisha)

## **JINDAL STAINLESS LIMITED**

(CIN: L26922HR1980PLC010901)

Regd. Office: O.P. Jindal Marg, Hisar – 125 005

(Haryana), India Phone No. (01662) 222471-83,

Fax No. (01662) 220499

Email Id.: investorcare@jindalstainless.com

Website: www.jslstainless.com

Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi – 110 066

**NOTICE** is hereby given that the **41<sup>st</sup> Annual General Meeting (“AGM”)** of Members of **Jindal Stainless Limited** will be held on Thursday, the 16<sup>th</sup> day of September, 2021 at 11:00 A.M. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - a. the audited standalone financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2021, together with the Reports of Board of Directors and Auditors thereon, and
  - b. the audited consolidated financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2021 together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Ratan Jindal, Chairman and Managing Director (DIN: 00054026), who retires by rotation in terms of the provisions of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTIONS:**

#### **3. AS AN ORDINARY RESOLUTION:**

#### **RE-APPOINTMENT OF MR. ABHYUDAY JINDAL (DIN: 07290474) AS THE MANAGING DIRECTOR OF THE COMPANY**

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“the Act”) the Rules made thereunder read with Schedule V to the Act, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any, the Articles of Association of the Company and subject to all requisite consents and approvals, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Abhyuday Jindal (DIN: 07290474) as Managing Director of the Company, for a period of three years with effect from 25<sup>th</sup> April, 2021 at remuneration and other terms and conditions as mentioned below:

1. Period of appointment: 3 years with effect from 25<sup>th</sup> April, 2021 till 24<sup>th</sup> April, 2024.
2. Remuneration:
  - (a) **Annual Fixed Pay** (inclusive of basic salary, perquisites and allowances): Upto a maximum of Rs. 6,00,00,000/- (Rupees Six Crore only) per annum, payable on monthly basis, as may be determined by the Board of Directors and/or Nomination and Remuneration Committee of Directors.
  - (b) **Retirement / Other benefits:** Gratuity, provident fund, leave encashment and other benefits as per the applicable policies and rules of the Company.
  - (c) **Commission:** To be paid periodically after approval of quarterly results of the Company by the Board, as may be determined by the Board of Directors of the Company and/or Nomination and Remuneration Committee of Directors of the Company.
3. The remuneration payable to Mr. Abhyuday Jindal shall not exceed 4% of the net profits of the Company computed in accordance with Section 198 of the Act. Provided that the total remuneration payable to all the Executive Directors, including Mr. Abhyuday Jindal shall not exceed 10% of the net profits so computed.

The total remuneration drawn by Mr. Abhyuday Jindal during a financial year from the Company and Jindal Stainless (Hisar) Limited ("JSHL"), where he is also a Managing Director, shall not exceed the higher of the admissible limit from any one of the Company or JSHL, in terms of the provisions of Section V of Part II of Schedule V to the Act.
4. He shall be entitled to reimbursement of all expenses incurred by him while performing his duties and such reimbursement will not form part of his remuneration.
5. The premium paid by the Company for Directors & Officers' Liability Insurance will not be treated as part of the remuneration payable to Mr. Abhyuday Jindal, in terms of Section 197(13) of the Act.
6. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
7. He shall be liable to retire by rotation. However, retirement by rotation and re-appointment shall not be deemed to be a break in service as Managing Director.

**RESOLVED FURTHER THAT** in the event of inadequacy or absence of profits under Section 197 of the Act in any financial year or years, the remuneration as approved herein be paid as minimum remuneration to Mr. Abhyuday Jindal, subject to receipt of requisite approvals under the Act;

**RESOLVED FURTHER THAT** the Board of Directors and/or Nomination and Remuneration Committee of Directors be and is hereby authorized to vary and/or revise the remuneration of Mr. Abhyuday Jindal, within the aforesaid limits and settle any question or difficulty in connection therewith and incidental thereto.”

**4. AS AN ORDINARY RESOLUTION:**

**RE-APPOINTMENT OF MR. TARUN KUMAR KHULBE (DIN: 07302532) AS THE WHOLETIME DIRECTOR OF THE COMPANY**

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 (“the Act”) the Rules made thereunder read with Schedule V to the Act, the Articles of Association of the Company and subject to all requisite consents and approvals, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Tarun Kumar Khulbe (DIN: 07302532) as Wholetime Director of the Company, for a period of three years with effect from 15<sup>th</sup> May, 2021 at remuneration and other terms and conditions as mentioned below:

1. Period of appointment: 3 years with effect from 15<sup>th</sup> May, 2021 till 14<sup>th</sup> May, 2024.
2. Remuneration:
  - (a) **Annual Fixed Pay** (inclusive of basic salary, perquisites and allowances): Upto Rs. 2,50,00,000/- (Rupees Two Crore Fifty Lakh only) per annum, payable on monthly basis.
  - (b) **Variable Pay** (Performance Linked Incentive) to be paid as per Profit Linked Variable Reward Scheme of the Company or such sums as may be determined by the Board and / or Nomination and remuneration Committee of Directors of the Company, from time to time.
  - (c) **Retirement / Other benefits:** Gratuity, provident fund, leave encashment and other benefits as per the applicable policies and rules of the Company.
3. He shall be entitled to reimbursement of all expenses incurred by him while performing his duties and such reimbursement will not form part of his remuneration.
4. The premium paid by the Company for Directors & Officers’ Liability Insurance will not be treated as part of the remuneration payable to Mr. Tarun Kumar Khulbe, in terms of Section 197(13) of the Act.
5. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
6. He shall be liable to retire by rotation. However, retirement by rotation and re-appointment shall not be deemed to be a break in service as Wholetime Director.

7. The annual remuneration payable to Mr. Khulbe shall not exceed 4% of the net profits of the Company computed in accordance with Section 198 of the Act. Provided that the total remuneration payable to all the Executive Directors, including Mr. Tarun Kumar Khulbe shall not exceed 10% of the net profits so computed for that year.

**RESOLVED FURTHER THAT** in the event of inadequacy or absence of profits under Section 197 of the Act in any financial year or years, the remuneration as approved herein be paid as minimum remuneration to Mr. Tarun Kumar Khulbe, subject to receipt of requisite approvals under the Act;

**RESOLVED FURTHER THAT** the Board of Directors and/or Nomination and Remuneration Committee of Directors be and is hereby authorized to vary and/or revise the remuneration of Mr. Tarun Kumar Khulbe, within the aforesaid limits and settle any question or difficulty in connection therewith and incidental thereto.”

**5. AS AN ORDINARY RESOLUTION:**

**RATIFICATION OF REMUNERATION TO BE PAID TO M/S RAMANATH IYER & CO., COST ACCOUNTANTS, AS COST AUDITORS OF THE COMPANY, FOR THE FINANCIAL YEAR 2021-22**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the remuneration of Rs. 1,92,500/- (Rupees One Lakh Ninety Two Thousand and Five Hundred only) (excluding reimbursement for direct and allocated expenses incurred in connection with the performance of the services on actual basis and applicable taxes) as fixed by the Board of Directors of the Company, payable to M/s Ramanath Iyer & Co., (Firm Registration No. 000019), Cost Accountants, as Cost Auditors, appointed by the Board of Directors of the Company upon the recommendation of the Audit Committee for conducting audit of cost accounting records of the Company for the Financial Year 2021-22, be and is hereby ratified;

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

**6. AS AN ORDINARY RESOLUTION:**

**AUTHORITY TO ENTER INTO MATERIAL RELATED PARTY CONTRACTS / ARRANGEMENTS / TRANSACTIONS**

“**RESOLVED THAT** pursuant to the provisions of Companies Act, 2013 and Rules framed therein, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company’s policy on Related Party Transactions, the approval of the Members of the Company be and is hereby accorded to the Board of Directors, to enter into one or more contracts / arrangements / transactions with the following related parties for the amounts stated hereunder:

<b>S. No.</b>	<b>Name of the Related Party</b>	<b>Upto Amount (In Rs. Crores)</b>
1.	Jindal Stainless (Hisar) Limited (“JSHL”)	1,700
2.	Jindal Stainless Steelway Limited (“JSSL”)	1,300
3.	Jindal United Steel Limited (“JUSL”)	1,600
4.	JSL Global Commodities Pte. Ltd. (“JSL Global”)	1,750
5.	Prime Stainless, DMCC (“Prime”)	1,250

during the Financial Year 2021-22 on such terms and conditions as may be mutually agreed upon between the Company and JSHL/JSSL/JUSL/JSL Global/Prime;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to decide upon the nature and value of the products, goods, materials or services etc. for transactions with JSHL/JSSL/JUSL/JSL Global/Prime, including providing of corporate guarantee on behalf of JSHL, within the aforesaid limits;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors / one or more Directors or Officers of the Company and to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution.”

**By order of the Board  
For Jindal Stainless Limited**

**Registered Office:  
O.P. Jindal Marg  
Hisar – 125005, Haryana.  
16<sup>th</sup> August, 2021**

**Navneet Raghuvanshi  
Company Secretary  
Membership No. A14657**

## NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 13<sup>th</sup> January, 2021 read with circulars dated 5<sup>th</sup> May, 2020, 8<sup>th</sup> April, 2020 and 13<sup>th</sup> April, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM Facility, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), MCA Circulars and circular dated 15<sup>th</sup> January, 2021 read with 12<sup>th</sup> May 2020 issued by the Securities and Exchange Board of India (“SEBI Circular”), the 41<sup>st</sup> AGM of the Company is being held through VC / OAVM Facility. The detailed procedure for participating in the through VC/OAVM Facility is mentioned hereunder in this notice. The deemed venue for the 41<sup>st</sup> AGM shall be the Registered Office of the Company.

In terms of the MCA Circulars and SEBI Circular, the Notice of the 41<sup>st</sup> AGM will be available on the website of the Company at [www.jslstainless.com](http://www.jslstainless.com), on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and also on the website of Link Intime India Private Limited, at <https://instavote.linkintime.co.in/>

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circular through VC / OAVM Facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 41<sup>st</sup> AGM of the Company and therefore the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Attendance of the Members of the Company, participating in the 41<sup>st</sup> AGM through VC / OAVM Facility will be counted for the purpose of reckoning the quorum under section 103 of the Act.
4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) and Regulation 44 of SEBI Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 41<sup>st</sup> AGM and facility for those Members participating in the 41<sup>st</sup> AGM to cast vote through e-Voting system during the 41<sup>st</sup> AGM. Link Intime India Private Limited (“Link Intime/Registrar”) will be providing facility for voting through remote e-Voting, for participation in the 41<sup>st</sup> AGM through VC/OAVM Facility and e-Voting during the 41<sup>st</sup> AGM.
5. At the 37<sup>th</sup> AGM, Walker Chandiok & Co. LLP (Firm Regn. No. 001076N/N500013) were appointed as Statutory Auditors of the Company for a term of five years until the conclusion of 42<sup>nd</sup> AGM of the Company.



The ratification of their appointment, pursuant to Section 139 of the Act, is not required, in terms of Notification No. S.O. 1833(E) dated May 7, 2018, issued by the Ministry of Corporate Affairs and accordingly, such item has not been included in the Ordinary Business of this AGM Notice.

6. The relevant details as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2") of the persons seeking re-appointment as Directors under Item No. 2, 3 & 4 of the Notice, are also attached. The Company has received relevant disclosures / consents from the Directors seeking re-appointment.
7. An Explanatory Statement pursuant to Section 102 of the Act relating to special businesses to be transacted at the meeting is annexed hereto.
8. Pursuant to Section 91 of the Act and Regulation 42 of the SEBI Listing Regulations, the Register of Members and the Share Transfer books of the Company will remain closed from Monday, 13<sup>th</sup> September, 2021 to Tuesday, 14<sup>th</sup> September, 2021 (both days inclusive) for the purpose of 41<sup>st</sup> AGM of the Company.
9. The Securities and Exchange Board of India ('SEBI') has mandated submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.
- 10. SEBI has also mandated that requests for effecting transfer of securities (except transmission or transposition of securities) shall not be processed after March 31, 2019, unless the securities are held in dematerialized form. Hence, the Members holding shares in physical form are requested to convert their holdings to dematerialized form at the earliest.**
11. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 41<sup>st</sup> AGM and the Annual Report for the year 2020-21 including therein the Audited Financial Statements for financial year ended 31<sup>st</sup> March 2021, are being sent only by email to the Members. Members who have not registered their email addresses with the Company or with their respective Depository Participant/s and who wish to receive the Notice of the 41<sup>st</sup> AGM and the Annual Report for the year 2020-21 and all other communication sent by the Company, from time to time, can now register for the same by submitting a duly filled-in request form mentioning their folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN Card and any document (such as Driving License, Passport, Bank Statement, Aadhaar Card) supporting the registered address of the Member, by email to the Company / Registrar. Members holding shares in demat form are requested to register their email addresses with their Depository Participant(s) only.

12. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, 09<sup>th</sup> September, 2021 and as per the Register of Members of the Company. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
13. In case of joint holders attending the Meeting, only the Member whose name appears first will be entitled to vote.
14. Since 41<sup>st</sup> AGM of the Company will be held through VC / OAVM Facility, therefore Route Map is not annexed to this Notice.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD 2 ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA**

**ITEM NO. 3**

Mr. Abhyuday Jindal's tenure as Managing Director of the Company was upto 24<sup>th</sup> April, 2021. Considering the valuable contribution made by Mr. Abhyuday Jindal during his tenure as Managing Director of the Company, the Board of Directors at their meeting held on 04<sup>th</sup> February, 2021, upon the recommendation of the Nomination and Remuneration Committee of the Board of Directors had approved the re-appointment of Mr. Abhyuday Jindal as Managing Director of the Company for another period of three years commencing from 25<sup>th</sup> April, 2021 till 24<sup>th</sup> April, 2024, subject to the requisite approvals including from the Members. His term as Director will be subject to retirement by rotation.

Mr. Abhyuday Jindal is not disqualified from being appointed as Managing Director in terms of Section 196 of the Companies Act, 2013 ("the Act") and he has given his consent to act as Managing Director. Mr. Jindal is also not debarred from holding the office of a Director by virtue of any SEBI order or any other authority.

The information as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 is provided under the head "Additional Information".

In compliance with the provisions of the Act, the terms of remuneration specified in the resolution are placed before the Members in this AGM for their approval.

There is no contract of services in writing with Mr. Abhyuday Jindal. The terms set out in the resolution may be treated in compliance of Section 190 of the Act.

Your Directors recommend passing the resolution as set out at Item No. 3 of this notice as an Ordinary Resolution for your approval.

Mr. Abhyuday Jindal is interested in the resolution as set out at Item No. 3 of this Notice. Mr. Ratan Jindal, Chairman and Managing Director of the Company being related to Mr. Abhyuday Jindal may be deemed to be interested in the said resolution. The other relatives of Mr. Abhyuday Jindal may be deemed to be interested to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors/ key Managerial Personnel(s) of the Company/ their relative are, in any way, concerned or interested, financially or otherwise in the above referred resolution.

#### **ITEM NO. 4**

Mr. Tarun Kumar Khulbe's tenure as Wholetime Director of the Company was upto 14<sup>th</sup> May, 2021. Considering the valuable contribution made by Mr. Khulbe during his tenure as Wholetime Director of the Company, the Board of Directors at its meeting held on 04<sup>th</sup> February, 2021, upon the recommendation of the Nomination and Remuneration Committee of the Board of Directors had approved the re-appointment of Mr. Khulbe as Wholetime Director of the Company for another period of three years commencing from 15<sup>th</sup> May, 2021 till 14<sup>th</sup> May, 2024, subject to the requisite approvals including from the Members. His term as Director will be subject to retirement by rotation.

Mr. Tarun Kumar Khulbe is not disqualified from being appointed as Wholetime Director in terms of Section 196 of the Companies Act, 2013 ("the Act") and he has given his consent to act as Wholetime Director. Mr. Tarun Kumar Khulbe is also not debarred from holding the office of a Director by virtue of any SEBI order or any other authority.

The information as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 is provided under the head "Additional Information".

In compliance with the provisions of the Act, the terms of remuneration specified in the resolution are placed before the Members in this AGM for their approval.

There is no contract of services in writing with Mr. Tarun Kumar Khulbe. The terms set out in the resolution may be treated in compliance of Section 190 of the Act.

Your Directors recommend passing the resolution as set out at Item No. 4 of this notice as an Ordinary Resolution for your approval.

Mr. Tarun Kumar Khulbe being concerned along with his relatives may be deemed to be interested in the resolution set out at Item No. 4 of this notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors/ Key Managerial Personnel(s) of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise in the above referred resolution.

## ITEM NO. 5

In terms of the provisions of the Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company is required to maintain the cost records for its product and services in its books of account and get its cost record audited.

The Board of Directors, in its meeting held on 14<sup>th</sup> May, 2021, on the basis of recommendation of the Audit Committee appointed M/s. Ramanath Iyer & Co., Cost Accountants, as Cost Auditors to conduct audit of cost records of the Company for the financial year 2021-22 and subject to ratification by members, fixed their remuneration at Rs. 1,92,500/- (Rupees One Lakh Ninety Two Thousand and Five Hundred only), which shall exclude reimbursement for direct and allocated expenses incurred in connection with the performance of the services on actual basis and applicable taxes.

Pursuant to Section 148 of the Companies Act 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditors should be ratified by the shareholders of the Company.

Your Directors recommend passing of the resolution as set out at Item no. 5 of this notice as an ordinary resolution for your approval.

None of the Directors, Key Managerial Personnel(s) of the Company or their relatives is, in any way, concerned or interested, financially or otherwise in the said resolution.

## ITEM NO. 6

The Company in the ordinary course of its business and on arm's length basis, enters into transactions for sale / purchase of goods / services/ allocating common corporate expenditure with Jindal Stainless (Hisar) Limited ("**JSHL**"), Jindal Stainless Steelway Limited ("**JSSL**"), Jindal United Steel Limited ("**JUSL**"), JSL Global Commodities Pte. Ltd. ("**JSL Global**") and Prime Stainless DMCC ("**Prime**"), the related parties of the Company.

Further, JSHL has availed a term loan facility aggregating to Rs. 50 Crore from Axis Finance Limited ("**AFL**"). For the purpose of securing the above facility the security has been perfected by JSHL on its assets on pari-passu basis with its existing lenders. One of the security conditions of the aforesaid facility is to provide corporate guarantee of Jindal Stainless Limited ("**the Company**") in favour of AFL. Accordingly, JSHL has approached the Company to provide a corporate guarantee to secure the aforesaid facility.

The Board of Directors in its meeting held on 26<sup>th</sup> July, 2021, upon the recommendation of the Audit Committee, subject to the approval of the members, has approved to issue corporate guarantee for securing the facility provided by AFL to JSHL, the borrower. The aforesaid corporate guarantee will be within the overall limits under Section 186 of the Companies Act, 2013 as approved by the members vide a special resolution through Postal Ballot on 6<sup>th</sup> March, 2016.

The value of the transactions proposed, which will be on an arm's length basis, are based on the Company's estimated transaction value for the financial year 2021-22.

Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") provides that all material related party transactions shall require approval of the members through Ordinary Resolution. The explanation to Regulation 23(1) of the SEBI Regulations provides that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

The above mentioned transactions between the Company and the 'Related Parties' are likely to exceed the thresholds of materiality limits as defined under the SEBI Regulations and the Policy on dealing with Related Party Transactions of the Company, during the financial year 2021-22.

Your Directors recommend passing of the resolution as set out at item no. 6 of this Notice as an Ordinary Resolution for your approval.

Except Mr. Ratan Jindal, Chairman and Director of JSHL & Director of JUSL, Mr. Abhyuday Jindal, Managing Director of JSHL and Mr. Tarun Kumar Khulbe, Director of JSSL and their relatives, none of the other Director(s) / Key Managerial Personnel(s) of the Company / their relatives are, in anyway concerned or interested, financially or otherwise, in the said resolution, except to the extent of their shareholding interest, if any, in the Company and the referred 'Related Parties'.

**By order of the Board  
For Jindal Stainless Limited**

**Registered Office:  
O.P. Jindal Marg  
Hisar – 125005, Haryana.  
16<sup>th</sup> August, 2021**

**Navneet Raghuvanshi  
Company Secretary  
Membership No. A14657**

## ADDITIONAL INFORMATION

Information as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India for Item Nos. 2, 3 & 4.

**Brief Profile of director who retire by rotation and eligible for re- appointment/ director(s) being re-appointed:**

### A. Details of Mr. Ratan Jindal, Chairman and Managing Director

<b>Name of Director</b>	Mr. Ratan Jindal
<b>DIN</b>	00054026
<b>Brief Resume</b>	<p>A Commerce graduate and alumni of Wharton School of Management, Mr Ratan Jindal is the Chairman of India's largest stainless steel manufacturing group, Jindal Stainless. Part of the USD 25 billion OP Jindal Group, the foundation of Jindal Stainless was laid in 1970. Under his stewardship, the group has grown from a producer of basic stainless steel products to a USD 2.70 billion (March'21) company providing state-of-the-art stainless steel solutions.</p> <p>Known for his technical proficiency and intimate knowledge of customers and markets, Mr Jindal is synonymous to stainless steel in India. As a vanguard of innovation in the steel industry, his focus has not only been on producing world-class stainless steel products, but also on promoting the usage of stainless steel in myriad applications. His vision for Jindal Stainless is to improve the lives of people by producing and promoting a metal that is corrosion resistant, durable, infinitely recyclable and inherently stainless.</p> <p>Having established the Jindal Stainless facility in Hisar (Haryana, India) as the only specialty stainless steel maker in the country, Mr Jindal set up the Jindal Stainless facility in Jajpur (Odisha, India) in 2011. Today, the two plants employ over 12,000 people, and have a capacity to produce 1.9 million tonnes of stainless steel. Mr Jindal has expanded the frontiers of Jindal Stainless to reach a global audience. Apart from operations in Indonesia, the company has sales offices and service centres across the globe.</p> <p>Social commitments remain as central to Mr Jindal's businesses as they were to the founder of the Jindal Group, Shri O.P. Jindal. Established in Hisar, by the group, the 600-bedded multi-specialty charitable hospital and the renowned VDJ School (VDJS) and the OP Jindal Modern School stand testimony to this commitment. The group undertakes several initiatives at the plant level to empower local communities through self-reliance. The interventions include technical &amp; vocational training, micro-financing &amp; livelihood generation, tailoring, farming &amp; poultry training, and environment</p>

	<p>conservation drives.</p> <p>True to his sportsman spirit, Mr Jindal is a keen golfer and takes avid interest in tennis and cricket.</p>
<b>Date of Birth (Age in years)</b>	July 31, 1961 (60 years)
<b>Qualification</b>	Commerce graduate and alumni of Wharton School of Management
<b>Experience and expertise in specific functional area</b>	Business management
<b>Terms and conditions of appointment</b>	<p>The present resolution seeks approval of the Members for re-appointment of Mr. Ratan Jindal as a Director liable to retire by rotation.</p> <p>Please note that the terms and conditions of appointment of Mr. Ratan Jindal as Chairman &amp; Managing Director have been approved by the sought to be paid members at the 39<sup>th</sup> AGM held on 4<sup>th</sup> September, 2019.</p>
<b>Details of remuneration to be sought and remuneration last drawn</b>	<p>The resolution to this notice of AGM is with regard to re-appointment of Mr. Ratan Jindal, Chairman &amp; Managing Director of the Company, being director liable to retire by rotation, in terms of Section 152 (6) of the Companies Act, 2013. The remuneration of Mr. Ratan Jindal, Chairman &amp; Managing Director of the Company was approved by the members at the 39<sup>th</sup> AGM held on 04<sup>th</sup> September, 2019.</p> <p>Further, Mr. Jindal did not draw any remuneration from the Company during the financial year 2020-21.</p>
<b>Date on which first appointed on the Board</b>	July 23, 2003
<b>Details of shareholding in the Company as on March 31, 2021</b>	92,32,511 equity shares of face value of Rs. 2/- each
<b>Relationship with other Directors/Key Managerial Personnel (“KMP”) (if any)</b>	Father of Mr. Abhyuday Jindal, Managing Director of the Company. He is not related to any other Director/ KMP.
<b>Number of Board Meetings attended during the year 2020-21</b>	4 (Four)
<b>Details of Directorships / Committee Chairmanship and Memberships in companies (As on 31<sup>st</sup> March, 2021)</b>	As detailed herein below

Type of Company	Directorships Held	Committee Membership	Committee Chairmanship
Listed Company	Jindal Stainless (Hisar) Limited	Nomination and Remuneration Committee	Nil
Unlisted Public Company	Sonabheel Tea Limited	Nil	Nil
	Jindal Coke Limited	Nil	Nil
	Jindal United Steel Limited	Nil	Nil
	Om Project Consultants and Engineers Limited	Nil	Nil
Private Limited Company	Jindal Industries Private Limited	Nil	Nil
Foreign Company	Jindal Stainless FZE	Nil	Nil
	JSL Group Holdings Pte. Limited	Nil	Nil
	Jindal Stainless Mauritius Limited	Nil	Nil

#### B. Details of Mr. Abhyuday Jindal, Managing Director

<b>Name of Director</b>	Mr. Abhyuday Jindal
<b>DIN</b>	07290474
<b>Brief Resume</b>	<p>A Boston University graduate in Economics and Business Management, Mr. Abhyuday Jindal has a wide ranging experience in the areas of project management, supply chain systems, and strategic &amp; general management. Currently, he is also the Managing Director of Jindal Stainless (Hisar) Limited. He is also the Co-Chair for FICCI's Steel Committee.</p> <p>Mr. Jindal started his career with the JSW Group. There, he played a prominent role in the stake acquisition of Ispat Industries and the post acquisition integration of JSW and Ispat. He then moved on to the Boston Consulting Group, where he managed project consultancy for diverse industries, including cement, steel, wind turbines, and auto components. Having gained a deep understanding of the industrial manufacturing arena, Mr. Jindal entered the USD 2.70 billion (as of March'21) Jindal Stainless organization.</p> <p>Driven by the ambition to go beyond the ordinary, Mr. Jindal took multiple strides in improving supply chain and operational efficiencies. Today, he is shaping Jindal Stainless into a far more dynamic, responsive, predictive, and solution-based organization. As a leader in the stainless steel landscape of the country, Mr. Jindal has explored and unlocked new</p>



	<p>avenues for providing stainless solutions to stakeholders with the vision to improve lives. Helmed by him, the organization has built uncontested market leadership and made foray into new fields.</p> <p>Strongly rooted in the Indian soil, Mr. Abhyuday Jindal's community-centric transformational approach has led to the development and sustenance of several empowerment initiatives in and around its production facilities. His signature style has endeared him further among employees. He personifies open and participative management, a consistent culture of dialogue and feedback and a relentless march towards continuous improvement.</p>
<b>Date of Birth (Age in years)</b>	April 4, 1989 (32 Years)
<b>Qualification</b>	Boston University graduate in Economics and Business Management
<b>Experience and expertise in specific functional area</b>	Business Management
<b>Terms and conditions of appointment</b>	Please refer resolution at Item no. 3 of this notice.
<b>Details of remuneration to be sought and remuneration last drawn</b>	<p>Details of remuneration sought to be paid is mentioned in item no. 3 of this notice.</p> <p>During the financial year 2020-21, remuneration of Rs. 3 Crore was paid by the Company to Mr. Abhyuday Jindal.</p>
<b>Date on which first appointed on the Board</b>	9 <sup>th</sup> August, 2017 (appointed as Non-Executive Vice-Chairman)
<b>Details of shareholding in the Company 31<sup>st</sup> March, 2021</b>	32,53,627 equity shares of face value of Rs. 2/- each
<b>Relationship with other Directors/Key Managerial Personnel ("KMP") (if any)</b>	Mr. Abhyuday Jindal is the son of Mr. Ratan Jindal, Chairman and Managing Director of the Company. He is not related to any other Director/ KMP
<b>Number of Board Meetings attended during the year 2020-21</b>	6 (Six)
<b>Details of Directorships / Committee Chairmanship and Memberships in other public limited companies (As on 31<sup>st</sup> March, 2021)</b>	<p><b>Directorship</b></p> <ul style="list-style-type: none"> <li>Jindal Stainless (Hisar) Limited ("JSHL")</li> </ul> <p><b>Committee Chairmanship in JSHL</b></p> <ul style="list-style-type: none"> <li>Risk Management Committee</li> <li>Share Transfer Committee</li> <li>Sub-committee</li> </ul> <p><b>Committee Membership in JSHL</b></p> <ul style="list-style-type: none"> <li>Stakeholders Relationship Committee</li> </ul>

### C. Details of Mr. Tarun Kumar Khulbe, Wholetime Director

<b>Name of Director</b>	Mr. Tarun Kumar Khulbe
<b>DIN</b>	07302532
<b>Brief Resume</b>	<p>Mr. Tarun Kumar Khulbe has been working as a Wholetime Director of Jindal Stainless Limited (JSL) since May, 2018. As a Director on the Board, he is responsible for function of Sales &amp; Marketing, IT, Logistics, Strategic initiatives and Company's subsidiaries. An industry veteran with an experience of 34 years, Mr. Khulbe has played an instrumental in steering JSL towards sustained operational excellence.</p> <p>Mr. Khulbe started his career with the then Raymond Steel, which later merged into Thyssen Krupps, Germany. There, he garnered rich and varied industrial experience spanning across India and Germany. In October 2004, Mr. Khulbe joined Jindal Stainless as an Additional General Manager for the Cold Rolling Mills. Through a demonstrated ability to lead high-performing teams, he was selected to head the entire stainless steel operations at JSL in August 2012. Three years later, he assumed the role of Director and Chief Operating Officer for JSL.</p> <p>Mr. Khulbe combines hands-on knowledge and experience of people, plant, project, and management of business units. This cross-functional exposure lends to him a unique blend of a technocrat and a leader. He is an Engineering Graduate from MITS, Gwalior and MBA from Jamnalal Bajaj Institute of Management Studies, Mumbai.</p>
<b>Date of Birth (Age in years)</b>	July 4, 1965 (56 years)
<b>Qualification</b>	Engineering graduate from MITS, Gwalior and MBA from JBIMS, Mumbai
<b>Experience and expertise in specific functional area</b>	Operations
<b>Terms and conditions of appointment</b>	Please refer resolution at Item no. 4
<b>Details of remuneration sought to be paid and remuneration last drawn</b>	<p>Details of remuneration sought to be paid is mentioned in item no. 4 of the notice of AGM.</p> <p>During financial year 2020-21, remuneration of Rs. 1.77 Crore was paid by the Company to Mr. Tarun Kumar Khulbe.</p>
<b>Date on which first appointed on the Board</b>	15 <sup>th</sup> May, 2018
<b>Details of shareholding in the Company (As on 31<sup>st</sup> March, 2021)</b>	47,076 equity shares of face value of Rs. 2/- each.
<b>Relationship with other Directors/Key Managerial Personnel ("KMP") (if any)</b>	Mr. Tarun Kumar Khulbe is not related to any other Director or KMP of the Company.

<b>Number of Board Meetings attended during the year 2020-21</b>	5 (five)
<b>Details of Directorships / Committee Chairmanship and Memberships in other companies (As on 31<sup>st</sup> March, 2021)</b>	<p><b>Directorship</b></p> <ul style="list-style-type: none"> <li>• Jindal Stainless Steelway Limited</li> <li>• J.S.S. SteellItalia Limited</li> <li>• Jindal Stainless Park Limited</li> </ul> <p><b>Committee membership / Chairmanship</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

**By order of the Board  
For Jindal Stainless Limited**

**Registered Office:  
O.P. Jindal Marg  
Hisar – 125005, Haryana.  
16<sup>th</sup> August, 2021**

**Navneet Raghuvanshi  
Company Secretary  
Membership No. A14657**

#### **INSTRUCTIONS FOR E-VOTING:**

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and as amended, the Company is pleased to provide remote e-voting facility to enable the Member to cast their votes electronically on the resolutions mentioned in the Notice of the 41st AGM of the Company to be held on Thursday, 16th day of September, 2021. The Company has appointed Mr. Sandeep Garg, Advocate, as the Scrutinizer for conducting the remote e-voting process and e-voting during the AGM in a fair and transparent manner. The list of shareholders/ beneficial owners shall be reckoned on the equity shares as on 09th September, 2021.

The Member(s) requiring any assistance with regard to use of technology for remote e-voting or at any time before or during the 41st AGM (including e-voting in the 41st AGM) may contact Mr. Swapan Kumar Naskar, Associate Vice President & Head (North India) at the designated email ID: swapann@linkintime.co.in or contact at 011- 49411000. The remote e-voting period will commence on 13th September, 2021 at 9.00 a.m. (IST) and ends on 15th September, 2021 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 09th September, 2021, may cast their vote electronically. The remote e-voting module shall be disabled by Link Intime India Private Limited (“Link Intime”) for voting thereafter. Once the vote on a resolution is cast by a Member, whether partially or otherwise, it shall not be allowed to change subsequently. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as “ABSTAINED”. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

**Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

<b><u>Type of shareholders</u></b>	<b><u>Login Method</u></b>
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ul style="list-style-type: none"><li>• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password.</li><li>• After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>• If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li></ul>

<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<ul style="list-style-type: none"> <li>• Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>• After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li>• If the user is not registered for Easi/Easiest, option to register is available at :  <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>• Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</li> </ul>
<p><b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b></p>	<ul style="list-style-type: none"> <li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>• Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>

**Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.**

1. Open the internet browser and launch the URL:  
<https://instavote.linkintime.co.in>

Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

- A. User ID:** Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.
  - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).
  - C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
  - D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
- Shareholders/ members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above

Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

Click “confirm” (Your password is now generated).

2. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.

3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

4. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.

5. E-voting page will appear.

6. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).

7. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘No’ and accordingly modify your vote.

### **Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

### **Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
  - Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
  - Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
  - The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

### **Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
  - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

### **Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nssl.co.in">evoting@nssl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22-23058542-43.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 –4918 6000.

**InstaVote Support Desk**  
**Link Intime India Private Limited**



### **Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

**A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

### **Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

### **Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

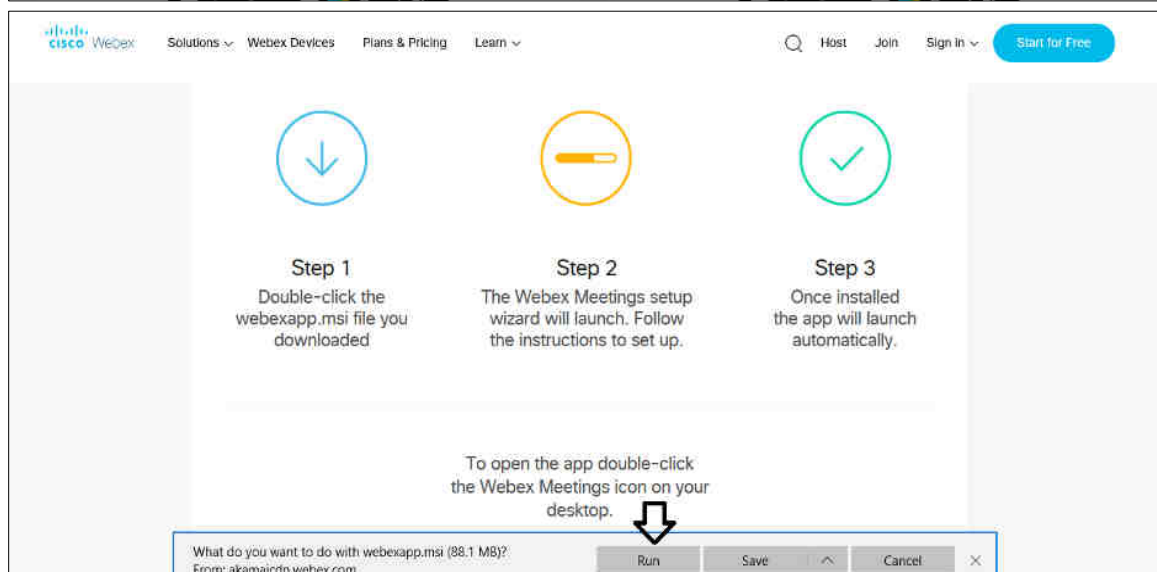
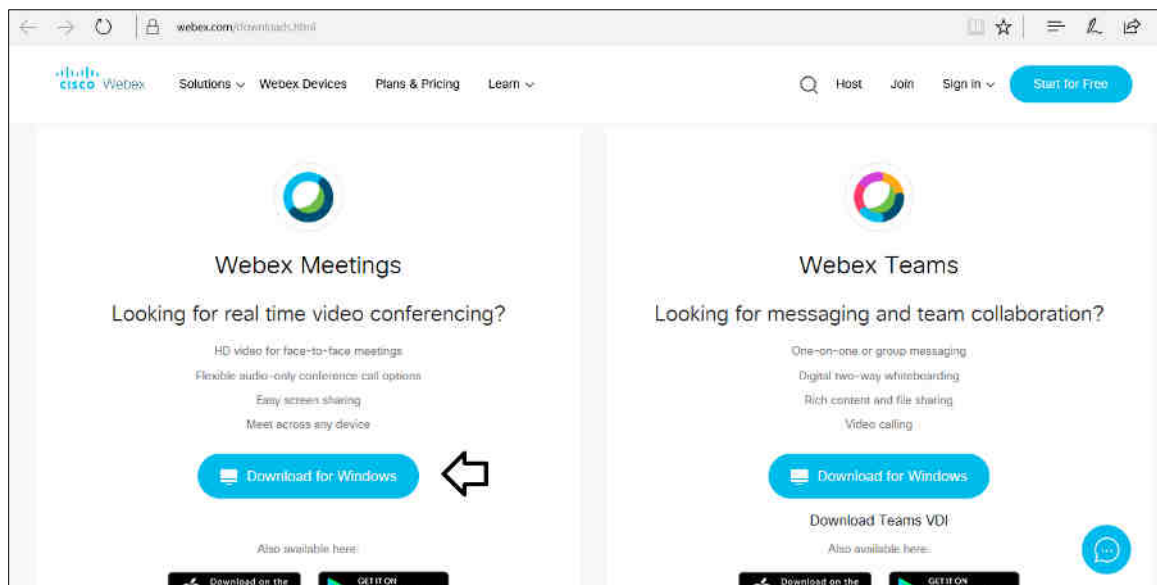
In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

**InstaMeet Support Desk**  
**Link Intime India Private Limited**

### Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>



Step 1  
Double-click the webexapp.msi file downloaded.

Step 3  
Once installed app will launch automatically.

To open the app double-click the Webex Meetings icon on your

Step 1  
Double-click the webexapp.msi file downloaded.

Step 3  
Once installed app will launch automatically.

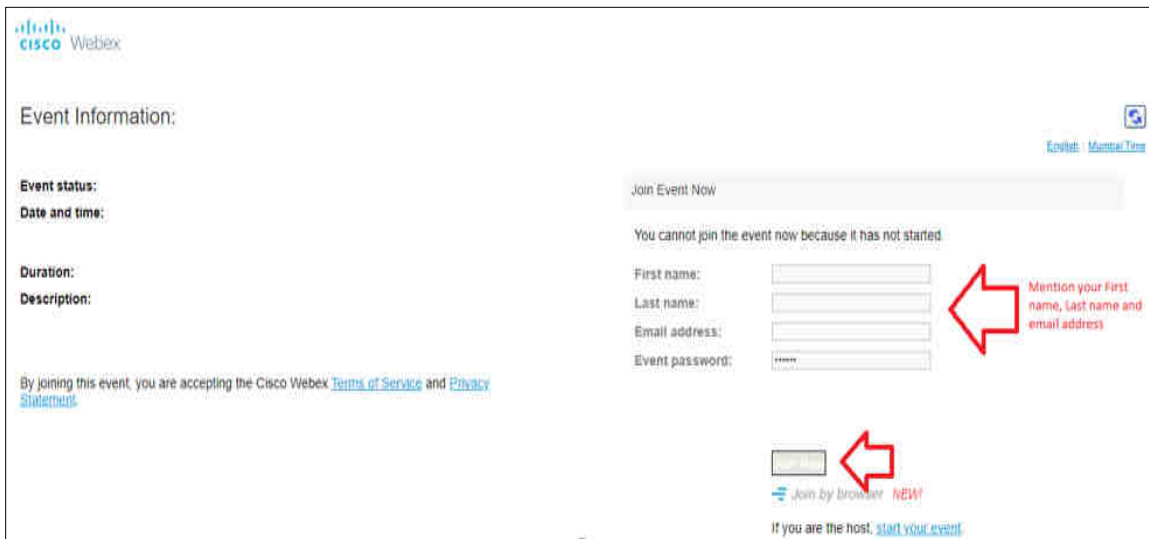
Step 1  
Double-click the webexapp.msi file downloaded.

Step 3  
Once installed app will launch automatically.

or

b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application. Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



## FOR ATTENTION OF SHAREHOLDERS

1. Those Members, who hold shares in physical form or who have not registered their email address with the Company and who wish to participate in the 41<sup>st</sup> AGM or cast their vote through remote e-Voting or through the e-Voting system during the meeting, may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning the name, folio number and complete address; and (ii) self-attested scanned copy of the PAN Card and any document (such as Driving Licence, Bank Statement, Election Card, Passport, Aadhar Card) in support of the address of the Member as registered with the Company; to the email address of the Company **investorcare@jindalstainless.com**.

In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning their name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID); (ii) self-attested scanned copy of client master or Consolidated Demat Account statement; and (iii) self-attested scanned copy of the PAN Card, to the email address of the Company **investorcare@jindalstainless.com**

2. Members are requested to immediately notify to the Registrar any change in their address, in respect of equity shares held in physical mode and to their depository participants (DPs) in respect of equity shares held in dematerialised form.
3. As per provisions of the Companies Act, 2013 read with relevant Rules thereof, facility for making nominations is available to individuals holding shares in the Company. Members holding shares in physical form may obtain Nomination Form No. SH-13 from the Company's RTA. Members holding shares in electronic form are required to approach their DPs for the nomination.
4. The Company's equity shares are compulsorily traded in dematerialised form by all investors Shareholders are requested to get the shares dematerialised in their own interest.
5. **The Company has created an Email Id. 'investorcare@jindalstainless.com', which is being used exclusively for the purpose of redressing the complaints of the investors.**
6. Members should quote their Folio No. / DP Id-Client Id, email addresses, telephone / fax numbers to get a prompt reply to their communications.
7. The annual accounts and other related documents of the subsidiaries are available at the website of the Company and will be made available to any member of the Company who may be interested in obtaining the same. The consolidated financial statements of the Company include the financial results of all the subsidiary companies. The annual accounts of the subsidiary companies would be open and accessible for inspection by shareholder / investor at registered office of the Company and registered office of the subsidiary companies on any working day except holidays.
8. The Scrutinizer shall after the conclusion of e-Voting at the 41<sup>st</sup> AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not and such Report shall then be sent to the Chairman or a person

authorized by him, within 48 (forty eight) hours from the conclusion of the 41<sup>st</sup> AGM, who shall then countersign and declare the result of the voting forthwith.

9. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and Relevant documents referred to in this Notice of AGM and explanatory statement on the date of AGM in electronic mode can send an email to [investorcare@jindalstainless.com](mailto:investorcare@jindalstainless.com).

10. **Mandatory updating of PAN and Bank details against your physical holding**

The Securities and Exchange Board of India (SEBI) vide its circular SEBI/HO/DOP1/CIR/P/2018/73 dated 20th April, 2018, mandated that the companies through their Registrar and Transfer Agents (“RTA”) should take special efforts for collecting copies of PAN and bank account details for the security of the holders holding securities in physical form. Those security holders whose folio(s) do not have complete details relating to their PAN and Bank Account, or where there is any change in the bank account details provided earlier, have to compulsorily furnish the details to RTA/ Company for registration /updating.

You are therefore requested to submit the following to update the records:

- KYC Format duly filled in and signed by all the shareholders.
- Self-attested copy of Pan Card of all the shareholders.
- Cancelled Cheque leaf with name (if name is not printed, self-attested copy of the pass book showing the name of the account holder) of the first holder.
- Address proof (self-attested Aadhar-card) of the first holder.
- Any change in the name of the holders.

*Note: You are requested to ignore this communication if you have already updated you details with RTA / Company.*

## DIRECTORS' REPORT

**TO  
THE MEMBERS,**

Your Directors have pleasure in presenting the 41<sup>st</sup> Annual Report on the business and operations of your Company together with the audited statement of accounts for the financial year ended 31<sup>st</sup> March, 2021.

### FINANCIAL RESULTS

Your Company's performance for the financial year ended 31<sup>st</sup> March, 2021 is summarized below:

(Rs. in Crore)

Sl. No.	Particulars	For the financial year ended (Standalone)		For the financial year ended (Consolidated)	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
I	Revenue from operations	<b>11,679.14</b>	12,320.11	<b>12,188.46</b>	12,950.87
II	Other income	<b>42.30</b>	36.98	<b>40.90</b>	39.89
III	Total income	<b>11,721.44</b>	12,357.09	<b>12,229.36</b>	12,990.76
IV	Total expenses	<b>11,120.41</b>	12,121.04	<b>11,647.31</b>	12,822.08
V	EBITDA	<b>1,395.85</b>	1,174.82	<b>1,424.19</b>	1,139.48
VI	Profit before exceptional items, tax and share of net profit of investments accounted for using equity method	<b>601.03</b>	236.05	<b>582.05</b>	168.68
VII	Share of profits from associates	-	-	<b>5.21</b>	(7.86)
VIII	Profit before exceptional items and tax	<b>601.03</b>	236.05	<b>587.26</b>	160.82
IX	Exceptional items	<b>99.39</b>	8.31	<b>102.41</b>	4.44
X	Profit after exceptional items but before Tax	<b>700.42</b>	244.36	<b>689.67</b>	165.26
XI	Tax expense	<b>272.50</b>	91.48	<b>270.21</b>	92.64
XII	Profit for the year	<b>427.92</b>	152.88	<b>419.46</b>	72.62
XIII	Total other comprehensive income	<b>0.43</b>	(1.01)	<b>3.59</b>	7.34
XIV	Total comprehensive income for the year (comprising profit and other comprehensive income for the year)	<b>428.35</b>	151.87	<b>423.05</b>	79.96

### FINANCIAL HIGHLIGHTS

During the financial year, revenue from the operations of your Company on standalone basis stood at Rs. 11,679.14 Crore as compared to Rs. 12,320.11 Crore during the previous financial year 2019-20. EBITDA during the financial year 2020-21, on standalone basis stood at Rs. 1,395.85 Crore as compared to Rs. 1,174.82 Crore during the previous financial year. The Net profit of the Company on standalone basis registered a growth of ~180% and stood at Rs. 427.92 Crore as compared to net profit of Rs. 152.88 Crore during the previous financial year 2019-20.



Further, during the financial year ended March 31, 2021, the consolidated revenue from operations of the Company stood at Rs. 12,188.46 Crore as compared to Rs. 12,950.87 Crore during the previous financial year 2019-20. Consolidated EBITDA stood at Rs. 1,424.19 Crore as compared to Rs. 1,139.48 Crore during the previous financial year. The Net profit for the financial year 2020-21 on consolidated basis stood at Rs. 419.46 Crore.

## **OPERATIONS**

With a focus on improving volumes, operational efficiencies and cost rationalization, JSL expects to maintain strong performance going forward. Steel Melting Shop produced 8,73,907 MT as compared to 9,73,995 MT in the previous financial year 2019-20.

The production at Ferro Alloys during the year was 2,17,744 MT against 2,27,727 MT during the previous year 2019-20. Captive Power Plant (2X125MW) generated 1,687 million units (gross) of power in FY 2020-21 vs 1,853 MU in FY 2019-20.

## **CERTIFICATIONS AND QUALITY STANDARDS**

Your Company is certified for integrated management systems comprising of Quality management system (ISO 9001:2015), Environment management system (ISO 14001:2015) and Occupational health & safety management system (ISO 45001:2018). The Company is also certified to Energy management system as per ISO 50001:2018.

All the testing laboratories (comprising of incoming raw materials, steel melt shop, coal testing and mechanical & metallurgical testing) of the Company are NABL (National Accreditation Board of Testing and Calibration Laboratory) accredited as single entity "Central laboratory & technical services" as per laboratory management system ISO/IEC 17025:2017. NABL accreditation has strengthened its overall technical competency which has resulted in becoming world class laboratory with worldwide acceptance of its test results.

Your Company is certified as per Construction Product Regulation (CE Mark) with incorporation of ferritic & duplex grades of stainless steel with validity of certificate till December 2023. This will ensure the Company's preference as certified manufacturer of stainless steel for construction field in the European market. The Company is also certified for Pressure Equipment Directive AD/ PED with ferritic & duplex grades of stainless steel under the scope with validity of certificate until January 2022. The PEMEX certification for oil and gas sector is valid until December 2021. Your Company is re-certified as DNV GL approved manufacturer for Marine Application and the approval from Bureau Veritas as per Marine & Offshore General Conditions which is valid until May 2022.

Your Company has REACH/RoHS certification for 200, 300 & 400 series stainless steel grades. This includes compliance to all applicable restricted substances under REACH and RoHS latest regulations.

Your Company has ISI mark/ BIS certification for various grades of Stainless Steel including BIS licenses as

per IS 5522: 2014 (Stainless Steel Sheets and Strips for Utensils) and IS 15997:2012 (Low Nickel Austenitic Stainless Steel and Strip for Utensils and Kitchen Appliances), enabling the company as preferred stainless steel manufacturer with BIS license.

Your Company also holds JIS Mark Certification as per JIS (Japanese Industrial Standard) JIS G 4304, JIS G 4305 and JIS G 4312 requirements for stainless steel products. This has enabled the Company to be able to sell stainless steel products in Japan and East Asian countries.

Your Company has obtained Automotive Quality Management System certification as per IATF 16949:2016. With this, wide customer's demands from automotive segments are getting fulfilled.

### **CREDIT RATING(S)**

The credit rating(s) for the long term / short term borrowings of the Company as on date of this report is as under:

- CRISIL Ratings Ltd (An S&P Global Company): CRISIL A+ (Stable)/ A1
- Fitch's India Ratings & Research rating: IND BBB+/IND A2 (Rating Watch Positive)
- CARE BBB+/A2 (Under credit watch with developing implications)

### **DIVIDEND & TRANSFER TO RESERVES**

In terms of the Dividend Distribution Policy of the Company and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), equity shareholders of the Company may expect dividend if the Company is having surplus funds and after taking into consideration the relevant internal and external factors as mentioned in the said Policy. Accordingly, considering the cash position, fund requirements for growth of business of your Company and agreement with the Lenders, the Board of Directors has not recommended any dividend for the financial year ended 31<sup>st</sup> March, 2021. Further, no amount is proposed to be transferred to the reserves of your Company. The Dividend Distribution Policy is available on Company's website at the following link:

[https://www.jslstainless.com/wp-content/uploads/2020/09/JSL-Dividend-Distribution-Policy\\_482018\\_R.pdf](https://www.jslstainless.com/wp-content/uploads/2020/09/JSL-Dividend-Distribution-Policy_482018_R.pdf)

### **SHARE CAPITAL**

As on 31<sup>st</sup> March, 2021, the paid up equity share capital of your Company was Rs.97,44,69,200/-divided into 48,72,34,600 equity shares of face value Rs. 2/- each.

On 29th September, 2020, the Company has allotted 3,52,52,643 and 30,08,225 convertible equity warrants on preferential basis, having face value of Rs. 2/- each at a price of Rs. 42.55 (Rupees Forty Two and Fifty Five Paise only) to Virtuous Tradecorp Private Limited, a Promoter Group entity and Kotak Special Situations Fund, an Alternate Investment Fund, respectively.

As per the terms of issue of aforesaid Convertible Equity Warrants "the Warrants", the Company has

received 33% of the issue price at the time of allotment and balance 67% of the issue price will be received upon exercising the option of conversion of Warrants into equity shares, which is due on or before 18 months from the date of allotment of aforesaid Warrants. Each convertible equity warrant is convertible into one equity share at the option of the warrant holders.

The funds so raised by the Company have been utilized to augment the cash flows of the Company for meeting its liabilities, strengthening long term working capital and general corporate purposes.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report as required under the SEBI LODR forms part of this Director's Report.

## **NON CONVERTIBLE DEBENTURES**

During the year under review, your Company had made the early redemption of the Secured Redeemable Non- Convertible Debentures (originally allotted 2,500 nos. of FV of Rs. 10,00,000/- each), having an outstanding balance of Rs. 52.08 Crore as on 21<sup>st</sup> January, 2021 (the date of early redemption), earlier issued to the lenders of the Company.

## **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

During the period under review, your Company has transferred unclaimed and unpaid amounts of fixed deposits aggregating to Rs. 1,46,093/- to Investor Education and Protection Fund. During the financial year 2020-21, there was no unclaimed dividend which was required to be transferred to Investor Education and Protection Fund.

## **INFORMATION TECHNOLOGY**

Your Company has always been on the forefront in embarking on a digital transformation journey by implementing cutting-edge technology solutions in the manufacturing industry. Information Technology has been instrumental in enabling smoother, faster and transparent processes across multiple divisions of the Company's major operations and activities.

Under the gamut of our upgraded and newly introduced SAP initiatives, the Company has successfully implemented paperless material receiving (GRN) process and quality clearance for all items purchased by the plant; turnaround time (TAT) dashboards for plant vehicles from entry to exit; GPS-enabled freight management for outbound delivery, etc.

A plethora of other digital initiatives in the plant are changing the way to conduct the business. The Company focused on automating important business processes like invoice management. This helped increase efficiency and at the same time, ensuring error-free, system-driven, and fast operations. We have also effectively completed designing, process mapping, and configuring of new systems, like the new Cut to Length (CTL) Line at the Hot Strip Mill (HSM), gate entry system design for slag, etc. Apart

from this, several implementations were done in the area of barcode-enabled printing and scanning. A cross-plant batch scanning system was implemented for the HSM CTL2 line and a barcode scanning system and gross weight sticker design for material processing were implemented at the Plate Finishing Section (PFS). These implementations improved the existing processes by providing an easier way to store and read relevant information for the operations team.

As we deep dive into the sea of technology, we find that the power of IT is beyond imagination. At JSL, we are taking concrete steps to harness this potential. The sheer perseverance and unwavering dedication of the Company's IT team are the bedrock of this exceptional performance on Company's digital transformation journey.

## **CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the provisions of the Companies Act, 2013 ("the Act"), SEBI LODR and Ind-AS 110 on Consolidated Financial Statements read with Ind-AS-28 on investments in Associates and Ind-AS-31 on interests in Joint Ventures, the audited Consolidated Financial Statements for the financial year ended 31<sup>st</sup> March, 2021 are provided in the Annual Report.

## **SUBSIDIARY AND ASSOCIATE COMPANIES**

As on the date of this Report, your Company has 5 direct subsidiaries, namely (i) Jindal Stainless FZE, Dubai; (ii) PT Jindal Stainless Indonesia; (iii) JSL Group Holdings Pte. Ltd., Singapore; (iv) Iberjindal S.L., Spain and (v) Jindal Stainless Park Limited.

Your Company also has three associate companies namely, Jindal United Steel Limited, Jindal Coke Limited and Jindal Stainless Corporate Management Services Private Limited. Further, your Company is an associate company of Jindal Stainless (Hisar) Limited. In terms of the provisions of Section 136 of the Act, the standalone financial statements of the Company, consolidated financial statements of the Company, along with other relevant documents and separate audited accounts of the subsidiaries, are available on the website of the Company, at the link: <https://www.jslstainless.com/financials/#financials>

The members, if they desire, may write to the Secretarial Department of the Company at O.P. Jindal Marg, Hisar – 125005 (Haryana) to obtain the copy of the financial statements of the subsidiary companies. A statement containing the salient features of the financial statements of the subsidiaries and associate companies in the prescribed Form AOC-1 is attached along with financial statements. The statement also provides the details of performance and financial position of each of the subsidiary company. Your Company has framed a policy for determining "Material Subsidiary" in terms of Regulation 16(6) of SEBI LODR, which is available on the website of the Company at the link:

<https://www.jslstainless.com/wp-content/uploads/2020/09/Policy-on-Material-Subsidiaries.pdf>

As on 31<sup>st</sup> March, 2021, there was no Material Subsidiaries of the Company.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, the Board of Directors had appointed Mr. Parveen Kumar Malhotra (DIN: 03494232), in place of Mr. Gautam Kanjilal (DIN: 03034033), as a Nominee Director on the recommendation of the State Bank of India, acting as the lead bank of the consortium of lenders of the Company, w.e.f. 8<sup>th</sup> September, 2020.

The shareholders at their meeting held on 21<sup>st</sup> August, 2020 had approved appointment of Mrs. Arti Luniya and re-appointment of Ms. Bhaswati Mukherjee as an Independent Director w.e.f. 26<sup>th</sup> November, 2019 and 15<sup>th</sup> July, 2020, respectively.

The Board of Directors in their meeting held on 04<sup>th</sup> February, 2021, upon the recommendation of the Nomination and Remuneration Committee approved the re-appointment of Mr. Abhyuday Jindal as the Managing Director and Mr. Tarun Kumar Khulbe as Wholetime Director of the Company for a further term of 3 years w.e.f. 25<sup>th</sup> April, 2021 and 15<sup>th</sup> May, 2021, respectively. The proposal for re-appointment of Mr. Abhyuday Jindal as Managing Director and Mr. Tarun Kumar Khulbe as Wholetime Director will be placed before the shareholders at the ensuing Annual General Meeting ("AGM") of the Company. In accordance with the provisions of the Act, Mr. Ratan Jindal, is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

Brief resume of the abovementioned Directors being re-appointed, nature of their expertise in specific functional areas, details of directorships in other companies, membership / chairmanship of committees of the Board and other details, as stipulated under, Regulation 36(3) of SEBI LODR and Secretarial Standard - 2 issued by The Institute of Company Secretaries of India, are given in the Notice forming part of the Annual Report.

## **DECLARATION BY INDEPENDENT DIRECTORS**

All the Independent Directors of the Company had given the declaration under Section 149(7) of the Act that they meet the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16 of SEBI LODR. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct for Board Members and Senior Management. Further, all the Directors have also confirmed that they are not debarred to act as a Director by virtue of any SEBI order or any other authority.

Your Company has also devised a Policy on Familiarization Programme for Independent Directors which aims to familiarize the Independent Directors with your Company, nature of the industry in which your Company operates, business operations of your Company etc. The said Policy may be accessed on your Company's website at the link:

<https://www.jslstainless.com/wp-content/uploads/2020/09/Policy-on-Familiarisation-Programme.pdf>

## **BOARD EVALUATION**

An annual performance evaluation of all Directors, the Committees of the Board and the Board as a whole was carried out during the year under review. For the purpose of carrying out performance evaluation, assessment questionnaires were circulated to all Directors and their feedback was obtained and recorded.

## **COMPOSITE SCHEME OF ARRANGEMENT**

The Board of Directors of your Company at their meeting held on 29<sup>th</sup> December 2020 upon the recommendation of its committee(s) has considered and approved a Composite Scheme of Arrangement pursuant to Sections 230 to 232 and other relevant provisions of Companies Act, 2013, amongst the Company, Jindal Stainless (Hisar) Limited (“JSHL”), JSL Lifestyle Limited, Jindal Lifestyle Limited, JSL Media Limited and Jindal Stainless Corporate Management Services Private Limited ('Scheme'). The Scheme is subject to necessary statutory and regulatory approvals under applicable laws, including approval of the Hon’ble National Company Law Tribunal (“NCLT”).

The merger of JSHL into the Company will create a mega stainless steel entity that will be among the top 10 stainless steel companies in the world and the largest stainless steel company in India. The merger will not only enhance the consolidated entity’s product portfolio, along with a 360-degree reach to better serve its customers, but will also offer a seamless, single-window, pan-India, as well as global network access to customers and further boost the ‘Just-in-Time’ approach.

The consolidation of businesses will recast the merged entity as an integrated, modern and ‘state-of-the-art’ manufacturing facility, bringing the diversified technology, talent and R&D under one roof. The merger will lead to the realisation of enhanced operational synergy, with the Company’s proximity to port and raw materials, along with world-class finishing lines, and JSHL’s strategic location around key domestic consumption centres. Furthermore, the merged entity will present reinvestment opportunities for growth by leveraging ready infrastructure at Jajpur for cost-efficient Brownfield expansions.

The Company has received No Observation Letter pursuant to SEBI master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 from the stock exchanges and has filed first motion of petition before Hon’ble NCLT, Chandigarh bench on March 17, 2021.

## **GENERAL MEETING(S):**

During the financial year ended 31<sup>st</sup> March, 2021, apart from the Annual General Meeting, the Company has convened two Extra- ordinary General Meetings on:

- 1) 17<sup>th</sup> September, 2020 for issue of 3,82,60,868 convertible equity warrants on preferential basis, and;
- 2) 24<sup>th</sup> December, 2020 for providing corporate guarantee in favour of the lender of Jindal Stainless (Hisar) Limited

## **FIXED DEPOSITS**

Your Company had stopped accepting / renewing deposits from 1<sup>st</sup> April, 2014. In compliance of the CLB Order, your Company has repaid the entire outstanding deposits on 30<sup>th</sup> June, 2016. As on 31<sup>st</sup> March, 2021, your Company had total outstanding unclaimed matured deposits of Rs. 18,51,256/-.

The details relating to deposits, covered under Chapter V of the Act are provided hereunder:

1. Accepted during the year: Nil
  
2. Remained unpaid or unclaimed as at the end of the year due to pending clearance of cheques including interest: Rs. 18,51,256/- (unclaimed matured).
  
3. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: - no default has been made and hence these details are not applicable.
  1. at the beginning of the year: Not Applicable
  2. maximum during the year: Not Applicable
  3. at the end of the year: Not Applicable
  
4. The details of deposits, not in compliance with the requirements of Chapter V of the Act: Nil

## **PARTICULARS REGARDING THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure - I** to this Report.

## **PARTICULARS OF EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the prescribed format and annexed herewith as **Annexure - II** to this Report.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this Report. Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours till the date of AGM and any member interested in obtaining such information may write to the Secretarial Department of the Company and the same will be furnished on request.

## STATUTORY AUDITORS AND AUDITORS' REPORT

Walker Chandiook & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, were appointed by the Shareholders at the 37<sup>th</sup> AGM of the Company held on 26<sup>th</sup> September, 2017, for a period of five consecutive years until the conclusion of the 42<sup>nd</sup> AGM of the Company. The ratification of their appointment, pursuant to Section 139 of the Act, is not required, in terms of Notification No. S.O. 1833(E) dated 7<sup>th</sup> May, 2018, issued by the Ministry of Corporate Affairs and accordingly, the item will not be included in the Notice of the ensuing AGM of the Company. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes to financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report do not contain any qualification, reservation or adverse remark. During the year under review, the Statutory Auditors have not reported any incident related to fraud to the Audit Committee or the Board under Section 143(12) of the Act.

## COST AUDITORS

In accordance with the provisions of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, your Company is required to get its cost accounting records audited by a Cost Auditor. The Board has appointed M/s. Ramanath Iyer & Co., Cost Accountants, for this purpose for the financial year 2021-22.

The remuneration payable to the Cost Auditors for the financial year 2021-22 shall be placed for ratification by members at the ensuing AGM in terms of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

## SECRETARIAL AUDITORS

The Board had appointed M/s. Vinod Kothari & Company, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2020-21. In terms of Regulation 24A of the SEBI LODR, the Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2021 is annexed herewith as **Annexure – III** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. In line with the Circular dated February 08, 2019 issued by the Securities and Exchange Board of India, Annual Secretarial Compliance Report for the year ended 31<sup>st</sup> March, 2021 confirming compliance of all applicable SEBI Regulations, Circulars and Guidelines, by the Company was issued by M/s Vinod Kothari & Company, Practicing Company Secretaries and filed with the Stock Exchanges on 20<sup>th</sup> May, 2021. The same is available on the website of the Company at [www.jslstainless.com](http://www.jslstainless.com).

The Board of Directors at their meeting held on 14<sup>th</sup> May, 2021 had re-appointed M/s. Vinod Kothari & Company, Practicing Company Secretaries, as Secretarial Auditor, for conducting Secretarial Audit of the Company for the financial year 2021-22.



## **RISK MANAGEMENT**

The Board of Directors had constituted a Risk Management Committee which has been entrusted inter alia with the following functions: (a) Framing of Risk Management Plan and Policy; (b) Overseeing implementation / Monitoring of Risk Management Plan and Policy; (c) Identifying emerging risks and reviewing risk mitigation strategies; and (d) Formulating a cyber security plan and overseeing its implementation.

Your Company has laid down procedures to inform Board members about risk assessment and minimization strategy. The Board doesn't foresee any immediate risk which threatens the existence of the Company. The details of Risk Management Committee are mentioned in the Corporate Governance Report.

## **INTERNAL FINANCIAL CONTROLS**

Your Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

## **AUDIT COMMITTEE**

Composition of the Audit Committee of the Board, along with the details of meetings held during the financial year under review and attendance of Committee members at the said meetings, have been provided in the Corporate Governance Report. All the recommendations made by the Audit Committee during the financial year 2020-21 were accepted by the Board.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Corporate Social Responsibility ("CSR") Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy ("CSR Policy") indicating the focus areas of Company's CSR activities.

Since there were no profits in terms of the provisions of Section 198 of the Act during last three financial years, the Company was not required under Section 135 of the Act, to incur expenditure on CSR during for the financial year 2020-21. However being guided by the vision and philosophy of its Founder Late Shri O. P. Jindal, your Company has planned interventions in various fields including education & vocational training, integrated health care, women empowerment, social projects, rural infrastructure development, environment sustainability & sports.

The CSR Policy can be accessed on your Company's website at the link:  
<https://www.jslstainless.com/wp-content/uploads/2020/09/JSL-CSR-Policy.pdf>

## CSR COMMITTEE

As on 31<sup>st</sup> March, 2021, the CSR Committee comprises of the following members:

Sl. No.	Name	Designation	Category
1	Mr. Ratan Jindal	Chairman	Executive, Non Independent Director
2	Ms. Bhaswati Mukherjee	Member	Non-Executive, Independent Director
3	Mr. Tarun Kumar Khulbe	Member	Executive, Non Independent Director

The details of meeting held during the financial year under review and attendance of Committee members at the said meeting are provided in the Corporate Governance Report.

## BUSINESS RESPONSIBILITY REPORT

Your Company is committed to grow the business responsibly with a long term perspective as well as to the nine principles enshrined in the National Voluntary Guidelines (NVGs) on social, environmental and economic responsibilities of business, as notified by the Ministry of Corporate Affairs, Government of India, in July, 2011.

The Business Responsibility Report ("BRR") of the Company as per the requirements of Regulation 34(2)(f) of the SEBI LODR describing the initiatives taken by the Company from an environmental, social and governance perspective, along with all the related policies can be viewed on the Company's website at: <https://www.jslstainless.com/annual-reports#annual-reports>

## POLICY ON PREVENTION OF SEXUAL HARASSMENT

Your Company has in place a policy on prevention of sexual harassment at workplace in accordance with the provisions of Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013 ("POSH Act"). The policy aims at prevention of harassment of women employees and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

Further, in terms of the provisions of the SEBI LODR, the details in relation to the POSH Act, for the financial year ended on 31<sup>st</sup> March, 2021 are as under:

- Number of complaints pertaining to sexual harassment filed during the financial year: NIL
- Number of complaints pertaining to sexual harassment disposed off during the financial year: NIL
- Number of complaints pertaining to sexual harassment pending as at the end of the financial year: NIL

## **STOCK EXCHANGES WHERE THE SHARES ARE LISTED**

National Stock Exchange of India Ltd., (“NSE”)  
Exchange Plaza, 5th Floor, Plot No. C/1,  
G – Block, Bandra-Kurla Complex,  
Bandra (E), Mumbai – 400 051

BSE Ltd. (“BSE”)  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

The Company pays annual listing fees to NSE and BSE. No shares of your Company were delisted during the financial year 2020-21. The Global Depository Shares (“GDS”) are listed on Luxembourg Stock Exchange.

## **ANNUAL RETURN**

In terms of Sections 92(3) and 134(3)(a) of the Act, annual return for the year is available on the Company’s website and can be viewed at the below mentioned link:

<https://www.jslstainless.com/corporate-governance#corporate-governance>

## **NUMBER OF BOARD MEETINGS**

The Board of Directors met 6(six) times during the financial year ended on 31<sup>st</sup> March, 2021. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

## **WHISTLE BLOWER POLICY / VIGIL MECHANISM**

Pursuant to the provisions of Section 177(10) of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI LODR, your Company has a Vigil Mechanism namely, Whistle Blower Policy for directors, employees and business partners to report genuine concerns about unethical behavior, actual or suspected fraud or violation of your Company's code of conduct or ethics policy and to ensure that whistleblower is protected. The Whistle Blower Policy is posted on the website of your Company and can be accessed at the link:

<https://www.jslstainless.com/wp-content/uploads/2021/06/Whistle-Blower-Policy.pdf>

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The particulars of loans, guarantees and investments by your Company, as required under Section 186 of the Act are stated in Notes to Accounts of the financial statements, forming part of this Annual Report.

## **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered and executed during the year under review were at arms' length basis. As per the provisions of Section 188 of the Act and Rules made thereunder read with Regulation 23 of the SEBI LODR, your Company had obtained approval of the Audit Committee under omnibus approval route and / or under specific agenda items for entering into such transactions.

Particulars of contracts or arrangements entered into by your Company with the related parties referred to in Section 188(1) of the Act, in prescribed form AOC-2, is annexed herewith as **Annexure – IV** to this Report.

Your Directors draw attention of the members to notes to the financial statements which inter-alia set out related party disclosures. The Policy on materiality of related parties transactions and dealing with related parties as approved by the Board may be accessed on your Company's website at the link:

<https://www.jslstainless.com/wp-content/uploads/2021/01/Policy-on-dealing-with-Related-Party-Transactions-1.pdf>

In terms of Regulation 23 of the SEBI LODR, approval of the members for all material related party transactions will be taken at the ensuing AGM. The details pertaining to transaction with person or entity belonging the promoter/promoter group which holds 10% or more shareholding in the Company are mentioned in the Standalone Financial Statement.

#### **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There has been no change in the nature of Company's business during the financial year ended on 31<sup>st</sup> March, 2021.

#### **COVID 19 IMPACT**

The financial year 2020-21 was a highly disruptive and challenging year wherein outbreak of Coronavirus Disease 2019 (COVID-19) had led to an unprecedented health crisis and has disrupted economic activities and global trade.

COVID-19 has been declared as a pandemic by the World Health Organization and subsequent lock down, business shutdowns, quarantines and restrictions were imposed by the Central and State Government(s) in India, the manufacturing facilities of the Company remained suspended from 25<sup>th</sup> March, 2020 till 04<sup>th</sup> May, 2020. The Company in compliance with the necessary instructions/guidelines, resumed its operations from 05<sup>th</sup> May, 2020 in a phased manner, while ensuring health and safety of all the stakeholders. Further, the recent second wave of COVID-19 has resulted in partial lockdown/restriction in various states.

This situation resulted in temporary disturbance in the economic activities through interruption in manufacturing process, disruption in supply chain, disruption in domestic and international demand for stainless steel, etc. for the Company during the financial year ended 31<sup>st</sup> March, 2021.

The Company has been taking swift affirmative actions to mitigate the negative impact caused due to the COVID-19. The Company has also been closely monitoring the external environment and optimizing operations to align with the market conditions.

The Company has proactively taken measures to fight against COVID-19 and to contribute towards the community and nation during the pandemic. Some measures taken by the Company inter-alia, includes the following:

- 1) Dispatch of Liquid Medical Oxygen(LMO) in the state of Andhra Pradesh and Odisha;
- 2) Facilitated the supply of ventilators to the state governments;
- 3) Announcement to bear the total cost of both the mandated COVID-19 vaccination shots for its entire workforce and their family members to ensure their safety and well-being;
- 4) Providing digital interface for all human resource services without any interruption;
- 5) COVID task force formed to assist employees and offer moral and physical support to affected employees and family members, and;
- 6) Adopted flexible policy of Work from Home and reduced shop floor staffing to a bare minimum.

Despite the challenges posed in the COVID-19, the Company's agile business strategy succeeded in upholding the growth momentum, which is evident from the strong recovery in the latter half of the financial year. The state of preparedness and quick countermeasures taken by the Company helped in achieving new growth and milestones during the financial year. Backed by a sound recovery in demand in all the major segments, the Company expects that the stainless steel demand will touch pre-covid levels in the financial year 2021-22.

The details on the impact of COVID-19 on the Company's operations, cash flow, liquidity and profitability in wake of the pandemic is provided in the Management Discussion and Analysis which is annexed to this Report.

#### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Nomination and Remuneration Committee (NRC) considers the best remuneration practice in the industry and while fixing the appropriate remuneration package and for administering the long-term incentive plans. Further, the compensation and packages of the Directors, key Managerial Personnel, Senior Management and other employees are designed in terms of remuneration policy framed by the NRC. The remuneration policy of your Company can be viewed at the following link:

<https://www.jslstainless.com/wp-content/uploads/2020/09/JSL-Remuneration-Policy.pdf>

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting financial position of your Company have occurred between the end of the financial year of the Company to which Financial Statements relate and the date of this Report.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the financial year 2020-21 there was no such significant and material order passed by the regulators / courts / tribunals impacting the going concern status and Company's operations in future.

### **SECRETARIAL STANDARDS**

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, issued by The Institute of Company Secretaries of India relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Act with respect to directors' responsibility statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2021 and of the profit of the Company for the year ended on that date;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **CORPORATE GOVERNANCE**

A separate section on Corporate Governance and a certificate from the practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under the SEBI LODR forms part of the Annual Report.

### **OTHER DISCLOSURES**

Your Directors state that no disclosure or reporting is required in respect of the following items, during the period under review:

- a) There was no issue of equity shares with differential voting rights as to dividend, voting or otherwise.
- b) There was no issue of shares (including sweat equity shares) to the employees of the Company under any Scheme.
- c) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- d) There was no instance of one time settlement with any bank or financial institution.
- e) Neither the Managing Director nor the Whole-time Director of the Company received any remuneration or commission from any of the subsidiary companies.

## **ACKNOWLEDGEMENT**

Your Directors would like to express their gratitude for the valuable assistance and co-operation received from shareholders, lenders, government authorities, customers and vendors. Your Directors also wish to place on record their appreciation for the committed services of all the employees of the Company.

**For and on behalf of the Board of Directors**

**Place: New Delhi**  
**Date: 14<sup>th</sup> May, 2021**

<b>Abhyuday Jindal</b>	<b>Tarun Kumar Khulbe</b>
<b>Managing Director</b>	<b>Wholetime Director</b>
<b>DIN: 07290474</b>	<b>DIN: 07302532</b>

## ANNEXURE I TO DIRECTORS' REPORT

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014.

#### (A) CONSERVATION OF ENERGY

##### The steps taken for conservation of energy:

##### 1. Power Plant Energy Conservation:

###### ➤ **Modification in WHRB to supply steam to both CRM & COBP from WHRB**

- Instead of supplying steam from PRDS of WHRB (design pres. of PRDS 9 Kg/cm<sup>2</sup>), steam was supplied through bypass line of PRDS where valve was set at 11 kg/cm<sup>2</sup> pressure. This could be done in coordination with CRM operation team by changing set points of their safety valve at their end. At 11 Kg/cm<sup>2</sup> pressure setting steam supply to COBP was established, pressure and flow requirement of COBP could be consistently met.
- 34791 Ton of steam was supplied to COBP from WHRB boiler in FY 20-21 equivalent to 268850.3 MKcal, resulting in saving of Rs. 254.29 Lakhs per annum was achieved with an investment of Rs. 65 Lakhs.

###### ➤ **Heat Rate enhancement by 3 Coal Mill operation :**

- For each unit, normally 4 mills are in operation to achieve full generation. But plant is designed for 3 mill operation, so running 4 mills results in loss of efficiency & increased auxiliary power consumption.
- Mills were modified to increase the throughput of mill from 25 TPH to 29 to 30 TPH, by modification of bowl height (wherever required), adjusting throat gap, etc. After modification 3 mill operations was done.
- These modifications resulted in reduction in power consumption in milling system by approximately 6% & in power consumptions in fans & improvement of heat rate by 10 Kcal/KWh
- Annual energy savings of 1280414 kWh & 92921.96 MKCal, coal financial saving of Rs. 158 Lakhs per annum were achieved with zero investments.

###### ➤ **Retrofitting of additional MIV in HP Heater drip line to minimize outage time of HP Heaters:**

- To attend any leakages in drip line of HP heaters to De-aerator, both HP heaters & De-aerator were needed to be taken out of service. This resulted in reduced efficiency boiler & turbine side and reduction of generation by 25 mw for 3-4 hours.
- Modifications carried out:-



- Manual isolation valve (MIV) was installed in downstream of drip line towards De-aerator to prevent steam back pressure from De-aerator to drip line.
- After retrofitting of MIV, leakages in drip line can be attended online without taking both HP heaters & de-aerators out of service and without any reduction in generation and efficiency loss.
- Annual energy savings of 200000 kWh, financial saving of Rs.11.7 Lakhs per annum was achieved with an Investment of Rs. 0.3 Lakhs.

➤ **Reduction in power consumption in LDO pressurizing pumps by installation of VFD.**

- 2 LDO pressurizing pumps (1 standby & 1 running) is provided in each unit. 1 pump is running continuously at full load in recirculation to cater for emergency LDO requirement in boiler for flame stabilization or for Unit light up.
- A 15 KW VFD was installed in LDO Pump 1B of Unit #1.
- Subsequent logic was developed and implemented to maintain required LDO pressure at boiler for emergency use.
- This modification result reduction in power consumption of the pump by 8.6 KWh (from 11 KWh to 2.35 KWh).
- Annual energy savings of 68745.6 kWh financial saving of Rs.4.02 Lakhs per annum was achieved with an Investment of Rs. 0.419 Lakhs.

➤ **Optimization of Auxiliary Power by complete overhauling of CW pumps**

- 2 CW pumps are in operation to provide cooling water to condenser for condensation of steam & provide auxiliary cooling to turbine & boiler.
- Major activities carried out:-
- Complete Overhauling of CW pump, replacement of shaft, sleeves & bearings.
- Float adjustment of pump done.

Pump	Float Before	Float After
CW Pump 2A	12	9
CW Pump 2B	9.5	9

- These modifications resulted reduction in Power consumption of Pump by 16 %.
- Annual Energy Savings of 1310100 kWh financial saving of Rs.76.68Lakhs per annum was achieved with an Investment of Rs. 5 Lakhs.

➤ **Optimization of Auxiliary Power consumption by air and flue gas duct modification.**

- Pre Overhauling Heavy Air ingress in Flue Gas path at APH Outlet, PA Ducts & APH.
- Rectification carried out in of unit#1 ESP inlet flue gas path & metalized Elastomer PTFE type expansion bellow retrofitted in place of Metallic expansion bellows.
- Checking & subsequent rectification of primary air path, Hot PA duct, Hot air gate seals & APH seals carried out.

- These modifications results reduction in loading of ID fan, Primary air fan & also reducing the loading of combustion air (Secondary air) enhancing capability.
- Annual Energy Savings of 3260400 kWh financial saving of Rs.190.80Lakhs per annum was achieved with an investment of Rs. 25 Lakhs.

➤ **Reduction in power consumption of TG lubes oil system by overhauling of Main Oil pumps.**

- Pre Overhauling 2 Main oil pumps were in operation in U#2, due to low oil pressure developed by pumps, instead of one pump for cooling of turbine bearings.
- Major Activities carried out:-
  - A. Complete overhauling & Replacement of oil pumps & Pre Overhauling
  - B. Setting adjustment of float of turbine.
- Adequate pressure was developed by anyone Main oil pump, therefore other oil pump was stopped.
- Annual Energy Savings of 131010 kWh financial saving of Rs. 7.66 Lakhs per annum was achieved with an Investment of Rs. 1.5 Lakhs.

➤ **Reduction in power consumption of compressors by reducing the pressure drop across the air driers.**

- Three reciprocating type air compressors were required to be kept in service in order to maintain the required instrument and service air header pressure for smooth operation of the plant.
- One mechanical drier and one electrical drier were used to be in service for air drying purpose. The pressure drop across the driers in this case was around 1.5 Kg/cm<sup>2</sup>
- Major activities carried out: - Complete calculation with analysis of total air flow requirement and properties of air desired at outlet of the drier. Then the settings of Load unload set point was adjust after replacement of LP & HP side suction and discharge valves.
- Adequate air pressure was developed by any combination of two compressors out, therefore other compressor was stopped, resulting in power saving.
- Annual energy savings of 480585 kWh financial saving of Rs. 28.11 Lakhs per annum was achieved with an investment of Rs. 15 Lakhs.

**2. Ferro Alloy Plant Energy Conservation:**

➤ **Interlocking of the belt running and DE system ID fan in RMHS.**

- ID fans are in operation round the clock prior to implementation of the project.
- It is decided after brainstorming that energy will be saved if running of ID fans are interlocked to belt conveyors.
- The ID fans are interlinked to belt conveyors with necessary hardware modification.
- After this modification the energy consumption of ID Fans are reduced substantially.
- Annual energy savings of 1539381.3 kWh and financial saving of Rs. 92.36 Lakhs per annum was achieved with an Investment of Rs. 1.2 Lakhs.

➤ **Energy Saving in Screening Circuit DE System in 27.6 MVA RMHS**

- Dust Extraction system has been commissioned in the screening circuit to control the pollution while feeding the raw materials to 27.6 MVA furnaces.
- One ID fan with motor capacity 90 KW is running continuously even when the screening circuit is in off condition.
- Interlocking of ID fan with screening circuit can reduce the idle running hours of ID fan.
- With an investment of Rs. 0.31 Lakhs an Energy saving of 264030 kWh with a financial benefit of Rs 15.84 Lakhs has been achieved.

➤ **Energy saving by use of Nature Switches in outdoor lighting circuit.**

- Nature Switch have been installed for switching the lamps objectively based on an infrared sensor and ambient light level. In evening it switches ON the outdoor lights the moment the light level goes below 60-70 LUX for more than 30 seconds. Similarly in the morning as the natural light level builds to 10-20 Lux the unit will switch OFF the lamps after 30 seconds so that no more power is consumed unnecessarily.
- The additional benefit is disengagement of the shift people from switching activity.
- With an investment of Rs. 0.34 Lakhs Energy saving of 45990 kWh with a financial benefit of Rs 2.901 Lakhs have been achieved.

➤ **Optimizing the power Consumption by Reduction in compressed Air consumption.**

- In RMHS there are 2 no's of 132 KW compressors out of 3 running 24 hours in a day on full load & consuming 2097100 Unit per year
- Purging of pollution equipment's are linked to ID fan operation and it has resulted in energy saving of 369384 kWh annually with a financial benefit of Rs 22.16 Lakhs.

➤ **Energy Saving through Modification of Air Conditioning system.**

- Modification in AC duct system was done to get benefit of effective cooling and energy saving. Before Modification the vents of the fall ceiling were not able to collect large volume of air for air conditioning
- For effective air circulation a hole was made on the wall of the air handling unit & 6 Vents for return path were closed.
- With zero cash out flow we have achieved an energy saving of 43080 kWh with a financial benefit of Rs 2.58 Lakhs.

### **3. Cold Rolling Mill Energy Conservation:**

#### **➤ Power Saving of Mill cellar ventilation in Z-Mill 1**

- For Cellar Ventilation there is no need for continuous run of the motor.
- Stop the motor for 7 hours & run the motor for 1 hour in each 8 hours shift for ventilation.
- We have stopped the ventilation system for 21 hours in one day by auto.
- Annual energy saving is observed to be 193680 kWh with a monetary saving of Rs. 11.13 Lakhs with a zero investment.

#### **➤ Reduce speed of fume exhaust blower during Z-Mill 2 idle.**

- Power saving is achieved during the idle condition of Z Mill-1 by reducing the speed of coolant pump using variable frequency drive.
- The speed of fume exhaust system will be reduce on 15% on ideal time& the additional benefits like increased life of motor and reduced coolant consumption is also achieved.
- A total saving of Rs.10.33 Lakhs was achieved in with an annual Energy saving of 158454 kWh.

### **4. Steel Melting Shop Energy Conservation:**

#### **➤ Up-gradation of the Electrode regulation system at EAF 1 to decrease the specific power consumption.**

- With an objective of smooth electrode regulation and power energy saving, it was decided to change the regulation system at EAF1. On research in the market, found that Melt Expert regulation system is efficient and its regulation is smooth.
- After commissioning of new regulation system, it is observed there is around 11KWH/T decrease of specific power consumption.
- Annual financial savings of around Rs.4.99Cr was achieved with an investment of Rs 85 lakhs.

#### **➤ Installation of VFD drives for the ID fans of DRI De-dusting:**

- After Studying of Load pattern of ID Fans in different types of heat, we did an analysis of the energy pattern and finally concluded for implementing the variable speed of ID Fans as per our requirement. After a detailed analysis, we finally concluded to install a medium Voltage drive on the pay-out of the saving scheme.
- Energy-saving of 10000 units (10000 KWH) approximately on daily basis.
- Before the installation of MV Drive, the energy consumption of ID Fans was around 38000 KWH on daily basis. After the successful installation & commissioning, we observed the system for 1 month & finally concluded with energy-saving of 10000 Kwh on daily basis with the previous figure.
- Now-a-days energy consumption of DRI ID Fans is approximately in between 26000 KWH-28000 KWH.

➤ **Energy saving at Pump house by the stoppage of one 335KW HT motor.**

- Water cooling system for fume extraction system at SMS is as per the scheme required two motors to run.
- Opportunity is identified that one motor can be stopped and required flow is managed by throttling the valve & adjusting the flow, pressure & temperature.
- Initially consumption per annum is 3745 MWH and after stoppage of motor, it is around 2847MWH. Annual saving is observed around 898 MWH with a monetary saving of Rs.53.88 lacs with zero investment.

➤ **Energy saving at Pump house by commissioning chiller unit at EMS and 25T Induction furnace.**

- Machines cooling at SMS initially cooling was done by running 5 pumps at the pump house.
- We observed that we can stop one motor of 270KW HT motor by providing an individual cooling system for two machines that IF 25T furnace and EMS system by commissioning chillers units.
- Initially consumption per annum is 5872 MWH and after stoppage of one motor, it is around 4894 MWH including Chiller energy consumption. Annual saving is observed around 978 MWH with a monetary saving of Rs.58.68 lakhs with 5 lakhs investment

**CONCLUSION:**

Investment in Rs. In Lakh	Verified Savings in Rs. In Lakh	Verified Savings (Electrical Energy)	Verified Savings (Thermal Energy)
139	1500	19537919 kWh	361772.26 MKcal

## **(B) TECHNOLOGY ABSORPTION**

### **FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION**

#### **1) Specific areas in which, the Company carried out Research and Development Certifications:**

##### **Development of new products:**

- a. Development of chequered finish in Grade – 304 through continuous annealing route.
- b. Development of hairline finish in Grade – 304 for lift & elevator segment
- c. Development of 409L through continuous bright annealing route for use in spinning & flaring applications.
- d. Development of Grade - 301L/301LN in finish for metro coach applications
- e. Development of special finish Moonrock & Honeycomb in Grade – 304 for lift & elevator segment
- f. Development of Grade – 204Cu for pressure cooker & sink applications.
- g. Development of Grade – 444 for export segment
- h. Development of Grade – 410 with high carbon for export segment
- i. Successful casting & hot rolling of ferritic stainless steel Grade – 430J1L
- j. Approval received from major auto customers like M/s Brembo Brakes (410DB), M/s Maruichi Kuma (441,439), M/s Sharda Motors (409L/439), M/s SM Auto (409L), M/s Hero Moto corp (409L), M/s Hyundai Steel (436L), M/s TVS (430).
- k. Cast, hot rolled, annealed and supplied plates of IRSM(M) grade for foot over bridge applications to Indian railway
- l. Successfully produced and supplied new stainless steel grades such as 904L, AISI 444, 436L and 430J1L for the first time from Jajpur plant

#### **2) Developmental achievements & Process Improvement:**

- i. SMS:
  - i. Process modification carried out for Ti stabilized ferritic grades – 409L, 439,441 thereby improving % Ti recoveries.
  - ii. Process modification carried out for austenitic grade type 201LN used for cryogenic application thereby minimizing slab defects & reducing grinding loss.
  - iii. Process modification carried out for duplex stainless steel thereby minimizing slab defects & reducing grinding loss.
- ii. Grinder:
  - i. Process improvement carried out to minimize grinding loss in Grades - 316L/EN1.4404/204Cu/410DB
- iii. HSM:
  - i. Hot rolling to 2.2 mm in Grade – 409L thereby catering to final cold rolled thickness of 0.8 mm through CAPL single rolling

- ii. Hot rolling to 3/3.5 mm in Grade – 441 thereby catering to final cold rolled thickness of 1.2/1.5 mm through CAPL single rolling
- iii. Increased slab length in all 200/300/400 series grades.
- iv. CRM:
  - Improving productivity (processing coils at rated capacity) at continuous annealing lines by process modeling & simulation.
- v. Improved the productivity of bell furnace by minimization of bell annealing cycle time of grade 410DB from 75 to 52 hours
- vi. Waste to wealth projects:
  - a. Utilization of fly ash to produce zeolite
  - b. Enrichment of Zn content of SAF bag house dust for improved commercial value
- vii. Developed modified chemistry (Cr, Mn, Cu and Ni) versions of JT, JSLU SD and JSLU DD grades with increased hot workability for low thickness applications
- viii. Enhanced the drawability and formability properties of grades 439, 441 and 409L by process modifications in hot rolling and continuous annealing
- ix. Successfully produced and supplied special grades HNS and JD1 for ballistic protection applications in defense segment

### 3) Cost Reduction:

- a. Raw material (Ti wire) savings at SMS by process optimization in stabilized ferritic stainless steel.
- b. Stabilization of Grade – 441 – 1.5 mm through single CAPL rolling.
- c. Stabilization of Grade – 409L – 0.8 mm through single CAPL rolling.
- d. Optimized batch annealing furnace cycle thereby improving productivity and furnace availability.
- e. Improvement in productivity at HAPL/CAPL/BA through TV optimization in ferritic grades.

### 4) Benefits derived:

- a. Value addition through development of chequered finish in Grade - 304
- b. Value addition through development of hairline finish in Grade - 304
- a. Sample approval received from Major Auto customers thereby improving Auto Market Share..

### 5) Research & Development activities:

- **Industry – Academia Collaborations:**

- a. Collaboration undertaken with CSIR - IMMT Bhubaneswar for:
  - i. the recovery of valuable metals from SMS bag house dust and pickling sludge
  - ii. pelletization of chrome ore fines

- a. Organized lectures at reputed institutions such as IIT Varanasi, IIT Kharagpur, NIT Trichy, OPJU and UPES Dehradun as a part of generating awareness of stainless steel in the student community through academic course

## 6) Future Action Plans

Development and stabilization of in house new grades such as 409Ni, 316LN, 429M, UNS S32750.

### Expenditure on R&D:

	(₹ in Lakhs)
Capital	300
Revenue	100
Total	400
Total R&D expenditure as percentage of turnover	0.03(Approx.)

## AWARDS AND RECOGNITION

In pursuit of bringing excellence in overall business, your company has undertaken various initiatives under operational excellence drive such as quality circle, work place management (5S) and participation in various awards and recognition scheme with focus of people development through training, awareness and participation specifically from grass root level up to lower and middle management personnel.

### 4th edition of CII National Energy Efficiency Circle Competition:

Your Company participated in CII National Efficiency Circle competition held on 17<sup>th</sup> and 19<sup>th</sup> June 2020 and won **1<sup>st</sup> position in DCs under PAT Sector Specific Circle Competition** and also declared as **Best Energy Efficient Organization**.

### CII-Encon 2020:

Your Company has won best E-poster competition under “Best Practices in Energy Efficiency” category organized by CII in December 2020.

### Gold awards in CCQC-2020(State level competition):

The company has won 25 Gold awards in Chapter Convention on Quality Concepts(CCQC) organized by QCFI, Bhubaneswar Chapter held from 26<sup>th</sup> August to 30<sup>th</sup> September 2020.

### 3<sup>rd</sup> Prize in 32<sup>nd</sup> National level CII QC Competition 2020:

Your company participated in ‘32<sup>nd</sup> CII National level Quality Circle Competition’ held on 31<sup>st</sup> Aug & 1<sup>st</sup> Sept 2020.



### Par Excellence award in NCQC-2020(National level QC competition):

The company has won 25 Par excellence awards (highest category award) in National level quality circle competition NCQC-2020 held on virtual mode from 14<sup>th</sup> to 27<sup>th</sup> December 2020.

### CII 33<sup>rd</sup> State level QC competition:

The company has won 3<sup>rd</sup> prize winner in 33<sup>rd</sup> CII QC competition at Bhubaneswar held in December 2020.

#### A. Cold Rolling Mill

##### i. Efforts made, in brief, towards technological absorption, adaptation and innovation:

- In FY'20-21, we have successfully completed erection, commissioning & stabilized of Rewinding Line.

Line	Commissioning Month	Feb'21	Mar'21
Rewinding Line	Feb'21	2,370 MT	3,620 MT

**CRM has also been continually making efforts in making out maximum from the existing resource & Benefits derived as a result of the efforts like:**

1. Enhancement of Production Capacity of HR Slitter with the installation of Four Arm turnstile.
2. In house development of under winding in recoiler at CAPL to enhance the productivity of Finishing Lines.
3. Installation of additional grinding head at CGPL to cater special finishes like Hair Line & Scotch Brite for L& E segment.
4. Installation of Seal Roll at HBA2 for the reduction of Line Scratch generated during Bright Annealing.
5. Installation of edge trimmer at CR CTL2 resulting in the increase of trim edge orders.
6. Installation of tension roll & crop shear at CRS3 to enhance the capacity of line.
7. Installed paper slitting machine to reuse waste ILP.
8. Productivity improvement in 441/439 segment by increasing TV at HAPL.
9. Productivity improvement in 409L & X2CrNi12 segments by increasing TV at CAPL.
10. Improvement in BA productivity by suitable modification in annealing temperature profile for processing at 10.5 TV (9 TV - 430) & 11 TV (10.5 TV - JSLU-DD/SD).
11. Enhancement of Coil Weight by increasing slab length up to 13.5mts in certain grades like JT, JSLU SD, JSLU DD with the increase of Ni %.

**Imported Technology-** Installation of additional grinding head at CGPL to cater special finishes like Hair Line & Scotch Brite for L& E segment.

(a) The details of technology imported- IMEAS, ITALY

(b) The year of import- 2020

(c) Whether the technology been fully absorbed- Yes

## Achievements of CRM in FY'20-21:

- Highest ever dispatch of **87,691MT** in the month of Jan'21.
- **Highest Productions in FY'20-21:**
  1. **HAPL:** 72,046 MT in Jan'21
  2. **HR CTL1:** 9,039 MT in Jul'20
  3. **CRS#3:** 8,006 MT in Jan'21
  4. **CGPL (Gross):** 7,176 MT in Mar'21
  5. **CGPL (Net):** 4,933 MT in Mar'21
- **FG production in FY'20-21(UOM in MT)**

FG	FY'16-17	FY'17-18	FY'18-19	FY'19-20	FY'20-21
HRAP	2,21,543	2,38,687	2,77,976	2,80,338	2,80,042
CRAP	3,67,853	3,91,253	4,32,130	4,70,474	4,42,971

## **Major Customer Initiatives:**

1. Successful rolling of special finishes like Moon Rock, Honey Comb, and Chequered.
2. Successful rolling of defense grades like JD, HNS.

### • **Awards:**

- WINNER (1st position) in the 4th edition of CII National Energy Efficiency Circle Competition for Best Energy Efficient Organization.
- Gold in JCQC 2020 and CCQC 2020 by team Corona on LQC project on time optimization through the development of the energy monitoring system.
- Successful Certification of IATF at CRM after 2 rounds of rigorous audits.

## **B. Steel Melting Shop**

### **I. Efforts made, in brief, towards technological absorption, adaptation and innovation:**

- With its aggrandized state of the art facility, Steel Melt Shop has once again evinced staggering overall performance with the aid of perpetuating its annual production by achieving figure of 873.907 KT in FY 2020-21 **with Highest Ever Monthly production of 95454 MT (Jan-21)** despite the pandemic outbreak & major shutdown over a month by **its proper Risk identification & mitigation management.**

- Outstanding efforts have been made towards reduction of both conversion cost and raw material cost with the aid of improvement of operating practices which led to decline of costs incurred for refractory, gas, fuel, flux cost and use of cheaper raw materials (alternative raw materials like High Phos Fe-Ni-Mo, High phos Cr-Mo sinter etc.)
- In addition to the achievements, efforts towards conservation of energy have been commendable. A positive trend is also evident in the energy utilization of the department with reduction in usage of both electrical energy and fuel sources by achieving lowest Carbon Foot print (i.e. 1.61 ton-Co<sub>2</sub>/ton-crude steel) in comparison to the previous years.
- Parallel to the production, the commitment towards environment and safety has also been of highest order by initiating intra-departmental inspection audit, tool box talk with specialized safety training of nearly 576 no's of workers.
- New grades like JD1, JD1-M, JBS, 904L, 436L, 444 were produced which added new dimension stainless steel market segment.

**Imported Technology-** Successfully commissioning of EMS in Caster for improvement of slab quality of 400 series.

(a) The details of technology imported- ABB

(b) The year of import- March'2021

(c) Whether the technology been fully absorbed- Yes

## II. Benefits derived as a result of the above efforts:

- Record Breaking Monthly Production 5 times in FY20-21: Aug-20 (89980 MT), Sep-20 (90356MT), Oct-20 (90864 MT), Mar-21(92379 MT) & Ever highest figure in Jan-21 (95454 MT) Respectively.
- Improvement in all TEP's : Most Significant in Ni Recovery(Avg 98.22 % Over prev year avg 97.73%) & Cr Recovery (Avg 94.73% over Prev Year avg 94.66 %).
- Successfully commissioning of EMS in Caster for improvement of slab quality of 400 series.
- Ever Highest 400 series production of 26214 MT (Jan-21) & 200 series production of 31056 MT (Jan'21)
- Successful commissioning of DRI VFD drives in ID fans resulting into decrease of specific power consumption by 10 Kwh/MT
- Improvement in casting parameters along with customized casting powder utilization in different grades resulted in improved productivity with Ever highest Average Sequence of 7.60 heats (Sep-20)
- Improvement initiatives such as Lean Manufacturing, KAIZEN, Preventive maintenance, planned maintenance, TPM activities resulting improved health of equipments & increasing production time at shop floor.
- Use of MgO-C bricks in Transfer ladle to increase its refractory lining life
- Modification of Electrode Regulation System has been done successfully in EAF-1 (120 MVA) Furnace resulting into decrease of specific power consumption by 11 kWh/T

### ➤ **Improvement Initiatives:**

- **Pariyojana & Digitization:**
  1. Digitization Initiative- Completed 9 projects with Annual savings worth 313.26 Lakhs.
  2. Pariyojana- 67 projects has been registered in Pariyojana Portals from SMS with annual savings worth 296.76 Lakhs.
  3. Level-2 automation implementation at Caster with quality prediction features.
- **Cost Savings:**
  1. Lowest ever Conversion cost/MT (i.e. 8552 Rs./MT) for FY 20-21.
  2. Increased Scrap Ratio with less TCO & decreased Pure Ni usage leading to cost savings.
  3. Trials of enriching chemistry by increasing Ni content in JSLU DD, SD & JT grades have been done successfully.
  4. Lowest Ever Refractory Cost of 835 Rs./MT (Jan-21) has been achieved
  5. Highest Ever Cr Recovery of 94.88% (June-20)
  6. Advance Free License Material initiative for Export Heats
  7. Dephosphorization of alternative raw materials like High P Fe-Ni-Mo through induction furnace
- **Capability Development- AROHAN :**
  1. 193 numbers of workmen has been examined through newly developed AROHAN portal by identification of 34 numbers of Critical positions of SMS by proper Knowledge Skill Assessment (KSA) & Skill Testing Standards (STS).
  2. Initiated Sub-Ordinate Training for Skill Development of Employees under Situational Leadership.

### **Awards & Accolades:**

- As crusaders of a stainless tomorrow, we at Steel Melt Shop highly encourage all our employees to participate not only at state but also at National Level Competition too. Our growth has been backed by the excellence of our people, value driven business operations, customer centricity and adoption of one of the best safety practices in the steel melt shop.
- Confederation of Indian Industry (CII)- Lean Quality Circle Team “Chrome” from Steel Melt Shop, JSL Jajpur was adjudged the winner (Third Position) in the 32nd CII QC Circle National level Competition in September’20, organized by Confederation of Indian Industry (CII).
- National Convention on Quality Circle organized by QCFI- 9 Quality Circle/Lean Quality Circle teams from SMS were awarded as “PAR EXCELLENT” in NCQC-2020.
- Chapter Convention on Quality Circle organized by QCFI- Lean Quality Circle Team “CHROME” from SMS was awarded as Best Team in Lean Case study category in chapter level convention organised (CCQC-2020) by QCFI, Bhubaneswar chapter.
- Steel Melting Shop has been accorded with Highest Ever Team participation award in Jindal Convention on Quality Concepts (JCQC-3), 2021. Team “CHROME” from SMS has also won O.P. JINDAL SHRESTHA QUALITY AWARD-2021.
- Team SMS was also awarded with Winning trophy in BEST MODEL PRESENTATION during 50<sup>th</sup> National Safety Awareness Week-2021.

## C. Ferro Alloys

### I. Efforts made, in brief, towards technological absorption, adaptation and innovation:

- SAF 4 & 5 DE system expansion done with defunct system of COBP
- Alternative RM circuit in Briquette plant -1 had commissioned to feed the Briquette plant dryers in monsoon season
- Modifications in the Briquette plant dryers to utilise the COG gas as an alternative fuel for drying the ore
- Digitization projects to utilise the inadvertent power & optimum utilization of allocated power
- Changes in the liquid HCFC casting practices to improve the prime recovery.
- Stabilized the HCFC operations with 30% Anthracite coal.

### II. Benefits derived as a result of the above efforts:

- Environmental compliances are met
- Project completed in Jan'21. Continuity in the briquette production would be seen.
- Modifications completed in the mid of Mar'21. Expected benefit approx. Rs 1.20 Crores / annum.
- Benefit Rs 111 Lacs in the FY 20-21.
- Prime HCFC recovery improved by 3% from 83% to 86%.
- Approximately Rs 800 cost saving per ton of HCFC.

### Awards and Accolades:

NCQC Par Excellence award received for Virtual case-study presentation on Low Phos HCFC production

## D. Captive Power Plant

- Total Gross Generation 1686.9 MU with 83.9% in FY 20-21, 165.7 MU lower generation than previous year due to plant shutdown for covid-19 lockdown period. 11 MU power generated through 14 MW AFBC Boiler in FY 2020-21.
- Best ever Specific Coal Consumption of 0.770 Kg/kWh was achieved in 2020-21 surpassing the previous best of 0.782 Kg/Kwh achieved in 2016-17.
- Lowest ever station Aux Power consumption of 8.49% was achieved in the Financial Year 2020-21, surpassing previous best of 8.73 % Aux. Power Consumption achieved in the last financial year 2019-20.
- 99899 MT of steam was generated from Waste Heat Recovery Boilers and supplied to CRM & Coke Oven for process requirement in FY 2020-21.
- Total Ash Generated was 600940 MT (Fly Ash-511204 MT & Bottom Ash-89,737). 100% of fly ash was utilized in bricks & non-brick industries. 100% of Bottom ash was utilized for low land filling & road making.

## **2020-21 Highlights:**

1. Saving of Rs.16.42 Crore made in Power purchase cost, by preponing overhauling shutdown to June 2020 against scheduled date of August 2020. Rigorous efforts made to successfully complete overhauling amid peak COVID peril and restrictions in June 2020.
2. Fly-Ash sale to Non-brick industries steadily maximized, raising FY sale revenue to Rs. 2.10 Crores. (140% YOY)
3. Arranged Bottom Ash free lifting for NHAJ projects, saving above Rs. 4.00 Crores in disposal cost.
4. Starting 14MW CPP to achieve saving on import power cost. Saved Rs. 24.77 Lacs in import cost for month of March 21 with 14MW power.
5. Power Plant running at high PLF and achieved highest ever monthly generation of 96.6% PLF in Jan-21 month. FY'21 % PLF achieved 83.93% (excluding Apr-21 month of complete shutdown).
6. Manufacturing overheads cost optimization through various initiatives, resulting in 5% reduction YOY.
7. Sustainable improvements in equipment performances helped lower Auxiliary Power Consumption with lowest ever APC of 8.14% in Jan 21 and 8.7% for FY'21.
8. Saving of Rs. 0.88 Crores over NESCO power through RTM & G-TAM Purchase. Also trading through PXIL (Intrastate) contributed to savings of Rs. 1.19 Crores in FY'21 over IEX purchase.
9. Modifications in steam supply network helped supply WHRB steam to COBP along with CRM. Process Steam supply revenue realized Rs.15.01 Crores in last FY.
10. Total 11.96 MU RE-power purchased from bi-lateral source & G-TAM through IEX market to reduce import power cost and having REC value of Rs. 119.646 Lacs.
11. Total Rs 67.26 Lacs incentive received in discom energy bills in FY'21 for maintaining high import power factor of 0.9964.
12. 100% successful power plant islanding from grid disturbances, total 4 times in FY'21 preventing complete plant blackouts.
13. Rs 4.94 Crores savings achieved up to Mar'21 through implementation of 8 nos. improvement projects in FY'21.
14. Rs 16.43 Lacs savings in CRMHS by road coal unloading through Excavator by Rs/Ton basis instead of running hour basis, Rs 44.93 Lacs savings in CRMHS by road coal unloading by truck tippler

## **Efforts made:**

- In house modification in Bowl Mill/Pulveriser 1A & 2A for reduction in Specific Power Consumption of Mill and increase in Mill throughput. Annualized savings of Rs 42.44 Lakhs.
- Improvement of Auxiliary Power Consumption (APC) by Reduction in ID & PA Fan Power Consumption by air and flue gas duct modification. Annualized savings of Rs 173 Lakhs.
- Improvement in APC by reduction of compressed air consumption by installation of Hart type electronic step control in ID fan IGV and FD fan blade pitch control. Annualized savings of Rs 6.45 Lakhs.

**Future action plan:**

- Usage of Additives with coal in order to enhance coal flow ability during rainy season.
- Reduction in power consumption by Installation of VFD in LDO pressurizing pump Motor.
- Energy savings by providing seal cooling water for 13 MW BFP from Boiler Fill pump instead of ACW Pump ,without running CWP & ACWP
- Reliability enhancement and reduction of power consumption of compressed air system by installation of higher capacity refrigerant type dryer as pressure drop across the dryer will be lesser as compared to the current one.
- Modification of Oil Gun Nozzle to reduce LDO consumption tune to 2/3 KL during start up.

**CRMHS (Central Raw material handling system)****Highlights:**

- Total non-coking coal handled: 1,491,509 MT
- Total coking coal handled: 522,517 MT
- Total No's of rake handled: 345 Nos

**Efforts made:****A. System Reliability:**

- Software up gradation of PLC and SCADA to the latest version which is compatible with windows 10 to enhance system reliability.
- Installation of PLC at firefighting pump house to strengthen the firefighting system.

**B. Safety and environment:**

- Installation of 5 no's of deluge station at J12C2 coal conveyor gallery area to enhance safety measures.
- Extension of Dry Fog Dust suppression system to Junction house 3, 4, 4A to reduce fugitive dust emission.
- Installation of FDA (Fire detection and alarm system) system at Switchgear and cable cellar rooms to strengthen fire safety.
- Installation of fire stop barriers at cable cellar rooms and fire coat on power cable to control the propagation of fire.
- CRMHS peripheral drain layout modification to eliminate mixing of coal mixed water (black water) and clear water and eliminate flooding of crusher house front road during heavy rain.
- Rerouting of fire hydrant line above the ground to reduce water losses.

**C. Process Improvement:**

- In house development of water drainage system at yard conveyor for efficient drainage of accumulated rain water from yard conveyor.
- Installation of Pneumatic hammering system at coal bunker 1B to eliminate manual hammering and reduce choking during monsoon.
- Relocation of junction House-12 electric hoist for smooth lifting of material for both J12C1 and J12C2 coal conveyor.

**D. Other Initiatives:**

- Installation of Surveillance System at the critical areas of CRMHS for better monitoring and eliminate unauthorized access/ material lifting at CRMHS

**Future action plan:**

- Installation of cross belt magnetic separator (CBMS) at J11C2 and J11C3 conveyor.
- Installations of High velocity water spraying system at 33 KV transformers and medium velocity water spraying system at cable cellar room.
- Installations of coal reject handling system below Junction House-12 to reduce environmental pollution.
- Installation of portable dust collector at junction houses to control dust emission.
- Modification of RBC1A conveyor to reduce coal spillage.

**MRSS (Main Receiving Substation)**

**Efforts made:**

- Power Sale/purchase on Real Time Market in IEX to reduce inadvertent power & also increase Open Access power purchase utilization.
- Renewable Power purchase from G-TAM market of IEX and bulk power purchase through bi-lateral sources during power plant unit statutory shutdown for RPO compliances.
- Intra state power purchase through PXIL exchange with gains achieved over IEX power.
- Open Access sale model to reduce OA deficit % and to increase net realization.
- LRF & Induction furnace running status given in MRSS control room and logic implement for Maximum Demand control.
- FeCr SAF individual tripping implemented for load shedding instead of bulk load shedding.
- Grid Islanding system protections review and modification to achieve 100% successful islanding thereafter.



**Benefits derived as a result of the above efforts**

- Total unutilized exported power reduced by 21 MU over previous year due to plant shutdown for covid lockdown, import mode operation due to high plant loads and improved control measures.
- Discom import power purchase reduced by 7 MU over previous year by open access power purchase and improved control measures.

**Future action plan:**

- Load demand forecasting through advanced methods like machine learning and artificial Intelligence for reducing human errors.
- Smart Load shedding for increasing plant loads during CPP islanding for 100% reliability Operation.

**(C) Foreign Exchange Earnings and Outgo:**

<b>Particulars</b>	<b>(₹ in Crore)</b>
Foreign Exchange Earnings	3697.71
Foreign Exchange outgo	2146.82

**For and on behalf of the Board of Directors**

**Place: New Delhi**

**Date: 14<sup>th</sup> May, 2021**

**Abhyuday Jindal**  
**Managing Director**  
**DIN: 07290474**

**Tarun Kumar Khulbe**  
**Wholetime Director**  
**DIN: 07302532**

## ANNEXURE – II TO DIRECTORS REPORT

Details of remuneration under section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31<sup>st</sup> March, 2021

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sl. No.	Name of Director	Designation	Ratio of Remuneration of Director to the median remuneration of Employees*
1	Mr. Ratan Jindal	Chairman and Managing Director	Mr. Ratan Jindal had voluntarily forgone his entire remuneration for the financial year 2020-21.
2	Mr. Abhyuday Jindal	Managing Director	60 : 1
3	Mr. Tarun Kumar Khulbe	Whole-time Director	35.4 : 1

*\*Since Non-executive directors received no remuneration during the financial year 2020-21, except sitting fees for attending Board/Committee meetings, the required details are not applicable.*

- b. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sl. No.	Name of Employee	Designation	Percentage increase in Remuneration
1	Mr. Ratan Jindal	Chairman and Managing Director	Not Applicable
2	Mr. Abhyuday Jindal	Managing Director	Please refer to the Note below
3	Mr. Tarun Kumar Khulbe	Whole-time Director	NIL
4	Mr. Anurag Mantri	Chief Financial Officer	NIL
5	Mr. Navneet Raghuvanshi	Company Secretary	NIL

*Note:*

*The shareholders of the Company in their Annual General Meeting held on 27th September, 2018 had approved payment of remuneration of Rs. 3 Crores per annum to Mr. Abhyuday Jindal, Managing Director of the Company. Mr. Abhyuday Jindal had not withdrawn any remuneration from the Company for the financial year 2018-19 and 2019-20. Despite the challenges posed by COVID-19, the Company's overall performance was commendable as mentioned in the Directors' Report. In view of the above, the Board of Directors of the Company decided to pay remuneration of Rs. 3 Crore to Mr. Abhyuday Jindal for the financial year 2020-21, in terms of the approval of the shareholders of the Company.*

- c. The percentage increase in the median remuneration of employees in the financial year: 2.54 %

- d. The number of permanent employees on the rolls of the Company: 1,685 (excluding contractual employees)
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- In order to maintain an adequate level of liquidity for smooth operations, the average percentile increase made in the salaries of employees other than the managerial personnel was 0.59 %. There was no increase in the managerial remuneration during the financial year 2020-21, other than that mentioned elsewhere in this report. However, the Company has in place a variable reward programme linked to Production / EBIDTA in order to motivate its employees. In view of the improved performance in the second half of the financial year, the Company recognizing the efforts of the employees, has made an average incentive payout of ~ 10% / ~16 % of the fixed pay which was higher as compared to the incentive payout during the last financial year.
- f. It is further affirmed that remuneration paid to Directors and Key Managerial Personnel was as per the Remuneration Policy of the Company.

**For and on behalf of the Board of Directors**

**Place: New Delhi**  
**Date: 14<sup>th</sup> May, 2021**

<b>Abhyuday Jindal</b>	<b>Tarun Kumar Khulbe</b>
<b>Managing Director</b>	<b>Wholetime Director</b>
<b>DIN: 07290474</b>	<b>DIN: 07302532</b>

## ANNEXURE – III TO DIRECTORS REPORT

### Form No. MR-3

#### Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To,  
The Members,  
Jindal Stainless Limited,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jindal Stainless Limited** (hereinafter called “**the Company**”) for the financial year ended March 31, 2021 [“**period under review**”]. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the period under review, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period under review, according to the provisions of applicable law provided hereunder:

1. The Companies Act, 2013 (‘the Act’) and the rules made thereunder including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’), to the extent applicable:

- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations');
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations');
  - d. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - e. The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company);
  - f. Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018;
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client.
6. Specific laws applicable to the industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:
- a. Mines Act, 1952 read with Mines Rules, 1955;
  - b. Mines and Minerals (Development and Regulation) Act, 1957 and Mineral Conservation and Development Rules, 1985;
  - c. Mines Vocational Training Rules, 1966;
  - d. Metalliferous Mines Regulations, 1961.
  - e. Mines Rescue Rules, 1985;
  - f. Mining Leases (Modification of Terms) Rules, 1956.
  - g. Payment of Wages Act, 1936 and Payment of Wages (Mines) Rules, 1956;
  - h. The Payment of Undisbursed Wages (Mines) Rules, 1989;
  - i. The Iron Ore Mines Manganese Ore Mines and Chrome Ore Mines Labour Welfare Fund Rules, 1978;
  - j. Iron Ore Mines Manganese Ore Mines and Chrome Ore Mines Labour Welfare Fund Act, 1976;
  - k. Orissa Minerals (Prevention of Theft, Smuggling & Illegal Mining and Regulation of Possession, Storage, Trading and Transportation) Rules, 2007 along with OMPTS Amendment Rules, 2015;
  - l. Orissa Minor Mineral Concession Rules, 2004;
  - m. Collection of Statistics Act, 2008;

We have also examined compliance with the applicable clauses of the Secretarial Standard 1 and 2 issued by the Institute of Company Secretaries of India.

We report that during the period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above.

**Recommendations as a matter of best practice:**

In the course of our audit, we have made certain recommendations for good corporate practices to the compliance team, for its necessary consideration and implementation by the Company.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review, were carried out in compliance with the provisions of the Act and other applicable laws.

Adequate notice is given to all directors to schedule the Board Meetings and Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were unanimous and there was no instance of dissent in Board or Committee Meetings.

**We further report that** there are adequate systems and processes in the Company, which commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the period under review, the Company has not undertaken any specific events/ actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

**i. Issue and allotment of Convertible Equity Warrants on preferential basis**

During the period under review, the shareholders passed a special resolution on September 17, 2020 under Section 42, 62(1)(c) of the Act for issue of Convertible Equity Warrants of face value of INR 2 each at an issue price of INR 42.55 each, with a right exercisable by the convertible equity warrant holder to subscribe for 1 Equity Share of face value of INR 2 each at a price of INR 42.55 aggregating approximately to INR 162.80 Crores, to Virtuous Tradecorp Private Limited, a Promoter Group entity and Kotak Special Situations Fund, an Alternate Investment Fund, on a preferential basis.

## ii. Composite Scheme of Arrangement

During the period under review, pursuant to Sections 230-232 read with section 66 of the Act and the rules made thereunder, the Board of Directors of the Company, at its meeting held on December 29, 2020 approved the draft Composite Scheme of Arrangement amongst Jindal Stainless Limited, Jindal Stainless (Hisar) Limited, JSL Lifestyle Limited, Jindal Lifestyle Limited, Jindal Stainless Corporate Management Services Private Limited and JSL Media Limited and their respective shareholders and creditors and the same is subject to necessary statutory and regulatory approvals under applicable laws, including approval of the National Company Law Tribunal in India. The Company has received No Observation Letter pursuant to SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 from the stock exchanges and has filed first motion of petition before Hon'ble National Company Law Tribunal, Chandigarh bench on March 17, 2021.

## iii. Redemption of Secured Redeemable Non-Convertible Debentures

During the period under review, the Company redeemed its Secured Redeemable Non-Convertible Debentures (original allotment of 2,500 nos. of FV of Rs. 10,00,000/- each) having outstanding balance of Rs. 52.08 Crore as on January 21, 2021.



**For M/s Vinod Kothari & Company**  
**Practising Company Secretaries**  
**Unique Code: P1996WB042300**

**Place: Mumbai**  
**Date: May 13, 2021**

**Vinita Nair**  
**Senior Partner**  
**Membership No.: F10559**  
**CP No.: 11902**  
**UDIN: F010559C000297934**  
**Peer Review Certificate No.: 781/2020**

This report is to be read with our letter of even date which is annexed as **Annexure '1'** and forms an integral part of this report.

## Annexure I

### ANNEXURE TO SECRETARIAL AUDIT REPORT (NON-QUALIFIED)

To,  
The Members,  
Jindal Stainless Limited

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in **Annexure II**;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same.
4. Wherever our Audit has required our examination of books and records maintained by the Company, we have also relied upon electronic versions of such books and records, as provided to us through online communication. Wherever for the purposes of our Audit, there was a need for physical access to any of the places of business of the Company, the same was not possible due to the lockdowns and travel restrictions imposed by Central and State Governments respectively. We have conducted online verification & examination of records, as facilitated by the Company, due to Covid 19 and subsequent lockdown situation for the purpose of issuing this Report.
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
6. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc.
7. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.



8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
9. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.
10. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Annexure II**  
**List of Documents**

1. Minutes of the following meetings (final draft of signed minutes provided through electronic mode on account of lockdown due to COVID-19):
  - a. Board of Directors;
  - b. Audit Committee;
  - c. Nomination and Remuneration Committee;
  - d. Risk Management Committee;
  - e. Corporate Social Responsibility Committee
  - f. Stakeholders Relationship Committee;
  - g. Sub-committee of Board;
  - h. Annual General Meeting & Extraordinary General Meetings;
2. Proof of circulation of draft and signed minutes of the Board Committee meetings' minutes on a sample basis;
3. Annual Report for financial year 2019-20;
4. Directors disclosures under the Act and rules made thereunder;
5. Statutory Registers maintained under the Act;
6. Forms /Returns filed with the Registrar;
7. Policies/ Codes framed under SEBI regulations;
8. Periodic reports/disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015;
9. Disclosures required to be made under the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
10. Forms/ Returns filed under the Foreign Exchange Management Act, Rules and Regulations.

## ANNEXURE IV TO DIRECTORS REPORT

### FORM NO. AOC-2

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

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

#### 1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:

(a)	Name(s) of the related party and nature of relationship	<b>NIL</b>  (All contract or arrangement or transactions with related parties are at arm's length basis)
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

#### 2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

(a)	Name(s) of the related party and nature of relationship	<b>Jindal Stainless (Hisar) Limited ("JSHL")</b> <i>(JSHL is a public limited company in which two Directors of the Company are also directors and hold more than 2% of its paid up share capital.)</i>	<b>Jindal United Steel Limited ("JUSL")</b> <i>(JUSL is a public limited company in which one of the Director of the Company is also Director. Further, the Company holds more than 20% shareholding of JUSL and therefore, JUSL is an associate of the Company.)</i>
(b)	Nature of contracts/ arrangements / transactions	Sale, purchase or supply of materials and services, Cash Flow etc.	Sale, purchase or supply of materials and services etc.
(c)	Duration of the contracts/ arrangements/ transactions	April, 2020 to March, 2021	April, 2020 to March, 2021
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Sale, purchase or supply of materials and services, Cash Flow Support etc. amounting to approx. Rs. 1, 460 Crore.	Sale, purchase or supply of materials and services amounting to approx. Rs. 1,320 crore.

(e)	Date(s) of approval by the Board/ Committee, if any	11 <sup>th</sup> February, 2020 and 4 <sup>th</sup> February, 2021	11 <sup>th</sup> February, 2020
(f)	Amount paid as advances, if any	-	-

**For and on behalf of the Board of Directors**

**Place: New Delhi**  
**Date: 14<sup>th</sup> May, 2021**

**Abhyuday Jindal**      **Tarun Kumar Khulbe**  
**Managing Director**      **Wholetime Director**  
**DIN: 07290474**      **DIN: 07302532**

## **REPORT ON CORPORATE GOVERNANCE**

In accordance with Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR”), the report containing the details of Corporate Governance systems and processes at Jindal Stainless Limited (“JSL/Company”) is as follows:

### **1. COMPANY’S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE:**

Corporate Governance is the process of creation and enhancing long term sustainable value for the stakeholders through ethically driven business process. At JSL, it is imperative that your Company’s affairs are managed in a fair and transparent manner. We recognize communication as a key element of the overall corporate governance framework and therefore, emphasize on seamless and efficient flow of relevant communication to all external constituencies. We believe that appropriate disclosure procedures, transparent accounting policies, strong and independent Board practices and highest level of ethical standards are critical to enhance and retain investors’ trust and generate sustainable corporate growth. We also believe that Corporate Governance is not just a definition but a journey to constantly improve sustainable value creation.

Keeping the above principles and beliefs in mind, your Company has formed the Corporate Governance framework on the following broad practices:

- (a) Engaging a diverse and highly professional, experienced and competent Board of Directors, with versatile expertise in industry, finance, management and law;
- (b) Deploying well defined governance structures that establish checks and balances and delegates decision making to appropriate levels in the organization;
- (c) Adoption and implementation of fair, transparent and robust systems, processes, policies and procedures;
- (d) Making high levels of disclosures for dissemination of corporate, financial and operational information to all its stakeholders; and
- (e) Having strong systems and processes to ensure full and timely compliances with all legal and regulatory requirements with zero tolerance for non-compliance.

### **2. BOARD OF DIRECTORS:**

#### **(i) Composition and category of Directors**

The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors, in conformity with Regulation 17 of the SEBI LODR. As on 31<sup>st</sup> March, 2021, the Board of your Company consisted of eight Directors, out of whom four were Non-Executive Independent Directors including two Independent Woman Directors.

Details with respect to composition and category of Board of Directors are given hereunder:

Category	Name of Directors
Promoter Directors	Mr. Ratan Jindal, Chairman and Managing Director Mr. Abhyuday Jindal, Managing Director <sup>1</sup>
Wholetime Director	Mr. Tarun Kumar Khulbe <sup>2</sup>
Non-executive Independent Directors	Mr. Suman Jyoti Khaitan Mr. Jayaram Easwaran Ms. Bhaswati Mukherjee Mrs. Arti Luniya
Non- executive Director [Nominee Director – State Bank of India]	Mr. Parveen Kumar Malhotra <sup>3</sup>

1. *Mr. Abhyuday Jindal was re-appointed as Managing Director of the Company for another term of three years w.e.f 25<sup>th</sup> April 2021.*
2. *Mr. Tarun Kumar Khulbe was re-appointed as Wholetime Director of the Company for another term of three years w.e.f 15<sup>th</sup> May, 2021.*
3. *Mr. Parveen Kumar Malhotra was appointed as Nominee Director in place of Mr. Gautam Kanjilal on the recommendation of the State Bank of India, acting as the lead bank of the consortium of lenders of the Company, w.e.f. 8<sup>th</sup> September 2020.*

## (ii) Independent Directors

The Company has received declarations as stipulated under Section 149(7) of the Companies Act, 2013 (“the Act”) and Regulation 16 of the SEBI LODR from the Independent Directors confirming that:

- a. They are independent,
- b. They are not disqualified, and;
- c. They are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties

Your Company had also issued formal appointment letters to the Independent Directors in the manner provided under the Act and the SEBI LODR. The terms and conditions of the appointment of Independent Directors have been displayed on the website of the Company and can be accessed through the following link:

<https://www.jslstainless.com/wp-content/uploads/2020/09/Terms-conditions-of-Appointment-of-Independent-Directors.pdf>

## (iii) Board Meetings

During the financial year 2020-21, six Board meetings were held on 6<sup>th</sup> June 2020, 26<sup>th</sup> August 2020, 8<sup>th</sup> September 2020, 30<sup>th</sup> October 2020, 29<sup>th</sup> December, 2020 and 4<sup>th</sup> February 2021. The gap between any two consecutive meetings was within the limit prescribed under the Act and SEBI LODR. The necessary quorum was present during all the meetings.

#### (iv) Attendance of Directors, Directorships and other details

Attendance of Directors at the Board Meetings, last Annual General Meeting and number of Directorship(s) and Chairmanship(s) / Membership(s) of Committee(s) in other public companies as on 31<sup>st</sup> March, 2021 are given below:

Name of Director	No. of Board Meetings attended	Attendance at last AGM	No. of Directorships held in other public companies <sup>@@</sup>	No. of Memberships (M) / Chairmanships (C) in other Board Committee(s) <sup>@</sup>	No. of Shares and Convertible Instruments held by Non-Executive Directors
Mr. Ratan Jindal	4	No	5	Nil	N.A.
Mr. Abhyuday Jindal <sup>1</sup>	6	Yes	1	1(M)	N.A.
Mr. Tarun Kumar Khulbe	5	Yes	3	Nil	N.A.
Mr. Suman Jyoti Khaitan	6	Yes	2	2 (M) 1(C)	Nil
Ms. Bhaswati Mukherjee	6	Yes	2	Nil	Nil
Mr. Jayaram Easwaran	6	Yes	Nil	Nil	1,000 equity shares
Mrs. Arti Luniya	6	Yes	1	1(M)	Nil
Mr. Gautam Kanjilal <sup>2</sup>	2	Yes	4	1(M) 3(C)	Nil
Mr. Parveen Kumar Malhotra <sup>2</sup>	4	N.A.	Nil	Nil	Nil

1 No Director is related to any other Director on the Board except Mr. Ratan Jindal and Mr. Abhyuday Jindal, who are father and son respectively.

2 Mr. Parveen Kumar Malhotra was appointed as a Nominee Director in place of Mr. Gautam Kanjilal, w.e.f. 8<sup>th</sup> September 2020.

<sup>@</sup> Committee includes only Audit Committee and Stakeholders' Relationship Committee of public companies

<sup>@@</sup> Directorships do not include directorships in foreign companies, private limited companies and companies incorporated under Section 8 of the Act.

N.A. - Not Applicable

None of the Directors on the Board is a Director in more than 20 companies (including not more than 10 public limited companies) as specified in Section 165 of the Act. In terms of the Regulation 17A and 26 of SEBI LODR, none of the Directors of the Company:

- holds Directorship in more than seven listed entities, and;
- is a member in more than 10 committees or acting as a Chairperson of more than 5 committees in listed entities.

Also, none of the Independent Directors of the Company:

- i. serves as an Independent Director in more than seven listed companies, and;
- ii. acts as a Wholetime Director / Managing Director in any listed entity

**Name of the listed entities where the Directors of the Company are Directors, are mentioned hereunder:**

S. No.	Name of Directors	Number of Directorship in listed entity	Name of Listed entity	Category of Directorship in other Listed entity
1	Mr. Ratan Jindal	1	Jindal Stainless (Hisar) Limited	Non-Executive Director
2	Mr. Abhyuday Jindal	1	Jindal Stainless (Hisar) Limited	Executive Director
3	Mr. Tarun Kumar Khulbe	Nil	N.A.	N.A.
4	Mr. Suman Jyoti Khaitan	2	<ul style="list-style-type: none"> <li>• Indo Rama Synthetics (India) Limited</li> <li>• Oriental Carbon &amp; Chemicals Limited</li> </ul>	Non-Executive Independent Director
5	Ms. Bhaswati Mukherjee	2	<ul style="list-style-type: none"> <li>• JK Lakshmi Cement Limited</li> <li>• Udaipur Cement Works Limited</li> </ul>	Non-Executive Independent Director
6	Mr. Jayaram Easwaran	Nil	N.A.	N.A.
7	Mrs. Arti Luniya	1	Jindal Stainless (Hisar) Limited	Non-Executive Independent Director
8	Mr. Parveen Kumar Malhotra	Nil	N.A.	N.A.

*N.A. - Not Applicable*

**(v) Board Meetings, its Committee Meetings and Procedure thereof:**

**A. Scheduling and selection of agenda items for Board / Committee Meetings**

- (i) The Board meets at least once in a quarter to review the financial results, performance of the Company and other items on the agenda. Apart from the four Board Meetings, additional Board Meetings were also convened as and when required to address the specific needs of the Company by giving appropriate notice to the Directors. The Board also approves permitted urgent matters by passing the resolutions through circulation.
- (ii) The meetings are usually held at the Company's corporate office at New Delhi.
- (iii) All divisions/departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion/approval/decision in the Board/Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the Board / Committee meetings.



- (iv) The Board is given presentation on financial / operational performance of the Company and its subsidiaries along with the risk mitigation strategy.
- (v) The Company Secretary, in consultation with the Chairman and Managing Director / Managing Director / Wholetime Director and other concerned persons in the senior management, finalizes the agenda papers for the Board / Committee meetings.

#### **B. Distribution of Board Agenda**

- (i) Agenda papers are circulated to the Directors, in advance, in the defined agenda format. All material information is incorporated in the agenda papers for facilitating meaningful, informed and focused discussions at the meeting. Where it is not possible to attach any document to the agenda, the same is placed on the table at the meeting with specific reference to this effect in the agenda.
- (ii) With the permission of Chairman and all other directors present at the meeting, additional or supplementary item(s) in the agenda are taken up for discussion and consideration. Sensitive matters may be discussed at the meeting without written material being circulated in advance for the meeting.

#### **C. Recording minutes of proceedings at Board / Committee Meetings**

The Company Secretary records the minutes of the proceedings of the Board and Committee Meetings. Draft minutes of the meetings are circulated to the Directors within 15 days of the meetings for their comments / inputs. The Directors are requested to share their comments/ inputs within 7 days of circulation of draft minutes. Thereafter, the minutes of the proceedings of meeting are entered in the minutes book within thirty days from the conclusion of the meeting and signed by the Chairman of the next Board / Committee meeting. Further, the signed and certified true copy of the minutes of the last meetings are circulated to all the Directors within 15 days of signing of the minutes.

#### **D. Post meeting follow up mechanism**

There is an effective post meeting follow-up, review and reporting process for the action taken on decisions of the Board and Committees. Important decisions taken at Board / Committee meetings are communicated promptly to the concerned departments / divisions. Action Taken Report on the decisions taken during a Board meeting is placed at the next Board Meeting.

#### **E. Compliance**

The Company is in compliance of the applicable provisions of the SEBI LODR including compliance with the Corporate Governance requirements.

During the period under review, the Board has accepted all the recommendations made by the Committees of Directors.

Further, the certificates relating to compliance of applicable provisions of law, signed by the Head of the Departments are placed in the Board Meeting.

#### **(vi) Familiarization Programme for Board Members including Independent Directors**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with Company's procedures and practices.

Periodic presentations are made at the Board and Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. The Company through its Key Managerial Personnel / Senior Managerial Personnel makes presentations periodically to familiarize the Independent Directors with the nature of the industry, business model, strategy, operations and functions of the Company and to apprise them about their roles, rights and responsibilities in the Company to enable them to make effective contribution and discharge their functions as a Board Member.

The Independent Directors are given every opportunity to interact with the Key / Senior Management Personnel and are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

In term of the provisions of Regulation 25 of the SEBI LODR, the Company has devised a policy on familiarisation programme of Independent Directors which can be accessed on the following link:

<https://www.jslstainless.com/wp-content/uploads/2020/09/Policy-on-Familiarisation-Programme.pdf>

Further, the details of familiarisation programme imparted to the Independent Directors can be accessed at the below link:

<https://www.jslstainless.com/wp-content/uploads/2020/09/DETAILS-OF-FAMILIARIZATION-PROGRAMMES-IMPARTED-TO-INDEPENDENT-DIRECTORS-JSL.pdf>

#### **(vii) Desired skills / expertise / competencies of the Board of Directors**

The Board of Directors had identified the following skills / expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

<b>Areas of Core Skills/Expertise/ Competence</b>	<b>Mr. Ratan Jindal</b>	<b>Mr. Abhyuday Jindal</b>	<b>Mr. Tarun Kumar Khulbe</b>	<b>Mr. Suman Jyoti Khaitan</b>	<b>Mr. Jayaram Easwaran</b>	<b>Ms. Bhaswati Mukherjee</b>	<b>Mrs. Arti Luniya</b>	<b>Mr. Parveen Kumar Malhota</b>
Project management	Yes	Yes	Yes	No	No	No	Yes	Yes
Supply Chain Management	Yes	Yes	Yes	No	No	No	Yes	Yes
Strategic & General Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Credit Management & Forex	Yes	Yes	Yes	No	No	No	No	Yes

Areas of Core Skills/Expertise/ Competence	Mr. Ratan Jindal	Mr. Abhyuday Jindal	Mr. Tarun Kumar Khulbe	Mr. Suman Jyoti Khaitan	Mr. Jayaram Easwaran	Ms. Bhaswati Mukherjee	Mrs. Arti Luniya	Mr. Parveen Kumar Malhota
Project Finance & Debt Syndication	Yes	Yes	Yes	No	No	No	No	Yes
Economics	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Administrative Reforms	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Law	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Corporate Governance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sales & marketing	Yes	Yes	Yes	No	Yes	No	Yes	Yes
Global Business	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Technology	Yes	Yes	Yes	No	No	No	No	No
Merger & Amalgamation	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Human Resource	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

#### (viii) Independent Directors' meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) to the Act, and Regulation 25 of the SEBI LODR, a meeting of the Independent Directors of the Company was held on 13<sup>th</sup> May, 2021, without the presence of Non-Independent Directors and representatives of the management. All the Independent Directors were present at the meeting. The Independent Directors *inter-alia*, reviewed the performance of Non-independent Directors, Chairman and the Board of Directors as a whole, for the financial year 2020-21, taking into account the views of the Executive and Non- Executive Directors. The Independent Directors also evaluated the quality, content and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

#### (ix) Evaluation of Board Effectiveness

1. In terms of the provisions of the Act and Regulation 19 read with Part D of Schedule II of the SEBI LODR, which *inter-alia* set forth formulation of criteria of evaluation of Independent Directors and the Board of Directors, the Board of Directors upon the recommendation of the Nomination and Remuneration Committee, have to evaluate the effectiveness of the Board as a whole. Accordingly, the performance evaluation of the Board as a whole, each Director and the Committees of the Board was carried out for the financial year ended 31<sup>st</sup> March, 2021.
2. The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board as a whole, acknowledges its intention to establish and follow best practices in Board Governance in order to fulfill its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among the Board members, greater efficiency in the use of the Board's time and increased effectiveness of the Board as a governing body.

3. The evaluation of the Directors was based on various aspects, *inter-alia*, including the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution.

### 3. BOARD COMMITTEES

The Committees constituted by the Board play a very important role in the governance structure of the Company. The composition and the terms of reference of these Committees are approved by the Board and are in line with the requirement of the Act and of the SEBI LODR. The Board is updated on the discussions held at the Committee meetings and the recommendations made by the various Committees. Further, the minutes of the Committee meetings are placed at the Board meetings. The Board has 7 (seven) committees of the Board viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Share Transfer Committee, Sub-Committee and Risk Management Committee.

During the year under review, the Board of Directors has constituted a Restructuring Committee to explore and evaluate various options w.r.t. the group reorganisation / consolidation of stainless business so as to realise greater synergies. Further, an Independent Directors Committee in terms of the provisions of SEBI Master Circular dated 22<sup>nd</sup> December, 2020, was also constituted so as to determine that the proposal of the scheme of arrangement (refer note mentioned in the Directors' Report) is not detrimental to the interest of the shareholders of the Company.

#### Meetings of Board Committees held during the year and Members' attendance:

Particulars	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	Sub-Committee
Meetings Held	5	2	4	1	1	8
<b>Members' Attendance:</b>						
Mr. Ratan Jindal	NA	Nil	NA	Nil	NA	NA
Mr. Abhyuday Jindal	NA	NA	1	NA	1	8
Mr. Tarun Kumar Khulbe	NA	NA	4	1	1	7
Mr. Suman Jyoti Khaitan	5	2	4	NA	NA	1
Ms. Bhaswati Mukherjee	5	2	NA	1	NA	NA
Mr. Jayaram Easwaran	5	2	NA	NA	1	NA
Mr. Parveen Kumar Malhotra*	3	NA	NA	NA	NA	NA
Mr. Gautam Kanjilal*	1	NA	NA	NA	NA	NA
Mr. Anurag Mantri	NA	NA	NA	NA	1	NA
Mr. Navneet Raghuvanshi	NA	NA	NA	NA	1	NA

N.A. - Not Applicable

\*Mr. Parveen Kumar Malhotra was appointed as a Nominee Director in place of Mr. Gautam Kanjilal, w.e.f. 8<sup>th</sup> September 2020.

(i) **Audit Committee**

**Composition:**

The composition and terms of reference of the Audit Committee are in conformity with the provisions of Section 177 of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI LODR. The composition of the Audit Committee as on 31<sup>st</sup> March, 2021 is as under:

<b>Name of Committee Member</b>	<b>Category</b>	<b>Status</b>
Mr. Suman Jyoti Khaitan	Independent Director	Chairman
Ms. Bhaswati Mukherjee	Independent Director	Member
Mr. Jayaram Easwaran	Independent Director	Member
Mr. Parveen Kumar Malhotra <sup>1</sup>	Nominee Director- State Bank of India, Non-Independent	Member

1. *Mr. Parveen Kumar Malhotra was inducted as the member of Audit Committee in place of Mr. Gautam Kanjilal w.e.f. 8th September 2020.*

**Meetings & terms of reference of Audit Committee:**

The Audit Committee met five times during the financial year 2020-21 on 6<sup>th</sup> June 2020, 8<sup>th</sup> September 2020, 30<sup>th</sup> October 2020, 29<sup>th</sup> December 2020 and 4<sup>th</sup> February 2021. Requisite quorum was present during all meetings. The functions of the Audit Committee inter-alia include:

- reviewing the quarterly and annual financial results/statements before submission to the Board for approval;
- recommending to the Board, the appointment, re-appointment or removal of the statutory auditors and their remuneration;
- overseeing the Company's financial reporting process;
- overseeing compliance with listing and other legal requirements relating to the financial statements;
- reviewing and monitoring the auditor's independence and performance and effectiveness of the audit process;
- scrutiny of the inter-corporate loans and investments;
- evaluation of internal financial controls and the risk management systems;
- reviewing performance of the statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of the internal audit;
- reviewing the findings of any internal investigations by the internal auditors;
- discussion with the statutory auditors, before the audit commences, the nature and the scope of audit as well as post-audit discussion to ascertain any area of concern;
- reviewing the functioning of the whistle blower mechanism;
- approving the appointment of the Chief Financial Officer;

- reviewing the Management Discussion and Analysis of financial condition and results of operations;
- reviewing the statement of significant related party transactions, submitted by the Management;
- reviewing any risks and steps to mitigate them;
- reviewing the appointment, removal and terms of remuneration of the internal auditor.
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Chief Financial Officer regularly attends the Committee meetings and the Company Secretary acts as the Secretary of the Committee. All the quarterly Committee meetings were attended by the representative of Internal Auditors and the Statutory Auditors. The Cost Auditors also attend the meeting as and when required.

## (ii) Nomination and Remuneration Committee

### Composition:

The composition and terms of reference of the Nomination and Remuneration Committee (NRC) are in conformity with Section 178 of the Act and Regulation 19 of the SEBI LODR. The composition of the NRC as on 31<sup>st</sup> March, 2021 is as under:

Name of Committee Member	Category	Status
Mr. Suman Jyoti Khaitan	Independent Director	Chairman
Mr. Ratan Jindal	Chairman and Managing Director, Non-Independent	Member
Ms. Bhaswati Mukherjee	Independent Director	Member
Mr. Jayaram Easwaran	Independent Director	Member

### Brief terms of reference:

The terms of reference for the NRC of the Company inter-alia include:

- formulation of the criteria for determining qualifications and independence of a director and recommending to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- formulation of criteria for evaluation of performance of the Independent Directors and the Board of Directors and carry out evaluation of every director's performance;
- devising a policy to ensure diversity among the Board of Directors;
- identifying persons who are qualified to become Directors;

- deciding on the term of appointment of the Independent Directors on the basis of the report of performance evaluation of the independent directors
- recommend to the board, all remuneration, in whatever form, payable to senior management

**Meetings:**

During the financial year ended 31<sup>st</sup> March, 2021, two meetings of the Nomination and Remuneration Committee were held on 5<sup>th</sup> June 2020 and 3<sup>rd</sup> February, 2021. Requisite quorum was present during both the meetings. The Company Secretary acts a Secretary of the Committee.

**Performance Evaluation Criteria for Independent Directors:**

The policy framework for nomination, election and performance review of Independent Directors is duly approved by the Board of Directors upon the recommendation of the NRC. The performance of the Independent Directors is being evaluated by the entire Board, except for the director being evaluated. A brief description of the performance mechanism of the same is mentioned elsewhere in the Directors' Report.

**(iii) Stakeholders' Relationship Committee**

**Composition:**

The composition and terms of reference of the Stakeholders' Relationship Committee are in conformity with Section 178 of the Act and Regulation 20 of the SEBI LODR. The composition of the Stakeholders' Relationship Committee as on 31<sup>st</sup> March, 2021 is as under:

Name of Committee Member	Category	Status
Mr. Suman Jyoti Khaitan	Independent Director	Chairman
Mr. Abhyuday Jindal	Managing Director, Non-Independent	Member
Mr. Tarun Kumar Khulbe	Wholetime Director, Non-Independent	Member

**Brief terms of reference:**

The terms of reference for the Stakeholders' Relationship Committee of the Company inter-alia include:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, issue of new/duplicate certificates, etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

**Meetings:**

Four meetings of the Committee were held during the financial year ended 31<sup>st</sup> March, 2021 on 05<sup>th</sup> June 2020, 08<sup>th</sup> September 2020, 30<sup>th</sup> October 2020 and 3<sup>rd</sup> February 2021. Requisite quorum was present during all the meetings.

Mr. Navneet Raghuvanshi, Company Secretary is the Compliance Officer for the requirements of SEBI LODR. The Company Secretary acts a Secretary of the Committee.

The details of the investor's compliant(s) received and resolved during the financial year 2020-21 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing balance; if any
0	1	1	0

The Company has appointed Registrar & Share Transfer Agent (R&T Agent) for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are likewise processed and confirmations thereof are communicated to the shareholders within the prescribed time.

**(iv) Corporate Social Responsibility Committee****Composition and Terms of Reference:**

The composition and terms of reference of the Corporate Social Responsibility Committee ("CSR Committee") are in conformity with Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee consists of three Directors, out of whom one is Independent. The composition of the CSR Committee as on 31<sup>st</sup> March, 2021 is as under:

Name of Committee Member	Category	Status
Mr. Ratan Jindal	Chairman and Managing Director, Non-Independent	Chairman
Ms. Bhaswati Mukherjee	Independent Director	Member
Mr. Tarun Kumar Khulbe	Wholetime Director, Non-Independent	Member

**Meetings:**

One meeting of the Committee was held during the financial year ended 31<sup>st</sup> March, 2021 on 05<sup>th</sup> June, 2020. Requisite quorum was present during all the meetings. The Company Secretary acts as a Secretary to the Committee.

**(v) Sub-Committee of Directors**

The Board has constituted a Sub-Committee of Directors which has been delegated with certain powers of the Board of Directors in accordance with the provisions of the Act and the rules framed thereunder. The Committee meets from time to time on need base to transact the matters of urgency.



Name of Members of the Committee, their category and status as on 31<sup>st</sup> March, 2021 are given below:

<b>Name of Committee Member</b>	<b>Category</b>	<b>Status</b>
Mr. Abhyuday Jindal	Managing Director, Non-Independent	Chairman
Mr. Tarun Kumar Khulbe	Wholetime Director, Non-Independent	Member
Mr. Suman Jyoti Khaitan	Independent Director	Member

#### **Meetings:**

During the financial year 2020-21, the Sub-Committee of Directors met 8 times on 17<sup>th</sup> July 2020, 11<sup>th</sup> September 2020, 18<sup>th</sup> September 2020, 29<sup>th</sup> September 2020, 10<sup>th</sup> November 2020, 28<sup>th</sup> December 2020, 21<sup>st</sup> January 2021 and 3<sup>rd</sup> March 2021. The decisions taken at the Sub Committee meetings are reviewed by the Board at its subsequent meeting. Requisite quorum was present during all the meetings. The Company Secretary acts as a Secretary to the Committee.

#### **(vi) Share Transfer Committee**

The Board of Directors has delegated the power of approving transfer / transmission / transposition of securities and other related formalities to the Share Transfer Committee. The Committee meets from time to time on need basis.

The composition of the Share Transfer Committee as on 31<sup>st</sup> March, 2021 is as under:

<b>Name of Committee Member</b>	<b>Category</b>	<b>Status</b>
Mr. Abhyuday Jindal	Managing Director, Non-Independent	Chairman
Mr. Tarun Kumar Khulbe	Wholetime Director, Non-Independent	Member
Mr. Suman Jyoti Khaitan	Independent Director	Member
Mr. Navneet Raghuvanshi	Company Secretary	Member
Representative of Registrar and Transfer Agent		Member

Pursuant to a Circular dated 27<sup>th</sup> March, 2019, SEBI had effective from 1<sup>st</sup> April, 2019 mandated transfer of shares only in dematerialized form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior 1<sup>st</sup> April, 2019 and returned due to deficiency in the document. During the financial year ended 31<sup>st</sup> March, 2021, all the valid requests for transmission / transposition of shares were processed in time and there were no pending transfers of shares.

#### **(vii) Risk Management Committee**

##### **Composition and Terms of Reference:**

Pursuant to the provisions of SEBI LODR, top 1000 listed entities, determined on the basis of market capitalization as at the end of immediate previous financial year are required to constitute a Risk Management Committee.

The Company ranked 462<sup>nd</sup> position among the top 1000 listed entities, based on the market capitalization as on 31<sup>st</sup> March, 2021. The Board has constituted a Risk Management Committee, to ensure the Company's strategies.

The composition and terms of reference of the Risk Management Committee are in conformity with the provisions of Regulation 21 of the SEBI LODR. The composition of the Risk Management Committee as on 31<sup>st</sup> March, 2021 is as under:

Name of Committee Member	Category	Status
Mr. Abhyuday Jindal	Managing Director, Non-Independent	Chairman
Mr. Tarun Kumar Khulbe	Wholetime Director, Non-Independent	Member
Mr. Jayaram Easwaran	Independent Director	Member
Mr. Anurag Mantri	Chief Financial Officer	Member
Mr. Navneet Raghuvanshi	Company Secretary	Member

**Meetings:**

During the financial year 2020-21, one meeting of the Committee was held on 03<sup>rd</sup> February, 2021. Requisite quorum was present during the meeting. The Company Secretary acts as a Secretary to the Committee.

**Brief terms of reference:**

The terms of reference for Risk Management Committee of the Company inter-alia include:

- To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity

#### 4. REMUNERATION OF DIRECTORS

##### (i) Remuneration Policy

The Company has in place a Remuneration Policy duly approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee of Directors of the Company. Remuneration given to the Directors of the Company is based on the principles of performance, equitableness and competitiveness. The Remuneration Policy has been designed to reflect these principles and to attract, motivate and retain quality manpower for driving the Company successfully.

The remuneration of the Executive Directors, Key Managerial Personnels and Senior Management Personnel is based on Company's financial position, industrial trends and remuneration paid by peer companies. Remuneration to Executive Directors is paid by way of salary (including fixed pay and variable pay), perquisites and retirement benefits, based on recommendation of the Nomination and Remuneration Committee and approval of the Board and Shareholders. The Non-executive directors are paid remuneration by way of sitting fee for attending the meetings of the Board and Committees thereof. No stock options were granted to the Directors of the Company during the year under review. The appointment of the Executive Directors is governed by the resolutions passed by the Board and the shareholders of the Company read with the service rules and regulations of the Company.

##### (ii) Details of Remuneration paid to the Directors during the financial year ended 31<sup>st</sup> March, 2021:

###### (a) Executive Directors:

Amount (₹ in Lakhs)

Name of Director*	Designation	Salary	Commission	Contribution to PF	Others	Total	Notice Period
Mr. Abhyuday Jindal	Managing Director	300	Nil	Nil	Nil	300	2 months
Mr. Tarun Kumar Khulbe	Wholetime Director	167.22	Nil	5.53	3.98	176.73	2 months

\*Mr. Ratan Jindal, Chairman and Managing Director of the Company didn't receive any remuneration from the Company during the financial year 2020-21

###### (b) Non-Executive Directors:

Particulars of sitting fee paid to the Non-Executive Directors during the financial year ended 31<sup>st</sup> March, 2021 are as follows:

Amount (₹ in Lakhs)

Name of Director	Sitting fee paid
Mr. Suman Jyoti Khaitan	5.80
Mr. Gautam Kanjilal*	1.10
Ms. Bhaswati Mukherjee	5.20
Mrs. Arti Luniya	4.40
Mr. Jayaram Easwaran	5.20
Mr. Parveen Kumar Malhotra*	3.50

\*Mr. Parveen Kumar Malhotra was appointed as a Nominee Director in place of Mr. Gautam Kanjilal, w.e.f. 8th September 2020.

No commission has been paid to the Non-Executive Directors (NEDs).

There has been no pecuniary relationship or transactions between the Company and NEDs during the financial year 2020-21, except as stated above.

Since, during the financial year ended 31<sup>st</sup> March, 2021, the Company has made no payment to NEDs, Therefore the requirement of mentioning the criteria for making the payment to NEDs and disseminating the same on website is not applicable to the Company.

#### 5. GENERAL BODY MEETINGS:

The last three Annual General Meetings were held at the registered office of the Company at O.P. Jindal Marg, Hisar – 125005 (Haryana), as per details given below:

Year	Date	Day	Time	Special Resolution(s) Passed
2017-18	27.09.2018	Thursday	11:00 a.m.	<ul style="list-style-type: none"> <li>Appointment of Mr. Abhyuday Jindal as the Managing Director of the Company.</li> <li>Appointment of Mr. Tarun Kumar Khulbe as a Wholetime Director of the Company</li> </ul>
2018-19	04.09.2019	Wednesday	12.00 Noon	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Ratan Jindal (DIN: 00054026) as the Chairman and Managing Director of the Company.</li> <li>Re-appointment of Mr. Suman Jyoti Khaitan (DIN: 00023370) as an Independent Director for a second term of three consecutive years.</li> <li>Issue of 80,12,940 Equity Shares on a preferential basis</li> <li>Authority to raise funds upto an aggregate amount of Rs. 1,200 Crore (Rupees Twelve Hundred Crore) by issue of fresh securities of the Company.</li> </ul>
2019-20	21.08.2020	Friday	11.00 a.m.	<ul style="list-style-type: none"> <li>Re-appointment of Ms. Bhaswati Mukherjee as an independent director for a second term of three consecutive years</li> </ul>

No postal ballot was conducted during the financial year 2020-21. Further there is no immediate proposal for passing any resolution through Postal Ballot.

## 6. MEANS OF COMMUNICATION:

i)	Financial Results	The quarterly, half yearly and yearly financial results of the Company are submitted to the stock exchanges after they are approved by the Board. These are also published in the Newspapers, in the prescribed format as per the provisions of the SEBI LODR.
ii)	Newspapers wherein results are normally Published	Financial Express (English), Jansatta (Hindi)
iii)	Any website, where Displayed	<a href="http://www.jslstainless.com">www.jslstainless.com</a>
iv)	Whether it also displays official news releases	The Company gives Press Releases to the stock exchanges and displays the same on its website.
v)	The Presentations made to institutional investors or to the analysts	The Company holds Analysts' / Investors' Meetings from time to time. The presentations made at the said meetings are uploaded on Company's website. The necessary intimation in terms of Regulation 30 of SEBI LODR are also made to the stock exchanges
vi)	NSE Electronic Application Processing System (NEAPS)	The NEAPS is a web based application designed by NSE for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.
vii)	BSE Corporate Compliance & Listing Centre (the 'Listing Centre')	BSE's Listing Centre is a web based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.
viii)	SEBI Complaint Redressal System (SCORES)	The investor complaints are processed in a centralized web based complaint redressal system. The salient features of this system are:  Centralized Data Base of all complaints, online upload of Action Taken Report (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

## 7. GENERAL SHAREHOLDERS' INFORMATION

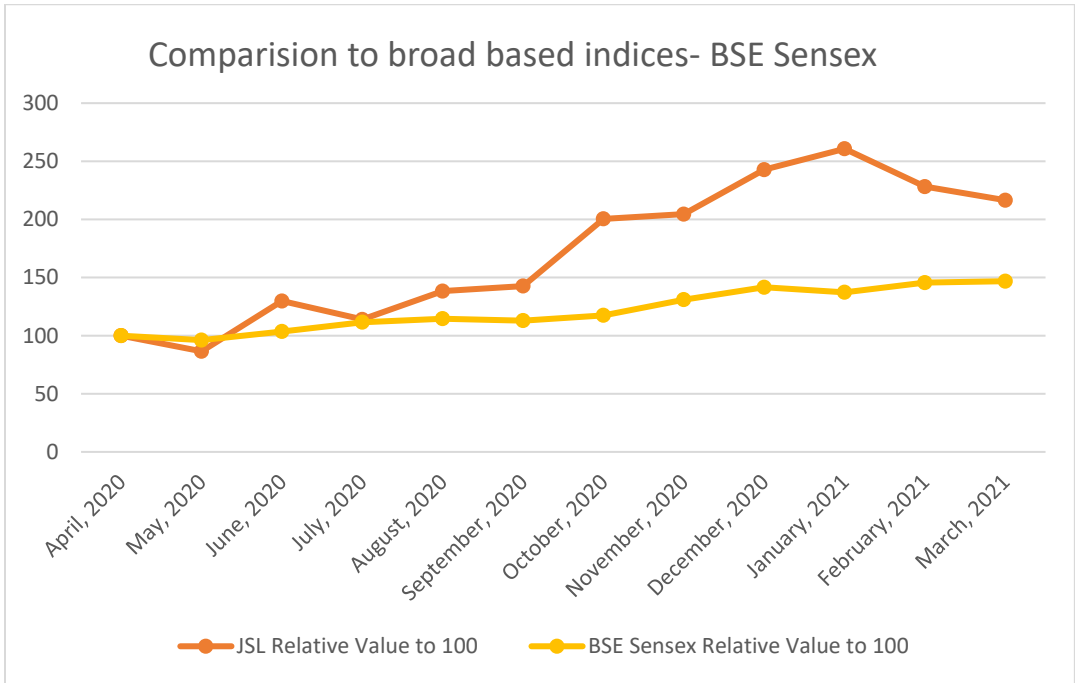
7.1	Annual General Meeting: - Date and Time - Venue	16 <sup>th</sup> September, 2021 at 11:00 A.M.  The Company is conducting the 41 <sup>st</sup> Annual General Meeting (AGM) through VC/OAVM facility pursuant to the circular dated 13 <sup>th</sup> January, 2021 and 5 <sup>th</sup> May, 2020 issued by the Ministry of Corporate Affairs read with SEBI Circular dated May 12, 2020 and January 15, 2021 and as such there is no requirement to have a venue of AGM. However the deemed venue for the 41 <sup>st</sup> AGM shall be the Registered Office of the Company.
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7.2	Financial Year	The Financial year of the Company starts from 1 <sup>st</sup> April and ends on 31 <sup>st</sup> March every year.	
7.3	Financial Calendar 2021-22 (Tentative):	Annual General Meeting – (Next Year) Financial Reporting Results for quarter ending on June 30, 2021 Results for quarter ending September 30, 2021 Results for quarter ending December 31, 2021 Results for year ending March 31, 2022 (Audited)	September, 2022  On or before 14-08-2021 On or before 14-11-2021  On or before 14-02-2022  On or before 30-05-2022
7.4	Dividend and its Payment	No dividend has been recommended by the Board of Directors for the financial year 2020-21.	
7.5	Book Closure date:	As mentioned in the AGM Notice	
7.6	Unclaimed Shares:	In terms of erstwhile Clause 5A of the Listing Agreement, the Company had through its RTA sent three reminders to Shareholders, whose Share Certificates were lying unclaimed with the Company, requesting them to provide complete postal address and other relevant details to enable the RTA to dispatch such unclaimed Share Certificates to them. Details of Unclaimed shares as required under Schedule V of the SEBI LODR are given hereunder:	
		<b>Particulars</b>	<b>No. of Shareholders</b>
			<b>No. of Shares</b>
		Aggregate number of shareholders and the outstanding shares in the suspense account as on 01.04.2020	1,452
		Number of shareholders who approached the Company / RTA for transfer of shares from suspense account during the year 2020-21.	1,87,370
		Number of shareholders to whom shares were transferred from suspense account during the year 2020-21	-
		Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31.03.2021.	-

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. As and when the rightful owner of such shares approaches the Company, the Company shall to the extent of his / her entitlement, arrange to deliver the shares from the said account to the rightful owner after proper verification of his / her identity.

7.7	(a) Listing of Equity Shares on Stock Exchanges	:	National Stock Exchange of India Ltd., Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G – Block, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051.	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	
The Company had paid annual listing fees to NSE and BSE.					
	(b) Listing of GDS on Stock Exchange	:	Luxembourg Stock Exchange, P.O. Box 165, L – 2011, Luxembourg.		
7.8	Stock Code (Equity Shares)	:	Trading Symbol – BSE Limited (Demat Segment)	532508	
		:	Trading Symbol – National Stock Exchange of India (Demat Segment)	JSL	
International Securities Identification Number (ISIN)					
Equity Shares : INE220G01021					
GDS : US4775862000					
Reuters Code		:	JIST.BO (BSE) JIST.NS (NSE)		
7.9	<b>Stock Market Price Data</b>	<b>National Stock Exchange of India Ltd. (NSE)</b>		<b>BSE Limited (BSE)</b>	
	<b>Month</b>	<b>Month's High Price (In ₹)</b>	<b>Month's Low Price (In ₹)</b>	<b>Month's High Price (In ₹)</b>	<b>Month's Low Price (In ₹)</b>
	April, 2020	32.35	23.05	32.25	23.65
	May, 2020	30.60	25.60	32.80	26.25
	June, 2020	41.55	25.80	41.45	27.40
	July, 2020	42.40	35.25	42.30	34.00
	August, 2020	53.00	35.30	53.00	35.55
	September, 2020	48.65	39.35	49.05	39.00
	October, 2020	63.20	42.85	63.15	42.90
	November, 2020	67.35	56.50	67.30	56.70
	December, 2020	85.35	62.50	85.00	62.00
	January, 2021	96.00	75.20	95.95	75.15
	February, 2021	82.70	68.40	82.65	68.70
	March, 2021	79.90	60.45	79.85	60.30

**7.10 Share price performance in comparison to broad based indices – BSE Sensex**





7.11	Registrar and Transfer Agents:	<p>Link Intime India Private Limited</p> <p>Noble Hights, 1<sup>st</sup> Floor, Plot No. NH2, C1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 Phone No.: (011) 41410592/93/94</p> <p>Fax No.: (011) 41410591</p> <p>Email: delhi@linkintime.co.in</p>
7.12	Share Transfer System:	<p>As per SEBI LODR and directions issued by SEBI, effective from 1<sup>st</sup> April, 2019, the securities of listed companies can only be transferred in dematerialized form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior 1<sup>st</sup> April, 2019 and returned due to deficiency in the document. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants. Shareholders are advised to dematerialize their shares held by them in physical form. Requests for dematerialization of shares are processed and confirmation thereof is given to the respective depositories i.e. NSDL and CDSL within the statutory time limit, from the date of receipt of documents complete in all respects along with the share certificates.</p>
7.13	Reconciliation of Share Capital Audit:	<p>The reconciliation of Share Capital Audit is conducted by a Chartered Accountant in practice to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Ltd. (“Depositories”) and the total issued and listed capital. The auditor confirms that the total issued / paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories) and that the requests for dematerialization of shares are processed by the R&amp;T Agents within stipulated period of 21 days and uploaded with the concerned depositories.</p>
7.14	Transfer of Unpaid / Unclaimed Amounts to Investor Education and Protection Fund:	<p>During the financial year 2020-21, an amount of Rs. 1,46,093/- was transferred by the Company to the Investor Education and Protection Fund.</p>

7.15		Distribution of shareholding as at 31 <sup>st</sup> March, 2021			
By size of shareholding		Shareholders		Equity shares held	
		Number	Percentage	Number	Percentage
1	- 2500	72,427	96.70	1,98,50,395	4.07
2501	- 5000	1,252	1.67	45,91,788	0.94
5001	- 10000	587	0.78	44,45,050	0.91
10001	- 15000	172	0.23	21,40,296	0.44
15001	- 20000	100	0.13	18,17,717	0.37
20001	- 25000	50	0.07	11,59,451	0.24
25001	- 50000	130	0.17	47,39,720	0.97
50001	& Above	177	0.24	44,84,90,183	92.05
<b>Total</b>		<b>74,895</b>	<b>100.00</b>	<b>48,72,34,600</b>	<b>100.00</b>
Physical Mode		10,291	13.74	29,32,467	0.60
Electronic Mode		64,604	86.26	48,43,02,133	99.40
By category of shareholders		Equity Shares held			
		Number		Percentage	
Promoters		31,51,73,575		64.69	
GDS held by promoters underlying shares		1,67,34,984		3.43	
GDS held by others underlying shares		8,69,350		0.18	
FIs/Banks/Mutual Funds/ Alternate Investment Fund		3,56,20,791		7.31	
Corporate Bodies		83,76,805		1.72	
FII/ Foreign Portfolio Investor (Corporate)		6,43,99,521		13.22	
NRIs/OCBs		25,13,587		0.52	
Public /others		4,35,45,987		8.94	
<b>Total</b>		<b>48,72,34,600</b>		<b>100.00</b>	
7.16	Dematerialization of shares and liquidity:	<p>As on 31<sup>st</sup> March, 2021, 99.40% of the total share capital was in dematerialized form. Trading in equity shares of the Company is permitted only in dematerialized form.</p> <p>The equity shares of the Company are listed and traded on NSE and BSE.</p>			

7.17	Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion dates and likely impact on equity :	Company's paid up capital includes 1,76,04,334 equity shares having face value of ₹ 2/- each, underlying 88,02,167 GDS.  During the financial year ended 31 <sup>st</sup> March, 2021, the Company has issued 3,82,60,868 convertible equity warrants @ Rs. 42.55/- each (including premium of Rs. 40.55/- per convertible equity warrant) , with a right exercisable by the convertible equity warrant holders to subscribe for 1 (One) Equity Share per warrant within 18 months. The details of the same is mentioned in point 7.23 below.
7.18	Commodity price risk or foreign exchange risk and hedging activities :	For details, please refer Management Discussion and Analysis Report and notes to accounts to the financials mentioned in the Annual Report.
7.19	Plant locations:	Kalinga Nagar Industrial Complex, P.O. Danagadi – 755 026 Dist. Jajpur (Odisha), India
7.20	Investor Correspondence: For transfer / dematerialization of shares, payment of dividend on shares, query on Annual Report and any other query on the shares of the Company.	Name: Mr. Swapan Kumar Naskar Designation: Associate Vice President and Head (North India) Link Intime India Private Limited Noble Heights, 1 <sup>st</sup> Floor, Plot No. NH2 C1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 Phone No.: (011) 41410592/93/94 Fax No.: (011) 41410591 Email : delhi@linkintime.co.in
7.21	Address for correspondence	Jindal Stainless Limited Jindal Center, 12, Bhikaiji Cama Place, New Delhi-110066 Telephone: 011- 61462198 Email: investorcare@jindalstainless.com Website: www.jslstainless.com
Shareholders holding shares in electronic mode should address all their correspondence relating to change of address, bank mandate and status to their respective Depository Participants (DPs).		
7.22	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.	The credit rating for the long term/short term borrowings of the Company as on date of this report is as under: <ul style="list-style-type: none"> <li>• CRISIL Ratings Ltd (An S&amp;P Global Company): CRISIL A+ (Stable)/ A1</li> <li>• Fitch's India Ratings &amp; Research rating: IND BBB+/IND A2 (Rating Watch Positive)</li> <li>• CARE BBB+/ CARE A2" (Under Credit watch with Developing Implications)</li> </ul>

7.23	Details of utilization of funds raised through preferential allotment or qualified institutions placement	<p>During the financial year 2020-21 , the Company has made allotment of:</p> <p>3,82,60,868 convertible equity warrants @ Rs. 42.55 each (including premium of Rs. 40.55 per convertible equity warrant) to Virtuous Tradecorp Private Limited, a promoter group company and Kotak Special Situations Fund, an Alternate Investment Fund.</p> <p>The details of allotment made by the Company to above said entity are as under:</p>												
		<table border="1"> <thead> <tr> <th data-bbox="588 524 840 669">Name of allottee</th> <th data-bbox="840 524 995 669">No. of convertible equity warrants</th> <th data-bbox="995 524 1201 669">Approximate Amount (in Rs.)</th> </tr> </thead> <tbody> <tr> <td data-bbox="588 669 840 824">Virtuous Tradecorp Private Limited, a promoter group company</td> <td data-bbox="840 669 995 824">3,52,52,643</td> <td data-bbox="995 669 1201 824">150,00,00,000/-</td> </tr> <tr> <td data-bbox="588 824 840 979">Kotak Special Situations Fund, an Alternate Investment Fund</td> <td data-bbox="840 824 995 979">30,08,225</td> <td data-bbox="995 824 1201 979">12,80,00,000/-</td> </tr> <tr> <td data-bbox="588 979 840 1030"><b>Total</b></td> <td data-bbox="840 979 995 1030"><b>3,82,60,868</b></td> <td data-bbox="995 979 1201 1030"><b>162,80,00,000/-</b></td> </tr> </tbody> </table>	Name of allottee	No. of convertible equity warrants	Approximate Amount (in Rs.)	Virtuous Tradecorp Private Limited, a promoter group company	3,52,52,643	150,00,00,000/-	Kotak Special Situations Fund, an Alternate Investment Fund	30,08,225	12,80,00,000/-	<b>Total</b>	<b>3,82,60,868</b>	<b>162,80,00,000/-</b>
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<b>Total</b>	<b>3,82,60,868</b>	<b>162,80,00,000/-</b>												
		<p>As per the terms of issue of Convertible Warrants, the Company has received 33% of the issue price at the time of allotment and balance 67% of the issue price will be received upon exercising the option of conversion of warrants into equity shares which would become due on on or before 18 months from the date of allotment of Convertible Warrants.</p> <p>The funds so raised through issue of aforesaid warrants were fully utilized to augment the cash flows of the Company for meeting its liabilities, strengthening long term working capital and general corporate purposes.</p> <p>No funds were raised by the Company by way of Qualified Institutional Placement during the financial year 2020-21.</p>												

## DISCLOSURES:

**(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large.**

During the year under review, the Company has not entered into any transaction of material nature with the related parties that may have any potential conflict with the interests of the Company.

Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link:

<https://www.jslstainless.com/wp-content/uploads/2021/01/Policy-on-dealing-with-Related-Party-Transactions-1.pdf>

**(ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets. No penalties or strictures have been imposed on the Company by the stock exchanges or SEBI or any other statutory authorities relating to the above during the last three years.

**(iii) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to Chairperson the Audit Committee.**

The Company has formulated a Whistle Blower Policy ("WBP") in accordance with the requirements of Section 177(9) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI LODR. The WBP provides for establishment of vigil mechanism for directors and employees to report genuine concerns or grievances. It encourages all employees, directors and business partners to report any suspected violations promptly and intends to investigate any bona-fide reports of violations. It also specifies the procedures and reporting authority for reporting unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy or any other unethical or improper activity including financial irregularities, including fraud, or suspected fraud, wastage / misappropriation of Company's funds/assets etc. The WBP also provides for adequate safeguards against victimization of employees and directors who avail the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee, in exceptional cases. The WBP has also been uploaded on Company's website at the following link:

<https://www.jslstainless.com/wp-content/uploads/2021/06/Whistle-Blower-Policy.pdf>

The Company has also formulated the Policy on Disclosure of Material Events or Information and Policy on Preservation and Archival of Documents. The said Policies have also been uploaded on Company's website at the following links:

<https://www.jslstainless.com/wp-content/uploads/2020/09/Policy-on-Disclosure-of-Material-Event-Information.pdf>

<https://www.jslstainless.com/wp-content/uploads/2020/09/Policy-on-Preservation-Archival-of-documents.pdf>

During the year under review, no person was denied access to the Chairperson of the Audit Committee.

**(iv) Subsidiary Companies**

The Audit Committee of the Company reviews the financial statements and the investments made by its subsidiary companies. Further, the minutes of the meetings of the board of directors of the unlisted subsidiary companies and statement of all significant transactions and arrangements entered into by the unlisted subsidiary are periodically placed at the meeting of the Board of Directors of the Company. The Company does not have any material unlisted subsidiary company. The Company has formulated a policy for determining material subsidiaries which is uploaded on Company's website at the following link:

<https://www.jslstainless.com/wp-content/uploads/2020/09/Policy-on-Material-Subsidiaries.pdf>

**(v) Dividend Distribution Policy**

The Company has formulated a Dividend Distribution Policy in accordance with the requirement of Regulation 43A of SEBI LODR. The said policy has also been uploaded on Company's website at the following link:

[https://www.jslstainless.com/wp-content/uploads/2020/09/JSL-Dividend-Distribution-Policy\\_482018\\_R.pdf](https://www.jslstainless.com/wp-content/uploads/2020/09/JSL-Dividend-Distribution-Policy_482018_R.pdf)

**(vi) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are mentioned in the Directors' Report.

**(vii) Fees paid to the Statutory Auditors**

The shareholders at their 37<sup>th</sup> Annual General Meeting (AGM) had appointed M/s. Walker Chandio & Co. LLP (Firm Regn. No. 001076N/N500013) as Statutory Auditors of the Company for a term of five years until the conclusion of 42<sup>nd</sup> AGM of the Company. The Company has made payment of Rs.61 Lacs to the Statutory Auditors for audit and non-audit services availed by the Company during F.Y. 2020-21.

During the period under review no services were availed by the subsidiaries of the Company from the statutory auditors of the Company. Further no services were availed by the Company/subsidiaries of the Company from the network firm/entity of the statutory auditors during the period under review.

**(viii) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.**

**Compliance with mandatory and non-mandatory requirements (as on 31<sup>st</sup> March, 2021)**

The Company has complied with all mandatory requirements of Regulation 34 of the SEBI LODR. The Company has adopted following non-mandatory requirements of Regulation 27 and Regulation 34 of the SEBI LODR:

**(1) Modified Opinion(s) in Audit Report**

During the period under review, there were no audit qualifications in the Company's financial statements.

**(2) Reporting of Internal Auditor**

Ernst & Young LLP ("EY") are the internal auditors of the Company and support the management in performing select internal audits as per scope defined by the CFO and Audit Committee and as per the engagement letter signed with EY. Internal audit findings are reported directly to the Audit Committee.

**(ix) Disclosures w.r.t. to compliances of Regulations 17 to 27 of SEBI LODR.**

During the financial year 2020-21, the Company has duly complied with all the provisions mentioned under Regulations 17 to 27 of the SEBI LODR.

**8. OTHER INFORMATION**

**(a) Risk Management Framework**

The Company has in place mechanism to inform Board members about the risk assessment and minimization procedures and periodically reviews the same.

**(b) CEO and CFO Certification**

The Managing Director and the Chief Financial Officer of the Company have given annual certification on financial reporting and internal controls to the Board as specified in Part B of Schedule II to the SEBI LODR. They had also given quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of the SEBI LODR.

**(c) Website Disclosure**

All the necessary disclosures as prescribed under clauses (b) to (i) of sub-regulation 2 of Regulation 46 as prescribed under the SEBI LODR have been disseminated on the Company's website at [www.jslstainless.com](http://www.jslstainless.com).

#### **(d) Code of Conduct**

The Company has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of conduct is available on the website of the Company. The declaration of the

Managing Director is given below:

To the Shareholders of Jindal Stainless Limited

Sub.: Compliance with Code of Conduct

I hereby declare that for the financial year ended 31<sup>st</sup> March, 2021 all the Board members and senior management personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Place: New Delhi

Date: May 14, 2021

**(Abhyuday Jindal)**

Managing Director

#### **General Disclosures**

- i. A summary of transactions with related parties in the ordinary course of business is periodically placed before the Audit Committee;
- ii. The mandatory disclosure of transactions with related parties in compliance with Indian accounting Standard (Ind AS) 24 is a part of the Annual Report;
- iii. While preparing the annual accounts in respect of the financial year ended 31<sup>st</sup> March, 2021, no accounting treatment was different from that prescribed in the Accounting Standards;
- iv. The Company has a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and a Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

#### **CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

To the Members,

Jindal Stainless Limited

We have examined the compliance of the conditions of Corporate Governance by Jindal Stainless Limited ("the Company") (CIN No.L26922HR1980PLC010901) for the year ended on March 31, 2021 as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the period from April 1, 2020 up to March 31, 2021.



The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our findings from the examination of the records produced and explanations and information furnished to us and the representation made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the financial year ended March 31,2021.

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

**M/s. Rajesh Garg & Co.  
Company Secretaries,**

**Place : Hisar**

**Date : 13-05-2021**

**CS.Rajesh Garg**

**Prop.**

**M. No. 5960**

**CP No.4093**

**UDIN:F005960C000287098**

**CERTIFICATE FROM COMPANY SECRETARY IN  
PRACTICE**

**[PURSUANT TO CLAUSE 10 OF PART C OF SECHDULE V OF SEBI (LISTING OBLIGATIONS AND  
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]**

To the Members,  
Jindal Stainless Limited

On the basis of our review and according to the records of Jindal Stainless Limited ("the Company")(CIN No.L26922HR1980PLC010901), we certify that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

**M/s. Rajesh Garg & Co.  
Company Secretaries,**

**Place : Hisar  
Date : 13-05-2021**

**CS.Rajesh Garg  
Prop.  
M. No. 5960  
CP No.4093  
UDIN: F005960C000287109**

## MANAGEMENT DISCUSSION AND ANALYSIS

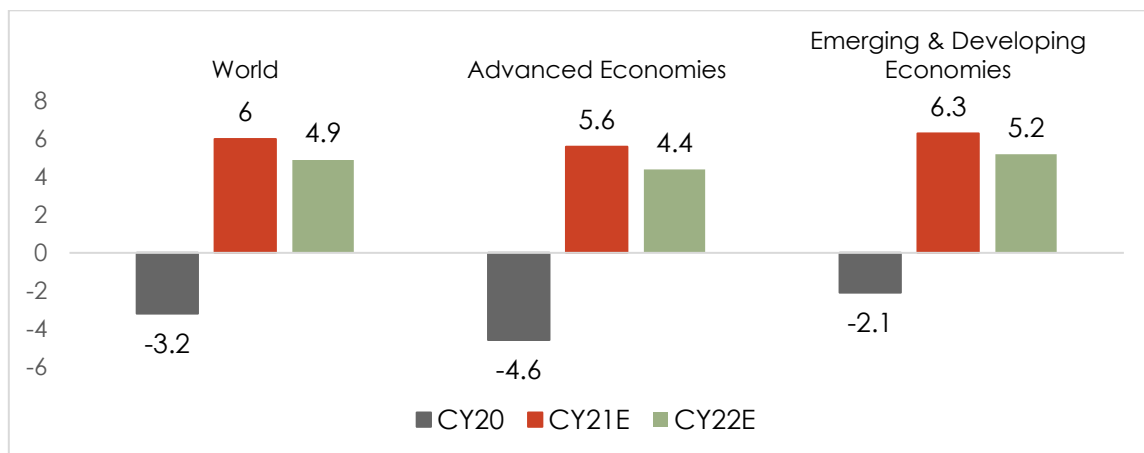
### Economic overview & outlook

#### Global economy

The global economy contracted by 3.3% in CY2020 primarily on account of the worldwide adverse impact of COVID Pandemic. On top of that, stricter trade restrictions and geo-political uncertainties also weighed on. However, a better than expected recovery in the latter half of the year helped in the improvement of the earlier estimates.

Continuing with the recovery seen during the latter half of CY 2020, the International Monetary Fund (IMF) has projected a sharper improvement in global GDP growth rate of 6% in CY2021 in its July World Economic Outlook (WEO) update and a moderate growth rate of 4.9% in CY2022. While, the GDP growth for Advanced Economies are likely to be 5.6% and 4.4%, Emerging and developing economies are likely to grow at 6.3% and 5.2% for CY2021 and CY2022 respectively.

Global GDP Growth (in %)



Source: IMF's World Economic Outlook Update, July, 2021

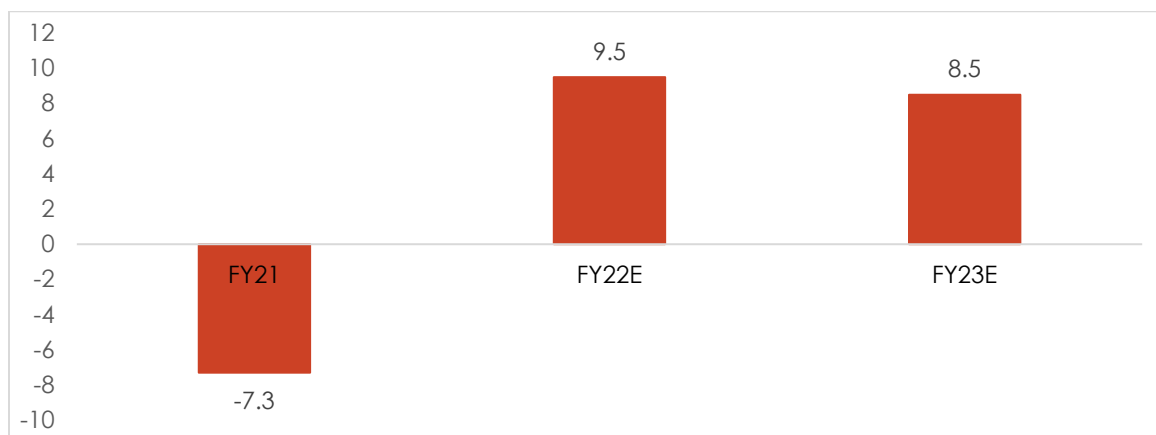
#### Indian economy

FY2021 started with unprecedented challenges induced by COVID- 19 pandemic. Nation-wide lockdown to contain the spread of the virus had a severe impact on the economic activity during the Q1FY21. The subsequent easing of lockdown along with various incentives by the centre and respective state governments, NGOs, civic bodies, etc. helped in restarting of business activities.

Recovery started gaining momentum in Q2FY21 and a rebound in economic activities was witnessed in Q3FY21 and Q4FY21. Early imposition of lockdown and maintaining it for longer duration unlike in the US and Europe, helped in containing the spread and thus faster economic recovery.

For FY2021, India's GDP contracted by ~7.3% as per the International Monetary Fund (IMF). However, in FY2022 and FY2023, India's GDP growth is likely to be one of the fastest among major economies of the World.

## India GDP Growth, %



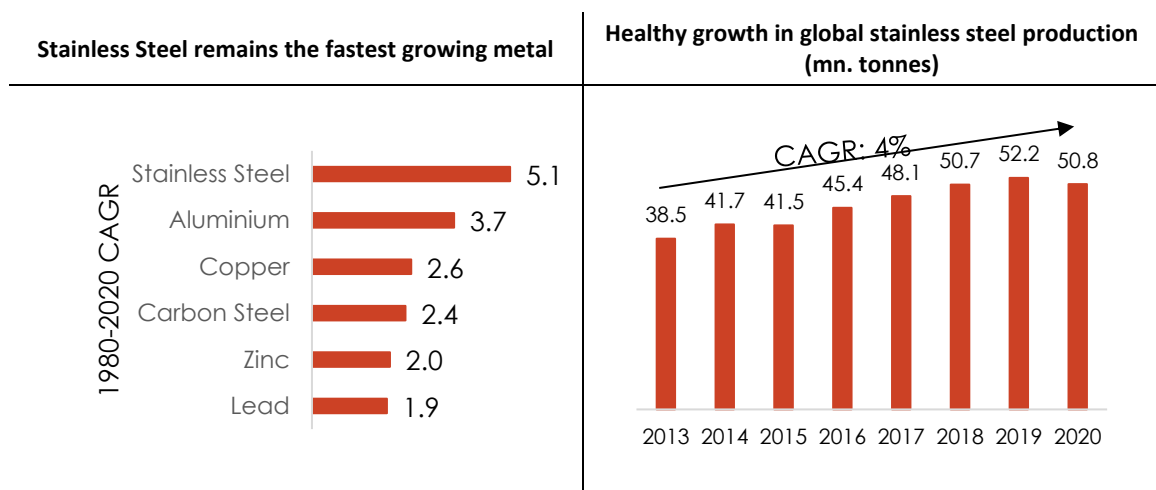
**Source:** IMF's World Economic Outlook Update, July, 2021

The IMF has revised India's growth projections to 9.5% in FY2022, while, FY2023 GDP growth has been projected at 8.5%.

### Global Stainless Steel Scenario

Following an increasing trend since 2015, global stainless steel melt shop production stood at 52.2 million tonnes in 2019. Affected by the COVID-19 pandemic, global stainless steel melt shop production however fell by 2% in CY 2020 to 50.8 million tonnes registering a five-year CAGR of 4.1% according to the International Stainless Steel Forum (ISSF).

In the past two decades, stainless steel consumption has seen the strongest CAGR against other major metals such as zinc, aluminium and carbon steel. Recent steps taken by China to discourage exports augur well for the stainless steel industry in the Asia-Pacific region.



**Source:** ISSF

## Domestic Stainless Steel Scenario

There has been a significantly increased usage in various applications in automobiles, railways, process industries, and building and construction over the past few years. There has been a rise in replacement demand as well in many segments. Many new applications, where stainless steel was never used, are experimenting with stainless steel. Traditionally in India, stainless steel was primarily used for kitchenware, with some exceptions for industrial goods. India has emerged as the second-largest producer and consumer of stainless steel and is one of the fastest-growing markets globally. Average per capita consumption in India however, remains low at around 2.5 kg as against a global average of around 6.6 kg

In CY2020, as per the ISSF, India registered a total stainless-steel melt shop production of 3.17 million tonnes, witnessing a decline of 19% year-on-year. This sharp decline was due to significant slowdown in economic activities on account of nationwide lockdown and other restrictions to counter the spread of COVID- 19 pandemic. However, backed by a V-shaped recovery, the demand scenario began improving from July'21 onward. . Automotive, railways, hollowware, consumer goods segments have driven the recovery to a large extent. With Government's focus on making Atmanirbhar Bharat, the stainless steel industry is likely to benefit further from demand improvement in segments like infrastructure, railways, automotive, process industry, etc.

Backed by a sound recovery in demand in all the major segments, stainless steel demand is expected to touch pre-covid levels in FY2022.

The demand from the largest end segment, viz. consumer goods is expected to remain strong in future. Further, work-from-home culture will support the industry growth, boosting stainless steel demand. Also, the share of organised players is expected to have risen in kitchenware industry, a key component of the consumer durables segment.

While the industrial activity has seen a hit over the past year, the demand from the process industry is expected to rise with schemes such as 'Atmanirbhar Bharat', Make in India, Productivity Linked Incentive as well as a revival in investment. Food processing and pharmaceutical industries are expected to remain the major end-users of stainless steel in the process industry segment.

The auto segment is expected to recover and witness higher demand for stainless steel. Also, the overall demand is expected to see a shift with an increase in intensity in the Architecture, Building & Construction (ABC) segment. Further, the government's emphasis on infrastructure modernisation would boost stainless steel demand in applications such as lifts, escalators, modular water kiosks, water ATMs, stainless steel benches, and mass rapid transit systems (MRTS).

**Automobiles, railways and transport (ART):** CRISIL estimates demand from the Automobile, Railway & Transport (ART) segment contributed to 10-12% of the total stainless steel demand in India. The demand for stainless steel from this segment is expected to rise significantly, with the changing consumption pattern, especially in automobiles and railways.

Growth in the ART segment will be largely driven by the automobiles segment and the rising penetration of stainless steel in railway rolling stock. Usage of stainless steel in coaches ensures safety and reliability through fire and corrosion resistance. Increasing penetration of stainless steel wagons and coaches, rising usage of the alloy in rail infrastructure, proposed station modernisation, and dedicated freight corridors (DFC) are expected to drive the demand for stainless steel from railways.

The Indian automobile industry growth will be spurred by small cars, compact utility vehicles (UVs), and two-wheelers. Due to the rise in middle-class income group and young population, it is expected that demand will grow. Within the automobile sector, two-wheelers and cars, and UVs accounted for the majority share in stainless steel demand. Collectively, these two segments accounted for 85-90% of the total stainless steel consumption in the auto sector.

With the adoption of BS-VI for stringent pollution control, stainless steel in Automobiles is extensively being used in BSVI compliant exhaust systems with its weight increasing from ~20 kg to ~30 kg in commercial vehicles. Also, ferritic grades such as 409L, 436L, 439, 432, 441, and 444 are ideal for BS-VI-compliant exhaust systems owing to their resistance to heat, oxidation, and corrosion. Additionally, the introduction of the vehicle scrappage policy is also expected to boost stainless steel demand in the automobile sector.

**Architectural, building & construction (ABC):** The architectural, building & construction (ABC) segment is estimated to have accounted for 10-12% of the country's total stainless steel demand.

The rebound in this segment post the covid impact is expected to be highest compared to other segments backed by large infrastructure spending announced by the government. This segment's growth will be largely driven by airport infra, water supply and sanitation (WSS), MRTS, and commercial complexes.

Stainless steel usage is also growing in metro station infrastructure. Metro stations in Delhi have used stainless steel in several applications such as claddings, handrails, ticket vending machines, canopies, bicycle stands, barriers, chairs and benches, manholes, elevators, and signage. Thus, increasing investment in MRTS and metro rail projects will propel the demand for stainless steel in the country.

The government is taking measures to improve the safety of passengers and expand the network as part of railway modernisation efforts. In fiscal 2019, several railway stations including New Delhi railway station, Jaipur Junction, Lonavala station, and Haridwar Junction were modernised and redeveloped (with various features such as lifts, escalators, modular water kiosks, water ATMs, and stainless steel benches, etc) to transform them into world-class airport-standard stations. All these initiatives are expected to boost stainless steel demand.

The first stainless steel foot over bridge is being constructed at Bhayandar station in Mumbai. Going forward, stainless steel is being evaluated as a key construction material for both foot over bridges (FOBs) and road over bridges (ROBs) to improve the safety and quality of bridges.

**Process industry:** The process industry segment accounts for 12-15% of the total stainless steel demand in India. Increasing awareness about the benefits of stainless steel has led to a substantial increase in its usage in the process industry. Within the segment, the pharmaceutical industries, food processing, and Dairy are the major end-users of stainless steel apart from petroleum, oil & gas, and desalination plants.

In the pharma equipment industry, 80-90% of stainless steel is used in medicine-making machinery and equipment. The pandemic has pushed up sales of medicines and resulted in exponential growth for the pharmaceutical industry which would eventually support the stainless steel demand.

In the food processing industry, it is estimated that processing machinery and equipment consume over 90% of stainless steel. Stainless steel is used in the parts directly in contact with food, whereas mild steel is used in the support parts of food processing machines. The dairy and food industries are concerned with the reliability of

equipment and product purity. To achieve these, stainless steel is often the economical and practical material of choice for process equipment.

**Consumer goods:** The stainless steel demand from the consumer goods segment (comprising kitchenware and consumer durables) contributes 57-58% to the overall stainless steel demand.

The increasing population and number of households (especially urban), rising disposable income, developing middle class, growing awareness, easier access, urbanisation, and nuclearisation will drive consumer goods demand in the future. Kitchenware accounts for a majority of the segmental demand in the consumer durables segment. Stainless steel is preferred for making kitchenware, as it is corrosion-resistant, hardwearing, extremely hygienic, recyclable, and provides contamination-free cooking and storing.

The 200 series is the common grade used in kitchenware applications due to lower price points. Of lately the rising trend towards utilization of non-stick cookware might further result in demand push towards 400 series as well especially grade 430.

Further, increasing penetration of consumer durables, especially in the rural areas with the government's focus on rural electrification, in tandem with sustained economic recovery would boost demand in the segment.

## **Company Overview**

Jindal Stainless Limited (JSL) is the largest stainless-steel manufacturer in India. Over the years, the Company has successfully established itself amongst the leading stainless steel manufacturer in the world.

JSL operates a stainless-steel plant at Jajpur, Odisha with a capacity of 1.1 million tonnes per annum (MTPA) with a large infrastructure set up. The facility is conveniently located in close proximity to raw-material sources and ports, which enables the Company to maintain low logistics and transportation costs. JSL is equipped with 'State-of-the-art' machinery and engineering from the best European suppliers. JSL is capable of producing globally competitive stainless steel products.

JSL plans to double the melting capacity in Jajpur through brownfield expansion. Jajpur already has the ready infrastructure to support this expansion at one-third of the greenfield project cost. Along with the melting capacity, the company also plans to increase its downstream capacity (HRAP and CRAP) proportionately.

The Company has a diverse product portfolio and a strong distribution network with extensive service centres in the domestic and international markets. The Company's numerous innovative solutions have powered its use in new applications such as the development of Stainless steel E-rickshaw, food-grade stainless steel, SS fuel tanks, and exhaust systems in commercial vehicle, stainless steel bus body, Railway coaches and wagons, and special finishes.

JSL's growth has been supported by its people's excellence, value-driven business operations, customer centricity, adoption of one of the best safety practices in the stainless steel industry, and social responsibility. Over the years, JSL has not only invested deeply in people, processes, and technology but has also undertaken various initiatives to widen its entire product offerings. Today, the Company is well-positioned to capitalize on the immense growth potential in the stainless steel industry.

Integrated Facilities	Unit	Capacity	Equipment Suppliers
Steel Melting Shop (SMS)	TPA	1,100,000	SMS Siemag, Germany
Cold Rolled Annealed Pickle (CRAP)	TPA	450,000	Andritz, Austria
Ferro Alloys	TPA	250,000	SMS Siemag, Germany
Captive Power Plant	MW	264	BHEL, India

### Opportunities



### Healthy demand outlook

Along with the steady growth in automotive, process industries, white goods, healthcare construction, and infrastructure, stainless steel is emerging as the material of choice for many new-age applications and for replacing other materials in many applications. The introduction of the life cycle cost concept has been helping the stainless steel demand further. Various initiatives by the Government to push infrastructure have been promising for strong stainless steel demand in India going forward.

The Indian Railways contributes to a significant share in the country’s total demand for stainless steel. Usage of stainless steel in coaches ensures safety and reliability through fire and corrosion resistance. The Indian Railways has completely switched to LHB coaches which have stainless steel shells. Utilization of stainless steel is expected to increase for building rail wagons and the superstructure of freight cars as more DFCs become operational. Following the success of Delhi Metro, several metro projects have been launched across the country. Currently, there are eight operational metro systems in India, with more than 324 km of metro lines. Metro coaches present a whole new avenue for stainless steel railcars as they are unpainted and made of austenitic stainless steel. Going forward, stainless steel is being evaluated as a key construction material for both foot over bridges (FOBs) and road over bridges (ROBs) to improve the safety and quality of bridges.

Policy initiatives e.g. implementation of BSVI norms, the introduction of vehicle scrappage policy, and replacement demand in many segments will keep stainless steel demand strong in India. The pandemic has pushed up sales of medicines and resulted in exponential growth for the pharmaceutical industry, which is likely to result in strong demand for stainless steel, due to its inherently hygienic properties. Hospital beds,



isolation chambers, modular toilets, and several other applications of stainless steel are expected to get impetus in the coming years.

JSL is the largest stainless steel producer in India with a superior product mix and geography mix is well poised to cater to this demand growth in stainless steel both in domestic and export markets.

### **Diversified range of product applications**

Traditionally, stainless steel was primarily used for kitchenware, with some exceptions for industrial goods. However, there has been increased usage in various applications in automobiles, railways, process industries, and building and construction over the past few years.

The country's flat stainless steel demand is supported by key end-consuming sectors such as process industries and consumer durables and the ART segment. Although the ABC segment holds the lowest share in demand, new-age applications are expected to improve this over the long term.

Along with the change in the overall demand scenario, JSL has also been able to focus on diversifying its product offerings by increasing its focus and developing new products. JSL currently has more than 120 grades catering to almost all the consumer segments of stainless steel. Today, the Company's portfolio includes a wide range of stainless steel products in 200 series, 300 series, 400 series, and duplex stainless steel grades; which have a wide range of product applications across the spectrum of industries. JSL has a well-equipped infrastructure set-up to produce various grades of stainless steel with distinct specifications relating to width, thickness, finish, and weight, as per the precise specifications demanded by the customer. This has enabled the Company to be well-positioned to leverage on the changing market/demand dynamics.

### **Professional management team with rich industry experience**

The group's strong brand image and best-in-class working environment continue to attract and retain top talent, from across the country. The Company's senior and middle management are well qualified and have a rich repository of industry experience. JSL's proficient management team understands industry dynamics and trends and also possesses sound domain knowledge. Over the years, the strategies formulated by its management team of senior professionals have played a key role in the Company's performance and establishing its position as one of the country's largest and most diverse suppliers of stainless steel.

### **Extensive Reach and Scale**

Over the years, JSL has steadily and gradually enhanced its presence to have a well-spread pan-India network. Today, JSL has 10 sales offices across the country and has multiple touch points; facilitating smoother access to its customers in availing best-in-class service. Internationally, the Company has a comprehensive global network with one Indonesian manufacturing facility and a service centre in Spain along with 12 international sales/representative offices spread across US, EU, United Arab Emirates, Russia, and Vietnam. JSL's sales office and service centre distribution network enables it to better manage its inventory, cater to domestic and international customers, and obtain the customer feedback needed to deliver more customized products.

## **Strong Marketing and Branding initiatives**

Over the years, the Company has consistently undertaken several notable marketing initiatives, which have enabled it to substantially improve JSL's brand salience and its overall market share. The Corporate Marketing Department of the Company has been making persistent efforts in strengthening the demand ecosystem for stainless steel. Some of the recent notable marketing initiatives undertaken by the Company are mentioned below:

- I. Skill India – JSHL conducted programs under the Skill India initiative. Under this, fabricator training programs in multiple cities were undertaken. A request was initiated with the help of Indian Stainless Steel Development Association (ISSDA) for allocation of funds from National Skill Development Corporation for these programs.
- II. Exhibitions: JSHL participated as a Diamond Sponsor in Innorail 2020 Digital Exhibition, conducted by CII through a virtual platform, starting 15th December 2020 till 14th January 2021.
- III. Channel Partners Training Programs: JSHL also conducted programs for channel partners. Web sessions were conducted with Channel Partners & P&T Partners and technical information on stainless steel, best fabrication techniques, and stainless steel applications in key industries were discussed.
- IV. Business Development – JSHL pursued the following key business development activities in the commercialization of Stainless Steel E-Rickshaws. Several programs were conducted for EV Rickshaw manufacturers inviting them to understand the benefits of stainless steel used in EV Rickshaw. More than 50 manufacturers have started making EV Rickshaws in stainless steel and 10+ manufacturers have developed complete EV Rickshaws in stainless steel. The use of stainless steel is also being extended in the development of Garbage Vans & Vegetable Carts.
- V. BIS Standards- Jindal Stainless is working on developing 18 BIS Standards in the food processing industry. As this industry is unorganized, scattered and manufacturers/ users buy a small quantity of stainless steel from channel partners and other distributors, it is difficult to reach them directly. Standards will help in providing references to manufacturers and in turn, will contribute to increasing per capita consumption of stainless steel. 8 Draft standards were submitted to the committee for review in FY Q421; Company expects these standards to be finalized by BIS in FY 21-22.
- VI. Industrial Grating- Samples are being developed for Industrial Grating with the help of Indiana Gratings and is expected to be complete in Q-I, 2021-22. Trials will be completed in Q1 of 21-22 and will be proposed in place of GI Gratings.
- VII. Electric Poles- As a pilot project, stainless steel electric poles were installed in Mumbai. While Poles are being tested and tried in corrosive atmosphere of Mumbai, in parallel, the initiation of development of BIS Standard for Electric Poles has begun to help spread the use of stainless steel in Electric Poles in other Municipal Corporations.
- VIII. Institutes Elective Courses- Regular classes were conducted for students of 6 leading engineering institutes about stainless steel and its best fabrication practices, under the Company's Stainless Academy initiative.

The consistent and innovative marketing efforts of the Company have been successful in attracting substantial interest and demand for JSL's offerings. Going ahead, JSL will continue to various marketing development activities to build brand fondness, loyalty, and purchase of JSL's stainless steel offerings through potential business and existing consumers alike.

## **Structural Government Initiatives**

The government recently announced vehicle scrappage policy that is likely to benefit the stainless steelmakers. This will help in increased availability of scrap from domestic scrapping facilities, reduce import dependency on scrap and curtail the import bill. This will aid in the reduction of lead time and will provide flexibility on supply side.

In the Union Budget 2021-22, the Government had temporarily reduced import duty on scrap (stainless steel, mild steel and copper). This augurs well for scrap-based players in India, where scrap generation is very low.

Further, significant push on infrastructure including an emphasis on development of metro rail projects, modernization of Railway infrastructure in different parts of the country and ports through PPP mode is encouraging.

## **Threats**

JSL is committed to recognizing and managing the risks it is exposed to and has put in place mechanisms to handle the same. The Company's management systems, organizational structures, processes, standards, and code of conduct together form its internal control systems, which govern how it conducts its business and manages all associated risks.

The business of the Company is susceptible to certain risks and uncertainties arising out of the following macroeconomic factors:

### **Political, legal and regulatory risks**

There exists a possibility of a change in the overall duty structure on key raw materials/finished goods by the Government. Further, the Company has been exporting its products to many countries across the globe which has varying degrees of political and commercial stability. Any instability in such countries could impact the Company and pose a challenge to its overall performance.

### **Disruption Risks**

The Company operates in a global environment and can be affected by the general unprecedented crises like outbreak of Covid-19 pandemic. This crisis has severely impacted economic activity across the globe. The manufacturing industry globally has been under stress as the supply chain was disrupted with restrictions on the movement of goods and growing market uncertainty. Unprecedented situations like lockdown may also impact business. The pandemic also resulted in disrupting the domestic and international demand for stainless steel.

### **Rising Stainless steel imports from FTA countries**

Change in the demand-supply scenario can cause disruptions in the global market which could have an adverse effect on the Company's overall performance. Higher production in ASEAN countries including China and Indonesia could pose a threat to the outlook of the domestic industry. The Indian stainless steel manufacturers have been exposed to a threat of increased dumping of irrationally priced imports after the government temporarily suspended anti-dumping & countervailing duty on stainless steel imports. This scenario of rising imports from China and FTA nations into the country could pose a threat to domestic industry. This scenario

could lead to a steep increase in channel inventories which would severely impact the overall pricing in the Indian market and have an adverse impact on the Company's performance.

The Union Budget 21-22 has revoked anti-dumping & countervailing duty on stainless steel imports which is expected to result in an increase in imports from China and Indonesia and distort the domestic stainless steel industry. The suspension of duties will undermine domestic manufacturing and impact the 'Make in India' campaign. It may overall impact the employment generation in the country and may push the industry into financial stress.

### **Price volatility in key raw-materials**

The Company is exposed to price changes to some of its key raw materials. JSL has worked extensively to reduce the lead times and thereby exposure but some level of risk remains. The volatility in these materials could have some impact on the Company's performance in the short run.

### **Financial Risks**

The Company's debt servicing capabilities could get affected due to major volatility in financial markets and in a changing interest rate scenario. Further, the Company is also exposed to currency risks arising due to a considerable amount of import and export of goods it undertakes.

### **Risk Mitigation**

The Company has taken swift affirmative action's to mitigate the negative impact caused due to the COVID-19 pandemic. JSL has also been closely monitoring the external environment and optimizing operations to align with the market conditions.

JSL continues to undertake continuous modernization programs to maintain efficient operations of its products and engineering activities. The Company ensures that a majority of the products are contracted with pass-through clauses thereby minimising adverse impact from raw material fluctuation. A very lean and flexible supply chain helps the Company to actively switch the product range. This gives the agility to adjust the product mix, segment mix and geographical mix and de-risking the business model.

Despite COVID-induced challenges, healthy cash flow generation by the Company has gone a long way in significantly reducing the overall debt by way of accelerated prepayment. JSL aspires to focus on deleveraging and maintain a healthier balance sheet. Additionally, the management actively benchmarks relevant operational parameters and ensures an adequate level of liquidity is maintained for smooth operations.

Lastly, the Company is working closely with the Indian Government and other regulatory authorities on the issue of dumping which has been happening in the country. JSL is confident that the Indian Government will reconsider the final report on CVD investigation on Indonesia submitted by the DGTR and take necessary step to help protect the interest of domestic industry in line with its "Make in India" initiative and to achieve its vision of "Atmanirbhar" Bharat.

## Key Milestones achieved during FY21

### Merger with Jindal Stainless (Hisar) Limited (“JSHL”) announced

JSL Board approved the merger of JSHL into JSL with a swap ratio of 1: 1.95. For each share held in JSHL, a shareholder will get 1.95 shares of JSL. The appointed date for the merger is April 1, 2020 and it is likely to conclude in H2FY22.

#### Key rationale of the merger:

##### **Creating one of the largest Stainless Steel manufacturers in the world**

- JSL, as an Indian MNC, to enter the league of top 10 global stainless steel producers\*
- Consolidation of stainless steel business into one entity with a total capacity of 1.9MTPA

##### **Product Diversity with 360-degree reach and customer-centricity**

- Best of both worlds: Narrow/ Wider width, >120 grades coupled with value-added specialties (razor blade, coin blanks, precision strips)
- A one-stop-shop: Seamless integration of high volumes and niche offerings, catering to ever-growing demand from ABC, ART and, SPD segments
- Single window for sales and after-sales service, enhanced customer satisfaction and engagement
- Stronger global footprint and an extensive pan-India network to further bolster ‘Just-in-Time’ approach

##### **Consolidation of complementing Strengths**

- Consolidation of modern state-of-the-art technology with experienced talent and R&D
- Enhanced operational synergy: JSL’s port and raw material proximity, international finishing capabilities coupled with JSHL’s strategically located facility in key domestic consumption centers
- Reinvestment opportunity for growth by leveraging ready infrastructure for cost-effective brownfield expansions
- Higher efficiencies with a single listed entity

##### **Stronger financial position**

- Simplified capital structure along with the elimination of cross-holding and intercompany balances
- Stronger balance sheet and leverage ratios; Improving financial flexibility
- Unlocking value for all the stakeholders

### Upgrade in credit ratings

Owing to, significant improvements in overall operating efficiency, profitability and, financial risk profile and stable quantum of exports, CRISIL Ratings recently has upgraded the long-term credit facilities of JSL by 3 notches from BBB+ to A+. Short-term credit facilities of JSL have been rated ‘CRISIL A1’. The ratings endorse efficient working capital management by the Company and consistent debt reduction over the past few years.

(\*Source: SMR. 2019 estimates)

## Performance Highlights – FY2021 vs. FY2020

Particulars (₹ in crore)	Standalone			Consolidated		
	FY2021	FY2020	YoY (%)	FY2021	FY2020	YoY (%)
<b>Net Revenue from operations</b>	11,679.14	12,320.11	-5%	12,188.46	12,950.87	-6%
<b>Total Expenditure</b>	10,283.29	11,145.29	-8%	10,764.27	11,811.39	-9%
<b>EBITDA</b>	1,395.85	1,174.82	19%	1,424.19	1,139.48	25%
<b>Other Income</b>	42.3	36.98	14%	40.9	39.89	3%
<b>Finance Cost</b>	463.7	566.89	-18%	480.08	585.53	-18%
<b>Depreciation</b>	373.42	408.86	-9%	402.96	425.16	-5%
<b>PBT</b>	700.42	244.36	187%	689.67	165.26	317%
<b>Tax</b>	272.5	91.48	198%	270.21	92.64	192%
<b>PAT</b>	427.92	152.88	180%	419.46	72.62	478%
<b>EPS (Diluted)</b>	8.65	3.16	174%	8.48	1.48	473%

The standalone net revenue from operations has decreased by -5% at ₹ 11,679.14 crore as compared to ₹ 12,320.11 crore during previous year 2019-20. Standalone EBITDA stood at ₹ 1,395.85 crore as compared to ₹ 1,174.82 crore during previous year registering a growth of 19%. The interest costs registered a decrease of around 18% at ₹ 463.7 crore in FY21. Accordingly, the profit after tax for the year stood at ₹ 427.92 crore as compared to ₹ 152.88 crore during previous year, higher by 180%. EPS (diluted) for the year was ₹ 8.65 against ₹ 3.16 for the previous year.

The Company's consolidated net revenue from operations stood at ₹ 12,188.46 crore in FY2021 as against ₹ 12,590.87 crore in FY2020. Consolidated EBITDA stood at ₹ 1,424.19 crore in FY 2021 as compared to ₹ 1,139.48 crore in FY2020. With a focus on improving volumes, operational efficiencies and cost rationalization, the Company expects to maintain strong performance going forward. PAT for the year stood at ₹ 419.46 crore as compared to ₹ 72.62 crore during previous year. EPS (diluted) for the year was ₹ 8.48 against ₹ 1.48 for the previous year.

Description – Borrowings (₹ in crore)	As on March 2021	As on March 2020	As on March 2019
<b>Long-term debt</b>	<b>1,530</b>	<b>2,357</b>	<b>2,050</b>
Inter corporate loan from related party	1050	900	900
OCRPS*	-	-	695
<b>Total Long-Term Debt</b>	<b>2,580</b>	<b>3,257</b>	<b>3,645</b>
<b>Short term borrowing (less than 12 months)</b>	<b>319.02</b>	<b>398</b>	<b>473</b>
<b>Total Debt</b>	<b>2,899</b>	<b>3,655</b>	<b>4,118</b>
Cash & Bank balance	89.2	44	14
<b>Net Debt</b>	<b>2,810</b>	<b>3,610</b>	<b>4,104</b>
<b>Long term debt</b>			
<b>Long-Term Debt Breakup:</b>			
-INR Debt	2,580	2,981	3,139
-Foreign Currency Debt	-	276	506

Note: \*Optionally Convertible Redeemable Preference Shares

Borrowings (Subsidiaries) (₹ in crore)	As on March 2021	As on March 2020	As on March 2019
<b>Long-Term Debt</b>	<b>60</b>	<b>-</b>	<b>-</b>
<b>Short-Term Debt</b>	<b>195</b>	<b>248</b>	<b>270</b>
<b>Total</b>	<b>255</b>	<b>248</b>	<b>270</b>

On a standalone basis, the Company's net debt stood at ₹ 2,810 crore as of 31<sup>st</sup> March 2021. This is lower by ₹ 1,294 crore over the past two years. On the back of healthy cash flows, the Company has been able to strengthen its balance sheet as its Net Debt/Equity ratio has improved from 1.7x in FY19 to 0.9x in FY21. Thus, the Company has been consistently focusing on deleveraging and despite adverse impact of COVID- 19 it could reduce total external debt by ₹ 906 crore, which stood at ₹ 1,849 crore as on March 31, 2021

## Key Financial Ratios

Key Financial Ratios (Standalone)	FY21	FY20	FY19
EBITDA margin (%)	12.0%	9.5%	9.0%
PAT Margin (%)	3.7%	1.2%	1.1%
Net Debt to Equity	0.9	1.4	1.7
Net Debt to EBITDA	2.0	3.1	3.6
Return on Equity (%)	14.7%	6.0%	5.8%
Return on Capital employed (%)	15.5%	11.6%	12.0%
Debtors Turnover	13.3	15.2	15.1
Inventory Turnover	4.4	5.2	5.7
Interest Coverage Ratio	3.1	2.1	1.9
Current Ratio	1.0	0.8	0.8

Note:

\* Net Debt to Equity is calculated as Total Debt less Cash and Bank Balance / Equity

\* Net Debt to EBITDA is calculated as Total Debt less Cash and Bank Balance / EBITDA

\* ROE (%) is calculated as PAT / Avg. Net worth

\* ROCE (%) is calculated as Earning before Depreciation, Interest & Tax/Avg. Capital employed

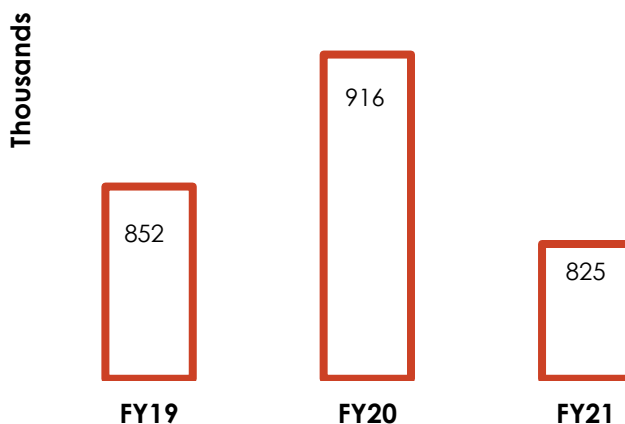
\* Inventory Turnover is calculated as COGS including employee cost, manufacturing & Admin Expenses and depreciation /Avg. Inventories

\* Debtors Turnover is calculated as Sales /Avg. Account Receivable

\* Interest Coverage Ratio is calculated as Earning before Depreciation, Interest, Tax & Exceptional Items / Finance cost

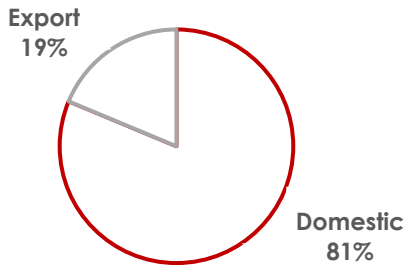
\* Current Ratio is calculated as Current Asset /Current Liabilities

## SS Sales Volume (MT)

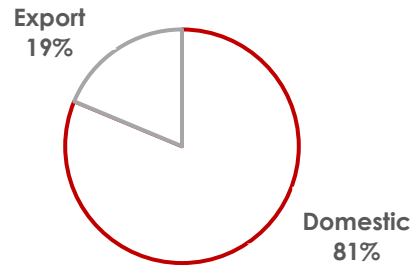




**Sales Volume Composition – FY21**

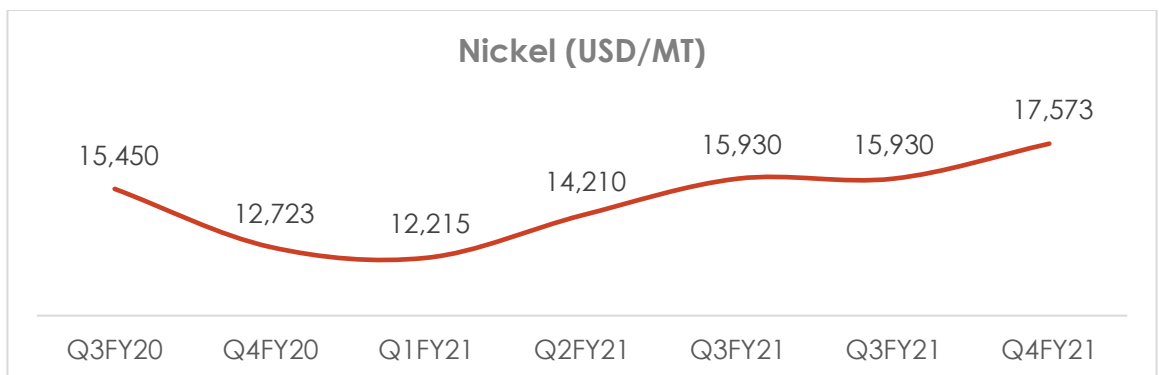


**Sales Value Composition – FY21**

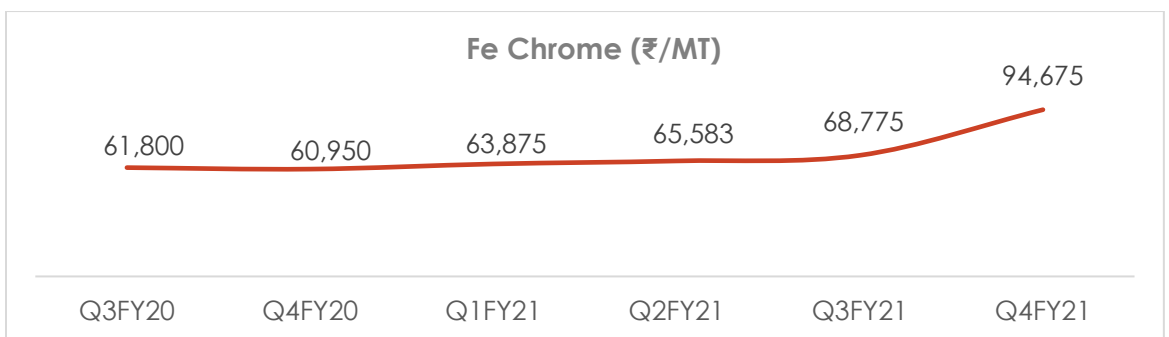


The Company sales volume was recorded at 8, 24,825 MT in FY 2021 compared to 9,15,909 MT in FY 2020. Despite COVID-19 induced challenges, our agile business strategy, strong recovery during the latter half helped the Company to deliver a strong performance.

**Key Raw Materials – Price Trends**



Average quarterly prices; Source: LME



Average quarterly prices; Source: Steel Mint

With strong global sentiments and improved demand and also certain supply side bottlenecks raw material prices saw a substantial rise during the latter part of FY2021.

### **Awards and Accolades – FY21**

In pursuit of bringing excellence in overall business, your company has undertaken various initiatives under operational excellence drive such as quality circle, work place management (5S) and participation in various awards and recognition scheme with focus of people development through training, awareness and participation specifically from grass root level up to lower and middle management personnel.

#### **4th edition of CII National Energy Efficiency Circle Competition:**

JSL participated in CII National Efficiency Circle competition held on 17th and 19th June 2020 and won 1st position in DCs under PAT Sector-Specific Circle Competition and also declared as Best Energy Efficient Organization.

#### **CII-Encon 2020:**

JSL has won best E-poster competition under “Best Practices in Energy Efficiency” category organized by CII in December 2020.

#### **Gold awards in CCQC-2020(State level competition):**

JSL has won 25 Gold awards in Chapter Convention on Quality Concepts(CCQC) organized by QCFI, Bhubaneswar Chapter held from 26th August to 30th September 2020.

#### **3rd Prize in 32nd National level CII QC Competition 2020:**

JSL participated in ‘32nd CII National level Quality Circle Competition’ held on 31st Aug & 1st Sept 2020.

#### **Par Excellence award in NCQC-2020(National level QC competition):**

JSL has won 25 Par excellence awards (highest category award) in National level quality circle competition NCQC-2020 held on virtual mode from 14th to 27th December 2020.

CII 33rd State level QC competition:

JSL has won 3rd prize winner in 33rd CII QC competition at Bhubaneswar held in December 2020.

### **Integrated Management Systems**

#### **Quality & Quality Management Systems**

Your Company is certified for integrated management systems comprising of Quality management system (ISO 9001:2015), Environment management system (ISO 14001:2015) and Occupational health & safety management system. The occupational health & safety management system has successfully been upgraded to the latest version ISO 45001:2018. The company is also certified in Energy management system and the same has been upgraded to the latest version ISO 50001:2018.

All the testing laboratories (comprising of incoming raw materials, steel melt shop, coal testing and mechanical & metallurgical testing) of the company are NABL (National Accreditation Board of Testing and Calibration Laboratory) accredited as single entity “Central laboratory & technical services” as per laboratory management

system ISO/IEC 17025:2017. NABL accreditation has strengthened its overall technical competency which has resulted in becoming a world-class laboratory with acceptance of its test results worldwide.

The Company is certified as per Construction Product Regulation (CE Marking) with the incorporation of ferritic & duplex grades of stainless steel with a validity of certificate till December 2023. This will further enhance company's preference as a certified manufacturer of stainless steel for construction field in the European market with 14 grades covered under the scope of CE marking. CPR first surveillance audit 2019 -20 has successfully been completed. The company is also certified for Pressure Equipment Directive AD/ PED with ferritic & duplex grades of stainless steel under the scope with a validity of certificate until January 2022. PED/AD first surveillance audit 2019-20 has also been successfully completed. The PEMEX certification for oil and gas sector is valid until December 2020. Your Company is re-certified as DNV GL approved manufacturer for Marine Application and the approval from Bureau Veritas as per Marine & Offshore General Conditions is valid until May 2022.

Your Company has REACH/RoHS certification for 200, 300 & 400 series stainless steel grades. This includes compliance to all restricted substances under REACH and RoHS latest regulations.

Your Company has ISI mark/ BIS certification for various grades of Stainless Steel including BIS licenses as per IS 5522: 2014 (Stainless Steel Sheets and Strips for Utensils) and IS 15997:2012 (Low Nickel Austenitic Stainless Steel and Strip for Utensils and Kitchen Appliances), enabling us as preferred stainless steel manufacturer with BIS license.

Your Company also holds JIS Mark Certification as per JIS (Japanese Industrial Standard) JIS G 4304, JIS G 4305 and JIS G 4312 requirements for stainless steel products. This has enabled the company to be able to sell stainless steel products in Japan and East Asian countries.

## **Environment**

In the pursuit of Excellence in a sustainable environment, Jindal Stainless Limited (JSL), Jajpur has taken various measures towards environment protection by way of efficient use of all key resources through its effective management, technological advancement and sound environmentally workforce for up-gradation of Integrated Management System (IMS) that includes ISO 9001: 2015 for Quality Management System (QMS), ISO 14001:2015 for Environment Management System (EMS) and ISO 45001:2018 for Occupational Health & Safety Management System (OHSMS) in line with the requirement.

Environment Surveillance monitoring of Air quality (ambient air and stack), Water Quality, and Noise at various locations is being regularly carried out. Online Mercury Analyzers have been installed at the stack connected to Captive Power Plant-1 and data is being transmitted to the SPCB server. In Hot Strip Mill unit, Continuous Emission Monitoring System has been installed at the stack of Re-Heating Furnace and Shot Blaster of Plate Finishing Shop. Towards management of Ambient Air Quality Monitoring one number of Continuous Ambient Air Quality Monitoring Station (CAAQMS) has been installed at the plant premises.

Various environmental measures have been undertaken for control of Air Pollution across the full plant. Out of which major works are like installation and commissioning of dedicated new baghouse of capacity 280000 m<sup>3</sup>/hr in addition to existing 2 x 190,000 m<sup>3</sup>/hr baghouse for control of tapping fume extraction system in both SAF 4 & 5 of Ferro Alloy Complex. A pneumatic dust handling system (PDHS) has been installed & commissioned

and connected to hoppers of the bag houses in 27.6 MVA Ferro Alloy complexes. In addition to this, an MS silo of capacity 80 MT has been set up for storage of Bag filter dust for further reuse in SAF in the form of briquette. All bags of the de-dusting system connected to shot blaster of Cold Rolling Mill have been replaced for control of emission within the permissible limit. For control of gaseous pollutants at HAPL Line of Cold Rolling Mill, spent catalyst have been replaced with new catalysts.

As a part of surface runoff water management, an Effluent Treatment Plant (ETP) was newly constructed with a capacity of 250m<sup>3</sup>/hr along with the provision of a settling pit having a capacity above 18,000 m<sup>3</sup> for treatment of surface runoff water from Ferro Alloy Complex. A dedicated RCC drain of 2.3 KM has been constructed and connected to the settling pit for further treatment in ETP.

Consent to Operate (CTO) for JSL has been renewed from SPCB and is valid till 31<sup>st</sup> March, 2023. CTO haven obtained for new Metal Recovery plant for 40 TPH for recovery of Chrome Ore from Slag. Hazardous Waste Authorization for JSL has been renewed and is valid till 31<sup>st</sup> March, 2023. Proposal for enhancement of JSL production capacity has been submitted to MoEF & CC, New Delhi for grant of Environment Clearance.

As a part of compliance towards Pollution Prevention and sound environmental performance, JSL has achieved more than 100 % fly ash utilization by way of supplying fly ash to bricks manufacturing units, Asbestos manufacturing Plants & Cement Plants during this Financial Year. Further bottom ash is being disposed of at nearby SPCB approved abandoned mines, supplied to NHAI for road construction as well as sent to other land development sites as per the instruction of district administration. SMS Slag is used for road making as well as low-lying area filling.

To be in harmony with nature and green environment, JSL has undertaken mass plantation programmes in and around the Plant to create thick greenbelt and avenue plantations. As on 31<sup>st</sup> March, 2021 JSL has undertaken tree plantation of around 3.42 Lakhs nos. inside plant covering an area of 193.62 Ha. (38.59 % of total plant area). Further, more than 1.59 Lakhs nos. of trees has been planted outside plant under Avenue Plantation and free distribution of more than 95,000 nos. of saplings to local villagers as on 31<sup>st</sup> March, 2021. As a part of statutory compliance towards Environment Clearance conditions, 16,000 nos. of trees have been planted as block plantations at Ambasara village of Sukinda and 4,000 nos. of avenue plantations have been carried out at nearby villages of plant area.

JSL is committed to a sustainable clean and green environment in compliance wit all statutory obligations.

#### **Awards & Accolades:**

- Fame Environment Excellence Award 2020 (Platinum Award) from FAME (Foundation for Accelerated Mass Empowerment), New Delhi in Metal & Mining; Mining Sector, for Outstanding Achievement in Environmental Management.



- Winner of 7th Exceed Award 2020 under Environment Preservation Category from Sustainable Development Foundation a unit of “Ek Kaam Desh Ke Naam” (EKDKN), New Delhi.



## **Health & Safety**

JSL firmly believes in creating a Safety culture among all employees by adopting 4-E's (Engineering Control, Education, Encouragement & Enforcement) principles and through effective management practices by implementation of ISO 45001:2018 for Occupational Health & Safety system and promote safety at various stages to roll out “ACCIDENT-FREE STEEL”.

A robust management system framework and a sound safety governance structure drive our health and safety measures. To achieve our objective of Zero LTI (Loss time injury), long-term Safety Strategies are being implemented across JSL. Company endeavours to achieve the goal of "Committed to Zero" i.e. to achieve zero LTI for any unsafe act/s when it comes to Safety.

The Company plant at Jajpur has set online systems for reporting unsafe conditions/acts in the workplace, besides offering features for online detection of hazardous gases as well as visual displays of the shop floor for a better understanding of work processes. EHS Department, comprising of well experienced & empowered Safety Officers, Fire Officers, coupled with area- wise safety responsibility has been constituted to devise best practices & procedures for creating a safe work environment with ensuring applicable safety compliances. Supervisor Responsibility on safety i.e. Line Responsibility is inherently adopted thus driving safety ownership at respective shop floors to enhance “Surakhya Chakra”. JSL, Jajpur had well structured and experienced fire fighting team all round the clock to deal with any emergency situations at Plant. A dedicated Safety Training Centre (STC) with multimedia facilities to conduct safety training on various topics and impart audio-visual aided induction & job-specific safety training daily. In addition, various Safety Promotion campaigns, awareness drives, publicity & propaganda including Weekly Open House Safety Meeting at different Shop floors are undertaken at regular intervals to instill a safety culture.

JSL is committed to the goal of ensuring zero harm to our employees, our contractors and the communities in which we operate. This is integral to company's business process and is laid down in the JSL Health and Safety Policy, through which JSL has achieved zero fatality.

## COVID initiatives:

JSL proactively took the following initiatives during the ongoing pandemic for the safety of employees and also supported the community:

- Daily Liquid Medical Oxygen(LMO) dispatch of ~50 tonnes to Andhra Pradesh and Odisha
- Facilitated the supply of 75 ventilators to the state governments of Odisha
- JSL announced a policy to bear the total cost of both the mandated COVID-19 vaccination shots for its entire workforce and their family members to ensure their safety and well-being.
- COVID task force was formed to assist employees and offer moral and physical support to affected employees and family members.
- Adopted flexible policy of Work from Home and reduced shop floor staffing to a bare minimum.

## Human Resource

JSL's progression into a strong and endearing enterprise is a result of its high performing workforce. As on 31<sup>st</sup> March, 2021, the company's employee strength was 1,685 (excluding contractual employees).

At JSL, engagement with employees forms the core of all HR initiatives. Several employees connect initiatives, like SAMPARK and Coffee with MD, give a direct platform to the employees to get their queries addressed by Company's Managing Director. FY21 was a challenging year. However, all HR services were delivered effectively through a digital interface without any interruption. JSL successfully implemented Quarterly PMS in Success Factors module. The Company adopted a flexible work strategy to minimize the impact of pandemic adhering to all social distancing norms at the times at all work locations.

As a performance-driven organization, JSL launched the Rewards & Recognition Scheme to recognise and reward employees at various levels for their performances. Employees are now being rewarded on a quarterly basis after affair evaluation on certain criteria.

Learning & Development has been the core focus area at Human Resources. With an objective to 'build a strong learning culture and to enhance employee learning capabilities at Jindal Stainless following programs were undertaken. Enhanced Competency program of employees by addressing Need-Based Learning Development by meeting functional, behavioural, compliance, operational excellence and wellness needs was organised for employees. Employees were also engaged in Action Learning Project through corporate initiative programmes. A total of 1783 training programmes were conducted during the year 2020-21 consisting of 176 Technical, 1549 Operational Excellence, 52 Behavioral and 12 Employee Wellness Programmes. Several initiatives were undertaken taken for maintaining employees' mental, financial and physiological wellness by conducting sessions like Laughter Yoga Sessions, Webinar on Financial Tax Planning and Prudent Investments for employees. Knowledge assessments of all Workmen and Supervisors of SMS have been completed and Skill assessments have been started through the online AROHAN – Capability Development Portal. JSL received highest the ever kaizen in FY 2020-21 totalling to 900. Employee connects were duly completed for GETs, DETs & Women Employees. 12 weeks and 3 weeks Induction/Orientation was organised in different batches for 25 GETs and 51 DETs respectively.

Taking care of the safety and well-being of employees during the pandemic, JSL adopted a vaccine policy and announced bearing the total cost of both the mandated COVID-19 vaccination shots for its entire workforce and their families.

## **Way Forward**

A major emphasis is being laid on the development of new applications through Business development activities and an ecosystem is being developed to facilitate the use of stainless steel. With the development of BIS Standards, product references will be available in the Industry to facilitate use of stainless steel in various food processing equipment. Secondly, implementation of Skill India program will help in improving skills of fabricators on a mass scale basis thereby making skilled people available in the Industry for fabricating many more products in stainless steel. As the market leader, Organization is committed to increasing awareness of stainless steel. The company is poised to execute future growth plan while simultaneously maintaining focus on strengthening of balance sheet.

Jindal Stainless continues to enhance focus on customer satisfaction and long-term mutually beneficial relations through transparent policies, system-based processes and improved services.

## **Forward-Looking Statement**

This Annual Report includes forward-looking statements regarding guidance, industry prospects, or future results of operations or financial position. We use words such as anticipates, believes, expects, future, intends, and similar expressions to identify forward-looking statements. Forward-looking statements reflect management's current expectations and are inherently uncertain. Actual results could differ materially for a variety of reasons, including, among others, fluctuations in foreign exchange rates, changes in global economic conditions and customer spending, world events and the rate of growth among others. The Company assumes no responsibility to amend, modify or revise any such statements. The Company disclaims any obligation to update these forward-looking statements except as may be required by law.

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## **Independent Auditor's 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 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, 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 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 Matters**

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	How our audit addressed the key audit matter
<p><b>Valuation of investment in associate and subsidiary company</b></p> <p>We draw reference to note 4 to the standalone financial statements.</p> <p>The Company has investment in equity instruments of its associate, Jindal United Steel Limited and subsidiary company, PT. Jindal Stainless Indonesia amounting to ₹ 175.05 crores and ₹ 54.68 crores, respectively. Such investments in the aforesaid associate and subsidiary company are accounted for at cost in accordance with Ind AS 27, Separate Financial Statements. The Company assesses the recoverability of these investments when impairment indicators exist, by comparing the fair value (less costs of disposal) and carrying amount of the investment as on the reporting date in accordance with Ind AS 36, Impairment of Assets.</p> <p>The aforesaid investments are not traded in any recognized stock exchange(s). The fair values of the investments are determined by a management-appointed independent valuation specialist based on discounted cash flow ('DCF') method. The process of computation of fair valuation for such investments using DCF method is complex. Management's assessment of the fair valuation of investment requires estimation and judgement around assumptions used. The key assumptions underpinning management's assessment of the fair valuation include, but are not limited to, projections of future cash flows, growth rates, discount rates, estimated future operating and capital expenditure.</p>	<p>Our audit procedures were focused on obtaining sufficient appropriate audit evidence that the carrying value of investments in the associate, Jindal United Steel Limited and subsidiary, PT. Jindal Stainless Indonesia are not materially misstated. These procedures included, but were not limited to, the following:</p> <p>We obtained an understanding of management's processes and controls for determining the fair valuation of investments. The understanding was obtained by performance of walkthroughs which included inspection of documents produced by the Company and discussion with those involved in the process of valuation.</p> <p>In addition to the evaluation of design and testing the operating effectiveness of controls implemented for identification of impairment indicators and measurement of impairment provisions, we also performed the following procedures:</p> <ul style="list-style-type: none"> <li>• Assessed the qualification and objectivity of the management-appointed independent valuation specialist to determine the fair value of investments;</li> <li>• Assessed the appropriateness of valuation methodology used for the fair valuation computation with the help of an auditor's expert, and tested the mathematical accuracy of management's model;</li> <li>• Reconciled the cash flow projections to the business plans approved by the Company's management;</li> <li>• Challenged the management's assessment of underlying assumptions used for the cash flow projections including the implied growth rates, considering evidence available, including the impact of COVID-19 pandemic, where appropriate to support these assumptions and our understanding of the business;</li> <li>• Tested the discount rate and long-term growth rates used in the forecast including comparison to economic and industry forecasts, where appropriate;</li> <li>• Evaluated the sensitivity analysis performed by management in respect of the key assumptions such as discount and growth rates to ensure there was sufficient headroom with respect to the estimation</li> </ul>

<p>The application of significant judgment in this matter required substantial involvement of internal and external valuation experts on the audit engagement.</p> <p>Accordingly, assessment of impairment loss to be recognised, if any, on the carrying value of investment made in the associate and subsidiary company has been considered to be a key audit matter for current year's audit.</p>	<p>uncertainty impact of such assumptions on the fair value calculation;</p> <ul style="list-style-type: none"> <li>Engaged internal and external valuation experts to obtain additional comfort on the valuation technique used by management's valuation expert;</li> <li>Obtained written representations from management and those charged with governance on whether the significant assumptions used in valuation of the investments in the associate company and subsidiary company are considered reasonable;</li> <li>Evaluated the adequacy and appropriateness of disclosures in relation to the investments in associate company and subsidiary company, in the standalone financial statements including the related impairment indicators.</li> </ul>
<p><b>Recoverability of Minimum Alternate Tax (MAT) Credit</b></p> <p>As at 31 March 2021, the Company has recognised Minimum Alternate Tax (MAT) credit amounting to ₹ 77.65 crores, within deferred tax assets. On that date, the Company also has unabsorbed depreciation amounting to ₹ 1,662.15 crores.</p> <p>The recognition of a deferred tax asset in the form of MAT credit is based on the management's estimate of taxable and accounting profits in future, which are underpinned by the Company's price assumptions and business plans, and tax adjustments required to be made in the taxable profit computations, as per the provisions of Income-tax Act, 1961 (IT Act). Estimating recoverability of MAT credit also requires significant judgments, including the timing of reversals of unabsorbed depreciation.</p> <p>Considering the materiality of the amounts involved and inherent</p>	<p>Our procedures in relation to assessment of MAT credit recognised as at reporting date included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>Obtained and updated our understanding of the management's process of computation of future accounting and taxable profits of the Company, and expected utilization of available MAT credit within specified time period as per provisions of the IT Act;</li> <li>Evaluated the design of and tested the operating effectiveness of controls around the preparation of underlying business plans, future taxable profit computation, and assessment of recognition of MAT credit at year end;</li> <li>Reconciled the business results projections to the future business plans approved by the Company's board of directors;</li> <li>Challenged the management's assessment of underlying assumptions used for the business results projections including expected capacity expansion and utilisation, implied growth rates and expected prices considering evidence available to support these assumptions and our understanding of the business;</li> <li>Tested the growth rates used in the forecast by comparing them to past trends and to economic and</li> </ul>

subjectivity requiring significant judgment involved in the determination of utilization of MAT credit through estimation of future taxable profits, this area was considered to be of most significance to the audit and determined to be a key audit matter for current year's audit.

industry forecasts, including the impact of COVID-19 pandemic, where appropriate;

- Performed independent sensitivity analysis in respect of the key assumptions such as growth rates to ensure there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the timing of reversal of unabsorbed depreciation and utilisation of MAT credit;
- Tested the computations of future taxable profits, including testing of the adjustments made in such computations with respect to tax-allowed and tax-disallowed items, other tax rebates and deductions available to the Company, and tested the computation of MAT liability in such future years, in accordance with the provisions of the IT Act.
- Evaluated the historical accuracy of the estimates made in the prior periods with respect to business projections and aforesaid tax computations;
- Tested the mathematical accuracy of management's projections and tax computations;
- Based on aforesaid computations, assessed the appropriateness of management's estimate of likelihood of utilization of MAT credit within the time period specified and in accordance with the provisions of the IT Act;
- Engaged the internal tax experts to assess the accuracy of MAT credit recognized in the financial statements;
- Evaluated the appropriateness and adequacy of the disclosures related to MAT credit in the standalone financial statements in accordance with the applicable accounting standards.

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

6. The Company's Board of Directors is 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 is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the 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, 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the 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.

#### **Report on Other Legal and Regulatory Requirements**

15. 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.
16. As required by the Companies (Auditor's Report) Order, 2016 ('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.
17. 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 2021 from being appointed as a director in terms of section 164(2) of the Act;
- f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 14 May 2021 as per Annexure II expressed 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 36 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;
  - 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 2021;
  - 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 2021; and
  - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

UDIN: 21058644AAAACH9635

**Place:** New Delhi

**Date:** 14 May 2021

**Annexure I to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited, on the standalone financial statements for the year ended 31 March 2021**

**Annexure I**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (b) The Company has a regular program of physical verification of its property, plant and equipment under which property, plant and equipment are 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 were verified during the year and no material discrepancies were noticed on such verification.
  - (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of section 186 in respect of investments, guarantees and loans. Further, in our opinion, the Company has not entered into any transaction covered under section 185 of the Act in respect of loans, guarantees and security and any transaction covered under section 186 of the Act in respect of security.
- (v) In our opinion, the Company has complied with the directives issued by the Reserve Bank of India, 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. 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 Reserve Bank of India or any Court or any other Tribunal, in this regard.



**Annexure I to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited, on the standalone financial statements for the year ended 31 March 2021**

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act in respect of Company's products and services 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) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. 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 become payable.
- (b) The dues outstanding in respect of income-tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

**Statement of Disputed Dues**

<b>Name of Statute</b>	<b>Nature of dues</b>	<b>Amount (₹ crores)</b>	<b>Amount paid under protest (₹ crores)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
The Central Sales Tax Act, 1956	Central sales tax	2.35	0.47	Financial year 2013-2014 and 2014-2015	Additional Commissioner of Commercial Tax
The Central Sales Tax Act, 1956	Central sales tax	0.43	0.09	October 2015 to March 2016	Additional Commissioner of Commercial Tax
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 2013-2014 and 2014-2015	Hon'ble High Court of Odisha
The Orissa Entry Tax Act, 1999	Entry tax	97.43	19.96	October 2006 to 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	Hon'ble High Court of Odisha
The Orissa Entry Tax Act, 1999	Entry tax	78.24	53.26	October 2010 to March 2013 and April 2015 to March 2017	Hon'ble High Court of Odisha

**Annexure I to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited, on the standalone financial statements for the year ended 31 March 2021**

<b>Name of Statute</b>	<b>Nature of dues</b>	<b>Amount (₹ crores)</b>	<b>Amount paid under protest (₹ crores)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
The Orissa Entry Tax Act, 1999	Entry tax	0.10	0.10	April 2006 to September 2006	Additional Commissioner of Commercial Tax
The Customs Tariff Act, 1975	Customs duty	7.97	0.60	Financial year 2012-2013	Customs Excise and Service Tax Appellate Tribunal
The Customs Act, 1962	Customs duty	1.70	0.13	Financial year 2014-2015	Customs Excise and Service Tax Appellate Tribunal
The Customs Act, 1962	Customs duty	0.90	0.84	Financial year 2014-2015 and 2015-2016	Commissioner of Customs
The Central Excise Act, 1944	Central excise duty	1.30	1.30	Financial year 2006-2007, 2007-2008 and 2008-2009	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	0.26	0.02	June 2007 to December 2007	Commissioner (Appeal) of CGST, Central Excise and Customs
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	0.22	0.02	Financial year 2012-2013 to 2013-2014	Commissioner (Appeal) of Central GST, Central Excise and Customs
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	0.22	-	April 2014 to June 2017	Assistant Commissioner of Central GST and Central Excise
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 Central Excise Act, 1944	Central excise duty	0.08	-	April 2011 to October 2016	Commissioner(Appeal) of Central Excise & Service Tax

**Annexure I to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited, on the standalone financial statements for the year ended 31 March 2021**

<b>Name of Statute</b>	<b>Nature of dues</b>	<b>Amount (₹ crores)</b>	<b>Amount paid under protest (₹ crores)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
The Central Excise Act, 1944	Central excise duty	0.10	-	Financial year 2012-2013 and 2013-2014	Commissioner(Appeal) of Central Excise & Service Tax
The Central Excise Act, 1944	Central excise duty	0.05	-	May 2008 to March 2013	Commissioner(Appeal) of Central Excise & Service Tax
The Central Excise Act, 1944	Central excise duty	0.02	0.02	Financial year 2013-2014	Customs Excise and Service Tax Appellate Tribunal
The Central Goods and Services Tax Act, 2017	Goods and service tax	7.48	-	Financial year 2017-2018	Joint Commissioner of Commercial Tax
Income-tax Act, 1961	Income-tax	0.97	-	Assessment year 2003-2004	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income-tax	3.01	-	Assessment year 2004-2005	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income-tax	7.26	-	Assessment year 2005-2006	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income-tax	8.69	-	Assessment year 2006-2007	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income-tax	3.59	-	Assessment year 2007-2008	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income-tax	0.83	-	Assessment year 2007-2008	Assessing officer
Income-tax Act, 1961	Income-tax	2.08	-	Assessment year 2007-2008	Disposed off by Income tax Appellate Tribunal during the year. Further appeal yet not done.
Income-tax Act, 1961	Income-tax	4.47	-	Assessment year 2008-2009	Hon'ble High Court of Delhi
Income-tax Act, 1961	Income-tax	0.09	-	Assessment year 2009-2010	Assessing officer
Income-tax Act, 1961	Income-tax	3.23	-	Assessment year 2009-2010	Disposed off by Income tax Appellate Tribunal during the year. Further appeal yet not done.
Income-tax Act, 1961	Income-tax	0.06	-	Assessment year 2010-2011	Assessing officer

**Annexure I to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited, on the standalone financial statements for the year ended 31 March 2021**

Name of Statute	Nature of dues	Amount (₹ crores)	Amount paid under protest (₹ crores)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income-tax	0.46	-	Assessment year 2010-2011	Disposed off by Income tax Appellate Tribunal during the year. Further appeal yet not done.
Income-tax Act, 1961	Income-tax	0.21	-	Assessment year 2010-2011	Commissioner of Income-tax (Appeals)
Income-tax Act, 1961	Income-tax	19.47	-	Assessment year 2011-2012	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	18.20	-	Assessment year 2012-2013	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	14.34	-	Assessment year 2013-2014	Income-tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	12.99	-	Assessment year 2014-2015	Income-tax Appellate Tribunal

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or any dues to debenture-holders during the year. The Company has no loans or borrowings payable to government during the year.
- (ix) In our opinion, the Company has applied moneys raised by way of term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer/ further public offer (including debt instruments) during the year.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

**Annexure I to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited, on the standalone financial statements for the year ended 31 March 2021**

- (xiv) During the year, the Company has made preferential allotment of share warrants. In respect of the same, in our opinion, the Company has complied with the requirement of section 42 of the Act and the Rules framed thereunder. Further, in our opinion, the amounts so raised have been used for the purposes for which the funds were raised. During the year, the Company did not make preferential allotment/ private placement of fully/partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under section 192 of the Act.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

UDIN: 21058644AAAACH9635

**Place:** New Delhi

**Date:** 14 May 2021

**Annexure II to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited on the standalone financial statements for the year ended 31 March 2021**

**Annexure II**

**Independent Auditor's 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 2021, we have audited the internal financial controls with reference to 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('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 Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the 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 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.

**Annexure II to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited on the standalone financial statements for the year ended 31 March 2021**

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 financial statements.

**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, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

UDIN: 21058644AAAACH9635

**Place:** New Delhi

**Date:** 14 May 2021

**JINDAL STAINLESS LIMITED****Balance Sheet as at 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	Note	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	5,652.72	5,938.28
Capital work-in-progress	2A	49.22	9.13
Intangible assets	3	26.01	31.12
Intangible assets under development	3A	5.50	2.40
Financial assets			
Investments	4	490.56	486.93
Loans	5	110.98	110.08
Other financial assets	6	0.76	2.24
Income-tax assets (net)	7	14.86	25.41
Other non-current assets	8	104.30	50.69
<b>Current assets</b>			
Inventories	9	2,466.91	2,330.41
Financial assets			
Investments	4	0.58	2.53
Trade receivables	10	981.66	779.41
Cash and cash equivalents	11	50.25	15.93
Bank balances other than cash and cash equivalents	12	38.95	28.45
Loans	5	11.40	11.27
Other financial assets	6	68.32	76.48
Other current assets	8	191.69	207.20
<b>Total</b>		<b>10,264.67</b>	<b>10,107.96</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	13	97.45	97.45
Other equity	14	3,055.33	2,559.87
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	15	2,545.90	2,715.57
Other financial liabilities	16	110.75	102.40
Provisions	17	10.72	9.59



**JINDAL STAINLESS LIMITED****Balance Sheet as at 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	Note	As at 31 March 2021	As at 31 March 2020
Deferred tax liabilities (net)	18	490.60	217.87
Other non-current liabilities	19	279.19	324.05
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	20	319.02	397.56
Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		117.73	87.28
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,357.49	2,345.29
Other financial liabilities	16	700.48	1,038.60
Other current liabilities	19	179.46	211.78
Provisions	17	0.55	0.65
<b>Total</b>		<b>10,264.67</b>	<b>10,107.96</b>

**Summary of significant accounting policies****1**

The summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.	For and on behalf of the Board of Directors	
<b>For Walker Chandio &amp; Co LLP</b> Chartered Accountants FRN 001076N/N500013	<b>Abhyuday Jindal</b> Managing Director DIN: 07290474	<b>Tarun Kumar Khulbe</b> Whole Time Director DIN: 07302532
<b>Rajni Mundra</b> Partner Membership No.: 058644	<b>Anurag Mantri</b> Chief Financial Officer	<b>Navneet Raghuvanshi</b> Company Secretary
<b>Place:</b> New Delhi		
<b>Date:</b> 14 May 2021		

**JINDAL STAINLESS LIMITED****Statement of Profit and Loss for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	Note	Year ended 31 March 2021	Year ended 31 March 2020
<b>INCOME</b>			
Revenue from operations	<b>22</b>	11,679.14	12,320.11
Other income	<b>23</b>	42.30	36.98
<b>Total</b>		<b>11,721.44</b>	<b>12,357.09</b>
<b>EXPENSES</b>			
Cost of materials consumed		7,293.69	7,643.88
Purchases of stock-in-trade		236.95	487.86
Changes in inventories of finished goods, work in progress and stock-in-trade	<b>24</b>	(98.81)	(70.05)
Employee benefits expense	<b>25</b>	148.79	147.57
Finance costs	<b>26</b>	463.70	566.89
Depreciation and amortisation expenses	<b>27</b>	373.42	408.86
Other expenses	<b>28</b>	2,702.67	2,936.03
<b>Total</b>		<b>11,120.41</b>	<b>12,121.04</b>
<b>Profit before exceptional items and tax</b>		<b>601.03</b>	<b>236.05</b>
Exceptional items	<b>37</b>	99.39	8.31
<b>Profit before tax</b>		<b>700.42</b>	<b>244.36</b>
<b>Tax expense</b>			
Current tax		-	-
Deferred tax	<b>29</b>	272.50	91.48
<b>Total tax expense</b>		<b>272.50</b>	<b>91.48</b>
<b>Profit for the year</b>		<b>427.92</b>	<b>152.88</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Re-measurements of defined employee benefit plans		0.66	(1.55)
Income tax effect on above		(0.23)	0.54
<b>Total other comprehensive income</b>		<b>0.43</b>	<b>(1.01)</b>
<b>Total comprehensive income for the year</b>		<b>428.35</b>	<b>151.87</b>
<b>Earnings per share (in ₹)</b>	<b>30</b>		
Basic		8.78	3.16
Diluted		8.65	3.16

**Summary of significant accounting policies****1**

The summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

**JINDAL STAINLESS LIMITED****Statement of Profit and Loss for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

This is the Statement of Profit and Loss referred to in our report of even date.	For and on behalf of the Board of Directors	
<b>For Walker Chandiok &amp; Co LLP</b> Chartered Accountants FRN 001076N/N500013	<b>Abhyuday Jindal</b> Managing Director DIN: 07290474	<b>Tarun Kumar Khulbe</b> Whole Time Director DIN: 07302532
<b>Rajni Mundra</b> Partner Membership No.: 058644	<b>Anurag Mantri</b> Chief Financial Officer	<b>Navneet Raghuvanshi</b> Company Secretary
<b>Place:</b> New Delhi		
<b>Date:</b> 14 May 2021		

**JINDAL STAINLESS LIMITED****Statement of changes in equity for the year ended 31 March 2021**

(All amounts in ₹ crores, unless otherwise stated)

**A. Equity share capital**

Particulars	Amount
<b>As at 1 April 2019</b>	<b>95.84</b>
Changes in equity share capital	1.61
<b>As at 31 March 2020</b>	<b>97.45</b>
Changes in equity share capital	-
<b>As at 31 March 2021</b>	<b>97.45</b>

**B. Other equity**

Particulars	Reserves and Surplus						Money received against share warrants	Total
	Amalgamation reserve	Foreign currency monetary items translation difference account	Debenture redemption reserve	Securities premium	Capital redemption reserve	Retained earnings		
<b>Balance as at 01 April 2019</b>	<b>1.22</b>	<b>(15.75)</b>	<b>32.07</b>	<b>1,053.91</b>	<b>20.00</b>	<b>1,287.22</b>	-	<b>2,378.67</b>
Profit for the year	-	-	-	-	-	152.88	-	<b>152.88</b>
Issue of equity shares and securities premium thereon	-	-	-	26.97	-	-	-	<b>26.97</b>
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(1.01)	-	<b>(1.01)</b>
Accumulation of translation difference on long term foreign currency monetary items (net of amortisation)	-	2.36	-	-	-	-	-	<b>2.36</b>

**JINDAL STAINLESS LIMITED****Statement of changes in equity for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

Particulars	Reserves and Surplus						Money received against share warrants	Total
	Amalgamation reserve	Foreign currency monetary items translation difference account	Debenture redemption reserve	Securities premium	Capital redemption reserve	Retained earnings		
Transfer from debenture redemption reserve	-	-	(7.65)	-	-	7.65	-	-
<b>Balance as at 31 March 2020</b>	<b>1.22</b>	<b>(13.39)</b>	<b>24.42</b>	<b>1,080.88</b>	<b>20.00</b>	<b>1,446.74</b>	<b>-</b>	<b>2,559.87</b>
Profit for the year	-	-	-	-	-	427.92	-	<b>427.92</b>
Other comprehensive income for the year (net of tax)	-	-	-	-	-	0.43	-	<b>0.43</b>
Subscription amount towards share warrants	-	-	-	-	-	-	53.72	<b>53.72</b>
Accumulation of translation difference on long term foreign currency monetary items (net of amortisation)	-	13.39	-	-	-	-	-	<b>13.39</b>
Transfer from debenture redemption reserve	-	-	(24.42)	-	-	24.42	-	-
<b>Balance as at 31 March 2021</b>	<b>1.22</b>	<b>-</b>	<b>-</b>	<b>1,080.88</b>	<b>20.00</b>	<b>1,899.51</b>	<b>53.72</b>	<b>3,055.33</b>

**Summary of significant accounting policies****1**

The summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

**JINDAL STAINLESS LIMITED****Statement of changes in equity for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

This is the Statement of Changes in Equity referred to in our report of even date.	For and on behalf of the Board of Directors	
<b>For Walker Chandiok &amp; Co LLP</b> Chartered Accountants FRN 001076N/N500013	<b>Abhyuday Jindal</b> Managing Director DIN: 07290474	<b>Tarun Kumar Khulbe</b> Whole Time Director DIN: 07302532
<b>Rajni Mundra</b> Partner Membership No.: 058644	<b>Anurag Mantri</b> Chief Financial Officer	<b>Navneet Raghuvanshi</b> Company Secretary
<b>Place:</b> New Delhi		
<b>Date:</b> 14 May 2021		

**JINDAL STAINLESS LIMITED**
**Cash Flow Statement for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

Particulars		Year ended 31 March 2021	Year ended 31 March 2020
<b>A</b>	<b>Cash flow from operating activities</b>		
	Profit before tax	700.42	244.36
	<b>Adjustments for:</b>		
	Depreciation and amortisation expenses	373.42	408.86
	Profit on disposal of property, plant and equipment (net)	(0.47)	(0.28)
	Interest income on investments	(3.97)	(2.88)
	Liability no longer required, written back	(2.76)	(63.67)
	Amortisation of deferred revenue	(12.63)	(12.66)
	Interest income on financial assets measured at amortised cost	(1.27)	(1.21)
	Unwinding of discount on financial asset measured at amortised cost	1.49	1.61
	Bad debts written off and allowance for expected credit losses	16.52	1.16
	Interest income on fixed deposits, receivables and income tax refund	(16.48)	(18.79)
	Dividend income	(1.67)	-
	Net unrealised foreign exchange (gain)/loss	(71.68)	82.79
	Finance costs	463.70	566.89
	<b>Operating profit before working capital changes</b>	<b>1,444.62</b>	<b>1,206.18</b>
	<b>Movement in working capital</b>		
	Trade receivables	(237.35)	93.90
	Inventories	(136.50)	(286.25)
	Other financial assets	105.51	(101.05)
	Other assets	9.95	(5.13)
	Trade payables	80.04	88.29
	Other financial liabilities	77.99	115.85
	Other liabilities	(61.90)	10.39
	Provisions	1.69	2.09
	<b>Cash flow from operating activities post working capital changes</b>	<b>1,284.05</b>	<b>1,124.27</b>
	Income-tax paid (net of refund)	10.56	(1.23)
	<b>Net cash generated from operating activities (A)</b>	<b>1,294.61</b>	<b>1,123.04</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of property, plant and equipment and intangible assets (including capital work in progress and intangible assets under development)	(170.43)	(170.64)

**JINDAL STAINLESS LIMITED****Cash Flow Statement for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

Particulars		Year ended 31 March 2021	Year ended 31 March 2020
	Proceeds from disposal of property, plant and equipment	4.30	21.59
	Dividend received	1.67	-
	Interest received	17.52	8.85
	Proceeds from sale of investment	2.31	-
	Investment in deposits with banks (net)	(9.02)	(21.83)
	<b>Net cash used in investing activities (B)</b>	<b>(153.65)</b>	<b>(162.03)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Proceeds from issue of shares/warrants	53.72	28.58
	Repayment of short term borrowing (net)	(78.07)	(79.10)
	Repayment of long-term borrowings	(1,004.86)	(1,212.87)
	Proceeds from long-term borrowings	250.00	800.00
	Payment of lease liability	(3.27)	(4.01)
	Interest paid	(324.16)	(483.57)
	<b>Net cash used in financing activities (C)</b>	<b>(1,106.64)</b>	<b>(950.97)</b>
	<b>Net changes in cash and cash equivalents (A+B+C)</b>	<b>34.32</b>	<b>10.04</b>
	Cash and cash equivalents at the beginning of the year (refer note 11)	15.93	5.89
	<b>Cash and cash equivalents at the end of the year (refer note 11)</b>	<b>50.25</b>	<b>15.93</b>

**Summary of significant accounting policies****1**

The summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

This is the Cash Flow Statement referred to in our report of even date.	For and on behalf of the Board of Directors	
<b>For Walker Chandio &amp; Co LLP</b> Chartered Accountants FRN 001076N/N500013	<b>Abhyuday Jindal</b> Managing Director DIN: 07290474	<b>Tarun Kumar Khulbe</b> Whole Time Director DIN: 07302532
<b>Rajni Mundra</b> Partner Membership No.: 058644	<b>Anurag Mantri</b> Chief Financial Officer	<b>Navneet Raghuvanshi</b> Company Secretary
<b>Place:</b> New Delhi		
<b>Date:</b> 14 May 2021		



**1. Corporate information, basis of preparation and summary of significant accounting policies**

**i) Corporate information**

Jindal Stainless Limited (“the Company”) is domiciled and incorporated in India. Its equity shares are listed at the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and its Global Depository Shares are listed at the Luxemburg Stock Exchange (LSE). The registered office of the Company is located at O. P. Jindal Marg, Hisar, Haryana, India. The Company is engaged in the business of manufacturing of stainless steel flat products in Austenitic, Ferritic, Martensitic and Duplex grades. The product range includes Ferro Alloys, Stainless Steel Slabs, Hot Rolled Coils, Plates and Sheets, and Cold Rolled Coils and Sheets.

**ii) Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 (‘the Act’) read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These financial statements are separate financial statements of the Company. The Company has also prepared consolidated financial statements for the year ended 31 March 2021 in accordance with Ind AS 110 and the same were also approved for issue by the Board of Directors, along with these financial statements on 14 May 2021.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value.

**iii) Significant accounting policies**

**a) Current versus non-current classification**

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

## Jindal Stainless Limited

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹crores, unless stated otherwise)

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

#### **b) Property, plant and equipment**

##### *Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises the purchase price, borrowing cost (if capitalisation criteria are met) and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

## Jindal Stainless Limited

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹crores, unless stated otherwise)

#### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method prescribed under Schedule II of the Act, computed on the basis of useful lives prescribed under Schedule II of the Act or technical evaluation of the property, plant and equipment by the management which are mentioned below:

<b>Tangible assets</b>	<b>Useful life (years)</b>
Buildings	2-60
Electrical installations	1-35
Continuous process plant and equipment	1-35
Railway sidings	15
Power line and bay extension	15-20
Furniture and fixtures	1-10
Vehicles	3-10
Office equipment	1-15

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

#### *De-recognition*

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

**c) Intangible assets**

*Recognition and initial measurement*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

*Subsequent measurement (amortisation and useful lives)*

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

<b>Asset category</b>	<b>Estimated useful life (in years)</b>
Mine development expenses (stripping costs)	Over the period of expected duration of benefits
Software	5

The amortisation period and the amortisation method for intangible assets are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

*De-recognition*

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

**d) Impairment of non-financial assets**

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

**e) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest method that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Eligible transaction/ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings.

**f) Inventories**

Inventories are stated at lower of cost or net realisable value. The cost in respect of the various items of inventory is computed as under:

- Raw material cost includes direct expenses and is determined based on weighted average method.
- Stores and spares cost includes direct expenses and is determined on the basis of weighted average method.
- In case of finished goods, cost includes raw material cost plus conversion costs and other overheads incurred to bring the goods to their present location and condition.
- In case of stock-in-trade, cost includes direct expenses and is determined on the basis of weighted average method.

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

*(All amounts in ₹crores, unless stated otherwise)*

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

**g) Foreign currency translation**

*Functional and presentation currency*

The financial statements are presented in Indian Rupees (INR or ₹) and are rounded to two decimal places of crores, which is also the Company's functional currency.

*Transactions and balances*

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items as at reporting date are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ('OCI') or profit or loss are also recognised in OCI or profit or loss, respectively).

*Exchange differences*

As per the generally accepted accounting principles followed by the Company till 31 March 2016, exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset were adjusted to the cost of the asset. Exchange differences arising on other long-term foreign currency monetary items existing as on 31 March 2016 are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item. The Company has elected to continue with the said policy on exchange differences arising on long term foreign currency monetary items existing on 31 March 2016, as allowed under Ind AS 101.

For this purpose, the Company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.

**h) Right-of-use assets and lease liabilities**

**As a lessee**

*Classification of lease*

The Company's leased asset classes primarily consist of leases for land and plant and machinery. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

*Recognition and initial measurement of right-of-use assets*

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

*Subsequent measurement of right-of-use asset*

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

**Lease liabilities**

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

*(All amounts in ₹crores, unless stated otherwise)*

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

**i) Fair value measurement**

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

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

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

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

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing



categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

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

**j) Revenue recognition from sale of products and services**

*Recognition*

Sales (including scrap sales) are recognised when control of products is transferred to the buyer as per the terms of the contract and are accounted for net of returns and rebates. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods. Sales, as disclosed, are exclusive of goods and services tax.

To determine if it is acting as a principal or as an agent, the Company assesses whether it has exposure to the significant risks and rewards associated with the rendering of logistics services. Revenue from rendering of logistic services provided to its customer after the transfer of control of underlying goods is recognized on net basis i.e. after deducting the amount contractually payable to transporters out of the total consideration received and is recognized once the facilitation of such service is done as the Company does not assume any performance obligation.

Income in respect of service contracts, which are generally in the nature of providing infrastructure and support services, are recognised in statement of profit and loss when such services are rendered. Customers are invoiced periodically (generally on monthly basis).

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If the Company does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the balance sheet. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its balance sheet, depending on whether something other than the passage of time is required before the consideration is due.

*Measurement*

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 0-90 days. No element of financing is deemed present as the sales are largely made on advance payment terms or with credit term of not more than one year.

The transaction price is allocated by the Company to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

Periodically, the Company enters into volume or other rebate programs where once a certain volume or other conditions are met, it refunds the customer some portion of the amounts previously billed or paid. For such arrangements, the Company only recognizes revenue for the amounts it ultimately expects to realize from the customer. The Company estimates the variable consideration for these programs using the most likely amount method or the expected value method, whichever approach best predicts the amount of the consideration based on the terms of the contract and available information and updates its estimates in each reporting period.

**k) Income recognition**

**Interest income**

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

**Dividends**

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

**1) Financial instruments**

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

**Financial assets**

*Classification and subsequent measurement*

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- i. **Financial assets at amortised cost** – a financial instrument is measured at amortised cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method. Effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

- ii. **Investments in equity instruments of subsidiaries and associates** - Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements. On disposal of these investments, the difference between net disposal proceeds and the carrying amount are recognised in the statement of profit and loss.
- iii. **Financial assets at fair value**
- **Investments in equity instruments other than above** – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in profit or loss.

- **Derivative assets** - All derivative assets are measured at fair value through profit and loss (FVTPL).

#### *De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

#### *Reclassification of financial assets*

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business

model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **Financial liabilities**

#### *Subsequent measurement*

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

All derivative liabilities are measured at fair value through profit and loss (FVTPL).

#### *De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### **Offsetting of financial instruments**

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

### **m) Impairment of financial assets**

All financial assets except for those at FVTPL are subject to review for impairment at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

*(All amounts in ₹crores, unless stated otherwise)*

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

*Trade receivables*

- i. For debtors that are not past due – The Company applies approach required by Ind AS 109 'Financial Instruments', which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

Life time expected credit losses are assessed and accounted based on company's historical counter party default rates and forecast of macro-economic factors, by dividing receivables that are not considered to be individually significant by reference to the business segment of the counter party and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counter party default rates. The Company defines default as an event when the financial asset is past due for more than 365 days. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is an objective evidence of impairment.

- ii. For debtors considered past due – any enhancement in the accrual done for expected credit loss on individually significant receivables is made to recognise any additional expected credit loss on amount recoverable. The Company writes off trade receivables when there is objective evidence that such amounts would not be recovered. Financial assets that are written-off are still subject to enforcement activity by the Company.

*Other financial assets*

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12 month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

**n) Post-employment and other employee benefits**

*Defined contribution plans*

A defined contribution plan is a plan under which the Company pays fixed contributions into an independent fund administered by the government, for example, contribution towards Employees' Provident Fund Scheme and Employees' State Insurance Scheme. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognised as an expense in the year that related employee services are received.

*Defined benefit plans*

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined on the basis of actuarial valuation using the projected unit credit method. Gratuity fund is administered through Life Insurance Corporation of India.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

**Other employee benefits**

*Long-term employee benefits: Compensated absences*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated based on an actuarial valuation performed by an independent actuary using the projected unit credit method.

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

*(All amounts in ₹crores, unless stated otherwise)*

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

*Other short-term benefits*

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

**o) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

**p) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.



**q) Taxes**

*Current income-tax*

Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income-tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

*Deferred tax*

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred tax assets are reviewed at each balance sheet date and derecognized to the extent it is no longer probable that sufficient future taxable profits will be available against which such deferred tax assets can be realized.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Minimum Alternate Tax ('MAT') credit is recognized as an asset only when and to the extent it is probable that the Company will pay normal income-tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not probable that the Company will pay normal income tax during the specified period.

**r) Government grants and subsidies**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

**s) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

*Identification of segments:*

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified based on information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Results of the operating segments are reviewed regularly by the management team which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

**t) Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

**u) Exceptional items**

On certain occasions, the size, type, or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly, disclosed in the notes to the financial statements.

**(iv) Significant management judgement in applying accounting policies and estimation uncertainty**

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Allowance for expected credit losses** – The allowance for expected credit losses reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the monitoring of portfolio credit quality and current and projected economic and market conditions.

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

**Useful lives of depreciable/ amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

**Contingent liabilities** – The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

**(v) Standards issued but not yet effective**

On 24 March 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Act. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Some of the key amendments relating to Division II which relate to the Company are:

**Balance Sheet:**

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If the Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of the Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

**Statement of profit and loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the standalone financial statements.
- The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**
**2 Property, plant and equipment**

Particulars	Owned assets										Right-of-use assets#		Total
	Leasehold land	Freehold land*	Buildings **	Plant and machinery ***	Railway siding	Electric installations	Vehicles	Furniture and fixtures	Office equipment	Power line and bay extension	Leasehold land	Plant and machinery	
<b>Gross carrying amount</b>													
<b>As at 01 April 2019</b>	<b>440.01</b>	<b>238.62</b>	<b>1,099.12</b>	<b>5,238.54</b>	<b>118.24</b>	<b>139.12</b>	<b>8.28</b>	<b>5.90</b>	<b>3.40</b>	<b>9.19</b>	-	-	<b>7,300.42</b>
Additions	-	0.05	5.79	154.38	-	1.61	1.66	0.53	0.78	-	-	-	<b>164.80</b>
Re-classification impact of Ind AS 116	(440.01)	-	-	-	-	-	-	-	-	-	440.01	-	-
Transition impact of Ind AS 116	-	-	-	-	-	-	-	-	-	-	5.65	76.00	<b>81.65</b>
Disposal	-	-	-	(43.62)	-	-	-	-	-	-	-	-	<b>(43.62)</b>
<b>As at 31 March 2020</b>	<b>-</b>	<b>238.67</b>	<b>1,104.91</b>	<b>5,349.30</b>	<b>118.24</b>	<b>140.73</b>	<b>9.94</b>	<b>6.43</b>	<b>4.18</b>	<b>9.19</b>	<b>445.66</b>	<b>76.00</b>	<b>7,503.25</b>
Additions	-	-	5.02	73.78	-	0.76	-	0.28	0.21	-	-	0.43	<b>80.48</b>
Disposal	-	-	-	(23.66)	-	-	(0.38)	-	-	-	-	-	<b>(24.04)</b>
<b>As at 31 March 2021</b>	<b>-</b>	<b>238.67</b>	<b>1,109.93</b>	<b>5,399.42</b>	<b>118.24</b>	<b>141.49</b>	<b>9.56</b>	<b>6.71</b>	<b>4.39</b>	<b>9.19</b>	<b>445.66</b>	<b>76.43</b>	<b>7,559.69</b>
<b>Accumulated depreciation</b>													
<b>As at 01 April 2019</b>	<b>21.31</b>	-	<b>122.53</b>	<b>983.75</b>	<b>22.48</b>	<b>28.35</b>	<b>3.82</b>	<b>1.09</b>	<b>1.53</b>	<b>2.19</b>	-	-	<b>1,187.05</b>
Depreciation charge	-	-	32.06	336.87	7.54	8.70	1.04	0.58	0.44	0.55	5.44	7.05	<b>400.27</b>
Disposal	-	-	-	(22.35)	-	-	-	-	-	-	-	-	<b>(22.35)</b>
Re-classification impact of Ind AS 116	(21.31)	-	-	-	-	-	-	-	-	-	21.31	-	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

Particulars	Owned assets										Right-of-use assets#		Total
	Leasehold land	Freehold land*	Buildings **	Plant and machinery ***	Railway siding	Electric installations	Vehicles	Furniture and fixtures	Office equipment	Power line and bay extension	Leasehold land	Plant and machinery	
As at 31 March 2020	-	-	154.59	1,298.27	30.02	37.05	4.86	1.67	1.97	2.74	26.75	7.05	1,564.97
Depreciation charge	-	-	31.19	299.74	7.54	8.75	0.91	0.52	0.48	0.55	5.44	7.09	362.21
Disposal	-	-	-	(19.89)	-	-	(0.32)	-	-	-	-	-	(20.21)
As at 31 March 2021	-	-	185.78	1,578.12	37.56	45.80	5.45	2.19	2.45	3.29	32.19	14.14	1,906.97
Net carrying amount													
As at 31 March 2020	-	238.67	950.32	4,051.03	88.22	103.68	5.08	4.76	2.21	6.45	418.91	68.95	5,938.28
As at 31 March 2021	-	238.67	924.15	3,821.30	80.68	95.69	4.11	4.52	1.94	5.90	413.47	62.29	5,652.72

\* Gross carrying amount, inter alia, includes ₹ 16.78 crores (previous year ₹ 16.78 crores) jointly owned with other body corporate with 50% share of the Company.

\*\* Gross carrying amount, inter alia, includes ₹ 1.17 crores (previous year ₹ 1.17 crores) jointly owned with other body corporate with 50% share of the Company.

\*\*\* Additions include ₹ nil crores (previous year ₹ 17.40 crores) on account of exchange difference on foreign currency loans.

# Refer note 41 for disclosure pertaining to leases.

**(i) Contractual obligations**

Refer note 34 for disclosures of contractual commitments for the acquisition of property, plant and equipment.

**(ii) Property, plant and equipment pledged as security**

Refer note 45 and 15 for information on property, plant and equipment pledged as security by the Company.

**2A** The Company has capital work-in-progress amounting to ₹ 49.22 crores as at 31 March 2021 (previous year: ₹ 9.13 crores).

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

**3 Intangible assets**

Particulars	Computer software	Mine development expense (stripping cost)	Total
<b>Gross carrying amount</b>			
As at 01 April 2019	48.61	14.38	62.99
Additions	10.30	-	10.30
As at 31 March 2020	58.91	14.38	73.29
Additions	6.10	-	6.10
As at 31 March 2021	65.01	14.38	79.39
<b>Accumulated amortisation</b>			
As at 01 April 2019	21.25	12.33	33.58
Amortisation charge	7.85	0.74	8.59
As at 31 March 2020	29.10	13.07	42.17
Amortisation charge	10.47	0.74	11.21
As at 31 March 2021	39.57	13.81	53.38
<b>Net carrying amount</b>			
As at 31 March 2020	29.81	1.31	31.12
As at 31 March 2021	25.44	0.57	26.01

**3A** The Company has intangible assets under development amounting to ₹ 5.50 crores as at 31 March 2021 (previous year: ₹ 2.40 crores)

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

4	Investments	As at 31 March 2021			As at 31 March 2020		
		Nos.	Face value (₹ unless otherwise stated)	Amount	Nos.	Face value (₹ unless otherwise stated)	Amount
<b>I</b>	<b>Non-current investments</b>						
<b>A</b>	<b>Investment in equity instruments</b>						
<b>(i)</b>	<b>Investment in subsidiaries carried at cost (unquoted)</b>						
	PT. Jindal Stainless Indonesia* #	12,499,900	USD 1	54.68	12,499,900	USD 1	54.68
	JSL Group Holdings Pte. Limited	6,657,565	SGD 1	22.01	6,657,565	SGD 1	22.01
	Jindal Stainless FZE	6	AED 1000000	7.24	6	AED 1000000	7.24
	Iberjindal S.L.	650,000	EURO 1	4.26	650,000	EURO 1	4.26
	Jindal Stainless Park Limited	50,000	10	0.05	50,000	10	0.05
				<b>88.24</b>			<b>88.24</b>
<b>(ii)</b>	<b>Investment in associate companies carried at cost (unquoted)</b>						
	Jindal Stainless Corporate Management Services Private Limited	5,000	10	0.01	5,000	10	0.01
	Jindal United Steel Limited #	111,395,877	10	111.39	99,098,577	10	99.10
	Jindal Coke Limited	8,432,372	10	8.44	8,432,372	10	8.44
				<b>119.84</b>			<b>107.55</b>
<b>(iii)</b>	<b>Investment in 10 % Non-cumulative non-convertible redeemable preference shares (equity portion) of associate companies carried at cost (unquoted)**</b>						
	Jindal United Steel Limited			75.88			75.88
	Jindal Coke Limited @			94.62			79.31
				<b>170.50</b>			<b>155.19</b>
<b>(iv)</b>	<b>Investment in other companies-carried at fair value through other comprehensive income (unquoted)</b>						
	MJSJ Coal Limited	8,559,000	10	8.47	8,559,000	10	8.47
	Jindal Synfuels Limited	100,000	10	0.10	100,000	10	0.10
	Arian Resources Corporation	111,102		0.01	111,102		0.01
				<b>8.58</b>			<b>8.58</b>
	<b>Total (A)</b>			<b>387.16</b>			<b>359.56</b>



**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

	Investments	As at 31 March 2021			As at 31 March 2020		
		Nos.	Face value (₹ unless otherwise stated)	Amount	Nos.	Face value (₹ unless otherwise stated)	Amount
<b>B</b>	<b>Investment in preference shares of associate companies</b>						
<b>(i)</b>	<b>0.01 % Non-cumulative compulsorily convertible preference shares carried at cost</b>						
	Jindal Coke Limited @	-		-	17,617,568	10	17.62
	Jindal United Steel Limited #	63,654,063	10	63.66	75,951,363	10	75.95
				<b>63.66</b>			<b>93.57</b>
<b>(ii)</b>	<b>10 % Non-Cumulative non-convertible redeemable preference shares carried at amortised cost**</b>						
	Jindal Coke Limited @	109,264,641	10	21.32	91,647,073	10	17.06
	Jindal United Steel Limited	87,673,311	10	18.42	87,673,311	10	16.74
				<b>39.74</b>			<b>33.80</b>
	<b>Total (B)</b>			<b>103.40</b>			<b>127.37</b>
	<b>Total (A+B)</b>			<b>490.56</b>			<b>486.93</b>
<b>II</b>	<b>Current investments</b>						
<b>A</b>	<b>Investment in equity instruments - carried at fair value through profit or loss (quoted)</b>						
	Hotel LeelaVentures Limited	90,000	2	0.05	90,000	2	0.03
	Central Bank of India	7,247	10	0.01	7,247	10	0.01
	Adani Ports and Special Economic Zone Limited	7,355	2	0.52	7,355	2	0.18
	<b>Total (A)</b>			<b>0.58</b>			<b>0.22</b>
<b>B</b>	<b>Investment in government securities carried at amortised cost</b>						
	8.57% Andhra Pradesh SDL 2020				220,000	100	2.31
	<b>Total (B)</b>			-			<b>2.31</b>
	<b>Total (A+B)</b>			<b>0.58</b>			<b>2.53</b>
	<b>Aggregate amount of unquoted investments</b>			<b>490.56</b>			<b>489.24</b>
	<b>Aggregate amount and market value of quoted investments</b>			<b>0.58</b>			<b>0.22</b>
	<b>Aggregate amount of impairment in the value of investments</b>			-			-

## **JINDAL STAINLESS LIMITED**

### **Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (All amounts in ₹ crores, unless otherwise stated)**

\* Undertaking for non disposal of investment by way of letter of comfort given to banks against credit facilities/financial assistance availed by the said subsidiary.

\*\* In terms of Composite Scheme of Arrangement [Refer note 32(I)], Jindal Coke Limited and Jindal United Steel Limited issued 10% non cumulative non convertible redeemable preference shares to the Company. The difference between the fair value of such preference shares upon initial recognition and the amount of settlement as per the said scheme, has been accounted as deemed equity contribution and has been classified as investment in equity instrument.

@ The Board of Directors of the Company at its meeting held on 6 June 2020, has approved the request received from Jindal Coke Limited, an associate of the Company, to vary the terms and conditions of 1,76,17,568 numbers of 0.01% Non-Cumulative Compulsorily Convertible Preference Shares ("NCCCPs") held by the Company in Jindal Coke Limited ("JCL") to make them at par with existing 10% Non-Cumulative Non-Convertible Redeemable Preference Shares, held by the Company in JCL.

The variation in the terms of the existing NCCCPs were made effective from 19 June 2020, i.e. the date when the shareholders of JCL has approved the variation in their extra- ordinary general meeting.

# The management of the Company compared the carrying amount of its investment in its associate company, Jindal United Stainless Limited ('JUSL') and subsidiary company, PT. Jindal Stainless Indonesia ('PTJSI') as at 31 March 2021, with the carrying amounts of net assets of JUSL and PTJSI. The management observed the existence of certain indicators of impairment and accordingly appointed an independent valuation specialist to assess the recoverable amount of the investments by comparing the value in use and carrying amount of the investments as on the reporting date.

Based on the report of independent valuation specialist and internal evaluation, the management has concluded that there is no impairment in the carrying amount of investments.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

5	Loans	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Loans receivables considered good, unsecured				
	Security deposits	25.70	24.19	3.04	3.16
	Loan to related party	85.28	85.89	8.36	8.11
	<b>Total</b>	<b>110.98</b>	<b>110.08</b>	<b>11.40</b>	<b>11.27</b>

Refer note 46 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

6	Other financial assets	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Considered good, unsecured				
	Derivative asset (foreign exchange forward contracts)	-	-	41.51	30.83
	Bank deposits with remaining maturity of more than 12 months*	0.76	2.24	-	-
	Export benefit receivables	-	-	25.07	26.03
	Other receivables	-	-	1.74	19.62
	<b>Total</b>	<b>0.76</b>	<b>2.24</b>	<b>68.32</b>	<b>76.48</b>

\* ₹ 0.76 crores (previous year: ₹ 2.24 crores) is under lien with banks.

Refer note 46 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

7	Income-tax assets (net)	Non-current	
		As at 31 March 2021	As at 31 March 2020
	Prepaid taxes [net of provision for tax]	14.86	25.41
	<b>Total</b>	<b>14.86</b>	<b>25.41</b>

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

8	Other assets	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Capital advances	68.44	18.90	-	-
	Prepaid expenses	6.49	7.98	11.18	12.38
	Advances to vendors	10.00	-	125.76	98.79
	Balances with statutory authorities	19.37	23.81	54.14	93.65
	Other assets	-	-	0.61	2.38
	<b>Total</b>	<b>104.30</b>	<b>50.69</b>	<b>191.69</b>	<b>207.20</b>

9	Inventories	As at 31 March 2021	As at 31 March 2020
	Raw materials [including goods-in-transit ₹ 361.46 crores (previous year ₹ 401.61 crores)]	832.88	728.00
	Work in progress	976.97	766.26
	Finished goods	485.54	593.53
	Stock-in-trade	1.45	5.36
	Store and spares [including goods-in-transit ₹ 10.23 crores (previous year ₹ 18.37 crores)]	170.07	237.26
	<b>Total</b>	<b>2,466.91</b>	<b>2,330.41</b>

Refer note 45 and 15 for information on inventories pledged as security by the Company.

10	Trade receivables	As at 31 March 2021	As at 31 March 2020
	Trade receivables considered good, unsecured	981.66	779.41
	Trade receivables - credit impaired	23.32	9.25
	<b>Total</b>	<b>1,004.98</b>	<b>788.66</b>
	Less : Loss allowance	(23.32)	(9.25)
	<b>Total</b>	<b>981.66</b>	<b>779.41</b>

Refer note 46(C.1)(b)(ii) for details of expected credit loss for trade receivables under simplified approach

Refer note 46 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Refer note 45 and 15 for information on trade receivables pledged as security by the Company.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>11</b>	<b>Cash and cash equivalents</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	Balances with banks	24.97	2.91
	Balances with banks in foreign currency	0.35	0.02
	Bank deposits with original maturity of less than three months*	9.36	5.52
	Cheques on hand	15.52	7.40
	Cash on hand	0.05	0.08
	<b>Total</b>	<b>50.25</b>	<b>15.93</b>

\* ₹ 8.45 crores (previous year ₹ 4.49 crores) is under lien with banks. The Company has also created bank deposit of ₹ nil (previous year ₹ 0.80 crores) for Debenture Redemption Reserve.

Refer note 46 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Refer note 45 for information on cash and cash equivalents pledged as security by the Company.

<b>12</b>	<b>Bank balances other than cash and cash equivalents</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	Bank deposits with original maturity of more than three month but residual maturity of less than twelve months*	38.95	28.45
	<b>Total</b>	<b>38.95</b>	<b>28.45</b>

\* ₹ 32.16 crores (previous year ₹ 22.05 crores) is under lien with banks. The Company has also created bank deposit of ₹ nil (previous year ₹ 6.40 crores) for Debenture Redemption Reserve.

Refer note 46 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

<b>13</b>	<b>Equity share capital</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	<b>Authorised</b>		
	605,000,000 (previous year 605,000,000) Equity shares of ₹ 2 each	121.00	121.00
	170,000,000 (previous year 170,000,000) Preference shares of ₹ 2 each	34.00	34.00
		<b>155.00</b>	<b>155.00</b>
	<b>Issued, subscribed and paid up</b>		
	487,234,600 (previous year 487,234,600) Equity shares of ₹ 2 each fully paid up	97.45	97.45
		<b>97.45</b>	<b>97.45</b>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

(All amounts in ₹ crores, unless otherwise stated)

A	Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year	As at	As at
		31 March 2021	31 March 2020
		No. of Shares	No. of Shares
	Shares outstanding at the beginning of the year	487,234,600	479,221,660
	<b>Shares issued during the year</b>		
	Allotment of equity shares on preferential basis (refer note (i) below)	-	8,012,940
	<b>Shares outstanding at the end of the year</b>	<b>487,234,600</b>	<b>487,234,600</b>

- (i) During the year ended 31 March 2021, the Company allotted nil equity shares (previous year 8,012,940 ) having face value of ₹ 2 each to a promoter group entity (JSL Limited) on preferential basis at a price of ₹ nil (previous year ₹ 35.65, including premium of ₹ 33.65 per share), aggregating to ₹ nil ( previous year ₹ 28.57 crores).
- (ii) As on 31 March 2021, 8,802,167 Global Depository Shares ( 'GDSs' ) (previous year 8,802,167 GDSs) with 17,604,334 underlying equity shares (previous year 17,604,334 equity shares) were outstanding. Each GDS represents 2 underlying equity shares of the Company.

**B Terms/rights attached to equity shares**

The Company has only one class of equity shares having a face value of ₹ 2 per share. Each shareholder is eligible for one vote per equity share held [other than the shares represented by Regulation S Global Depository Shares issued by the Company whose voting rights are subject to certain conditions and procedure as prescribed under the Regulation S Deposit Agreement]. The Company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and also has equal right in distribution of profit/surplus in proportions to the number of equity shares held by the shareholders.

**C Equity shares in the Company held by each shareholder holding more than 5% equity shares are as under:**

Name of the shareholder	As at		As at	
	31 March 2021		31 March 2020	
	No. of Equity Shares	% holding	No. of Equity Shares	% holding
Jindal Stainless (Hisar) Limited	168,284,309	34.54	168,284,309	34.54
JSL Overseas Holding Limited	70,995,424	14.57	70,995,424	14.57
Kotak Special Situations Fund	28,376,673	5.82	27,481,027	5.64

- D During the five years immediately preceding 31 March 2021, in the year ended 31 March 2017, the Company issued 168,284,309 equity shares to Jindal Stainless (Hisar) Limited pursuant to the composite scheme of arrangement referred to in note 32(i). In the aforementioned period of five years, the Company has neither allotted any bonus shares nor have any shares been bought back.

## JINDAL STAINLESS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

### E Optionally convertible redeemable preference shares

During the year ended 31 March 2018, the Company had allotted 142,830,637 0.01% Optionally Convertible Redeemable Preference Shares having face value of ₹ 2 each (“OCRPS”) to the lenders of the Company upon conversion of the Funded Interest Term Loan I and the Funded Interest Term Loan II at a price of ₹ 39.10 (including premium of ₹ 37.10) per OCRPS aggregating to ₹ 558.47 crores, on the terms as approved by the Board of Directors of the Company (Refer note 15 and 38).

During the year ended 31 March 2020, the Company had redeemed the aforementioned OCRPS issued to the lenders at a price of ₹ 39.10/- per share (including premium of ₹ 37.10/- per share) aggregating to ₹ 558.47 crores.

### 14 Other equity

<b>A Amalgamation reserve</b>			
This reserve was created in accordance with an approved scheme of amalgamation between Jindal Stainless Limited, Austenitic Creations Pvt Limited and J-Inox Creations Pvt Limited with effect from 1 April 2003.			
Particulars	Year ended 31 March 2021	Year ended 31 March 2020	
Balance at the beginning of the year	1.22	1.22	
<b>Balance at the end of the year</b>	<b>1.22</b>	<b>1.22</b>	

<b>B Foreign currency monetary items translation difference account</b>			
This reserve represents unamortised foreign exchange differences arising on translation of long-term foreign currency monetary items.			
Particulars	Year ended 31 March 2021	Year ended 31 March 2020	
Balance at the beginning of the year	(13.39)	(15.75)	
Add: Accumulated during the year	1.82	(12.15)	
Less: Amortised during the year	11.57	14.51	
<b>Balance at the end of the year</b>	<b>-</b>	<b>(13.39)</b>	

<b>C Debenture redemption reserve</b>			
During the year ended 31 March 2021, the amount standing to the credit of Debenture Redemption Reserve has been transferred to retained earnings since the debentures have been redeemed			
Particulars	Year ended 31 March 2021	Year ended 31 March 2020	
Balance at the beginning of the year	24.42	32.07	
Less : Transferred during the year to retained earnings	24.42	7.65	
<b>Balance at the end of the year</b>	<b>-</b>	<b>24.42</b>	

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

<b>D Securities premium</b>			
Represents the amount received in excess of par value of securities.			
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	1,080.88	1,053.91
	Add : Securities premium received on issue of equity shares on preferential basis	-	26.97
	<b>Balance at the end of the year</b>	<b>1,080.88</b>	<b>1,080.88</b>

<b>E Capital redemption reserve</b>			
Capital redemption reserve represents reserves created as per provisions of section 80 of Companies Act, 1956 on redemption of 10.5% Redeemable Cumulative Non Convertible Preference Shares in the financial year 2003-04.			
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	20.00	20.00
	<b>Balance at the end of the year</b>	<b>20.00</b>	<b>20.00</b>

<b>F Retained earnings</b>			
Represents the undistributed surplus of the Company.			
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	1,446.74	1,287.22
	Add : Profit for the year	427.92	152.88
	Add : Re-measurements of defined employee benefit plans (net of tax)	0.43	(1.01)
	Add : Transfer from debenture redemption reserve	24.42	7.65
	<b>Balance at the end of the year</b>	<b>1,899.51</b>	<b>1,446.74</b>

<b>G Money received against share warrants</b>			
Represents amounts received towards subscription of compulsorily convertible warrants*			
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	-	-
	Add : Subscription of compulsorily convertible share warrants*	53.72	-
	<b>Balance at the end of the year</b>	<b>53.72</b>	<b>-</b>



**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

\* On 29 September 2020, the Company has issued and allotted 38,260,868 number of Convertible Equity Warrants of ₹ 2 each, at a price of ₹ 42.55, which includes a premium of ₹ 40.55 per convertible equity warrants, as determined in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, after receipt of subscription money @ 33% of the issue price i.e. ₹ 14.04 per warrant (including paid up amount of ₹ 0.66 per warrant) to Virtuous Tradecorp Private Limited, a promoter group entity and Kotak Special Situations Fund, an Alternate Investment Fund and a non-promoter entity, on preferential basis, to augment the cash flows of the Company for utilization towards meeting its liabilities, strengthening long term working capital and other general corporate purposes. The Relevant Date for the purpose of determination of minimum price for the issue and allotment of convertible equity warrants as mentioned above was 18 August 2020, being the date 30 days prior to the date of this extraordinary general meeting.

15	Borrowings	Non-current	
		As at 31 March 2021	As at 31 March 2020
<b>I</b>	<b>Secured</b>		
<b>A</b>	<b>Debentures</b>		
(i)	Redeemable non-convertible debentures	400.00	497.68
		<b>400.00</b>	<b>497.68</b>
<b>B</b>	<b>Term loans</b>		
(i)	<b>From banks</b>		
	Rupee term loans	1,030.75	1,468.22
	Foreign currency loans	-	276.34
(ii)	<b>From others (Financial institution)</b>		
	Rupee term loans	99.53	98.30
		<b>1,130.28</b>	<b>1,842.86</b>
<b>C</b>	<b>Funded interest term loans</b>		
	From others	-	16.63
		-	<b>16.63</b>
	<b>Total</b>	<b>1,530.28</b>	<b>2,357.17</b>
<b>II</b>	<b>Unsecured</b>		
	Inter corporate deposits from related party	1,050.00	900.00
	<b>Total</b>	<b>1,050.00</b>	<b>900.00</b>
	Less : Amount disclosed under the head Other financial liabilities - current (Refer note 16)	34.38	541.60
	<b>Total</b>	<b>2,545.90</b>	<b>2,715.57</b>
	Refer note 46 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.		

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

III Reconciliation of liabilities arising from financing activities					
The changes in the Company's liabilities arising from financing activities can be classified as follows:					
Particulars	Year ended 31 March 2021		Year ended 31 March 2020		
	Long-term borrowings	Short-term borrowings (Refer note 20)*	Long-term borrowings	Short-term borrowings (Refer note 20)*	
<b>Opening balance</b>	3,257.17	397.56	3,644.73	472.97	
<b>Cash flows</b>					
Repayment	(1,004.86)	(78.07)	(1,212.87)	(79.10)	
Proceeds	250.00	-	800.00	-	
<b>Non cash:</b>					
Moratorium interest converted into loan	78.11	-	-	-	
Foreign exchange (gain)/loss on foreign currency loans	(4.54)	(0.47)	21.61	3.70	
Amortisation of transaction costs in respect of financial liabilities carried at amortised cost	4.40	-	3.70	-	
<b>Closing balance</b>	<b>2,580.28</b>	<b>319.02</b>	<b>3,257.17</b>	<b>397.56</b>	
* Movement in short term borrowings is presented on net basis					

Particulars		As at 31 March 2021	As at 31 March 2020
<b>IV</b>	<b>Secured borrowings</b>		
<b>A</b>	<b>Debentures</b>		
(i)	Redeemable non-convertible debentures Redeemable in quarterly installments of: - Ranging from ₹ 13.30 crores to ₹ 13.40 crores during 2022-23 (three installments, first installment falling due on 31 July 2022) - ₹ 15.00 crores each during 2023-24 (four installments) - ₹ 20.00 crores each during 2024-25 (four installments) - ₹ 25.00 crores each during 2025-26 (four installments) - ₹ 30.00 crores each during 2026-27 (four installments, last installment falling due on 31 January 2027) Secured by: - first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of movable fixed assets both present and future - second pari-passu charge by way of hypothecation and/ or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, refer note V for details of additional securities.	400.00	400.00

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
(ii)	Redeemable non-convertible debentures * Fully redeemed during the current financial year	-	97.68
	<b>Total - Debentures</b>	<b>400.00</b>	<b>497.68</b>
	* At its meeting held on 21 January 2021, the sub-committee of the Board of Directors had considered and approved early redemption of 2,500 Redeemable non- convertible debentures (secured) of face value ₹ 0.10 crores each, which were listed on BSE Limited, having an outstanding balance of ₹ 52.08 crores which has been duly remitted and fully redeemed within the quarter ended 31 March 2021.		
<b>B</b>	<b>Term loans</b>		
(i)	Rupee term loan Repayable in quarterly installments of: - Ranging from ₹ 0.22 crores to ₹ 0.33 crores each during 2021-22 (four installments) - Ranging from ₹ 0.33 crores to ₹ 0.44 crores each during 2022-23 (four installments) - ₹ 19.46 crores each during 2023-24 (four installments) - Ranging from ₹ 28.99 crores to ₹ 40.50 crores each during 2024-25 (four installments) - Ranging from ₹ 40.50 crores to ₹ 45.56 crores each during 2025-26 (four installments) - Ranging from ₹ 43.23 crores to ₹ 47.07 crores each during 2026-27 (four installments) - Thereafter ₹ 37.20 crores on 30 June 2027 and ₹ 28.47 crores on 30 September 2027 Secured by: - first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of movable fixed assets both present and future and - second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, refer note V for details of additional securities.	633.74	851.50

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
(ii)	<p>Rupee term loan</p> <p>Redeemable in quarterly installments of:</p> <ul style="list-style-type: none"> <li>- ₹ 10.39 crores during 2021-22 (two installments)</li> <li>- Ranging from ₹ 10.39 crores to ₹ 20.78 crores each during 2022-23 (four installments)</li> <li>- ₹ 20.78 crores each during 2023-24 (four installments)</li> <li>- Ranging from ₹ 18.70 crores to ₹ 20.78 crores each during 2024-25 (four installments)</li> <li>- Ranging from ₹ 17.67 crores to ₹ 18.70 crores each during 2025-26 (four installments)</li> <li>- Ranging from ₹ 17.67 crores to ₹ 31.17 crores each during 2026-27 (four installments)</li> </ul> <p>Secured by:</p> <ul style="list-style-type: none"> <li>- first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of movable fixed assets both present and future</li> <li>- second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, refer note V for details of additional securities.</li> </ul>	415.66	400.00
(iii)	<p>Rupee term loan</p> <p>Fully repaid during the current financial year</p>	-	327.48
(iv)	<p>Rupee term loan</p> <p>Repayable in quarterly installments of</p> <ul style="list-style-type: none"> <li>- ₹ 4.17 crores each first installment falling due on 30 September 2022 and last installment falling due on 30 June 2027 (24 equal installments)</li> </ul> <p>Secured by:</p> <ul style="list-style-type: none"> <li>- first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of movable fixed assets both present and future and</li> <li>- second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, refer note V for details of additional securities.</li> </ul>	100.00	-
(v)	<p>Foreign currency loan</p> <p>Fully repaid during the current financial year</p>	-	276.34
	<b>Total</b>	<b>1,149.40</b>	<b>1,855.32</b>
	Less: Unamortised portion of upfront fees and transaction costs	19.12	12.46
	<b>Total - Rupee term loans</b>	<b>1,130.28</b>	<b>1,842.86</b>

## JINDAL STAINLESS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

	Particulars	As at 31 March 2021	As at 31 March 2020
<b>C</b>	<b>Funded interest term loans</b>		
	Funded interest term loans Fully repaid during the current financial year	-	16.63
	<b>Total - Funded interest term loans</b>	-	<b>16.63</b>
	<b>Total - Secured</b>	<b>1,530.28</b>	<b>2,357.17</b>
<b>D</b>	Inter corporate deposits from related party Repayable in one or more installments by 31 March 2023 or such other terms as may be mutually agreed between the Company and Jindal Stainless (Hisar) Limited.	1,050.00	900.00
	<b>Total - Unsecured</b>	<b>1,050.00</b>	<b>900.00</b>

The above term loans bear a floating rate of interest linked with State bank of India marginal cost of funds based lending rate or benchmark of respective banks plus applicable spread ranging from 20 basis points to 305 basis points.

The inter corporate deposit from the related party is also a variable rate facility which is subject to changes as notified by lender from time to time in accordance with prevailing market interest rates. As at 31 March 2021, the aforementioned deposits carry rate of interest of 10%.

### V Additional securities

Certain credit facilities / loans are also secured by the following as well as also cross referred in IV (A,B and C) respectively:

- a. Unconditional and irrevocable personal guarantee of Mr. Ratan Jindal;
- b. Unconditional and irrevocable corporate guarantee of Jindal Stainless (Hisar) Limited;
- c. Pari-passu pledge of 197,701,936 equity shares held in the Company by promoter group companies;
- d. Unconditional and irrevocable corporate guarantee of promoter group companies to the extent of equity shares (93,384,215 equity shares);
- e. Pledge over shares of the entities as listed below:
  - PT. Jindal Stainless Indonesia
  - JSL Stainless FZE
  - JSL Group Holdings Pte. Limited
  - Iberjindal S.L.
  - Jindal Coke Limited
  - Jindal United Steel Limited

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

16	Other financial liabilities	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Current maturities of long term borrowings	-	-	34.38	541.60
	Interest accrued	-	-	247.14	182.11
	Capital creditors	-	-	31.57	19.97
	Security deposits	32.60	29.12	15.03	13.47
	Unpaid matured deposits and interest accrued thereon	-	-	0.19	0.20
	Derivative liability	-	-	7.22	61.79
	Lease liability	69.28	73.28	5.52	4.36
	Other outstanding financial liabilities	8.87	-	359.43	215.10
	<b>Total</b>	<b>110.75</b>	<b>102.40</b>	<b>700.48</b>	<b>1,038.60</b>

Refer note 46 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

17	Provisions	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Provision for employee benefits (refer note 40)	10.72	9.59	0.55	0.65
	<b>Total</b>	<b>10.72</b>	<b>9.59</b>	<b>0.55</b>	<b>0.65</b>

18	Deferred tax liabilities (net)	As at 31 March 2021	As at 31 March 2020
<b>A</b>	<b>Deferred tax liability arising on account of</b>		
	Property, plant and equipment and intangible assets	1,236.97	1,240.21
	Financial assets and financial liabilities measured at amortised cost	26.63	11.49
	<b>Total deferred tax liability</b>	<b>1,263.60</b>	<b>1,251.70</b>

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

		As at 31 March 2021	As at 31 March 2020
<b>B</b>	<b>Deferred tax assets arising on account of</b>		
	Expenses deductible on payment	47.84	32.72
	Allowance for expected credit losses	33.03	26.65
	Lease liability	26.14	27.13
	Brought forward loss/unabsorbed depreciation	588.34	869.68
	Minimum alternate tax credit entitlement	77.65	77.65
	<b>Total deferred tax assets</b>	<b>773.00</b>	<b>1,033.83</b>
	<b>Deferred tax liabilities (net)</b>	<b>490.60</b>	<b>217.87</b>

19	Other liabilities	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Advance from customers	-	-	73.77	125.78
	Deferred revenue	246.23	258.86	12.63	12.63
	Other outstanding liabilities *	32.96	65.19	93.06	73.37
	<b>Total</b>	<b>279.19</b>	<b>324.05</b>	<b>179.46</b>	<b>211.78</b>

\*Includes statutory dues

20	Borrowings (current)	As at 31 March 2021	As at 31 March 2020
	Working capital facilities from banks	319.02	397.56
	<b>Total</b>	<b>319.02</b>	<b>397.56</b>

Working capital facilities are secured by first parri-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw material, work in progress, consumable stores and spares, book debts, bill receivable both present and future and second parri-passu charge by way of mortgage and/or hypothecation in respect of other movable and immovable properties both present and future of the Company.

Working capital facility from bank includes cash credit facility and working capital demand loan amounting to ₹ 319.02 crores (previous year ₹ 397.44 crores) also secured by additional securities as mentioned in note 15(V).

Refer note 46 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>21</b>	<b>Trade payables</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	Total outstanding dues of micro enterprises and small enterprises (refer note A below)	117.73	87.28
	Total outstanding dues of creditors other than micro enterprises and small enterprises	2,357.49	2,345.29
	<b>Total</b>	<b>2,475.22</b>	<b>2,432.57</b>

<b>A</b>	On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, dues disclosed as per the Micro, Small and Medium Enterprise Development Act, 2006 at the year end are below:		
	<b>Particulars</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	Principal amount due	117.69	87.26
	Interest amount due	0.04	0.02
(ii)	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.04	0.02
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

<b>22</b>	<b>Revenue from operations</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	<b>Sale of products</b>		
	Manufactured goods	11,165.06	11,301.04
	Trading goods	259.36	509.72
		<b>11,424.42</b>	<b>11,810.76</b>
	<b>Sale of services</b>		
	Job charges received	125.98	242.25
	Business support services	66.08	77.30
		<b>192.06</b>	<b>319.55</b>



**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
<b>Other operating revenue</b>		
Export benefits	46.44	98.72
Sale of gases	6.57	10.63
Liability no longer required, written back	2.76	63.67
Others	6.89	16.78
	<b>62.66</b>	<b>189.80</b>
<b>Total</b>	<b>11,679.14</b>	<b>12,320.11</b>

23	Other income	Year ended 31 March 2021	Year ended 31 March 2020
	Interest income on:		
	Investments	3.97	2.88
	Fixed deposits and other receivables	9.57	5.46
	Trade receivables	5.21	9.89
	Income-tax refund	1.70	3.44
	Financial assets measured at amortised cost	1.27	1.21
	Dividend income	1.67	-
	Profit on disposal of property, plant and equipment (net)	0.47	-
	Insurance claim received	6.86	5.98
	Others	11.58	8.12
	<b>Total</b>	<b>42.30</b>	<b>36.98</b>

24	Changes in inventories of finished goods, work in progress and stock-in-trade	Year ended 31 March 2021	Year ended 31 March 2020
	<b>Opening stock</b>		
	Finished goods	593.53	467.05
	Work in progress	766.26	816.24
	Stock-in-trade	5.36	11.81
		<b>1,365.15</b>	<b>1,295.10</b>
	<b>Closing stock</b>		
	Finished goods	485.54	593.53
	Work in progress	976.97	766.26
	Stock-in-trade	1.45	5.36
		<b>1,463.96</b>	<b>1,365.15</b>
	<b>Total</b>	<b>(98.81)</b>	<b>(70.05)</b>

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

<b>25</b>	<b>Employee benefits expense</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Salaries, wages, bonus and other benefits	135.49	131.53
	Contribution to provident and other funds	6.69	6.95
	Staff welfare expenses	6.61	9.09
	<b>Total</b>	<b>148.79</b>	<b>147.57</b>

<b>26</b>	<b>Finance cost</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Interest on borrowing	389.67	478.42
	Interest on lease liabilities	8.00	8.40
	Other borrowing costs	66.03	80.07
	<b>Total</b>	<b>463.70</b>	<b>566.89</b>

<b>27</b>	<b>Depreciation and amortisation expenses</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Depreciation on property, plant and equipment	349.68	387.78
	Depreciation on right-of-use assets	12.53	12.49
	Amortisation of intangible assets	11.21	8.59
	<b>Total</b>	<b>373.42</b>	<b>408.86</b>

<b>28</b>	<b>Other expenses</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Consumption of stores and spare parts	563.45	684.19
	Power and fuel	618.24	768.93
	Labour processing and transportation charges	172.48	193.40
	Repairs to buildings	3.23	8.82
	Repairs to plant and machinery	28.35	26.62
	Job work expenses	808.86	761.83
	Other manufacturing expenses	149.75	159.88
	Insurance	14.21	10.45
	Rent	19.28	18.91
	Rates and taxes	1.74	1.17
	Legal and professional	76.57	53.50
	Communication	2.17	2.19

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

		Year ended 31 March 2021	Year ended 31 March 2020
	Printing and stationery	4.00	5.18
	Travelling and conveyance	1.21	3.77
	Director's meeting fees	0.25	0.22
	Vehicle upkeep and maintenance	9.99	11.75
	Auditor's remuneration (refer note a below)	0.61	0.67
	Freight and forwarding expenses	155.67	142.12
	Commission on sales	15.61	45.72
	Other selling expenses	23.61	23.97
	Allowance for expected credit losses	14.07	1.08
	Bad debts written off	2.45	0.08
	Advertisement and publicity	0.10	0.93
	Miscellaneous expenses	16.77	10.65
	<b>Total</b>	<b>2,702.67</b>	<b>2,936.03</b>
<b>a.</b>	<b>Payment to auditors (excluding applicable taxes)</b>		
	As statutory auditor	0.46	0.46
	For other services	0.12	0.13
	For reimbursement of expenses	0.03	0.08
	<b>Total</b>	<b>0.61</b>	<b>0.67</b>
<b>b.</b>	Pursuant to section 135 of the Act, the Company has constituted a Corporate Social Responsibility (CSR) Committee which is required to formulate and recommend to the Board of Directors a Corporate Social Responsibility Policy indicating the CSR activities to be undertaken by the Company as specified in Schedule VII to the Act. The gross amount to be spent by the Company as per the limits of section 135 is ₹ nil (previous year ₹ nil).		

29	Income-tax	Year ended 31 March 2021	Year ended 31 March 2020
	<b>The income tax expense consists of the following:</b>		
	Current tax	-	-
		-	-
	<b>Deferred tax</b>		
	Relating to origination and reversal of temporary differences	272.50	91.48
		<b>272.50</b>	<b>91.48</b>
	<b>Total tax expense</b>	<b>272.50</b>	<b>91.48</b>

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

	Reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income-tax expense reported is as follows:	Year ended 31 March 2021	Year ended 31 March 2020
	<b>Profit before tax</b>	<b>700.42</b>	<b>244.36</b>
	Applicable tax rate for the Company	34.94%	34.94%
	<b>Expected income-tax expense (A)</b>	<b>244.75</b>	<b>85.39</b>
	<b>Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense</b>		
	(Income exempted from) / expenses not deductible in tax	17.86	15.98
	Income taxable at different rate	(0.44)	(0.34)
	Others	10.33	(9.55)
	<b>Total adjustments (B)</b>	<b>27.75</b>	<b>6.09</b>
	<b>Total tax expense (A+B)</b>	<b>272.50</b>	<b>91.48</b>

Movement in deferred tax assets and liabilities for the year ended 31 March 2021 :-					
Particulars	Opening deferred tax asset / (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Movement through other equity	Closing deferred tax asset / (liability)
Property, plant and equipment and intangible assets	(1,240.21)	3.24	-	-	(1,236.97)
Financial assets and financial liabilities measured at amortised cost	(11.49)	(15.14)	-	-	(26.63)
Lease liability	27.13	(0.99)	-	-	26.14
Brought forward tax losses and unabsorbed depreciation	869.68	(281.34)	-	-	588.34
Items deductible on actual payment or settlement	32.72	15.35	(0.23)	-	47.84
Allowance for expected credit losses	26.65	6.38	-	-	33.03
Minimum alternate tax credit entitlement	77.65	-	-	-	77.65
<b>Net deferred tax asset / (liability)</b>	<b>(217.87)</b>	<b>(272.50)</b>	<b>(0.23)</b>	<b>-</b>	<b>(490.60)</b>

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

<b>Movement in deferred tax assets and liabilities for the year ended 31 March 2020 :-</b>					
<b>Particulars</b>	<b>Opening deferred tax asset / (liability)</b>	<b>Income tax (expense) / credit recognized in profit or loss</b>	<b>Income tax (expense) / credit recognized in other comprehensive income</b>	<b>Movement through other equity</b>	<b>Closing deferred tax asset / (liability)</b>
Property, plant and equipment and intangible assets	(1,220.11)	(20.10)	-	-	(1,240.21)
Financial assets and financial liabilities measured at amortised cost	(3.95)	(7.54)	-	-	(11.49)
Lease liability	-	27.13	-	-	27.13
Brought forward tax losses and unabsorbed depreciation	708.19	161.49	-	-	869.68
Items deductible on actual payment or settlement	287.01	(254.29)	0.54	(0.54)	32.72
Allowance for expected credit losses	24.82	1.83	-	-	26.65
Minimum alternate tax credit entitlement	77.65	-	-	-	77.65
<b>Net deferred tax asset / (liability)</b>	<b>(126.39)</b>	<b>(91.48)</b>	<b>0.54</b>	<b>(0.54)</b>	<b>(217.87)</b>

<b>30</b>	<b>Earnings per share (EPS)</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	<b>Net profit for the year (in ₹ crores) for basic EPS</b>	427.92	152.88
	Add: Interest expenses on potential equity shares (in ₹ crores)	-	55.01
	<b>Net profit for the year (in ₹ crores) for diluted EPS</b>	<b>427.92</b>	<b>207.89</b>
	<b>Total shares outstanding at the beginning of the year (in numbers)</b>	<b>487,234,600</b>	<b>479,221,660</b>
	Add: Weighted average number of shares issued during the year	-	4,291,083
	<b>Weighted-average number of equity shares for basic EPS</b>	<b>487,234,600</b>	<b>483,512,743</b>
	<b>Effect of dilution :</b>		
	Add: Weighted average number of shares outstanding on account of Optionally Convertible Redeemable Preference Shares (OCRPS)*	-	131,123,208
	Add: Weighted average number of shares outstanding on account of share warrant	7,320,781	-

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Weighted-average number of equity shares for diluted EPS	494,555,381	614,635,951
Basic EPS (Amount in ₹)	8.78	3.16
Diluted EPS (Amount in ₹)	8.65	3.16
* OCRPS are anti-dilutive in nature		

31	Disclosure as per Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186(4) of the Companies Act, 2013 :				
	Particulars	31 March 2021		31 March 2020	
		Amount outstanding	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year
	<b>Loans and advances in the nature of loans for business purpose to subsidiary company</b>				
a)	PT. Jindal Stainless Indonesia	26.64	26.64	27.00	27.00
	<b>Loans and advances in the nature of loans for business purpose to associate company</b>				
b)	Jindal United Steel Limited	67.00	67.00	67.00	67.00
	<b>Total</b>	<b>93.64</b>	<b>93.64</b>	<b>94.00</b>	<b>94.00</b>
Details of investments made are given in note 4.					

**32 Composite scheme of arrangement****I Demerger**

- A** The Composite Scheme of Arrangement (hereinafter referred to as the 'Scheme') amongst the Company (transferor company) and its three wholly owned subsidiaries, namely, Jindal Stainless (Hisar) Limited (JSHL), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) (resultant companies) under the provisions of section 391-394 read with section 100-103 of the erstwhile Companies Act, 1956 and other relevant provision of the Companies Act, 1956 and / or the Companies Act, 2013 was sanctioned by the Hon'ble High Court of Punjab and Haryana, Chandigarh vide its order dated 21 September 2015, amended vide order dated 12 October 2015.

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

Section I and section II of the Scheme became effective on 1 November 2015, operative from the appointed date i.e. close of business hours before midnight of 31 March 2014. Section III and section IV of the Scheme became effective on 24 September 2016 [i.e. on receipt of approvals from the Orissa Industrial Infrastructure Development Corporation (OIIDCO) for the transfer/grant of the right to use of the land on which Hot Strip Mill (HSM) Plant and Coke Oven Plants are located, to JUSL and JCL respectively as specified in the Scheme], operative from the appointed date i.e. close of business hours before midnight of 31 March 2015.

#### **B Pursuant to the Section III and Section IV of the Scheme becoming effective:**

- (i) Business undertaking 2, comprising, inter alia, of the HSM plant of the Company, was transferred to JUSL at a lump sum consideration of ₹ 2,412.67 crores; out of this ₹ 2,150.00 crores was received, and against the balance amount of ₹ 262.67 crores, JUSL issued and allotted to the Company:
- 175,000,000 0.01% non-cumulative compulsorily convertible preference shares (CCPS) having face value of ₹ 10 each [upto the year ended 31 March 2020, 99,048,637 CCPS were allotted to the Company and converted into equal number of equity shares of ₹ 10 each as fully paid at par and the balance 63,654,063 CCPS have been presented as "Investment in 0.01% Non-cumulative compulsorily convertible preference shares" (Refer note 4)], and
  - 87,673,311 10% non-cumulative non-convertible redeemable preference shares having face value of ₹ 10 each, which have been allotted to the Company.
- (ii) Business undertaking 3, comprising, inter alia, of the Coke Oven plant of the Company, was transferred to JCL at a lump sum consideration of ₹ 492.65 crores; out of this ₹ 375.00 crores was received and against the balance amount of ₹ 117.65 crores, JCL issued and allotted to the Company:
- 26,000,000 0.01% non-cumulative CCPS having face value of ₹ 10 each [upto the year ended 31 March 2020, 8,382,432 CCPS were allotted to the Company and converted into equal number of equity shares of ₹ 10 each fully paid at par. During the year, the Company converted the balance 17,617,568 CCPS initially allotted, into equal number of "10% non-cumulative non-convertible redeemable preference shares having face value of ₹ 10 each fully paid at par" (Refer note 4)], and
  - 91,647,073 10% non-cumulative non-convertible redeemable preference shares having face value of ₹ 10 each, which have been allotted to the Company.

#### **II Merger**

At its meeting held on 29 December 2020, the Board of Directors of the Company considered and approved a Composite Scheme of Arrangement ('Scheme') pursuant to Sections 230 to 232 and other relevant provisions of Companies Act, 2013, amongst the Company (Amalgamated Company), Jindal Stainless (Hisar) Limited, JSL Lifestyle Limited, JSL Media Limited, Jindal Stainless Corporate Management Services Private Limited (amalgamating companies) and Jindal Lifestyle Limited (resulting company). The aforementioned scheme is subject to necessary statutory and regulatory approvals under applicable laws, including approval of the National Company Law Tribunal in India which is currently awaited.

- 33** Due to outbreak of Coronavirus Disease 2019 (COVID-19) which has been declared as a pandemic by the World Health Organization and subsequent lock down ordered by the Central and State Government(s) in India, the manufacturing facilities of the Company remained suspended from 25 March 2020 till 04 May 2020. The Company in compliance with the necessary instructions/guidelines, resumed its operations from 05 May 2020 in a phased manner, while ensuring health and safety of all the stakeholders.

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (All amounts in ₹ crores, unless otherwise stated)

This situation resulted in temporary disturbance in the economic activities through interruption in manufacturing process, disruption in supply chain, etc. for the Company during the year ended 31 March 2021. Further, the recent second wave of COVID-19 has resulted in partial lockdown/restriction in various states. However, the Company is closely monitoring the impact of the aforementioned pandemic and believes that there will not be any adverse impact on the long term operations, financial position and performance of the Company.

**34** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 734.84 crores (previous year ₹ 54.18 crores).

#### **35 Revenue from contracts with customers**

##### **A Disaggregation of revenue**

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

Revenue from operations	Year ended 31 March 2021			
	Goods	Services	Other operating revenue*	Total
<b>Revenue by geography</b>				
Domestic	9,238.12	192.06	13.46	9,443.64
Export	2,186.30	-	-	2,186.30
<b>Total</b>	<b>11,424.42</b>	<b>192.06</b>	<b>13.46</b>	<b>11,629.94</b>
<b>Revenue by time</b>				
Revenue recognised at point in time				11,437.88
Revenue recognised over time				192.06
<b>Total</b>				<b>11,629.94</b>

\* Other operating revenue amounting to ₹ 49.20 crores in the nature of export incentives and liabilities no longer required written back is not in the scope of Ind AS 115 'Revenue from contracts with customers'. Hence, not included in the table.

Revenue from operations	Year ended 31 March 2020			
	Goods	Services	Other operating revenue*	Total
<b>Revenue by geography</b>				
Domestic	9,085.96	319.55	27.41	9,432.92
Export	2,724.80	-	-	2,724.80
<b>Total</b>	<b>11,810.76</b>	<b>319.55</b>	<b>27.41</b>	<b>12,157.72</b>



**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

	Year ended 31 March 2020			
	Goods	Services	Other operating revenue*	Total
<b>Revenue by time</b>				
Revenue recognised at point in time				11,838.17
Revenue recognised over time				319.55
<b>Total</b>				<b>12,157.72</b>

\* Other operating revenue amounting to ₹ 162.39 crores in the nature of export incentives and liabilities no longer required written back is not in the scope of Ind AS 115 'Revenue from contracts with customers'. Hence, not included in the table.

**B. Revenue recognised in relation to contract liabilities**

Description	Year ended 31 March 2021	Year ended 31 March 2020
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	125.78	111.92
Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods	-	-

**C. Assets and liabilities related to contracts with customers**

Description	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
<b>Contract liabilities related to sale of goods</b>				
Advance from customers	-	73.77	-	125.78

**D. Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price**

Description	Year ended 31 March 2021	Year ended 31 March 2020
Contract price	11,890.08	12,353.77
Less: Discount, rebates, credits etc.	260.14	196.05
<b>Revenue from operations as per Statement of Profit and Loss</b>	<b>11,629.94</b>	<b>12,157.72</b>

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

<b>36</b>	<b>Contingent liabilities</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
<b>A</b>	Demands from statutory and regulatory authorities		
<b>(i)</b>	- Sales tax, value added tax and entry tax*#	110.79	110.79
	- Excise duty, custom duty, service tax and GST #	44.70	17.08
	- Income-tax	99.96	100.31
<b>(ii)</b>	- Demand from office of the Dy. Director of Mines, Jajpur Road Circle, Odisha on account of mining of excess quantity of chrome ore over and above the approved quantity under mining plan/scheme	77.53	77.53
	- Royalty under the Mines and Minerals (Development and Regulation) Act, 1957, rural infrastructure and socio-economic development tax under the Orissa Rural Infrastructure and Socio-Economic Development Act, 2004 and Water tax under the Orissa Irrigation Act, 1959	4.80	5.13
<b>B</b>	Corporate guarantee given to banks against credit facilities / financial assistance availed by Jindal Stainless (Hisar) Limited amount for facilities outstanding [read with note 32(I)]	2,940.36	3,378.11
		<b>3,278.14</b>	<b>3,688.95</b>
	<p>* The Company had challenged the legality of Orissa Entry Tax Act, 1999 before the Hon'ble Supreme Court. The order dated 09 October 2017 of Divisional bench of the Hon'ble Supreme Court read with the order dated 11 November 2016 of Nine Judge Bench of Hon'ble Supreme Court, decided some of the issues and granted opportunity to the petitioners for filing revival petition within 30 days for deciding the issue of discrimination under Article 304(a) as per law laid down by Nine Judges Bench of the Hon'ble Supreme Court. The Company has filed revival petition before the Hon'ble High Court of Orissa on the ground of discrimination under Article 304(a), as per the direction of the Hon'ble Supreme Court. However, interest/penalty (if any) till the decision of the Hon'ble Supreme Court has been stayed by Hon'ble High Court of Orissa in three separate writ petitions filed by the Company on the issue exclusively on the legality of imposing interest under the Orissa Entry Tax Act, 1999 and therefore, liability, if any, in this regard will be recognised when this matter is finally settled/determined by the Hon'ble High Court of Orissa.</p> <p># Amount includes basic, interest and penalty as demanded by the concerned authority in the relevant case</p>		

<b>C</b>	<p><b>Income-tax</b></p> <p>Contingent liabilities for income-tax specified above, <i>inter alia</i>, includes ₹ 45.54 crores pertaining to Assessment years 2012-13 to 2014-15 for which the management does not expect any cash outflow since the Company has sufficient unabsorbed depreciation to set off from disallowance, if any, that may arise on account of adverse ruling by higher authorities in relation to the aforementioned demands. Having said that, the management is fairly confident of a favourable outcome for the ongoing demands/litigations on all the aforementioned years.</p>
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**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

37	Exceptional items	Year ended 31 March 2021	Year ended 31 March 2020
	Gain (net) on translation/settlement of foreign currency monetary items	75.07	50.44
	Gain/(loss) on fair valuation and settlement of derivative contracts	35.89	(27.62)
	Amortisation of debit balance in foreign currency monetary item translation difference account	(11.57)	(14.51)
		<b>99.39</b>	<b>8.31</b>

38	Corporate Debt Restructuring (CDR)
<b>A</b>	During the year ended 31 March 2020, the Company had exercised its right to redeem OCRPS and accordingly, aggregate amount of ₹ 558.47 crores was paid to the OCRPS holders towards redemption of these OCRPS along with applicable recompense of ₹ 221.01 crores.
<b>B</b>	During the year ended 31 March 2020, the Company had successfully exited CDR after discharging the recompense liability of ₹ 274.75 crores (₹ 221.01 crores on OCRPS and balance on other CDR Loans) in cash as determined in accordance with RBI's Master Circular on Corporate Debt Restructuring. State Bank of India, in its capacity of Monitoring Institution and on behalf of CDR lenders issued no objection certificate (NOC) confirming formal exit of JSL from CDR effective from 31 March 2019.

39	Derivative contracts entered into by the Company and outstanding as on 31 March 2021 for hedging foreign currency risks:					
	Nature of derivative	Type	31 March 2021		31 March 2020	
			No. of contracts	Foreign currency (in million)	No. of contracts	Foreign currency (in million)
	<b>Forward covers</b>					
	USD/INR	Sell	82	\$179.94	70	\$182.10
	EUR/USD	Sell	51	€ 75.25	25	€ 47.00
	USD/INR	Buy	320	\$112.80	289	\$79.86

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

<b>40</b>	<b>Employee benefits</b>		
<b>A</b>	<b>Defined contribution plans</b>		
	<b>The amount recognised as expense towards contribution to defined contribution plans for the year is as below:</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Company's contribution to provident fund	5.73	5.87
	Company's contribution to employee welfare fund	0.26	0.27
	Company's contribution to national pension scheme	0.62	0.69
	Company's contribution to employee's state insurance scheme	0.08	0.12
	<b>Total</b>	<b>6.69</b>	<b>6.95</b>

<b>B</b>	<b>Defined benefit plan – Gratuity</b>		
<b>(i)</b>	<b>Reconciliation of present value of defined benefit obligation and the fair value of plan assets</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	Present value of defined benefit obligation as at the end of the year	14.49	13.38
	Less: Fair value of plan assets at the end of the year	11.22	10.70
	<b>Net liability recognised in the balance sheet</b>	<b>3.27</b>	<b>2.68</b>

<b>(ii)</b>	<b>Movement in the present value of defined benefit obligation recognised in the balance sheet</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	<b>Present value of defined benefit obligation as at the beginning of the year</b>	<b>13.38</b>	<b>10.31</b>
	Transfer in/out of employees between group companies	0.56	0.21
	Current service cost	1.61	1.66
	Interest cost	0.91	0.79
	Benefits paid	(1.24)	(1.04)
	Actuarial (gain)/loss on obligation	(0.73)	1.45
	<b>Present value of defined benefit obligation as at the end of the year</b>	<b>14.49</b>	<b>13.38</b>

<b>(iii)</b>	<b>Movement in the plan assets recognised in the balance sheet</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	<b>Fair value of plan assets at the beginning of the year</b>	<b>10.70</b>	<b>9.96</b>
	Expected return on plan assets	0.73	0.77
	Actuarial (loss) for the year on plan asset	(0.07)	(0.10)
	Employer contributions	1.10	1.11
	Benefits paid	(1.24)	(1.04)
	<b>Fair value of plan assets at the end of the year</b>	<b>11.22</b>	<b>10.70</b>

The Company's plan assets primarily comprise of qualifying insurance policies issued by Life Insurance Corporation of India.

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

(iv)	Actuarial gain/(loss) on plan assets	Year ended 31 March 2021	Year ended 31 March 2020
	Expected interest income	0.73	0.77
	Actual income on plan asset	0.66	0.67
	<b>Actuarial gain/(loss) for the year on plan asset</b>	<b>(0.07)</b>	<b>(0.10)</b>

(v)	Expense recognised in the statement of profit and loss consists of:	Year ended 31 March 2021	Year ended 31 March 2020
	<b>Employee benefit expense</b>		
	Current service Cost	1.61	1.66
	Net interest cost	0.18	0.02
		<b>1.79</b>	<b>1.68</b>
	<b>Other comprehensive income</b>		
	Actuarial (gain)/loss arising from changes in financial assumptions	0.03	1.28
	Actuarial (gain)/loss arising from experience adjustments	(0.76)	0.17
	Actuarial gain/(loss) on plan asset	(0.07)	(0.10)
		<b>(0.66)</b>	<b>1.55</b>

(vi)	The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:	Year ended 31 March 2021	Year ended 31 March 2020
	Discount rate	6.80 % p.a	6.82 % p.a
	Expected rate of increase in salary	5.50% p.a.	5.50% p.a.
	Retirement age	58 Years	58 Years
	Mortality rate (inclusive of provision for disability)	100% of IALM (2012-14)	100% of IALM (2012-14)
	Expected average remaining working lives of employees(years)	22.37	23.22
	The assumption of discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities. Future salary increase rate takes into account the inflation, seniority, promotion and other relevant factors on long term basis. Same assumptions were considered for comparative period i.e. 2019-20 as reported.		

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

(vii)	Sensitivity analysis for gratuity liability	Year ended 31 March 2021	Year ended 31 March 2020
	<b>Impact of the change in discount rate</b>		
	Present value of obligation at the end of the period		
	Increase of 0.50%	(0.81)	(0.76)
	Decrease of 0.50%	0.88	0.84
	<b>Impact of the change in salary increase</b>		
	Present value of obligation at the end of the period		
	Increase of 0.50%	0.87	0.84
	Decrease of 0.50%	(0.80)	(0.78)
	Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these are not calculated.		

(viii)	Maturity profile of defined benefit obligation	As at 31 March 2021	As at 31 March 2020
	<b>Year</b>		
	0 to 1 Year	0.68	0.79
	1 to 5 Year	2.73	2.14
	Beyond 5 Years	11.08	10.45
	The Company expects to contribute ₹ 2.07 crores (previous year ₹ 2.02 crores) to its gratuity plan for the next year.		

**(ix) Risk exposures:**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such valuation of the Company is exposed to follow risks -

**A) Salary increases :** Higher than expected increases in salary will increase the defined benefit obligation.

**B) Investment risk :** Since the plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the defined benefit obligation.

**C) Discount rate :** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**D) Mortality and disability :** If the actual deaths and disability cases are lower or higher than assumed in the valuation, it can impact the defined benefit obligation.

**E) Withdrawals :** If the actual withdrawals are higher or lower than the assumed withdrawals or there is a change in withdrawal rates at subsequent valuations, it can impact defined benefit obligation.

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

<b>41</b>	<b>Lease related disclosures</b>				
	<p>The Company has leases for the factory land, plant and machinery and related facilities. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.</p> <p>Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security.</p>				
<b>A</b>	<b>Lease payments not included in measurement of lease liability</b>				
	The expense relating to payments not included in the measurement of the lease liability is as follows:				
	<b>Particulars</b>	<b>31 March 2021</b>	<b>31 March 2020</b>		
	Short-term leases	15.71	14.83		
	Leases of low value assets	3.57	4.08		
<b>B</b>	Total cash outflow for leases for the year ended 31 March 2021 was ₹ 32.58 crores (previous year ₹ 28.60 crores).				
<b>C</b>	The Company has total commitment for short-term leases as at 31 March 2021 ₹ 9.35 crores (previous year ₹ 2.20 crores).				
<b>D</b>	<b>Maturity of lease liabilities</b>				
	The lease liabilities are secured by the related underlying assets. Future minimum lease payments (pertaining to leases other than short-term leases) are as follows:				
	<b>31 March 2021</b>	<b>Minimum lease payments due</b>			
		<b>0 to 1 year</b>	<b>1 to 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
	Lease payments	12.47	49.89	82.92	<b>145.28</b>
	Interest expense	6.95	24.04	39.49	<b>70.48</b>
	<b>Net present values</b>	<b>5.52</b>	<b>25.85</b>	<b>43.43</b>	<b>74.80</b>
	<b>31 March 2020</b>	<b>Minimum lease payments due</b>			
		<b>0 to 1 year</b>	<b>1 to 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
	Lease payments	12.36	49.62	95.13	<b>157.11</b>
	Interest expense	8.00	26.48	44.99	<b>79.47</b>
	<b>Net present values</b>	<b>4.36</b>	<b>23.14</b>	<b>50.14</b>	<b>77.64</b>

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

<b>E</b>	Variable lease payments are expensed in the period they are incurred. Expected future cash outflow pertaining to variable lease payment as at 31 March 2021 is ₹ nil (previous year ₹ nil)						
<b>F</b>	<b>Information about extension and termination options</b>						
	<b>Right-of-use assets</b>	<b>Number of leases</b>	<b>Range of remaining term</b>	<b>Average remaining lease term</b>	<b>Number of leases with extension option</b>	<b>Number of leases with purchase option</b>	<b>Number of leases with termination option</b>
	Plant and machinery	2	10 Years	10 Years	2	2	2
	Land	4	69 Years	69 Years	4	-	4
<b>G</b>	There are no leases which are yet to commence as on 31 March 2021.						
<b>H</b>	<b>The following are the amounts recognised in profit or loss:</b>						
	<b>Particulars</b>			<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>		
	Depreciation expense of right-of-use assets			12.53	12.49		
	Interest expense on lease liabilities			8.00	8.40		
	Expense relating to short-term leases (included in other expenses)			15.71	14.83		
	Expense relating to leases of low-value assets (included in other expenses)			3.57	4.08		
	<b>Total</b>			<b>39.81</b>	<b>39.80</b>		
<b>I</b>	<b>The movement in lease liabilities is as follows:</b>						
	<b>Particulars</b>			<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>		
	Opening lease liabilities			77.64	81.65		
	Add: Addition in lease liabilities due to modification of lease rental			0.43	-		
	Add: Finance cost accrued during the period			8.00	8.40		
	Less: Lease rent paid			(11.27)	(12.41)		
	<b>Balance at the end</b>			<b>74.80</b>	<b>77.64</b>		

<b>42</b>	<b>Operating segments</b>
	<p>In accordance with Ind AS 108 'Operating Segments', the Board of Directors of the Company, being the chief operating decision maker of the Company has determined "Stainless steel products" as the only operating segment.</p> <p>Further, in terms of paragraph 31 of Ind AS 108, entity wide disclosures have been presented in the consolidated financial statements which are presented in the same financial report.</p>



**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

**43 Related party disclosures****I. Relationships****(a) Key management personnel (KMP)**

SI No	Name	Designation
1	Mr. Ratan Jindal	Chairman and Managing Director
2	Mr. Abhyuday Jindal	Managing Director
3	Mr. Tarun Kumar Khulbe	Whole Time Director
4	Mr. Navneet Raghuvanshi	Company Secretary
5	Mr. Anurag Mantri	Chief Financial Officer
6	Mr. Gautam Kanjilal	Nominee Director [Ceased to be Director with effect from ('w.e.f.') 8 September 2020]
7	Mr. Parveen Kumar Malhotra	Nominee Director(Appointed w.e.f. 8 September 2020)
8	Mr. Suman Jyoti Khaitan	Independent Director
9	Mr. Jayaram Easwaran	Independent Director (appointed w.e.f. 5 August 2019)
10	Mr. T.S. Bhattacharya	Independent Director(Ceased to be Director w.e.f. 22 September 2019)
11	Ms. Bhaswati Mukherjee	Independent Director
12	Mrs. Arti Luniya	Independent Director (Appointed w.e.f. 26 Nov 2019)
13	Dr. Rajeev Uberoi	Independent Director (Ceased to be Director w.e.f. 2 July 2019)

**(b) Subsidiaries**

SI No	Name of the entity	Principal place of operation / country of incorporation	Principal activities / nature of business	Shareholding / voting power	
				As at 31 March 2021	As at 31 March 2020
1	PT. Jindal Stainless Indonesia	Indonesia	Stainless Steel manufacturing	99.99%	99.99%
2	Jindal Stainless FZE, Dubai	UAE	Stainless Steel manufacturing	100.00%	100.00%
3	JSL Group Holdings Pte. Ltd., Singapore	Singapore	Stainless Steel manufacturing	100.00%	100.00%
4	Iberjindal S.L., Spain	South Spain	Stainless Steel manufacturing	65.00%	65.00%
5	Jindal Stainless Park Limited	India	Development of integrated world-class infrastructure	100.00%	100.00%

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

**(c) Associates\***

SI No	Name of the entity	Principal place of operation / country of incorporation	Principal activities / nature of business	Shareholding / voting power	
				As at 31 March 2021	As at 31 March 2020
1	Jindal Stainless Corporate Management Services Private Limited	India	Management services	50.00%	50.00%
2	Jindal United Steel Limited	India	Stainless Steel manufacturing	26.00%	26.00%
3	Jindal Coke Limited.	India	Coke Manufacturing	26.00%	26.00%

**(d) Entity exercising significant influence on the Company\***

SI No	Name of the entity	Principal place of operation / country of incorporation	Principal activities / nature of business
1	Jindal Stainless (Hisar) Limited (JSHL)	India	Stainless Steel manufacturing

**(e) Subsidiaries of entity exercising significant influence on the Company\***

SI No	Name of the entity	Principal place of operation / country of incorporation	Principal activities / nature of business
1	JSL Lifestyle Limited	India	Stainless steel Consumer Products
2	JSL Logistics Limited	India	Logistic
3	Jindal Stainless Steelways Limited	India	Stainless Steel manufacturing
4	J.S.S. Steelitalia Limited	India	Stainless Steel manufacturing

**(f) Entities under the control/significance influence of KMP\***

SI No	Name of the entity	Principal place of operation / country of incorporation	Principal activities / nature of business
1	Prime Stainless DMCC	UAE	Trading company
2	JSL Global Commodities Pte. Ltd.	Singapore	Trading company
3	Jindal Advance Materials Pvt. Ltd.	India	Glass composite business
4	O.P. Jindal Charitable Trust	India	Charitable Trust

\*with whom transactions have occurred

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

**(g) Post-employment benefit plan for the benefit of employees of the Company**

SI No	Name of the entity	Principal place of operation / country of incorporation	Principal activities / nature of business
1	Jindal Stainless Limited Group Gratuity Fund	India	Company's employee gratuity trust

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**
**II. Transactions with related parties during the year and balances as at the balance sheet date \***

SI No	Particulars	Year ended and as at 31 March 2021						Year ended and as at 31 March 2020					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP	Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP
	<b>Transactions during the year</b>												
<b>1</b>	<b>Purchase of goods</b>	<b>10.58</b>	<b>109.65</b>	<b>380.75</b>	<b>5.29</b>	<b>-</b>	<b>284.90</b>	<b>19.11</b>	<b>120.96</b>	<b>575.12</b>	<b>5.81</b>	<b>-</b>	<b>69.32</b>
	PT.Jindal Stainless Indonesia	10.58	-	-	-	-	-	19.11	-	-	-	-	-
	Jindal Stainless Steelways Limited	-	-	-	4.79	-	-	-	-	-	5.30	-	-
	Jindal Coke Limited	-	91.39	-	-	-	-	-	96.52	-	-	-	-
	Jindal Stainless (Hisar) Limited	-	-	380.75	-	-	-	-	-	575.12	-	-	-
	Prime Stainless DMCC	-	-	-	-	-	62.52	-	-	-	-	-	69.32
	JSL Global Commodities Pte. Ltd.	-	-	-	-	-	222.30	-	-	-	-	-	-
	JSL Lifestyle Limited	-	-	-	0.50	-	-	-	-	-	0.51	-	-
	Jindal Advance Materials Pvt. Ltd.	-	-	-	-	-	0.08	-	-	-	-	-	-
	Jindal United Steel Limited	-	18.26	-	-	-	-	-	24.44	-	-	-	-
<b>2</b>	<b>Job work charges paid</b>	<b>-</b>	<b>846.32</b>	<b>1.32</b>	<b>34.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>765.64</b>	<b>44.22</b>	<b>32.17</b>	<b>-</b>	<b>-</b>
	Jindal Stainless (Hisar) Limited	-	-	1.32	-	-	-	-	-	44.22	-	-	-
	Jindal Stainless Steelways Limited	-	-	-	34.59	-	-	-	-	-	32.17	-	-
	Jindal United Steel Limited	-	846.32	-	-	-	-	-	765.64	-	-	-	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021						Year ended and as at 31 March 2020					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP	Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP
<b>3</b>	<b>Sale of goods</b>	<b>200.26</b>	<b>440.11</b>	<b>826.48</b>	<b>925.16</b>	-	<b>1,121.85</b>	<b>391.72</b>	<b>516.66</b>	<b>891.17</b>	<b>1,129.66</b>	-	<b>454.08</b>
	PT.Jindal Stainless Indonesia	108.66	-	-	-	-	-	126.02	-	-	-	-	-
	Iber Jindal S.L.	91.60	-	-	-	-	-	265.70	-	-	-	-	-
	Jindal Stainless Steelways Limited	-	-	-	922.01	-	-	-	-	-	1,120.35	-	-
	Jindal Stainless (Hisar) Limited	-	-	826.48	-	-	-	-	-	891.17	-	-	-
	JSL Lifestyle Limited	-	-	-	3.00	-	-	-	-	-	4.63	-	-
	JSL Global Commodities Pte. Ltd.	-	-	-	-	-	540.15	-	-	-	-	-	454.08
	Prime Stainless DMCC	-	-	-	-	-	581.70	-	-	-	-	-	-
	Jindal Coke Limited	-	43.96	-	-	-	-	-	31.59	-	-	-	-
	Jindal United Steel Limited	-	396.15	-	-	-	-	-	485.07	-	-	-	-
	JSL Logistics Limited	-	-	-	0.15	-	-	-	-	-	0.19	-	-
	J.S.S Steelitalia Limited	-	-	-	-	-	-	-	-	-	4.49	-	-
<b>4</b>	<b>Rent received</b>	<b>0.01</b>	<b>2.71</b>	<b>1.62</b>	-	-	-	<b>0.01</b>	<b>2.71</b>	<b>1.53</b>	-	-	-
	Jindal Stainless (Hisar) Limited	-	-	1.62	-	-	-	-	-	1.53	-	-	-
	Jindal Stainless Park Limited	0.01	-	-	-	-	-	0.01	-	-	-	-	-
	Jindal Stainless Corporate Management Services Private Limited	-	2.71	-	-	-	-	-	2.71	-	-	-	-

**JINDAL STAINLESS LIMITED**
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**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021						Year ended and as at 31 March 2020					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP	Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP
<b>5</b>	<b>Rent paid</b>	-	-	<b>0.71</b>	<b>14.65</b>	-	<b>0.02</b>	-	-	<b>0.71</b>	<b>14.03</b>	-	-
	Jindal Stainless (Hisar) Limited	-	-	0.71	-	-	-	-	-	0.71	-	-	-
	Jindal Stainless Steelways Limited	-	-	-	14.65	-	-	-	-	-	14.03	-	-
	O.P. Jindal Charitable Trust	-	-	-	-	-	0.02	-	-	-	-	-	-
<b>6</b>	<b>Freight charges paid</b>	-	-	-	<b>1.34</b>	-	-	-	-	-	<b>1.43</b>	-	-
	JSL Logistics Limited	-	-	-	1.34	-	-	-	-	-	1.43	-	-
<b>7</b>	<b>Interest received</b>	<b>0.43</b>	<b>7.37</b>	-	<b>0.62</b>	-	-	<b>0.78</b>	<b>1.84</b>	-	<b>4.01</b>	-	-
	PT.Jindal Stainless Indonesia	0.43	-	-	-	-	-	0.78	-	-	-	-	-
	Jindal United Steel Limited	-	7.37	-	-	-	-	-	1.84	-	-	-	-
	Jindal Stainless Steelways Limited	-	-	-	0.62	-	-	-	-	-	4.01	-	-
<b>8</b>	<b>Dividend income received</b>	<b>1.67</b>	-	-	-	-	-	-	-	-	-	-	-
	Iber Jindal S.L.	1.67	-	-	-	-	-	-	-	-	-	-	-
<b>9</b>	<b>Interest expense</b>	-	-	<b>90.04</b>	<b>1.77</b>	-	-	-	-	<b>90.00</b>	<b>3.60</b>	-	-
	Jindal Stainless Steelways Limited	-	-	-	1.77	-	-	-	-	-	3.60	-	-
	Jindal Stainless (Hisar) Limited	-	-	90.04	-	-	-	-	-	90.00	-	-	-

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**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
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SI No	Particulars	Year ended and as at 31 March 2021						Year ended and as at 31 March 2020					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP	Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP
<b>10</b>	<b>Commission on purchase paid</b>	-	-	-	-	-	<b>23.95</b>	-	-	-	-	-	<b>16.99</b>
	Prime Stainless DMCC	-	-	-	-	-	11.02	-	-	-	-	-	6.17
	JSL Global Commodities Pte. Ltd.	-	-	-	-	-	12.93	-	-	-	-	-	10.82
<b>11</b>	<b>Commission on export paid</b>	-	-	-	-	-	<b>8.74</b>	-	-	-	-	-	-
	JSL Global Commodities Pte. Ltd.	-	-	-	-	-	0.47	-	-	-	-	-	-
	Prime Stainless DMCC	-	-	-	-	-	8.27	-	-	-	-	-	-
<b>12</b>	<b>Commission on export written back</b>	-	-	-	-	-	<b>0.30</b>	-	-	-	-	-	-
	JSL Global Commodities Pte. Ltd.	-	-	-	-	-	0.30	-	-	-	-	-	-
<b>13</b>	<b>Commission on sale paid</b>	<b>1.77</b>	-	-	-	-	-	<b>21.66</b>	-	-	-	-	-
	Jindal Stainless FZE	1.77	-	-	-	-	-	21.66	-	-	-	-	-
<b>14</b>	<b>Support service charges paid</b>	-	<b>53.00</b>	-	-	-	-	-	<b>58.05</b>	-	-	-	-
	Jindal Stainless Corporate Management Services Private Limited	-	53.00	-	-	-	-	-	58.05	-	-	-	-

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**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021						Year ended and as at 31 March 2020					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP	Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP
<b>15</b>	<b>Support service charges received</b>	-	<b>58.36</b>	-	<b>0.35</b>	-	-	-	<b>70.25</b>	-	<b>0.62</b>	-	-
	Jindal Coke Limited	-	8.57	-	-	-	-	-	12.89	-	-	-	-
	Jindal United Steel Limited	-	49.79	-	-	-	-	-	57.36	-	-	-	-
	Jindal Stainless Steelways Limited	-	-	-	-	-	-	-	-	-	0.20	-	-
	JSL Logistics Limited	-	-	-	0.35	-	-	-	-	-	0.42	-	-
<b>16</b>	<b>Expenses incurred on behalf of Company and reimbursed</b>	<b>0.22</b>	-	<b>0.08</b>	<b>0.01</b>	-	<b>2.32</b>	<b>0.99</b>	-	<b>0.03</b>	<b>0.11</b>	-	-
	PT.Jindal Stainless Indonesia	0.22	-	-	-	-	-	0.99	-	-	-	-	-
	JSL Global Commodities Pte. Ltd.	-	-	-	-	-	2.27	-	-	-	-	-	-
	Prime Stainless DMCC	-	-	-	-	-	0.05	-	-	-	-	-	-
	JSL Lifestyle Limited	-	-	-	0.01	-	-	-	-	-	0.11	-	-
	Jindal Stainless (Hisar) Limited	-	-	0.08	-	-	-	-	-	0.03	-	-	-



**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021						Year ended and as at 31 March 2020					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP	Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP
<b>17</b>	<b>Expenses incurred and reimbursed by Company on behalf of</b>	<b>0.46</b>	<b>0.68</b>	<b>6.19</b>	<b>1.63</b>	-	-	<b>0.52</b>	<b>0.50</b>	<b>6.58</b>	<b>0.90</b>	-	<b>0.01</b>
	PT. Jindal Stainless Indonesia	0.34	-	-	-	-	-	0.52	-	-	-	-	-
	Jindal Stainless FZE	0.12	-	-	-	-	-	-	-	-	-	-	-
	Jindal Coke Limited	-	0.04	-	-	-	-	-	0.04	-	-	-	-
	JSL Lifestyle Limited	-	-	-	0.79	-	-	-	-	-	0.44	-	-
	Jindal United Steel Limited	-	0.21	-	-	-	-	-	0.17	-	-	-	-
	Prime Stainless DMCC	-	-	-	-	-	-	-	-	-	-	-	0.01
	Jindal Stainless Steelways Limited	-	-	-	0.84	-	-	-	-	-	0.46	-	-
	Jindal Stainless Corporate Management Services Private Limited	-	0.43	-	-	-	-	-	0.29	-	-	-	-
	Jindal Stainless (Hisar) Limited	-	-	6.19	-	-	-	-	-	6.58	-	-	-
<b>18</b>	<b>Loan received</b>	-	-	<b>150.00</b>	-	-	-	-	-	-	-	-	-
	Jindal Stainless (Hisar) Limited	-	-	150.00	-	-	-	-	-	-	-	-	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021						Year ended and as at 31 March 2020					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP	Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP
<b>19</b>	<b>Remuneration (refer note 44)</b>	-	-	-	-	<b>7.68</b>	-	-	-	-	-	<b>4.33</b>	-
	Mr. Abhyuday Jindal	-	-	-	-	3.00	-	-	-	-	-	-	-
	Mr. Tarun Kumar Khulbe	-	-	-	-	1.77	-	-	-	-	-	1.60	-
	Mr. Anurag Mantri	-	-	-	-	2.08	-	-	-	-	-	1.93	-
	Mr. Navneet Raghuvanshi	-	-	-	-	0.83	-	-	-	-	-	0.80	-
<b>20</b>	<b>Non executive director-sitting fee (refer note 44)</b>	-	-	-	-	<b>0.25</b>	-	-	-	-	-	<b>0.23</b>	-
	Mr. Gautam Kanjilal	-	-	-	-	0.01	-	-	-	-	-	0.05	-
	Mr. Suman Jyoti Khaitan	-	-	-	-	0.06	-	-	-	-	-	0.06	-
	Mr. T.S. Bhattacharya	-	-	-	-	-	-	-	-	-	-	0.02	-
	Mrs. Arti Luniya	-	-	-	-	0.04	-	-	-	-	-	0.01	-
	Mr. Jayaram Easwaran	-	-	-	-	0.05	-	-	-	-	-	0.03	-
	Ms. Bhaswati Mukherjee	-	-	-	-	0.05	-	-	-	-	-	0.05	-
	Mr. Parveen kumar malhotra	-	-	-	-	0.04	-	-	-	-	-	-	-
	Dr. Rajeev Uberoi	-	-	-	-	-	-	-	-	-	-	0.01	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021						Year ended and as at 31 March 2020					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP	Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP
	<b>Balances outstanding as at balance sheet date</b>												
<b>21</b>	<b>Letter of comfort</b>	<b>146.98</b>	-	-	-	-	-	<b>159.79</b>	-	-	-	-	-
	PT.Jindal Stainless Indonesia	146.98	-	-	-	-	-	159.79	-	-	-	-	-
<b>22</b>	<b>Corporate guarantee given</b>	-	-	<b>2,940.36</b>	-	-	-	-	-	<b>3,378.11</b>	-	-	-
	Jindal Stainless (Hisar) Limited	-	-	2,940.36	-	-	-	-	-	3,378.11	-	-	-
<b>23</b>	<b>Personal guarantee received</b>												
	Mr. Ratan Jindal	-	-	-	-	Refer note 15 and 20	-	-	-	-	-	Refer note 15 and 20	-
<b>24</b>	<b>Loans and advances - receivables</b>	<b>26.64</b>	<b>67.00</b>	-	-	-	-	<b>27.00</b>	<b>67.00</b>	-	-	-	-
	PT.Jindal Stainless Indonesia	26.64	-	-	-	-	-	27.00	-	-	-	-	-
	Jindal United Steel Limited	-	67.00	-	-	-	-	-	67.00	-	-	-	-
<b>25</b>	<b>Borrowings (inter corporate deposits)</b>	-	-	<b>1,050.00</b>	-	-	-	-	-	<b>900.00</b>	-	-	-
	Jindal Stainless (Hisar) Limited	-	-	1,050.00	-	-	-	-	-	900.00	-	-	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021						Year ended and as at 31 March 2020					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP	Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP
<b>26</b>	<b>Receivables</b>	<b>180.29</b>	<b>50.96</b>	<b>2.89</b>	<b>83.58</b>	-	<b>85.71</b>	<b>198.54</b>	<b>69.26</b>	<b>23.28</b>	<b>13.02</b>	-	<b>51.57</b>
	PT.Jindal Stainless Indonesia	137.81	-	-	-	-	-	133.30	-	-	-	-	-
	Iber Jindal S.L.	42.46	-	-	-	-	-	65.24	-	-	-	-	-
	Jindal Stainless Park Limited	0.02	-	-	-	-	-	-	-	-	-	-	-
	Jindal Stainless (Hisar) Limited	-	-	2.89	-	-	-	-	-	23.28	-	-	-
	JSL Lifestyle Limited	-	-	-	0.33	-	-	-	-	-	2.96	-	-
	Prime Stainless DMCC	-	-	-	-	-	42.18	-	-	-	-	-	-
	JSL Global Commodities Pte. Ltd.	-	-	-	-	-	43.53	-	-	-	-	-	51.57
	Jindal United Steel Limited	-	40.69	-	-	-	-	-	57.74	-	-	-	-
	Jindal Stainless Corporate Management Services Private Limited	-	10.27	-	-	-	-	-	11.52	-	-	-	-
	Jindal Stainless Steelways Limited	-	-	-	80.58	-	-	-	-	-	-	-	-
	J.S.S. Steelitalia Limited	-	-	-	2.67	-	-	-	-	-	10.06	-	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021						Year ended and as at 31 March 2020					
		Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP	Subsidiaries	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significance influence of KMP
<b>27</b>	<b>Security deposit payable</b>	-	<b>329.64</b>	-	-	-	-	-	<b>329.64</b>	-	-	-	-
	Jindal Coke Limited	-	125.00	-	-	-	-	-	125.00	-	-	-	-
	Jindal United Steel Limited	-	204.64	-	-	-	-	-	204.64	-	-	-	-
<b>28</b>	<b>Payables</b>	<b>17.17</b>	<b>20.46</b>	<b>245.29</b>	<b>0.67</b>	-	<b>98.30</b>	<b>11.80</b>	<b>3.10</b>	<b>162.00</b>	<b>9.76</b>	-	<b>16.47</b>
	PT.Jindal Stainless Indonesia	6.78	-	-	-	-	-	0.49	-	-	-	-	-
	Jindal Stainless, FZE	10.39	-	-	-	-	-	11.31	-	-	-	-	-
	Prime Stainless DMCC	-	-	-	-	-	16.71	-	-	-	-	-	16.47
	JSL Global Commodities Pte. Ltd.	-	-	-	-	-	81.59	-	-	-	-	-	-
	Jindal Coke Limited	-	20.46	-	-	-	-	-	3.10	-	-	-	-
	Jindal Stainless Steelways Limited	-	-	-	-	-	-	-	-	-	9.75	-	-
	JSL Logistics Limited	-	-	-	0.19	-	-	-	-	-	0.01	-	-
	Jindal Stainless (Hisar) Limited(Interest Payable)	-	-	245.29	-	-	-	-	-	162.00	-	-	-
	JSL Lifestyle Limited	-	-	-	0.48	-	-	-	-	-	-	-	-

\* In the opinion of the management, the transactions reported herein are on arms' length basis.

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

<b>44</b>	<b>Remuneration paid to KMP</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Short-term employee benefits	7.53	4.20
	Post-employment benefits*	0.15	0.13
	Sitting fees	0.25	0.23
	<b>Total</b>	<b>7.93</b>	<b>4.56</b>

\*Does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

<b>45</b>	<b>Assets pledged as security for borrowings</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	<b>Current</b>		
	<b>Financial assets</b>		
	Investments	0.58	2.53
	Trade receivables	981.66	779.41
	Cash and cash equivalents	50.25	15.93
	Bank balances other than above	38.95	28.45
	Loans	11.40	11.27
	Other financial assets	68.32	76.48
	<b>Non financial assets</b>		
	Inventories	2,466.91	2,330.41
	Other current assets	191.69	207.20
	<b>Total</b>	<b>3,809.76</b>	<b>3,451.68</b>
	<b>Non-current</b>		
	Property, plant and equipment	5,652.72	5,938.28
	Capital work-in-progress	49.22	9.13
	Investments	481.92	384.72
	Other financial assets	0.76	2.24
	<b>Total</b>	<b>6,184.62</b>	<b>6,334.37</b>
	<b>Total assets pledged as security</b>	<b>9,994.38</b>	<b>9,786.05</b>

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

**46 Financial instruments****A Financial assets and liabilities**

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	As at 31 March 2021	As at 31 March 2020
<b>Financial assets measured at fair value through profit or loss:</b>			
Investments	4	0.58	0.22
Derivative assets	6	41.51	30.83
<b>Financial assets measured at fair value through other comprehensive income:</b>			
Investments	4	8.58	8.58
<b>Financial assets measured at amortised cost:</b>			
Investments	4	39.74	36.11
Loans	5	122.38	121.35
Other financial assets	6	27.57	47.89
Trade receivables	10	981.66	779.41
Cash and cash equivalents	11	50.25	15.93
Other bank balances	12	38.95	28.45
<b>Total</b>		<b>1,311.22</b>	<b>1,068.77</b>
<b>Financial liabilities measured at fair value through profit or loss:</b>			
Derivative liabilities	16	7.22	61.79
<b>Financial liabilities measured at amortised cost:</b>			
Borrowing (including current maturities of long term debt)	15,16 & 20	2,899.30	3,654.73
Other financial liabilities	16	769.63	537.61
Trade payables	21	2,475.22	2,432.57
<b>Total</b>		<b>6,151.37</b>	<b>6,686.70</b>

Investment in subsidiaries and associates are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

## JINDAL STAINLESS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

### B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

#### The categories used are as follows:

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

### B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2021	Note	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	4	0.58	-	-	<b>0.58</b>
Derivative assets	6	-	41.51	-	<b>41.51</b>
<b>Financial assets measured at fair value through other comprehensive income:</b>					
Investments	4	-	-	8.58	<b>8.58</b>
<b>Financial liabilities measured at fair value through profit or loss:</b>					
Derivative liabilities	16	-	7.22	-	<b>7.22</b>

As at 31 March 2020	Note	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	4	0.22	-	-	<b>0.22</b>
Derivative assets	6	-	30.83	-	<b>30.83</b>
<b>Financial assets measured at fair value through other comprehensive income:</b>					
Investments	4	-	-	8.58	<b>8.58</b>
<b>Financial liabilities measured at fair value through profit or loss:</b>					
Derivative liabilities	16	-	61.79	-	<b>61.79</b>



## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

#### Valuation process and technique used to determine fair value

- (i) The fair value of investments in quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.
- (ii) The fair value of investments in unquoted equity shares is estimated at their respective costs, since those companies do not have any significant operations and there has neither been any significant change in their performance since initial recognition nor there is any expectation of such changes in foreseeable future.
- (iii) The Company enters into forward contracts with banks for hedging foreign currency risk of its borrowings and receivables and payables arising from import and export of goods. Fair values of such forward contracts are determined based on spot current exchange rates and forward foreign currency exchange premiums on similar contracts for the remaining maturity on the balance sheet date.

#### B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying value	Fair value	Carrying value	Fair value
<b>Non-current financial assets</b>				
Investments	39.74	44.09	33.80	34.31
Security deposits	25.70	26.86	24.19	25.35
Bank deposits with remaining maturity of more than 12 months	0.76	0.76	2.24	2.24
Loans	85.28	85.28	85.89	85.89
<b>Non-current financial liabilities</b>				
Security deposits	32.60	47.88	29.12	38.92
Borrowings	2,545.90	2,545.90	2,715.57	2,715.57

The management assessed that fair values of current loans, other current financial assets, cash and cash equivalents, other bank balances, trade receivables, current investments, short term borrowings, trade payables and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is disclosed at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

- (i) Non-current investments, long-term loans and advances and non-current financial liabilities are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the counterparty/borrower and other market risk factors.
- (ii) The fair values of the Company's fixed interest-bearing liabilities, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2021 was assessed to be insignificant.
- (iii) Most of the long term borrowing facilities availed by the Company from unrelated parties are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's credit worthiness. The inter corporate deposit from the related party is also a variable rate facility which is subject to changes as notified by lender from time to time in accordance with prevailing market interest rates. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

## C Financial risk management

### Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Investments in redeemable preference shares and government securities, loans, Cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost	Ageing analysis, Credit ratings	Bank deposits, diversification of asset base, credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward foreign exchange contracts
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

## **JINDAL STAINLESS LIMITED**

### **Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

**(All amounts in ₹ crores, unless otherwise stated)**

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the Board of Directors. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

#### **C.1 Credit risk**

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by investments in redeemable preference shares, cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

##### **(a) Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

In respect of financial assets carried at amortised cost, other than trade receivables, the management has evaluated that as at 31 March 2021 and 31 March 2020, the credit risk is low and hence, allowance, if any, is measured at 12-month expected credit loss.

In respect of trade receivables, the Company is required to follow simplified approach and accordingly, allowance is recognised for lifetime expected credit losses.

## **JINDAL STAINLESS LIMITED**

### **Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

**(All amounts in ₹ crores, unless otherwise stated)**

#### **Cash and cash equivalents and bank deposits**

Credit risk related to cash and cash equivalents and bank deposits is managed by only investing in highly rated banks and diversifying bank deposits and accounts in different banks across the country.

#### **Derivative financial instruments**

Derivative financial instruments are considered to have low credit risk since the contracts are with reputable financial institutions, most of which have an 'investment grade' credit rating.

#### **Trade receivables**

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored and a significant element of credit risk is covered by credit insurance. The Company's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by the Company. The Company has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent. In respect of trade receivables, the Company recognises a provision for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Company.

#### **Other financial assets measured at amortised cost**

Investments in redeemable preference shares of associate companies, loans (comprising security deposits and loan to a subsidiary) and other financial assets are considered to have low credit risk since there is a low risk of default by the counterparties owing to their capacity to meet contractual cash flow obligations as and when fall due. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

#### **(b) Expected credit losses for financial assets**

##### **(i) Financial assets (other than trade receivables)**

Company provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

- For cash and cash equivalents, other bank balances and derivative financial instruments- Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, derivative financial instruments, other bank balances and bank deposits is evaluated as very low.

- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021 (All amounts in ₹ crores, unless otherwise stated)

- For other financial assets - Credit risk is evaluated based on Company knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Company policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

As at 31 March 2021 and 31 March 2020, management has evaluated that the probability of default of outstanding financial assets (other than trade receivables) is insignificant and therefore, no allowance for expected credit losses has been recognised.

#### (ii) Expected credit loss for trade receivables under simplified approach

In respect of trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Based on evaluation of historical credit loss experience, management considers an insignificant probability of default in respect of receivables which are less than one year overdue. Receivables which are more than one year overdue are analysed individually and allowance for expected credit loss is recognised accordingly.

## C.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

#### (a) Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2021	As at 31 March 2020
Secured*	963.51	623.57

\* Working capital facilities due for review every year

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

**(b) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant:

<b>31 March 2021</b>	<b>Less than 1 year</b>	<b>1-2 year</b>	<b>2-3 year</b>	<b>More than 3 years</b>	<b>Total</b>
<b>Non-derivatives</b>					
Borrowing (including current maturities of long term debt) along with estimated future interest obligation	201.31	1,539.83	377.84	1,376.79	<b>3,495.77</b>
Short term borrowings	319.02	-	-	-	<b>319.02</b>
Security deposit	15.03	-	-	329.64	<b>344.67</b>
Trade payables	2,475.22	-	-	-	<b>2,475.22</b>
Other financial liabilities	650.80	21.34	12.47	107.87	<b>792.48</b>
<b>Derivatives</b>					
Derivative liability	7.22	-	-	-	<b>7.22</b>
<b>Total</b>	<b>3,668.60</b>	<b>1,561.17</b>	<b>390.31</b>	<b>1,814.30</b>	<b>7,434.38</b>

<b>31 March 2020</b>	<b>Less than 1 year</b>	<b>1-2 year</b>	<b>2-3 year</b>	<b>More than 3 years</b>	<b>Total</b>
<b>Non-derivatives</b>					
Borrowing (including current maturities of long term debt) along with estimated future interest obligation	853.08	579.17	1,374.36	1604.60	<b>4,411.21</b>
Short term borrowings	397.56	-	-	-	<b>397.56</b>
Security deposit	13.47	-	-	329.64	<b>343.11</b>
Trade payables	2,432.57	-	-	-	<b>2,432.57</b>
Other financial liabilities	421.74	12.41	12.41	119.87	<b>566.43</b>
<b>Derivatives</b>					
Derivative liability	61.79	-	-	-	<b>61.79</b>
<b>Total</b>	<b>4,180.21</b>	<b>591.58</b>	<b>1,386.77</b>	<b>2,054.11</b>	<b>8,212.67</b>

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

#### C.3 Market risk

##### (a) Foreign currency risk

The Company is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Company act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Foreign currency (in million)	Amount (₹ crores)	Foreign currency (in million)	Amount (₹ crores)
<b>Loans and other financial assets</b>				
USD	3.64	26.64	3.57	27.00
<b>Trade receivables</b>				
GBP	0.02	0.22	-	-
<b>Balance with banks</b>				
USD	0.01	0.08	-	-
EUR	0.03	0.27	-	-
<b>Borrowings</b>				
USD	-	-	36.56	276.34
<b>Trade payables</b>				
USD	39.51	288.85	63.75	481.85
EUR	4.25	36.44	3.71	30.95
GBP	0.20	1.99	0.01	0.05
JPY	-	-	0.25	0.02
SGD	-	-	0.00	0.00

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Company's financial assets and financial liabilities at the reporting date, net of derivative contracts for hedging those exposures. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near-term future volatility.

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

The impact on the Company's profit before tax and equity due to changes in the foreign currency exchange rates are given below:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>USD Sensitivity</b>		
INR/USD - Increase by 4.69% (31 March 2020 - 5.45%)	(12.29)	(39.85)
INR/USD - Decrease by 4.69% (31 March 2020 - 5.45%)	12.29	39.85
<b>GBP Sensitivity</b>		
INR/GBP - Increase by 8.23% (31 March 2020 - 10.65%)	(0.15)	(0.01)
INR/GBP - Decrease by 8.23% (31 March 2020 - 10.65%)	0.15	0.01
<b>Euro Sensitivity</b>		
INR/EUR - Increase by 7.07% (31 March 2020 - 7.57%)	(2.56)	(2.34)
INR/EUR - Decrease by 7.07% (31 March 2020 - 7.57%)	2.56	2.34

**(b) Interest rate risk****(i) Financial liabilities**

The Company's policy is to minimise interest rate cash flow risk exposures on external financing. At 31 March 2021 and 31 March 2020, the Company is exposed to changes in interest rates through bank borrowings carrying variable interest rates. The Company's investments in fixed deposits carry fixed interest rates.

**Interest rate risk exposure**

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31 March 2021	As at 31 March 2020
Variable rate borrowing	2,499.30	3,556.43
Fixed rate borrowing	400.00	98.30
<b>Total borrowings</b>	<b>2,899.30</b>	<b>3,654.73</b>

**Sensitivity**

Below is the sensitivity of profit or loss to changes in interest rates.

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Interest sensitivity*</b>		
Interest rates – increase by 50 basis points	8.13	11.57
Interest rates – decrease by 50 basis points	(8.13)	(11.57)

\* Holding all other variables constant



## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

#### (ii) Financial assets

The Company's investments in redeemable preference shares of its associate companies and government securities, loan to a related party and deposits with banks are carried at amortised cost and are fixed rate instruments. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### (c) Price risk

##### (i) Exposure

The Company's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

##### (ii) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's equity and profit for the year :

#### Impact on profit before tax

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Quoted equity</b>		
Price increase by 5% - FVTPL	0.03	0.01
Price decrease by 5% - FVTPL	(0.03)	(0.01)

#### 47 Capital management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to shareholders

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of its gearing ratio, debt equity ratio and ratio of net debts to its earnings before interest, tax, depreciation and amortisation (EBITDA)

## JINDAL STAINLESS LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

### Debt equity ratio

Particulars	As at 31 March 2021	As at 31 March 2020
Total borrowings (including current maturities of long term debt)	2,899.30	3,654.73
Less: Cash and cash equivalents	50.25	15.93
<b>Net debt</b>	<b>2,849.05</b>	<b>3,638.80</b>
Total equity	3,152.78	2,657.32
<b>Net debt to equity ratio</b>	<b>90.37%</b>	<b>136.93%</b>

### Ratio of net debt to EBITDA

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Profit before exceptional item and tax</b>	<b>601.03</b>	<b>236.05</b>
Less: Other income	42.30	36.98
Add: Depreciation and amortisation expense	373.42	408.86
Add: Finance cost	463.70	566.89
<b>EBITDA</b>	<b>1,395.85</b>	<b>1,174.82</b>
Net debt	2,849.05	3,638.80
<b>Ratio of net debt to EBITDA</b>	<b>2.04</b>	<b>3.10</b>

### Gearing ratio

Particulars	As at 31 March 2021	As at 31 March 2020
Total borrowings (including current maturities of long term debt)	2,899.30	3,654.73
Less: Cash and cash equivalents	50.25	15.93
<b>Net debt</b>	<b>2,849.05</b>	<b>3,638.80</b>
Total equity	3,152.78	2,657.32
<b>Equity and net debt</b>	<b>6,001.83</b>	<b>6,296.12</b>
<b>Gearing ratio</b>	<b>47.47%</b>	<b>57.79%</b>

#### 48 Code on Social Security

The Code of Social Security, 2020 ("Code") relating to employee benefits during employment and post employment received Presidential assent in September 2020. Subsequently the Ministry of Labour and Employment had released the draft rules on the aforementioned code. However, the same is yet to be notified. The Company will evaluate the impact and make necessary adjustments to the financial statements in the period when the code will come into effect.

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

This is the summary of significant accounting policies and other explanatory information referred in our report of even date.	For and on behalf of the Board of Directors	
For <b>Walker Chandiok &amp; Co LLP</b> Chartered Accountants FRN 001076N/N500013	<b>Abhyuday Jindal</b> Managing Director DIN: 07290474	<b>Tarun Kumar Khulbe</b> Whole Time Director DIN: 07302532
<b>Rajni Mundra</b> Partner Membership No.: 058644	<b>Anurag Mantri</b> Chief Financial Officer	<b>Navneet Raghuvanshi</b> Company Secretary
Place: New Delhi		
Date: 14 May 2021		

## **Independent Auditor's 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 2021, 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 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group and its associates as at 31 March 2021, 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 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 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 and on the other financial information of the subsidiaries and associates, were of most significance in our audit of the 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.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Carrying amount of investment in an associate company and net assets of a subsidiary company</b></p> <p>The Group has investment in equity instruments of its associate company, Jindal United Steel Limited amounting to ₹ 158.21 crores and carries net assets amounting to ₹ 39.50 crores in respect of a subsidiary, PT. Jindal Stainless Indonesia in its consolidated financial statements.</p> <p>The Group assesses recoverability of the investment in associate and net assets of the subsidiary, which is a cash generating unit ('CGU'), when impairment indicators exist by comparing the fair value (less costs of disposal) of investment in associate and value in use of CGU with carrying amounts thereof as on the reporting date in accordance with Ind AS 36, Impairment of Assets.</p> <p>The fair value of the investment in associate and value in use of the CGU is determined by a management-appointed independent valuation specialist based on discounted cash flow ('DCF') method. The process of computation of such fair value (less costs of disposal) and value in use using DCF method is complex. Management's assessment of such valuations requires estimation and judgement around assumptions used. The key assumptions underpinning management's assessment include, but are not limited to, projections of</p>	<p>Our audit procedures were focused on obtaining sufficient appropriate audit evidence that the carrying amounts of investment in the associate, Jindal United Steel Limited and net assets of the subsidiary, PT. Jindal Stainless Indonesia are not materially misstated. These procedures included, but were not limited to, the following:</p> <p>We obtained an understanding of management's processes and controls for determining the fair valuation of investment in associate and value in use of the CGU. The understanding was obtained by performance of walkthroughs which included inspection of documents produced by the Group and discussion with those involved in the process of valuation.</p> <p>In addition to the evaluation of design and testing the operating effectiveness of controls implemented for identification of impairment indicators and measurement of impairment provisions, we also performed the following procedures:</p> <ul style="list-style-type: none"> <li>• Assessed the qualification and objectivity of the management-appointed independent valuation specialist to determine the fair value of investment in associate and value in use of the CGU;</li> <li>• Assessed the appropriateness of valuation methodology used with the help of an auditor's expert, and tested the mathematical accuracy of management's model;</li> <li>• Reconciled the cash flow projections to the business plans approved by the Group's management;</li> <li>• Challenged the management's assessment of underlying assumptions used for the cash flow projections including the implied growth rates, considering evidence available including the impact of COVID-19 pandemic, where appropriate to support these assumptions and our understanding of the business;</li> <li>• Tested the discount rate and long-term growth rates used in the forecast including comparison to economic and industry forecasts, where appropriate;</li> <li>• Evaluated the sensitivity analysis performed by management in respect of the key assumptions such as discount and growth rates to ensure there was sufficient headroom with respect to</li> </ul>

<p>future cash flows, growth rates, discount rates, estimated future operating and capital expenditure.</p> <p>The application of significant judgment in this matter required substantial involvement of internal and external valuation experts on the audit engagement.</p> <p>Accordingly, assessment of impairment losses to be recognised, if any, on the carrying amounts of investment in the associate company and net assets of the CGU has been considered to be a key audit matter for current year's audit.</p>	<p>the estimation uncertainty impact of such assumptions on the fair value and value in use calculation;</p> <ul style="list-style-type: none"> <li>• Engaged internal and external valuation experts to obtain additional comfort on the valuation technique used by management's valuation expert;</li> <li>• Obtained written representations from management and those charged with governance on whether the significant assumptions used in valuation of the investment in the associate company and value in use of the CGU are considered reasonable;</li> <li>• Ensured that disclosure in relation to investment in associate and net assets of subsidiary have been appropriately made in the consolidated financial statements including the related impairment indicators.</li> </ul>
<p><b>Recoverability of Minimum Alternate Tax (MAT) Credit</b></p> <p>As at 31 March 2021, the Holding Company has recognised Minimum Alternate Tax (MAT) credit amounting ₹ 77.65 crores, within deferred tax assets. On that date, the Holding Company also has unabsorbed depreciation amounting to ₹ 1,662.15 crores.</p> <p>The recognition of a deferred tax asset in the form of MAT credit is based on the management's estimate of taxable and accounting profits in future, which are underpinned by the Holding Company's price assumptions and business plans, and tax adjustments required to be made in the taxable profit computations, as per the provisions of Income-tax Act, 1961 (IT Act). Estimating recoverability of MAT credit also requires significant judgments, including the timing of reversals of unabsorbed depreciation.</p>	<p>Our procedures in relation to assessment of MAT credit recognised as at reporting date included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained and updated our understanding of the management's process of computation of future accounting and taxable profits of the Holding Company, and expected utilization of available MAT credit within specified time period as per provisions of the IT Act;</li> <li>• Evaluated the design of and tested the operating effectiveness of controls around the preparation of underlying business plans, future taxable profit computation, and assessment of recognition of MAT credit at year end;</li> <li>• Reconciled the business results projections to the future business plans approved by the Holding Company's board of directors;</li> <li>• Challenged the management's assessment of underlying assumptions used for the business results projections including expected capacity expansion and utilisation, implied growth rates and expected prices considering evidence available to support these assumptions and our understanding of the business;</li> <li>• Tested the growth rates used in the forecast by comparing them to past trends and to economic and industry forecasts where appropriate including the impact of COVID-19 pandemic;</li> </ul>

Considering the materiality of the amounts involved and inherent subjectivity requiring significant judgment involved in the determination of utilization of MAT credit through estimation of future taxable profits, this area was considered to be of most significance to the audit and determined to be a key audit matter for current year's audit.

- Performed independent sensitivity analysis in respect of the key assumptions such as growth rates to ensure there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the timing of reversal of unabsorbed depreciation and utilisation of MAT credit;
- Tested the computations of future taxable profits, including testing of the adjustments made in such computations with respect to tax-allowed and tax-disallowed items, other tax rebates and deductions available to the Holding Company, and tested the computation of MAT liability in such future years, in accordance with the provisions of the IT Act;
- Evaluated the historical accuracy of the estimates made in the prior periods with respect to business projections and aforesaid tax computations;
- Tested the mathematical accuracy of management's projections and tax computations;
- Based on aforesaid computations, assessed the appropriateness of management's estimate of likelihood of utilization of MAT credit within the time period specified and in accordance with the provisions of the IT Act;
- Engaged the internal tax experts to assess the accuracy of MAT credit recognised in the consolidated financial statements;
- Evaluated the appropriateness and adequacy of the disclosures related to MAT credit in the consolidated financial statements in accordance with the applicable accounting standards.

#### **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. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated 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 consolidated 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 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 is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is 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/ management 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 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 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 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 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, 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 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its 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;
- 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; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, and its associates, to express an opinion on the 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 Matter**

15. We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets of ₹ 721.87 crores and net assets of ₹ 122.29 crores as at 31 March 2021, total revenues of ₹ 817.98 crores and net cash inflows amounting to ₹ 2.84 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 ₹ 5.47 crores for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of three 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. Another auditor has audited these conversion adjustments made by the Holding Company's management for one of the subsidiaries and for the remaining aforementioned subsidiaries, 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 balances and affairs of such subsidiaries located outside India, are based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us and the other auditor.

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.

### **Report on Other Legal and Regulatory Requirements**

16. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries and associates, we report that the Holding Company and two associate companies covered under the Act 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 the provisions of section 197 read with Schedule V to the Act are not applicable to one associate company covered under the Act, since such company is not a public company as defined under section 2(71) of the Act and that one subsidiary company covered under the Act has 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 the aforementioned associate company and subsidiary company.
17. 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, 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;
  - 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 company and associate companies covered under the Act, none of the directors of the Group companies and its associate companies covered under the Act, are disqualified as on 31 March 2021 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'; 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 as also the other financial information of the subsidiaries and associates:
- 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 35 to the consolidated financial statements;
  - ii. the Group and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
  - 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 2021; and
  - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

UDIN: 21058644AAAAACE8477

**Place:** New Delhi

**Date:** 14 May 2021

**Annexure I to the Independent Auditor's Report to the members of Jindal Stainless Limited on the consolidated financial statements for the year ended 31 March 2021**

**Annexure I**

**List of entities included in the Consolidated Financial Statements**

<b>S. No.</b>	<b>Name</b>	<b>Relationship</b>
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	Jindal United Steel Limited	Associate
7	Jindal Coke Limited	Associate
8	Jindal Stainless Corporate Management Service Private Limited	Associate

**Annexure II to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited on the consolidated financial statements for the year ended 31 March 2021**

**Annexure II**

**Independent Auditor's Report on the internal financial controls with reference to 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 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company 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 company 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 Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 company and its associate companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the 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 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.

**Annexure II to the Independent Auditor's Report of even date to the members of Jindal Stainless Limited on the consolidated financial statements for the year ended 31 March 2021**

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 company 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 company and its associate companies, which are companies covered

**Annexure II to the Independent Auditor’s Report of even date to the members of Jindal Stainless Limited on the consolidated financial statements for the year ended 31 March 2021**

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 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Other Matter**

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company covered under the Act, whose financial statements reflect total assets of ₹ 0.05 crores and net assets of ₹ 0.03 crores as at 31 March 2021, total revenues of ₹ nil and net cash outflows amounting to ₹ nil crore (rounded off) 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 ₹ 5.47 crores for the year ended 31 March 2021, in respect of three 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 subsidiary company 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 company and its associate companies, as aforesaid, under section 143(3)(i) of the Act in so far as it relates to such subsidiary company 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.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm’s Registration No.: 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

UDIN: 21058644AAAACE8477

**Place:** New Delhi

**Date:** 14 May 2021



**JINDAL STAINLESS LIMITED**  
**Consolidated Balance Sheet as at 31 March 2021**  
**(All amounts in ₹ crores, unless otherwise stated)**

	Note	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	5,828.06	6,148.37
Capital work-in-progress	2A	52.73	12.58
Goodwill		0.12	0.12
Other intangible assets	3	27.23	32.09
Intangible assets under development	3A	5.50	2.40
Investment accounted for using equity method	4	343.18	310.08
Financial assets			
Investments	4 A	112.01	135.90
Loans	5	106.37	105.26
Other financial assets	6	0.76	2.24
Income-tax assets (net)	7	14.86	26.46
Other non-current assets	8	125.16	75.74
<b>Current assets</b>			
Inventories	9	2,788.60	2,738.98
Financial assets			
Investments	4 A	0.58	2.53
Trade receivables	10	933.89	705.19
Cash and cash equivalents	11	77.37	40.21
Bank balances other than cash and cash equivalents	12	38.95	28.45
Loans	5	3.20	5.17
Other financial assets	6	68.32	78.32
Other current assets	8	207.62	227.45
<b>Total</b>		<b>10,734.51</b>	<b>10,677.54</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	13	97.45	97.45
Other equity	14	3,107.68	2,619.79
Non-controlling interest	49	13.25	13.02

**JINDAL STAINLESS LIMITED**  
**Consolidated Balance Sheet as at 31 March 2021**  
**(All amounts in ₹ crores, unless otherwise stated)**

	Note	As at 31 March 2021	As at 31 March 2020
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	15	2,593.08	2,715.57
Other financial liabilities	16	110.75	102.40
Provisions	17	15.83	16.89
Deferred tax liabilities (net)	18	461.03	190.30
Other non-current liabilities	19	279.19	324.05
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	20	513.64	645.73
Trade payables			
Total outstanding dues to micro enterprises and small enterprises	21	117.73	87.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	2,514.12	2,572.30
Other financial liabilities	16	717.93	1,042.75
Current tax liabilities (net)	22	0.89	0.72
Other current liabilities	19	189.70	248.40
Provisions	17	2.24	0.89
<b>Total</b>		<b>10,734.51</b>	<b>10,677.54</b>

**Summary of significant accounting policies**

**1**

The summary of significant accounting policies and other explanatory information are an integral part of these consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.	For and on behalf of the Board of Directors	
<b>For Walker Chandio &amp; Co LLP</b> Chartered Accountants FRN 001076N/N500013	<b>Abhyuday Jindal</b> Managing Director DIN: 07290474	<b>Tarun Kumar Khulbe</b> Whole Time Director DIN: 07302532
<b>Rajni Mundra</b> Partner Membership No.: 058644	<b>Anurag Mantri</b> Chief Financial Officer	<b>Navneet Raghuvanshi</b> Company Secretary
<b>Place:</b> New Delhi		
<b>Date:</b> 14 May 2021		

**JINDAL STAINLESS LIMITED**
**Consolidated Statement of Profit and Loss for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

	Note	Year ended 31 March 2021	Year ended 31 March 2020
<b>INCOME</b>			
Revenue from operations	<b>23</b>	12,188.46	12,950.87
Other income	<b>24</b>	40.90	39.89
<b>Total</b>		<b>12,229.36</b>	<b>12,990.76</b>
<b>EXPENSES</b>			
Cost of materials consumed		7,458.19	8,217.86
Purchases of stock-in-trade		236.95	487.86
Changes in inventories of finished goods, work in progress and stock-in-trade	<b>25</b>	113.64	(127.23)
Employee benefits expense	<b>26</b>	177.87	204.53
Finance costs	<b>27</b>	480.08	585.53
Depreciation and amortisation expenses	<b>28</b>	402.96	425.16
Other expenses	<b>29</b>	2,777.62	3,028.37
<b>Total</b>		<b>11,647.31</b>	<b>12,822.08</b>
<b>Profit before exceptional items, tax and share of profit/(loss) of investments accounted for using equity method</b>		<b>582.05</b>	<b>168.68</b>
Share of profit/(loss) of investments accounted for using equity method		5.21	(7.86)
<b>Profit before exceptional items and tax</b>		<b>587.26</b>	<b>160.82</b>
Exceptional items	<b>37</b>	102.41	4.44
<b>Profit before tax</b>		<b>689.67</b>	<b>165.26</b>
<b>Tax expense</b>	<b>30</b>		
Current tax		0.73	1.26
Deferred tax		269.23	72.43
Taxes in relation to earlier years		0.25	18.95
<b>Total tax expenses</b>		<b>270.21</b>	<b>92.64</b>
<b>Net profit for the year</b>		<b>419.46</b>	<b>72.62</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			

**JINDAL STAINLESS LIMITED****Consolidated Statement of Profit and Loss for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	Note	Year ended 31 March 2021	Year ended 31 March 2020
Re-measurements of defined employee benefit plans		3.66	(1.10)
Income-tax effect on above		(0.83)	0.38
Share of other comprehensive income of investments accounted for using equity method		0.26	(0.10)
Items that will be reclassified to profit or loss			
Exchange difference in translating the financial statements of foreign operation		0.50	8.16
Income-tax effect on above		-	-
<b>Total other comprehensive income</b>		<b>3.59</b>	<b>7.34</b>
<b>Total comprehensive income for the year</b>		<b>423.05</b>	<b>79.96</b>
<b>Profit for the year attributable to:</b>			
Owners of the Company		<b>419.23</b>	<b>71.32</b>
Non-controlling interest		<b>0.23</b>	<b>1.30</b>
<b>Other comprehensive income for the year attributable to:</b>			
Owners of the Company		<b>3.59</b>	<b>7.34</b>
Non-controlling interest		-	-
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the Company		<b>422.82</b>	<b>78.66</b>
Non-controlling interest		<b>0.23</b>	<b>1.30</b>
<b>Earnings per share (in ₹)</b>	<b>32</b>		
Basic		8.60	1.48
Diluted		8.48	1.48

**Summary of significant accounting policies****1**

The summary of significant accounting policies and other explanatory information are an integral part of these consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.	For and on behalf of the Board of Directors	
<b>For Walker Chandiook &amp; Co LLP</b> Chartered Accountants FRN 001076N/N500013	<b>Abhyuday Jindal</b> Managing Director DIN: 07290474	<b>Tarun Kumar Khulbe</b> Whole Time Director DIN: 07302532
<b>Rajni Mundra</b> Partner Membership No.: 058644	<b>Anurag Mantri</b> Chief Financial Officer	<b>Navneet Raghuvanshi</b> Company Secretary
<b>Place:</b> New Delhi		
<b>Date:</b> 14 May 2021		

**JINDAL STAINLESS LIMITED**
**Consolidated Statement of Changes in Equity for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**
**A. Equity share capital**

Particulars	Amount
As at 01 April 2019	95.84
Changes in equity share capital	1.61
As at 31 March 2020	97.45
Changes in equity share capital	-
As at 31 March 2021	97.45

**B. Other equity**

Particulars	Reserves and surplus						Other comprehensive income		Money received against share warrants	Attributable to owners of the Company (A)	Attributable to non controlling interests (B)	Total [(A)+(B)]
	Amalgamation reserve	Foreign currency monetary item translation difference account	Debenture redemption reserve	Securities premium	Capital redemption reserve	Retained earnings	Share of associates	Foreign currency translation reserve				
Balance as at 01 April 2019	1.22	(15.75)	32.07	1,053.91	20.00	1,416.29	(0.29)	(12.47)	-	2,494.98	11.72	2,506.70
Profit for the year	-	-	-	-	-	71.32	-	-	-	71.32	1.30	72.62
Securities premium received on issue of equity shares on preferential basis	-	-	-	26.97	-	-	-	-	-	26.97	-	26.97
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(0.72)	(0.10)	8.16	-	7.34	-	7.34
Transfer from debenture redemption reserve	-	-	(7.65)	-	-	7.65	-	-	-	-	-	-

**JINDAL STAINLESS LIMITED**
**Consolidated Statement of Changes in Equity for the year ended 31 March 2021**

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Reserves and surplus						Other comprehensive income		Money received against share warrants	Attributable to owners of the Company (A)	Attributable to non controlling interests (B)	Total [(A)+(B)]
	Amalgamation reserve	Foreign currency monetary item translation difference account	Debenture redemption reserve	Securities premium	Capital redemption reserve	Retained earnings	Share of associates	Foreign currency translation reserve				
Accumulation of translation difference on long term foreign currency monetary items (net of amortisation)	-	4.42	-	-	-	-	-	-	-	4.42	-	4.42
Deferred tax liability on revaluation reserve reversed	-	-	-	-	-	14.76	-	-	-	14.76	-	14.76
<b>Balance as at 31 March 2020</b>	<b>1.22</b>	<b>(11.33)</b>	<b>24.42</b>	<b>1,080.88</b>	<b>20.00</b>	<b>1,509.30</b>	<b>(0.39)</b>	<b>(4.31)</b>	-	<b>2,619.79</b>	<b>13.02</b>	<b>2,632.81</b>
Profit for the year	-	-	-	-	-	419.23	-	-	-	419.23	0.23	419.46
Other comprehensive income for the year (net of tax)	-	-	-	-	-	2.83	0.26	0.50	-	3.59	-	3.59
Subscription amount towards compulsorily convertible share warrants	-	-	-	-	-	-	-	-	53.72	53.72	-	53.72
Transfer from debenture redemption reserve	-	-	(24.42)	-	-	24.42	-	-	-	-	-	-
Accumulation of translation difference on long term foreign currency monetary items (net of amortisation)	-	11.33	-	-	-	-	-	-	-	11.33	-	11.33
Others	-	-	-	-	-	0.02	-	-	-	0.02	-	0.02
<b>Balance as at 31 March 2021</b>	<b>1.22</b>	-	-	<b>1,080.88</b>	<b>20.00</b>	<b>1,955.80</b>	<b>(0.13)</b>	<b>(3.81)</b>	<b>53.72</b>	<b>3,107.68</b>	<b>13.25</b>	<b>3,120.93</b>

**Summary of significant accounting policies**
**1**

The summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

**JINDAL STAINLESS LIMITED****Consolidated Statement of Changes in Equity for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.	For and on behalf of the Board of Directors	
<b>For Walker Chandiok &amp; Co LLP</b> Chartered Accountants FRN 001076N/N500013	<b>Abhyuday Jindal</b> Managing Director DIN: 07290474	<b>Tarun Kumar Khulbe</b> Whole Time Director DIN: 07302532
<b>Rajni Mundra</b> Partner Membership No.: 058644	<b>Anurag Mantri</b> Chief Financial Officer	<b>Navneet Raghuvanshi</b> Company Secretary
<b>Place:</b> New Delhi		
<b>Date:</b> 14 May 2021		

**JINDAL STAINLESS LIMITED**
**Consolidated Cash Flow Statement for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

	Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>A</b>	<b>Cash flow from operating activities</b>		
	Profit before tax	689.67	165.26
	<b>Adjustments for:</b>		
	Depreciation and amortisation expenses	402.96	425.16
	Profit on disposal of property, plant and equipment (net)	(0.35)	(0.36)
	Interest income on investments	(3.97)	(2.88)
	Liability no longer required, written back	(2.76)	(63.67)
	Amortisation of deferred revenue	(12.63)	(12.66)
	Interest income on financial assets measured at amortised cost	(1.27)	(1.21)
	Unwinding of discount on financial assets measured at amortised cost	1.99	11.90
	Bad debts written off and allowance for expected credit loss	17.08	1.94
	Interest income on fixed deposits, receivables and income tax refund	(16.15)	(18.23)
	Net unrealised foreign exchange (gain)/loss	(72.55)	82.79
	Finance costs	480.08	585.53
	Share of (profit)/loss from associates	(5.21)	7.86
	<b>Operating profit before working capital changes</b>	<b>1,476.89</b>	<b>1,181.43</b>
	<b>Movement in working capital</b>		
	Trade receivables	(264.36)	244.17
	Inventories	(49.62)	(324.37)
	Other financial assets	110.02	(94.69)
	Other assets	20.22	(33.52)
	Trade payables	9.66	147.10
	Other financial liabilities	77.83	70.30
	Other liabilities	(88.28)	(16.42)
	Provisions	3.95	1.51
	<b>Cash flow from operating activities post working capital changes</b>	<b>1,296.31</b>	<b>1,175.51</b>
	Income- tax paid (net of refund)	11.46	4.85
	<b>Net cash generated from operating activities (A)</b>	<b>1,307.77</b>	<b>1,180.36</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of property, plant and equipment and intangible assets (including capital work in progress and intangible assets under development)	(167.75)	(196.82)
	Proceeds from disposal of property, plant and equipment	5.29	22.24



**JINDAL STAINLESS LIMITED****Consolidated Cash Flow Statement for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Interest received	17.19	7.93
	Proceeds from sale of investment	2.31	
	Investment in deposits with banks (net)	(9.02)	(21.13)
	<b>Net cash used in investing activities (B)</b>	<b>(151.98)</b>	<b>(187.78)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Proceeds from issue of shares/warrants	53.72	28.58
	Repayment of short term borrowing (net)	(131.62)	(100.95)
	Repayment of long-term borrowings	(1,006.93)	(1,212.87)
	Proceeds from long-term borrowings	310.45	800.00
	Payment of lease liability	(3.93)	(4.01)
	Interest paid	(340.33)	(501.52)
	<b>Net cash used in financing activities (C)</b>	<b>(1,118.64)</b>	<b>(990.77)</b>
	<b>Net change in cash and cash equivalents (A+B+C)</b>	<b>37.15</b>	<b>1.81</b>
	Cash and cash equivalents at the beginning of the year (refer note 11)	40.21	36.33
	Cash and cash equivalents at the end of the year (refer note 11)	77.37	40.21
	Foreign currency translation (gain)/loss on cash and cash equivalents	(0.01)	(2.07)
	<b>Net changes in cash and cash equivalents</b>	<b>37.15</b>	<b>1.81</b>

**Summary of significant accounting policies**

The summary of significant accounting policies and other explanatory information are an integral part of these consolidated financial statements.

This is the Consolidated Cash Flow Statement referred to in our report of even date.	For and on behalf of the Board of Directors	
<b>For Walker Chandio &amp; Co LLP</b> Chartered Accountants FRN 001076N/N500013	<b>Abhyuday Jindal</b> Managing Director DIN: 07290474	<b>Tarun Kumar Khulbe</b> Whole Time Director DIN: 07302532
<b>Rajni Mundra</b> Partner Membership No.: 058644	<b>Anurag Mantri</b> Chief Financial Officer	<b>Navneet Raghuvanshi</b> Company Secretary
<b>Place:</b> New Delhi		
<b>Date:</b> 14 May 2021		

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless stated otherwise)

#### 1 Corporate information, basis of preparation and summary of significant accounting policies

##### (i) Corporate information

Jindal Stainless Limited (“the Holding Company”) is domiciled and incorporated in India. Its equity shares are listed at the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and its Global Depository Shares are listed at the Luxemburg Stock Exchange (LSE). The registered office of the Holding Company is located at O. P. Jindal Marg, Hisar, Haryana, India. The Holding Company is engaged in the business of manufacturing of stainless steel flat products in Austenitic, Ferritic, Martensitic and Duplex grades. The product range includes Ferro Alloys, Stainless Steel Slabs, Hot Rolled Coils, Plates and Sheets, and Cold Rolled Coils and Sheets.

The consolidated financial statements comprise financial statement of Jindal Stainless Limited and its subsidiaries (collectively the “Group”) and includes share of profit of the associates for the year ended 31 March 2021.

#### Group structure

##### I. Subsidiaries

Name of the entity	Principal Activities	Country of Incorporation	% of equity interest	
			As at 31 March 2021	As at 31 March 2020
<b>Indian</b>				
Jindal Stainless Park Limited	Development of industrial park	India	100.00	100.00
<b>Foreign</b>				
PT. Jindal Stainless Indonesia	Stainless steel manufacturing	Indonesia	99.999	99.999
Jindal Stainless FZE	Stainless steel manufacturing	UAE	100.00	100.00
JSL Group Holdings Pte. Limited	Stainless steel manufacturing	Singapore	100.00	100.00
Iberjindal S.L.	Stainless steel manufacturing	Spain	65.00	65.00

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless stated otherwise)

#### II. Associates

Name of the entity	Principal Activities	Country of Incorporation	% of equity Interest	
			As at 31 March 2021	As at 31 March 2020
<b>Indian</b>				
Jindal Stainless Corporate	Management services	India	50.00	50.00
Jindal United Steel Limited	Stainless steel manufacturing	India	26.00	26.00
Jindal Coke Limited	Coke Manufacturing	India	26.00	26.00

#### (ii) Basis of preparation

The consolidated financial statements of the Holding Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 (“the Act”) read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements. The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value; and

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The consolidated financial statements are presented in Indian Rupees (₹), which is the Holding Company's functional and presentation currency and all amounts are rounded to the nearest crores (except otherwise indicated).

#### (iii) Basis of consolidation

##### Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless stated otherwise)

with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Profit/(loss) and other comprehensive income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31 March 2021.

The Group combines the consolidated financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the parent company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

#### Associates

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

#### (iv) Significant accounting policies

##### a) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless stated otherwise)

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

#### b) Property, plant and equipment

##### *Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises the purchase price, borrowing cost (if capitalisation criteria are met) and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

##### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight line method prescribed under Schedule II of the Act, computed on the basis of useful lives prescribed under Schedule II of the Act or technical evaluation of the property, plant and equipment by the management which are mentioned below:

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Tangible assets	Useful life (years)
Buildings	2-60
Electrical installations	1-35
Continuous process plant and equipment	1-35
Railway sidings	15
Power line and bay extension	15-20
Furniture and fixtures	1-10
Vehicles	3-10
Office equipment	1-15

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

#### *De-recognition*

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

#### **c) Intangible assets**

##### *Recognition and initial measurement*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

##### *Subsequent measurement (amortisation and useful lives)*

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

## JINDAL STAINLESS LIMITED

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Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

Asset category	Estimated useful life (in years)
Mine development expenses (stripping costs)	Over the period of expected duration of benefits
Software	5

The amortisation period and the amortisation method for intangible assets are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

#### *De-recognition*

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

#### **d) Impairment of non-financial assets**

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

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#### e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest method that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Eligible transaction/ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings.

#### f) Inventories

Inventories are stated at lower of cost or net realisable value. The cost in respect of the various items of inventory is computed as under:

- Raw material cost includes direct expenses and is determined based on weighted average method.
- Stores and spares cost includes direct expenses and is determined on the basis of weighted average method.
- In case of finished goods, cost includes raw material cost plus conversion costs and other overheads incurred to bring the goods to their present location and condition.
- In case of stock-in-trade, cost includes direct expenses and is determined on the basis of weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

#### g) Foreign currency translation

##### *Functional and presentation currency*

The consolidated financial statements are presented in Indian Rupees (INR or ₹) and are rounded to two decimal places of crores, which is also the Holding Company's functional currency.

##### *Transactions and balances*

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.



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Exchange differences arising on settlement or translation of monetary items as at reporting date are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

#### *Exchange differences*

As per the generally accepted accounting principles followed by the Holding Company till 31 March 2016, exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset were adjusted to the cost of the asset. Exchange differences arising on other long-term foreign currency monetary items existing as on 31 March 2016 are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item. The Group has elected to continue with the said policy on exchange differences arising on long term foreign currency monetary items existing on 31 March 2016, as allowed under Ind AS 101.

For this purpose, the Group treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.

#### *Group companies*

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet.
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

**h) Right-of-use assets and lease liabilities**

**As a lessee**

*Classification of lease*

The Group's leased asset classes primarily consist of leases for land and plant and machinery. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

*Recognition and initial measurement of right-of-use assets*

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

*Subsequent measurement of right-of-use asset*

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

**Lease liabilities**

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily

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determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

#### i) Fair value measurement

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

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

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

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

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

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

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

#### j) Revenue recognition from sale of products and services

##### *Recognition*

Sales (including scrap sales) are recognised when control of products is transferred to the buyer as per the terms of the contract and are accounted for net of returns and rebates. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods. Sales, as disclosed, are exclusive of goods and services tax.

To determine if it is acting as a principal or as an agent, the Group assesses whether it has exposure to the significant risks and rewards associated with the rendering of logistics services. Revenue from rendering of logistic services provided to its customer after the transfer of control of underlying goods is recognized on net basis i.e. after deducting the amount contractually payable to transporters out of the total consideration received and is recognized once the facilitation of such service is done as the Group does not assume any performance obligation.

Income in respect of service contracts, which are generally in the nature of providing infrastructure and support services, are recognised in statement of profit and loss when such services are rendered. Customers are invoiced periodically (generally on monthly basis).

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If the Group does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the balance sheet. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its balance sheet, depending on whether something other than the passage of time is required before the consideration is due.

##### *Measurement*

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract

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with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. The sale of goods is typically made under credit payment terms differing from customer to customer and ranges between 0-90 days. No element of financing is deemed present as the sales are largely made on advance payment terms or with credit term of not more than one year.

The transaction price is allocated by the Group to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

Periodically, the Group enters into volume or other rebate programs where once a certain volume or other conditions are met, it refunds the customer some portion of the amounts previously billed or paid. For such arrangements, the Group only recognizes revenue for the amounts it ultimately expects to realize from the customer. The Group estimates the variable consideration for these programs using the most likely amount method or the expected value method, whichever approach best predicts the amount of the consideration based on the terms of the contract and available information and updates its estimates in each reporting period.

#### k) **Income recognition**

##### **Interest income**

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

##### **Dividends**

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

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#### i) Financial instruments

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Group determines that the fair value at initial recognition differs from the transaction price the Group accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

#### Financial assets

##### *Classification and subsequent measurement*

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- i. **Financial assets at amortised cost** – a financial instrument is measured at amortised cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method. Effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

ii. **Financial assets at fair value**

- **Investments in equity instruments** – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in profit or loss.

- **Derivative assets** - All derivative assets are measured at fair value through profit and loss (FVTPL).

*De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

*Reclassification of financial assets*

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

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#### Financial liabilities

##### *Subsequent measurement*

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

All derivative liabilities are measured at fair value through profit and loss (FVTPL).

##### *De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### Offsetting of financial instruments

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

#### m) Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.



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- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### *Trade receivables*

- i. For debtors that are not past due – The Group applies approach required by Ind AS 109 'Financial Instruments', which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

Life time expected credit losses are assessed and accounted based on Group's historical counter party default rates and forecast of macro- economic factors, by dividing receivables that are not considered to be individually significant by reference to the business segment of the counter party and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counter party default rates. The Group defines default as an event when the financial asset is past due for more than 365 days. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is an objective evidence of impairment.

- ii. For debtors considered past due – any enhancement in the accrual done for expected credit loss on individually significant receivables is made to recognise any additional expected credit loss on amount recoverable. The Group writes off trade receivables when there is no objective evidence that such amount would not be recovered. Financial assets that are written-off are still subject to enforcement activity by the Group.

#### *Other financial assets*

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

**n) Post-employment and other employee benefits**

*Defined contribution plans*

A defined contribution plan is a plan under which the Group pays fixed contributions into an independent fund administered by the government, for example, contribution towards Employees' Provident Fund Scheme and Employees' State Insurance Scheme. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognised as an expense in the year that related employee services are received.

*Defined benefit plans*

The Group operates defined benefits plans in India and Indonesia. The cost of providing benefits under the defined benefit plan is determined on the basis of actuarial valuation using the projected unit credit method. Gratuity fund of the Holding Company is administered through Life Insurance Corporation of India.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

**Other employee benefits**

*Long-term employee benefits: Compensated absences*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated based on an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

*Other short-term benefits*

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

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#### o) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

#### p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

#### q) Taxes

##### *Current income-tax*

Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities of the respective entities consolidated in these financial statements. The

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tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income-tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### *Deferred tax*

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred tax assets are reviewed at each balance sheet date and derecognized to the extent it is no longer probable that sufficient future taxable profits will be available against which such deferred tax assets can be realized.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Minimum Alternate Tax ('MAT') credit is recognized as an asset only when and to the extent it is probable that the Group will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not probable that the Group will pay normal income tax during the specified period.

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless stated otherwise)

#### r) Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

#### s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

##### *Identification of segments:*

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified based on information reviewed by the Group's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Results of the operating segments are reviewed regularly by the management team which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

#### t) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

#### u) Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group. Such income or expense is classified as an exceptional item and accordingly, disclosed in the notes to the consolidated financial statements.

**(v) Significant management judgement in applying accounting policies and estimation uncertainty**

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Group's accounting policies and that may have the most significant effect on the amounts recognised in the consolidated financial statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Allowance for expected credit losses** – The allowance for expected credit losses reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Group's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealers termination rates, write-offs and collections, the monitoring of portfolio credit quality and current and projected economic and market conditions.

**Recognition of deferred tax assets** - The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Provisions** – At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

**Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

**Contingent liabilities** – The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

**(vi) Standards issued but not yet effective**

On 24 March 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Act. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Some of the key amendments relating to Division II which relate to the Group are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If the Group has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of the Group, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the consolidated financial statements.
- The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021  
(All amounts in ₹ crores, unless otherwise stated)

**2 Property, plant and equipment**

Particulars	Owned assets										Right-of-use assets#					Total
	Leasehold land	Freehold land *	Buildings **	Plant and machinery ***	Railway siding	Electric installation	Vehicles	Furniture and fixtures	Office equipment	Power line and bay extension	Leasehold land	Building	Vehicles	Furniture	Plant and machinery	
<b>Gross carrying amount</b>																
<b>As at 01 April 2019</b>	<b>440.01</b>	<b>328.58</b>	<b>1,138.79</b>	<b>5,589.33</b>	<b>118.24</b>	<b>139.12</b>	<b>14.27</b>	<b>6.13</b>	<b>15.99</b>	<b>9.19</b>	-	-	-	-	-	<b>7,799.65</b>
Additions	-	0.05	5.84	159.47	-	1.61	2.18	0.53	0.89	-	-	-	-	-	-	<b>170.57</b>
Re-classification impact of Ind AS 116	(440.01)	-	-	-	-	-	-	-	-	-	440.01	-	-	-	-	-
Transition impact of Ind AS 116	-	-	-	-	-	-	-	-	-	-	5.65	-	-	-	76.00	<b>81.65</b>
Disposal	-	-	-	(43.62)	-	-	(0.01)	-	-	-	-	-	-	-	-	<b>(43.63)</b>
Translation difference	-	8.32	3.67	32.76	-	-	0.58	0.02	1.17	-	-	-	-	-	-	<b>46.52</b>
<b>As at 31 March 2020</b>	-	<b>336.95</b>	<b>1,148.30</b>	<b>5,737.94</b>	<b>118.24</b>	<b>140.73</b>	<b>17.02</b>	<b>6.68</b>	<b>18.05</b>	<b>9.19</b>	<b>445.66</b>	-	-	-	<b>76.00</b>	<b>8,054.76</b>
Additions	-	-	5.02	75.52	-	0.76	-	0.28	0.30	-	-	0.20	0.11	0.01	1.46	<b>83.66</b>
Disposal	-	-	-	(27.14)	-	-	(0.95)	-	(0.04)	-	-	-	-	-	-	<b>(28.13)</b>
Translation difference	-	(3.17)	(1.38)	(12.41)	-	-	(1.44)	0.01	(0.44)	-	-	(0.01)	-	-	(0.02)	<b>(18.86)</b>
<b>As at 31 March 2021</b>	-	<b>333.78</b>	<b>1,151.94</b>	<b>5,773.91</b>	<b>118.24</b>	<b>141.49</b>	<b>14.63</b>	<b>6.97</b>	<b>17.87</b>	<b>9.19</b>	<b>445.66</b>	<b>0.19</b>	<b>0.11</b>	<b>0.01</b>	<b>77.44</b>	<b>8,091.43</b>
<b>Accumulated depreciation</b>																
<b>As at 01 April 2019</b>	<b>21.31</b>	-	<b>146.14</b>	<b>1,242.13</b>	<b>22.48</b>	<b>28.35</b>	<b>7.20</b>	<b>1.16</b>	<b>13.49</b>	<b>2.20</b>	-	-	-	-	-	<b>1,484.46</b>
Re-classification impact of Ind AS 116	(21.31)	-	-	-	-	-	-	-	-	-	21.31	-	-	-	-	-
Depreciation charge	-	-	34.09	349.92	7.54	8.70	1.83	0.65	0.80	0.55	5.44	-	-	-	7.05	<b>416.57</b>
Disposal	-	-	-	(22.35)	-	-	(0.67)	-	(0.01)	-	-	-	-	-	-	<b>(23.03)</b>
Translation difference	-	-	2.31	24.63	-	-	0.32	0.01	1.12	-	-	-	-	-	-	<b>28.39</b>



**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

Particulars	Owned assets										Right-of-use assets#					Total
	Leasehold land	Freehold land *	Buildings **	Plant and machinery ***	Railway siding	Electric installation	Vehicles	Furniture and fixtures	Office equipment	Power line and bay extension	Leasehold land	Building	Vehicles	Furniture	Plant and machinery	
As at 31 March 2020	-	-	182.54	1,594.33	30.02	37.05	8.68	1.82	15.40	2.75	26.75	-	-	-	7.05	1,906.39
Depreciation charge	-	-	33.31	325.22	7.54	8.75	1.61	0.54	0.72	0.55	5.44	0.14	0.06	-	7.57	391.46
Disposal	-	-	-	(22.62)	-	-	(0.51)	-	(0.03)	-	-	-	-	-	-	(23.16)
Translation difference	-	-	(0.93)	(9.83)	-	-	(0.13)	0.01	(0.43)	-	-	-@	-@	-@	(0.01)	(11.32)
As at 31 March 2021	-	-	214.92	1,887.10	37.56	45.80	9.65	2.37	15.66	3.30	32.19	0.14	0.06	-	14.61	2,263.37
Net carrying amount																
As at 01 April 2019	418.70	328.58	992.65	4,347.20	95.76	110.77	7.07	4.97	2.50	6.99	-	-	-	-	-	6,315.19
As at 31 March 2020	-	336.95	965.76	4,143.61	88.22	103.68	8.34	4.86	2.65	6.44	418.91	-	-	-	68.95	6,148.37
As at 31 March 2021	-	333.78	937.02	3,886.81	80.68	95.69	4.98	4.60	2.21	5.89	413.47	0.05	0.05	0.01	62.83	5,828.06

\* Gross carrying amount, inter alia, includes ₹ 16.78 crores (previous year ₹ 16.78 crores) jointly owned with other body corporate with 50% share of the Holding Company.

\*\* Gross carrying amount, inter alia, includes ₹ 1.17 crores (previous year ₹ 1.17 crores) jointly owned with other body corporate with 50% share of the Holding Company.

\*\*\* Additions include ₹ nil crores (previous year ₹ 17.40 crores) on account of exchange difference on foreign currency loans.

# Refer note 42 for disclosure pertaining to leases.

@ rounded off to nil

**(i) Contractual obligations**

Refer note 36 for disclosures of contractual commitments for the acquisition of property, plant and equipment.

**(ii) Property, plant and equipment pledged as security**

Refer note 44 and 15 for information on property, plant and equipment pledged as security by the Group.

**2A** The Group has capital work-in-progress amounting to ₹ 52.73 crores as at 31 March 2021 (previous year: ₹ 12.58 crores)

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)****3 Other intangible assets**

Particulars	Computer software	Mining development expense (stripping cost)	Total
<b>Gross carrying amount</b>			
<b>As at 01 April 2019</b>	<b>48.63</b>	<b>14.38</b>	<b>63.01</b>
Additions	11.21	-	<b>11.21</b>
Translation difference	0.05	-	<b>0.05</b>
<b>As at 31 March 2020</b>	<b>59.89</b>	<b>14.38</b>	<b>74.27</b>
Additions	6.62	-	<b>6.62</b>
Translation difference	0.01	-	<b>0.01</b>
<b>As at 31 March 2021</b>	<b>66.52</b>	<b>14.38</b>	<b>80.90</b>
<b>Accumulated amortisation</b>			
<b>As at 01 April 2019</b>	<b>21.26</b>	<b>12.33</b>	<b>33.59</b>
Amortisation charge	7.85	0.74	<b>8.59</b>
<b>As at 31 March 2020</b>	<b>29.11</b>	<b>13.07</b>	<b>42.18</b>
Amortisation charge	10.76	0.74	<b>11.50</b>
<b>As at 31 March 2021</b>	<b>39.87</b>	<b>13.81</b>	<b>53.68</b>
<b>Net carrying amount</b>			
<b>As at 31 March 2020</b>	<b>30.78</b>	<b>1.31</b>	<b>32.09</b>
<b>As at 31 March 2021</b>	<b>26.66</b>	<b>0.57</b>	<b>27.23</b>

**3A** The Group has intangible assets under development amounting to ₹ 5.50 crores as at 31 March 2021 (previous year: ₹ 2.40 crores)

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**
**4 Investment accounted for using equity method**

		As at 31 March 2021			As at 31 March 2020		
		Nos.	Face value (₹ unless otherwise stated)	Amount	Nos.	Face Value (₹ unless otherwise stated)	Amount
<b>(i)</b>	<b>Investment in associate companies carried at cost (unquoted)</b>						
	Jindal Stainless Corporate Management Services Private Limited	5,000	10	5.31	5,000	10	4.16
	Jindal United Steel Limited #	111,395,877	10	94.55	99,098,577	10	92.95
	Jindal Coke Limited	8,432,372	10	72.82	8,432,372	10	57.78
				<b>172.68</b>			<b>154.89</b>
<b>(ii)</b>	<b>Investment in 10 % Non-cumulative non-convertible redeemable preference shares (equity portion) of associate companies carried at cost (unquoted) *</b>						
	Jindal United Steel Limited			75.88			75.88
	Jindal Coke Limited **			94.62			79.31
				<b>170.50</b>			<b>155.19</b>
	<b>Total</b>			<b>343.18</b>			<b>310.08</b>
<b>4 A</b>	<b>Other non-current investments</b>						
<b>1</b>	<b>Investment in other companies-carried at fair value through other comprehensive income (unquoted)</b>						
	MJSJ Coal Limited	8,559,000	10	8.47	8,559,000	10	8.47
	Jindal Synfuels Limited	100,000	10	0.10	100,000	10	0.10
	Arian Resources Corporation	111,102		0.01	111,102		0.01
	<b>Total (1)</b>			<b>8.58</b>			<b>8.58</b>

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**

(All amounts in ₹ crores, unless otherwise stated)

	Investment accounted for using equity method	As at 31 March 2021			As at 31 March 2020		
		Nos.	Face value (₹ unless otherwise stated)	Amount	Nos.	Face Value (₹ unless otherwise stated)	Amount
<b>2</b>	<b>Investment in preference shares of associate companies</b>						
(i)	<b>0.01 % Non-cumulative compulsorily convertible preference shares carried at cost</b>						
	Jindal Coke Limited **	-		-	17,617,568	10.00	17.62
	Jindal United Steel Limited #	63,654,063	10	63.66	75,951,363	10.00	75.95
				<b>63.66</b>			<b>93.57</b>
(ii)	<b>10 % Non-Cumulative non-convertible redeemable preference shares carried at amortised cost *</b>						
	Jindal Coke Limited **	109,264,641	10	21.32	91,647,073	10	17.06
	Jindal United Steel Limited #	87,673,311	10	18.45	87,673,311	10	16.69
				<b>39.77</b>			<b>33.75</b>
	<b>Total (2)</b>			<b>103.43</b>			<b>127.32</b>
	<b>Total (1+2)</b>			<b>112.01</b>			<b>135.90</b>
	<b>Current investments</b>						
a)	<b>Investment in equity instruments - carried at fair value through profit or loss (quoted)</b>						
	Hotel Leela Ventures Limited	90,000	2	0.05	90,000	2	0.03
	Central Bank of India	7,247	10	0.01	7,247	10	0.01
	Adani Ports and Special Economic Zone Limited	7,355	2	0.52	7,355	2	0.18
	<b>Total</b>			<b>0.58</b>			<b>0.22</b>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**

(All amounts in ₹ crores, unless otherwise stated)

	Investment accounted for using equity method	As at 31 March 2021			As at 31 March 2020		
		Nos.	Face value (₹ unless otherwise stated)	Amount	Nos.	Face Value (₹ unless otherwise stated)	Amount
<b>b)</b>	<b>Investment in government or securities carried at amortised cost</b>						
	8.57% Andhra Pradesh SDL 2020			-	220,000	100	2.31
	<b>Total (a+b)</b>			<b>0.58</b>			<b>2.53</b>
	<b>Aggregate amount of unquoted investments</b>			<b>112.01</b>			<b>138.21</b>
	<b>Aggregate amount and market value of quoted investments</b>			<b>0.58</b>			<b>0.22</b>
	<b>Aggregate amount of impairment in the value of investments</b>			-			-

\* In terms of Composite Scheme of Arrangement [Refer note 34(I)], Jindal Coke Limited and Jindal United Steel Limited issued 10% non-cumulative non-convertible redeemable preference shares to the Holding Company. The difference between the fair value of such preference shares upon initial recognition and the amount of settlement as per the said scheme, has been accounted as deemed equity contribution and has been classified as investment in equity instrument.

\*\*The Board of Directors of the Holding Company at its meeting, held on 6 June 2020, has approved the request received from Jindal Coke Limited, an associate of the Holding Company, to vary the terms and conditions of 1,76,17,568 numbers of 0.01% Non-Cumulative Compulsorily Convertible Preference Shares ("NCCCPs") held by the Holding Company in Jindal Coke Limited ("JCL") to make them at par with existing 10% Non-Cumulative Non-Convertible Redeemable Preference Shares held by the Holding Company in JCL.

The variation in the terms of the existing NCCCPs were made effective from 19 June 2020; i.e. the date when the shareholders of JCL has approved the variation in their extra- ordinary general meeting.

# The management of the Holding Company reviewed the carrying amount of its investment in its associate company, Jindal United Stainless Limited ('JUSL') and the carrying amount of net assets of the subsidiary company, PT. Jindal Stainless Indonesia ('PTJSI') as at 31 March 2021. The management observed the existence of certain indicators of impairment and accordingly appointed an independent valuation specialist to assess the recoverable amount of the investment/net assets by comparing the value in use and carrying amount of the investment/net assets as on the reporting date.

Based on the report of independent valuation specialist and internal evaluation, the management has concluded that there is no impairment in the carrying amount of this investments.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**

(All amounts in ₹ crores, unless otherwise stated)

5	Loans	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Loans receivables considered good, unsecured				
	Security deposits	28.06	26.57	3.20	5.17
	Other loans*	78.31	78.69	-	-
	<b>Total</b>	<b>106.37</b>	<b>105.26</b>	<b>3.20</b>	<b>5.17</b>

\* includes loan to related party

Refer note 47 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

6	Other financial assets	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Considered good, unsecured				
	Derivative asset (foreign exchange forward contracts)	-	-	41.51	30.83
	Bank deposits with remaining maturity of more than 12 months *	0.76	2.24	-	-
	Export benefit receivables	-	-	25.07	26.03
	Other receivables	-	-	1.74	21.46
	<b>Total</b>	<b>0.76</b>	<b>2.24</b>	<b>68.32</b>	<b>78.32</b>

\* ₹ 0.76 crores (previous year: ₹ 2.24 crores) is under lien with banks.

Refer note 44 for information on other financial assets pledged as security by the Group.

Refer note 47 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

7	Income-tax assets (net)	Non-current	
		As at 31 March 2021	As at 31 March 2020
	Prepaid taxes [net of provision for tax]	14.86	26.46
	<b>Total</b>	<b>14.86</b>	<b>26.46</b>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

8	Other assets	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Capital advances	70.20	18.90	-	-
	Prepaid expenses	6.49	7.98	-	-
	Advances to vendors	10.00	-	135.64	106.95
	Balances with statutory authorities	38.47	48.86	70.97	117.25
	Other assets	-	-	1.01	3.25
	<b>Total</b>	<b>125.16</b>	<b>75.74</b>	<b>207.62</b>	<b>227.45</b>

9	Inventories	As at 31 March 2021	As at 31 March 2020
	Raw materials [ including goods-in-transit ₹ 440.89 crores (previous year ₹ 419.04 crores)] *	966.98	724.05
	Work-in-progress	1,022.30	1,010.93
	Finished goods	590.56	713.57
	Stock-in-trade	1.45	5.36
	Store and spares [ including goods-in-transit ₹ 10.23 crores (previous year ₹ 18.37 crores)]	207.31	285.07
	<b>Total</b>	<b>2,788.60</b>	<b>2,738.98</b>

\* Write-downs of inventories to net realisable value on account of slow moving and obsolete items amounted to ₹ nil crores (31 March 2020 : ₹ 3.94 crores). These were recognized as an expense during the year and were included in 'cost of material consumed' in Statement of Profit and Loss. The carrying value of such inventories carried at fair value less costs to sell amounts to ₹ 1.41 crores (31 March 2020 : ₹ 11.43 crores )

Refer note 44 and 15 for information on inventories pledged as security by the Group.

10	Trade receivables	As at 31 March 2021	As at 31 March 2020
	Trade receivables considered good, unsecured	933.89	705.19
	Trade receivables - credit impaired	25.65	11.06
	<b>Total</b>	<b>959.54</b>	<b>716.25</b>
	Less : Loss allowance	(25.65)	(11.06)
	<b>Total</b>	<b>933.89</b>	<b>705.19</b>

Refer note 47 (C.1)(b)(ii) for details of expected credit loss for trade receivables under simplified approach.

Refer note 47 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Refer note 44 and 15 for information on trade receivables pledged as security by the Group.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>11</b>	<b>Cash and cash equivalents</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	Balances with banks	52.05	27.11
	Balances with banks in foreign currency	0.35	0.02
	Bank deposits with original maturity of less than three months *	9.36	5.52
	Cheques on hand	15.52	7.40
	Cash on hand	0.09	0.16
	<b>Total</b>	<b>77.37</b>	<b>40.21</b>

\* ₹ 8.45 crores (previous year ₹ 4.49 crores) is under lien with banks. The Holding Company has also created bank deposit of ₹ nil (previous year ₹ 0.80 crores) for Debenture Redemption Reserve.

Refer note 47 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

Refer note 44 for information on cash and cash equivalents pledged as security by the Group.

<b>12</b>	<b>Other bank balances</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	Bank deposits with original maturity of more than three month but residual maturity of less than twelve months*	38.95	28.45
	<b>Total</b>	<b>38.95</b>	<b>28.45</b>

\* ₹ 32.16 crores (previous year ₹ 22.05 crores) is under lien with banks. The Holding Company has also created bank deposit of ₹ nil (previous year ₹ 6.40 crores) for Debenture Redemption Reserve.

Refer note 47 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

<b>13</b>	<b>Equity share capital</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	<b>Authorised</b>		
	605,000,000 (previous year 605,000,000) Equity shares of ₹ 2 each	121.00	121.00
	170,000,000 (previous year 170,000,000) Preference shares of ₹ 2 each	34.00	34.00
		<b>155.00</b>	<b>155.00</b>
	<b>Issued, subscribed and paid up</b>		
	487,234,600 (previous year 487,234,600) Equity shares of ₹ 2 each fully paid up	97.45	97.45
		<b>97.45</b>	<b>97.45</b>



**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

A	Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year	As at 31 March 2021		As at 31 March 2020	
		No. of shares	% holding	No. of shares	% holding
	Shares outstanding at the beginning of the year	487,234,600		479,221,660	
	<b>Shares issued during the year</b>				
	Allotment of equity shares on preferential basis (refer note (i) below)	-		8,012,940	
	<b>Shares outstanding at the end of the year</b>	<b>487,234,600</b>		<b>487,234,600</b>	
(i)	During the year ended 31 March 2021, the Holding Company allotted nil equity shares (previous year 8,012,940 ) having face value of ₹ 2 each to a promoter group entity (JSL Limited) on preferential basis at a price of nil (previous year ₹ 35.65, including premium of ₹ 33.65 per share), aggregating to nil (previous year ₹ 28.57 crores).				
(ii)	As on 31 March 2021, 8,802,167 Global Depository Shares ('GDSs') (previous year 8,802,167 GDSs) with 17,604,334 underlying equity shares (previous year 17,604,334 equity shares) were outstanding. Each GDS represents 2 underlying equity shares of the Holding Company.				
<b>B</b>	<b>Terms/rights attached to equity shares</b>				
	The Holding Company has only one class of equity shares having a face value of ₹ 2 per share. Each shareholder is eligible for one vote per equity share held [other than the shares represented by Regulation S Global Depository Shares (the "GDSs") issued by the Holding Company whose voting rights are subject to certain conditions and procedure as prescribed under the Regulation S Deposit Agreement]. The Holding Company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and also has equal right in distribution of profit/surplus in proportion to the number of equity shares held by the shareholders.				
<b>C</b>	<b>Equity shares in the Holding Company held by each shareholder holding more than 5% equity shares are as under:</b>				
	<b>Name of the shareholder</b>	<b>As at 31 March 2021</b>		<b>As at 31 March 2020</b>	
		<b>No. of equity shares</b>	<b>% holding</b>	<b>No. of equity shares</b>	<b>% holding</b>
	Jindal Stainless (Hisar) Limited	168,284,309	34.54	168,284,309	34.54
	JSL Overseas Holding Limited	70,995,424	14.57	70,995,424	14.57
	Kotak Special Situations Fund	28,376,673	5.82	27,481,027	5.64
<b>D</b>	During the five years immediately preceding 31 March 2021, in the year ended 31 March 2017, the Holding Company issued 168,284,309 equity shares to Jindal Stainless (Hisar) Limited pursuant to the composite scheme of arrangement referred to in note 34(l). In the aforementioned period of five years, the Holding Company has neither allotted any bonus shares nor have any shares been bought back.				

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>E</b>	<b>Optionally convertible redeemable preference shares</b>
	<p>During the year ended 31 March 2018, the Holding Company had allotted 142,830,637 0.01% Optionally Convertible Redeemable Preference Shares having face value of ₹ 2 each ("OCRPS") to the lenders of the Holding Company upon conversion of the Funded Interest Term Loan I and the Funded Interest Term Loan II at a price of ₹ 39.10 (including premium of ₹ 37.10) per OCRPS aggregating to ₹ 558.47 crores, on the terms as approved by the Board of Directors of the Holding Company (Refer note 15 and 38).</p> <p>During the year ended 31 March 2020, the Holding Company had redeemed the aforementioned OCRPS issued to the lenders at a price of ₹ 39.10/- per share (including premium of ₹ 37.10/- per share) aggregating to ₹ 558.47 crores.</p>

<b>14</b>	<b>Other equity</b>		
<b>A</b>	<b>Amalgamation reserve</b>		
	This reserve was created in accordance with an approved scheme of amalgamation between Jindal Stainless Limited, Austenitic Creations Pvt Limited and J-Inox Creations Pvt Limited with effect from 1 April 2003.		
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	1.22	1.22
	<b>Balance at the end of the year</b>	<b>1.22</b>	<b>1.22</b>
<b>B</b>	<b>Foreign currency monetary items translation difference account</b>		
	This reserve represents unamortised foreign exchange differences arising on translation of long-term foreign currency monetary items.		
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	(11.33)	(15.75)
	Add: Accumulated during the year	(0.24)	(10.09)
	Less : Amortised during the year	11.57	14.51
	<b>Balance at the end of the year</b>	<b>-</b>	<b>(11.33)</b>
<b>C</b>	<b>Debenture redemption reserve</b>		
	During the year ended 31 March 2021, the amount standing to the credit of Debenture Redemption Reserve has been transferred to retained earnings since the debentures have been redeemed.		
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	24.42	32.07
	Less : Transferred during the year to retained earnings	24.42	7.65
	<b>Balance at the end of the year</b>	<b>-</b>	<b>24.42</b>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>D</b>	<b>Securities premium</b>		
	Represents the amount received in excess of par value of securities.		
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	1,080.88	1,053.91
	Add : Securities premium received on issue of equity shares on preferential basis	-	26.97
	<b>Balance at the end of the year</b>	<b>1,080.88</b>	<b>1,080.88</b>
<b>E</b>	<b>Capital redemption reserve</b>		
	Capital redemption reserve represents reserves created as per provisions of section 80 of the erstwhile Companies Act, 1956 on redemption of 10.5% Redeemable Cumulative Non Convertible Preference Shares in the financial year 2003-04.		
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	20.00	20.00
	<b>Balance at the end of the year</b>	<b>20.00</b>	<b>20.00</b>
<b>F</b>	<b>Retained earnings</b>		
	Represents the undistributed surplus of the Group and includes the amount pertaining to revaluation of property, plant and equipment prior to the Ind AS transition date.		
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	1,509.30	1,416.29
	Add: Profit for the year	419.23	71.32
	Add : Re-measurements of defined employee benefit plans (net of tax)	2.83	(0.72)
	Add: Transfer from debenture redemption reserve	24.42	7.65
	Add: Deferred tax liability on revaluation reserve reversed	-	14.76
	Add: Others	0.02	-
	<b>Balance at the end of the year</b>	<b>1,955.80</b>	<b>1,509.30</b>
<b>G</b>	<b>Foreign currency translation reserve</b>		
	This represents amount arising due to foreign currency translation differences while consolidating foreign operations.		
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	(4.31)	(12.47)
	Add : Other comprehensive income for the year (net of tax)	0.50	8.16
	<b>Balance at the end of the year</b>	<b>(3.81)</b>	<b>(4.31)</b>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>H Other comprehensive income - share of associates</b>			
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	(0.39)	(0.29)
	Add : Other comprehensive income for the year (net of tax)	0.26	(0.10)
	<b>Balance at the end of the year</b>	<b>(0.13)</b>	<b>(0.39)</b>

<b>I Money received against share warrants</b>			
Represents amount received towards subscription of compulsorily convertible share warrants*			
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Balance at the beginning of the year	-	-
	Add: Subscription amount towards compulsorily convertible share warrants	53.72	-
	<b>Balance at the end of the year</b>	<b>53.72</b>	<b>-</b>
	<b>Total of other equity</b>	<b>3107.68</b>	<b>2619.70</b>

\* On 29 September 2020, the Holding Company has issued and allotted 38,260,868 number of Convertible Equity Warrants of ₹ 2 each, at a price of ₹ 42.55, which includes a premium of ₹ 40.55 per convertible equity warrants, as determined in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, after receipt of subscription money @ 33% of the issue price i.e. ₹ 14.04 per warrant (including paid up amount of ₹ 0.66 per warrant) to Virtuous Tradecorp Private Limited, a promoter group entity and Kotak Special Situations Fund, an Alternate Investment Fund and a non-promoter entity, on preferential basis, to augment the cash flows of the Holding Company for utilization towards meeting its liabilities, strengthening long term working capital and other general corporate purposes. The Relevant Date for the purpose of determination of minimum price for the issue and allotment of convertible equity warrants as mentioned above was 18 August 2020, being the date 30 days prior to the date of this extra-ordinary general meeting.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

15	Borrowings	Non-current	
		As at 31 March 2021	As at 31 March 2020
<b>I</b>	<b>Secured</b>		
<b>A</b>	<b>Debentures</b>		
(i)	Redeemable non-convertible debentures	400.00	497.68
		<b>400.00</b>	<b>497.68</b>
<b>B</b>	<b>Term loans</b>		
(i)	<b>From banks</b>		
	Rupee term loans	1,030.75	1,468.22
	Foreign currency loans	-	276.34
(ii)	<b>From others (Financial institution)</b>		
	Rupee term loans	99.53	98.30
		<b>1,130.28</b>	<b>1,842.86</b>
<b>C</b>	<b>Funded interest term loans</b>		
	From others	-	16.63
		-	<b>16.63</b>
	<b>Total</b>	<b>1,530.28</b>	<b>2,357.17</b>
<b>II</b>	<b>Unsecured</b>		
<b>A</b>	Term loan	60.44	-
<b>B</b>	Inter corporate deposits from related party	1,050.00	900.00
	<b>Total</b>	<b>1,110.44</b>	<b>900.00</b>
	Less : Amount disclosed under the head other financial liabilities-current (Refer note 16)	47.64	541.60
	<b>Total</b>	<b>2,593.08</b>	<b>2,715.57</b>

Refer note 47 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**

(All amounts in ₹ crores, unless otherwise stated)

<b>III Reconciliation of liabilities arising from financing activities</b>					
The changes in the Group's liabilities arising from financing activities can be classified as follows:					
	Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
		Long-term borrowings	Short-term borrowings (Refer note 20)*	Long-term borrowings	Short-term borrowings (Refer note 20)*
	<b>Opening balance</b>	3,257.17	645.73	3,644.73	742.99
	<b>Cash flows</b>				
	Repayment	(1,006.93)	(131.62)	(1,212.87)	(100.95)
	Proceeds	310.45	-	800.00	-
	<b>Non cash:</b>				
	Moratorium interest converted into loan	78.11	-	-	-
	Foreign exchange (gain)/loss on foreign currency loans	(2.48)	(0.47)	21.61	3.70
	Amortisation of transaction costs in respect of financial liabilities carried at amortised cost	4.40	-	3.70	-
	<b>Closing balance</b>	<b>2,640.72</b>	<b>513.64</b>	<b>3,257.17</b>	<b>645.73</b>

\* Movement in short term borrowings is presented on net basis

	Particulars	As at 31 March 2021	As at 31 March 2020
<b>IV</b>	<b>Secured borrowings</b>		
<b>A</b>	<b>Debentures</b>		
(i)	Redeemable non-convertible debentures Redeemable in quarterly installments of: -Ranging from ₹ 13.30 crores to ₹ 13.40 crores during 2022-23 (three installments, first installment falling due on 31 July 2022) - ₹ 15.00 crores each during 2023-24 (four installments) - ₹ 20.00 crores each during 2024-25 (four installments) - ₹ 25.00 crores each during 2025-26 (four installments) - ₹ 30.00 crores each during 2026-27 (four installments, last installment falling due on 31 January 2027) Secured by: - first pari-passu charge by way of mortgage of the Holding Company's immovable properties and hypothecation of movable fixed assets both present and future - second pari-passu charge by way of hypothecation and/ or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, refer note VI for details of additional securities	400.00	400.00

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
(ii)	Redeemable non-convertible debentures* Fully redeemed during the current financial year	-	97.68
	<b>Total - Debentures</b>	<b>400.00</b>	<b>497.68</b>
*At its meeting held on 21 January 2021, the sub-committee of the Board of Directors of the Holding Company had considered and approved early redemption of 2,500 Redeemable non- convertible debentures (secured) of face value ₹ 0.10 crores each, which were listed on BSE Limited, having an outstanding balance of ₹ 52.08 crores which has been duly remitted and fully redeemed within the quarter ended 31 March 2021.			

<b>B</b>	<b>Term loans</b>		
(i)	Rupee term loan Repayable in quarterly installments of: - Ranging from ₹ 0.22 crores to ₹ 0.33 crores each during 2021-22 (four installments) - Ranging from ₹ 0.33 crores to ₹ 0.44 crores each during 2022-23 (four installments) - ₹ 19.46 crores each during 2023-24 (four installments) - Ranging from ₹ 28.99 crores to ₹ 40.50 crores each during 2024-25 (four installments) - Ranging from ₹ 40.50 crores to ₹ 45.56 crores each during 2025-26 (four installments) - Ranging from ₹ 43.23 crores to ₹ 47.07 crores each during 2026-27 (four installments) - Thereafter ₹ 37.20 crores on 30 June 2027 and ₹ 28.47 crores on 30 September 2027 Secured by: - first pari-passu charge by way of mortgage of the Holding Company's immovable properties and hypothecation of movable fixed assets both present and future and - second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, refer note VI for details of additional securities	633.74	851.50

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	Particulars	As at 31 March 2021	As at 31 March 2020
(ii)	<p>Rupee term loan</p> <p>Redeemable in quarterly installments of:</p> <ul style="list-style-type: none"> <li>- ₹ 10.39 crores during 2021-22 (two installments)</li> <li>- Ranging from ₹ 10.39 crores to ₹ 20.78 crores each during 2022-23 (four installments)</li> <li>- ₹ 20.78 crores each during 2023-24 (four installments)</li> <li>- Ranging from ₹ 18.70 crores to ₹ 20.78 crores each during 2024-25 (four installments)</li> <li>- Ranging from ₹ 17.67 crores to ₹ 18.70 crores each during 2025-26 (four installments)</li> <li>- Ranging from ₹ 17.67 crores to ₹ 31.17 crores each during 2026-27 (four installments)</li> </ul> <p>Secured by:</p> <ul style="list-style-type: none"> <li>- first pari-passu charge by way of mortgage of the Holding Company's immovable properties and hypothecation of movable fixed assets both present and future</li> <li>- second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, refer note VI for details of additional securities</li> </ul>	415.66	400.00
(iii)	<p>Rupee term loan</p> <p>Fully repaid during the current financial year</p>	-	327.48
(iv)	<p>Rupee term loan</p> <p>Repayable in quarterly installments of</p> <ul style="list-style-type: none"> <li>- ₹ 4.17 crores each first installment falling due on 30 September 2022 and last installment falling due on 30 June 2027 (24 equal installments)</li> </ul> <p>Secured by:</p> <ul style="list-style-type: none"> <li>- first pari-passu charge by way of mortgage of the Holding Company's immovable properties and hypothecation of movable fixed assets both present and future and</li> <li>- second pari-passu charge by way of hypothecation and/or pledge of current assets namely finished goods, raw materials, work-in-progress, consumable stores and spares, book debts and bills receivable, both present and future. Also, refer note VI for details of additional securities</li> </ul>	100.00	-



**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

	Particulars	As at 31 March 2021	As at 31 March 2020
(v)	Foreign currency loan Fully repaid during the current financial year	-	276.34
	<b>Total</b>	<b>1,149.40</b>	<b>1,855.32</b>
	Less: Unamortised portion of upfront fees and transaction costs	19.12	12.46
	<b>Total - Rupee term loans</b>	<b>1,130.28</b>	<b>1,842.86</b>

<b>C</b>	<b>Funded interest term loans</b>		
	Funded interest term loans Fully repaid during the current financial year	-	16.63
	<b>Total - Funded interest term loans</b>	<b>-</b>	<b>19.40</b>
	<b>Total - Secured</b>	<b>1,530.28</b>	<b>2,359.94</b>

The above term loans bear a floating rate of interest linked with State Bank of India Marginal Cost of Funds based Lending Rate or benchmark of respective banks plus applicable spread ranging from 20 basis points to 305 basis points.

<b>V</b>	<b>Unsecured</b>		
<b>A</b>	Term loan (Commercial) Repayable in monthly installments of: - Ranging from ₹ 0.24 crores to ₹ 0.71 crores each during 2021-22 (monthly installments) - Ranging from ₹ 0.71 crores to ₹ 0.72 crores each during 2022-23 (monthly installments) - Ranging from ₹ 0.72 crores to ₹ 0.73 crores each during 2023-24 (monthly installments) - Ranging from ₹ 0.73 crores to ₹ 0.75 crores each during 2024-25 (monthly installments) - Ranging from ₹ 0.09 crores to ₹ 0.75 crores each during 2025-26 (monthly installment, last installment falling due on 31 July 2025)	34.72	-
	Term loan (Commercial) Repayable in monthly installments of: - Ranging from ₹ 1.55 crores to ₹ 1.57 crores each during 2021-22 (four installments) - Ranging from ₹ 1.58 crores to ₹ 1.60 crores each during 2022-23 (four installments) - Ranging from ₹ 1.61 crores to ₹ 1.63 crores each during 2023-24 (four installments) - Ranging from ₹ 1.64 crores to ₹ 1.67 crores each during 2024-25 (four installments)	25.72	-

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
<b>B</b>	Inter corporate deposits from related party Repayable in one or more installments by 31 March 2023 or such other terms as may be mutually agreed between the Holding Company and Jindal Stainless (Hisar) Limited.	1,050.00	900.00
	<b>Total - Unsecured</b>	<b>1,084.72</b>	<b>900.00</b>

The inter corporate deposit from the related party is also a variable rate facility which is subject to changes as notified by lender from time to time in accordance with prevailing market interest rates. As at 31 March 2021, the aforementioned deposits carry rate of interest of 10%.

<b>VI</b>	<p><b>Additional securities</b></p> <p>Certain credit facilities / loans are also secured by the following as well as also cross referred in IV(A,B and C) respectively:</p> <p>a. Unconditional and irrevocable personal guarantee of Mr. Ratan Jindal;</p> <p>b. Unconditional and irrevocable corporate guarantee of Jindal Stainless (Hisar) Limited;</p> <p>c. Pari-passu pledge of 197,701,936 equity shares held in the Holding Company by promoter group companies;</p> <p>d. Unconditional and irrevocable corporate guarantee of promoter group companies to the extend of equity shares (93,384,215 equity shares) ;</p> <p>e. Pledge over shares of the entities as listed below:</p> <ul style="list-style-type: none"> <li>• PT. Jindal Stainless Indonesia</li> <li>• JSL Stainless FZE</li> <li>• JSL Group Holdings Pte. Limited</li> <li>• Iberjindal S.L.</li> <li>• Jindal Coke Limited</li> <li>• Jindal United Steel Limited</li> </ul>
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**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

16	Other financial liabilities	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Current maturities of long term borrowings	-	-	47.64	541.60
	Interest accrued	-	-	248.11	182.80
	Capital creditors	-	-	31.57	19.97
	Security deposits	32.60	29.12	15.03	13.47
	Unpaid matured deposits and interest accrued thereon	-	-	0.19	0.20
	Derivative liability	-	-	7.22	61.79
	Lease liability	69.28	73.28	6.13	4.36
	Other outstanding financial liabilities	8.87	-	362.04	218.56
	<b>Total</b>	<b>110.75</b>	<b>102.40</b>	<b>717.93</b>	<b>1,042.75</b>

Refer note 47 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

17	Provisions	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Provision for employee benefits (refer note 40)	15.83	16.89	2.24	0.89
	<b>Total</b>	<b>15.83</b>	<b>16.89</b>	<b>2.24</b>	<b>0.89</b>

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

18	Deferred tax liabilities (net)	As at 31 March 2021	As at 31 March 2020
	<b>Deferred tax liability arising on account of</b>		
	Property, plant and equipment and intangible assets	1,236.97	1,240.21
	Financial assets and financial liabilities measured at amortised cost	26.63	11.49
	<b>Total deferred tax liability</b>	<b>1,263.60</b>	<b>1,251.70</b>
	<b>Deferred tax assets arising on account of</b>		
	Expenses deductible on payment	49.07	34.15
	Allowance for expected credit losses	33.88	27.05
	Lease liability	26.14	27.13
	Brought forward loss/unabsorbed depreciation	607.54	889.05
	Minimum alternate tax credit entitlement	77.65	77.65
	Others	8.29	6.37
	<b>Total deferred tax asset</b>	<b>802.57</b>	<b>1,061.40</b>
	<b>Deferred tax liabilities (net)</b>	<b>461.03</b>	<b>190.30</b>

19	Other liabilities	Non-current		Current	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	Advance from customers	-	-	80.82	138.96
	Deferred revenue	246.23	258.86	12.63	12.63
	Other outstanding liabilities *	32.96	65.19	96.25	96.81
	<b>Total</b>	<b>279.19</b>	<b>324.05</b>	<b>189.70</b>	<b>248.40</b>

\*Includes statutory dues

20	Borrowings (current)	As at 31 March 2021	As at 31 March 2020
	<b>Secured</b>		
	Working capital facilities from bank	466.00	557.35
		<b>466.00</b>	<b>557.35</b>
	<b>Unsecured</b>		
	Working capital facilities from bank	47.64	88.38
		<b>47.64</b>	<b>88.38</b>
	<b>Total</b>	<b>513.64</b>	<b>645.73</b>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

Working capital facilities of Holding Company are secured by first parri-passu charge by way of hypothecation and/ or pledge of current assets, namely finished goods, raw material, work in progress, consumable stores and spares, book debts, bill receivable both present and future and second parri-passu charge by way of mortgage and / or hypothecation in respect of other movable and immovable properties both present and future of the Holding company.

Working capital facility amounting (including overdraft facilities) to Rs.146.98 crores (previous year 159.80 crores), obtained by subsidiary PT. Jindal Stainless Indonesia is collateralized by inventories, land and machinery and accounts receivable and letter of comfort/undertaking for non disposing of equity investment in PT. Jindal Stainless Indonesia by the Holding Company.

Working capital facility of Holding Company from bank includes cash credit facility and working capital demand loan amounting to ₹ 319.02 crores (previous year ₹ 397.44 crores). These borrowings are also secured by additional securities as mentioned in note 15(VI).

Refer note 47 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

<b>21</b>	<b>Trade payables</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	Total outstanding dues of micro enterprises and small enterprises (refer note A below)	117.73	87.28
	Total outstanding dues of creditors other than micro enterprises and small enterprises	2,514.12	2,572.30
	<b>Total</b>	<b>2,631.85</b>	<b>2,659.58</b>
<b>A</b>	On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Group, dues disclosed as per the Micro, Small and Medium Enterprise Development Act, 2006 at the year end are below:		
	<b>Particulars</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	Principal amount due	117.69	87.26
	Interest amount due	0.04	0.02
(ii)	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	<b>Particulars</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.04	0.02
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

<b>22</b>	<b>Current tax liabilities (net)</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	Provision for taxation (net of prepaid taxes)	0.89	0.72
	<b>Total</b>	<b>0.89</b>	<b>0.72</b>

<b>23</b>	<b>Revenue from operations</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	<b>Sale of products</b>		
	Manufactured goods	11,672.66	11,922.16
	Trading goods	259.36	509.72
		<b>11,932.02</b>	<b>12,431.88</b>
	<b>Sale of services</b>		
	Job charges received	125.98	242.25
	Business support services	66.08	77.32
	Consultancy income	0.69	6.97
		<b>192.75</b>	<b>326.54</b>
	<b>Other operating revenue</b>		
	Export benefits	46.44	98.72
	Sale of gases	6.57	10.63
	Liability no longer required, written back	2.76	63.67
	Others	7.92	19.43
		<b>63.69</b>	<b>192.45</b>
	<b>Total</b>	<b>12,188.46</b>	<b>12,950.87</b>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>24</b>	<b>Other income</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Interest income on		
	Investments	3.97	2.88
	Fixed deposits and other receivables	9.24	4.90
	Trade receivables	5.21	9.89
	Income-tax refund	1.70	3.44
	Financial assets measured at amortised cost	1.27	1.21
	Profit on disposal of property, plant and equipment	0.47	-
	Insurance claim received	6.92	8.94
	Others	12.12	8.63
	<b>Total</b>	<b>40.90</b>	<b>39.89</b>

<b>25</b>	<b>Changes in inventories of finished goods, work in progress and stock-in-trade</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	<b>Opening stock</b>		
	Finished goods	713.57	577.79
	Work in progress	1,010.93	1,024.29
	Stock-in-trade	5.36	11.81
		<b>1,729.86</b>	<b>1,613.89</b>
	<b>Closing stock</b>		
	Finished goods	590.56	713.57
	Work in progress	1,022.30	1,010.93
	Stock-in-trade	1.45	5.36
		<b>1,614.31</b>	<b>1,729.86</b>
	Translation difference in inventory	(1.91)	(11.26)
	<b>Total</b>	<b>113.64</b>	<b>(127.23)</b>

<b>26</b>	<b>Employee benefits expense</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Salaries, wages, bonus and other benefits	162.57	186.55
	Contribution to provident and other funds	8.50	8.89
	Staff welfare expenses	6.80	9.09
	<b>Total</b>	<b>177.87</b>	<b>204.53</b>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>27</b>	<b>Finance cost</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Interest on borrowings	404.41	496.76
	Interest on lease liabilities	8.07	8.40
	Other borrowing costs	67.60	80.37
	<b>Total</b>	<b>480.08</b>	<b>585.53</b>

<b>28</b>	<b>Depreciation and amortisation expenses</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Depreciation on property, plant and equipment	378.25	404.08
	Depreciation on right-of-use assets	13.21	12.49
	Amortisation of intangible assets	11.50	8.59
	<b>Total</b>	<b>402.96</b>	<b>425.16</b>

<b>29</b>	<b>Other expenses</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Consumption of stores and spare parts	580.74	714.46
	Power and fuel	633.63	792.61
	Labour processing and transportation charges	173.07	193.40
	Repairs to buildings	3.32	9.05
	Repairs to plant and machinery	34.40	29.27
	Job work expenses	810.72	764.50
	Other manufacturing expenses	150.28	159.88
	Loss on disposal of property, plant and equipment	0.12	-
	Insurance	16.42	12.34
	Rent	20.22	19.85
	Rates and taxes	2.00	1.17
	Legal and professional	80.48	57.43
	Communication	2.29	2.42
	Printing and stationery	4.02	5.18
	Travelling and conveyance	1.62	4.85
	Director's meeting fees	0.56	0.22
	Vehicle upkeep and maintenance	10.05	12.36
	Auditor's remuneration (refer note a below)	0.61	0.67



**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	<b>Other expenses</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Freight and forwarding expenses	171.99	172.95
	Commission on sales	16.55	32.10
	Other selling expenses	25.95	25.01
	Allowance for expected credit losses	14.63	1.08
	Bad debts written off	2.45	0.86
	Advertisement and publicity	0.10	0.93
	Miscellaneous expenses	21.40	15.78
	<b>Total</b>	<b>2,777.62</b>	<b>3,028.37</b>
<b>a.</b>	<b>Payment to auditors (excluding applicable taxes)</b>		
	As statutory auditor	0.46	0.46
	For other services	0.12	0.13
	For reimbursement of expenses	0.03	0.08
	<b>Total</b>	<b>0.61</b>	<b>0.67</b>
<b>b.</b>	Pursuant to section 135 of the Act, the Holding Company has constituted a Corporate Social Responsibility (CSR) Committee which is required to formulate and recommend to the Board of Directors a Corporate Social Responsibility Policy indicating the CSR activities to be undertaken by the Holding Company as specified in Schedule VII to the Act. The gross amount to be spent by the Holding Company as per the limits of section 135 is ₹ nil (previous year ₹ nil)		

<b>30</b>	<b>Income-tax</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	<b>The income tax expense consists of the following:</b>		
	<b>Current tax</b>		
	Current tax	0.73	1.26
	Taxes in relation to earlier years	0.25	18.95
		<b>0.98</b>	<b>20.21</b>
	<b>Deferred tax</b>		
	Relating to origination and reversal of temporary differences	269.23	72.43
		<b>269.23</b>	<b>72.43</b>
	<b>Total tax expense</b>	<b>270.21</b>	<b>92.64</b>

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**

(All amounts in ₹ crores, unless otherwise stated)

Reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income-tax expense reported is as follows:	Year ended 31 March 2021	Year ended 31 March 2020
<b>Profit before tax</b>	<b>689.67</b>	<b>165.26</b>
Applicable tax rate for the Holding Company	34.94%	34.94%
<b>Expected income-tax expense (A)</b>	<b>241.00</b>	<b>57.75</b>
<b>Tax effect of adjustment to reconcile expected income-tax expense to reported income-tax expense</b>		
(Income exempted from) / expenses not deductible in tax	19.00	18.74
Income taxable at different rate	(0.46)	5.85
Deferred tax not recognised on share of profit of associates	(1.82)	2.75
Others	12.49	7.55
<b>Total adjustments (B)</b>	<b>29.21</b>	<b>34.89</b>
<b>Income-tax expense (A+B)</b>	<b>270.21</b>	<b>92.64</b>

Movement in deferred tax assets and liabilities for the year ended 31 March 2021 :-					
Particulars	Opening deferred tax asset / (liability)	Income-tax (expense) / credit recognized in profit or loss	Income-tax (expense) / credit recognized in other comprehensive income	Movement through foreign currency translation reserve	Closing deferred tax asset / (liability)
Property, plant and equipment and intangible assets	(1,240.21)	3.24	-	-	(1,236.97)
Financial assets and financial liabilities measured at amortised cost	(11.49)	(15.14)	-	-	(26.63)
Lease liability	27.13	(0.99)	-	-	26.14
Items deductible on actual payment or settlement	34.15	15.75	(0.83)	-	49.07
Allowance for expected credit losses	27.05	6.83	-	-	33.88
Brought forward tax losses and unabsorbed depreciation	889.05	(281.51)	-	-	607.54
Minimum alternate tax credit entitlement	77.65	-	-	-	77.65
Others	6.37	2.59	-	(0.67)	8.29
<b>Net deferred tax asset / (liability)</b>	<b>(190.30)</b>	<b>(269.23)</b>	<b>(0.83)</b>	<b>(0.67)</b>	<b>(461.03)</b>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>Movement in deferred tax assets and liabilities for the year ended 31 March 2020 :-</b>						
<b>Particulars</b>	<b>Opening deferred tax asset / (liability)</b>	<b>Income-tax (expense) / credit recognized in profit or loss</b>	<b>Income-tax (expense) / credit recognized in other comprehensive income</b>	<b>Movement through other equity</b>	<b>Movement through foreign currency translation reserve</b>	<b>Closing deferred tax asset / (liability)</b>
Property, plant and equipment and intangible assets	(1,237.23)	(17.74)	-	14.76	-	(1,240.21)
Financial assets and financial liabilities measured at amortised cost	(3.95)	(7.54)	-	-	-	(11.49)
Lease Liability	-	27.13	-	-	-	27.13
Items deductible on actual payment or settlement	289.13	(255.36)	0.38	-	-	34.15
Allowance for expected credit losses	25.27	1.78	-	-	-	27.05
Brought forward tax losses and unabsorbed depreciation	713.45	175.60	-	-	-	889.05
Minimum alternate tax credit entitlement	77.65	-	-	-	-	77.65
Others	3.43	3.70	-	-	(0.76)	6.37
<b>Net deferred tax asset / (liability)</b>	<b>(132.25)</b>	<b>(72.43)</b>	<b>0.38</b>	<b>14.76</b>	<b>(0.76)</b>	<b>(190.30)</b>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>31</b>	<b>Revenue from contracts with customers</b>				
<b>A</b>	<b>Disaggregation of revenue</b>				
	The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.				
	<b>Revenue from operations</b>	<b>Year ended 31 March 2021</b>			
		<b>Goods</b>	<b>Services</b>	<b>Other operating revenue*</b>	<b>Total</b>
	<b>Revenue by geography</b>				
	Within India	9,238.12	192.06	13.46	9,443.64
	Outside India	2,693.90	0.69	1.03	2,695.62
	<b>Total</b>	<b>11,932.02</b>	<b>192.75</b>	<b>14.49</b>	<b>12,139.26</b>
	<b>Revenue by time</b>				
	Revenue recognised at point in time				11,946.51
	Revenue recognised over time				192.75
	<b>Total</b>				<b>12,139.26</b>

\* Other operating revenue amounting to ₹ 49.20 crores in the nature of export incentives and liabilities no longer required written back is not in the scope of Ind AS 115 on "Revenue from Contracts with Customers" and hence, not included in the table above.

	<b>Revenue from operations</b>	<b>Year ended 31 March 2020</b>			
		<b>Goods</b>	<b>Services</b>	<b>Other operating revenue*</b>	<b>Total</b>
	<b>Revenue by geography</b>				
	Within India	9,085.96	319.55	27.41	9,432.92
	Outside India	3,345.92	6.99	2.65	3,355.56
	<b>Total</b>	<b>12,431.88</b>	<b>326.54</b>	<b>30.06</b>	<b>12,788.48</b>
	<b>Revenue by time</b>				
	Revenue recognised at point in time				12,461.94
	Revenue recognised over time				326.54
	<b>Total</b>				<b>12,788.48</b>

\* Other operating revenue amounting to ₹ 162.39 crores in the nature of export incentives and liabilities no longer required written back is not in the scope of on "Revenue from Contracts with Customers" and hence, not included in the table above.

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**

(All amounts in ₹ crores, unless otherwise stated)

<b>B. Revenue recognised in relation to contract liabilities</b>			
	Description	Year ended	
		31 March 2021	31 March 2020
	Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	138.96	128.60
	Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods	-	-
	<b>Total</b>	<b>138.96</b>	<b>128.60</b>

<b>C. Assets and liabilities related to contracts with customers</b>					
	Description	As at 31 March 2021		As at 31 March 2020	
		Non-current	Current	Non-current	Current
	<b>Contract liabilities related to sale of goods</b>				
	Advance from customers	-	80.82	-	138.96

<b>D. Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price</b>			
	Description	Year ended	
		31 March 2021	31 March 2020
	Contract price	12,399.40	12,984.53
	Less: Discount, rebates, credits etc.	260.14	196.05
	<b>Revenue from operations as per Statement of Profit and Loss</b>	<b>12,139.26</b>	<b>12,788.48</b>

32	Earnings per share (EPS)	Year ended	Year ended
		31 March 2021	31 March 2020
	<b>Net profit for the year (in ₹ crores) for basic EPS (A)</b>	419.23	71.32
	Add: Interest expenses on potential equity shares (in ₹ crores)	-	55.01
	<b>Net profit for the year (in ₹ crores) for diluted EPS (B)</b>	<b>419.23</b>	<b>126.33</b>
	<b>Total shares outstanding in the beginning of the year (in numbers)</b>	<b>487,234,600</b>	<b>479,221,660</b>
	Add: Weighted average number of shares issued during the year	-	4,291,083
	<b>Weighted-average number of equity shares for basic EPS (C)</b>	<b>487,234,600</b>	<b>483,512,743</b>
	<b>Effect of dilution :</b>		
	Add: Weighted average number of shares outstanding on account of Optionally Convertible Redeemable Preference Shares (OCRPS)*	-	131,123,208
	Add: Weighted average number of shares outstanding on account of share warrant	7,320,781	-

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

	<b>Earnings per share (EPS)</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	<b>Weighted-average number of equity shares for diluted EPS (D)</b>	<b>494,555,381</b>	<b>614,635,951</b>
	<b>Basic EPS (Amount in ₹) (A/C)</b>	8.60	1.48
	<b>Diluted EPS (Amount in ₹) (B/D)</b>	8.48	1.48

\* OCRPS are anti-dilutive in nature

<b>33</b>	<p>Due to outbreak of Coronavirus Disease 2019 (COVID-19) which has been declared as a pandemic by World Health Organization and subsequent lock down ordered by the Central and State Government(s) in India, the manufacturing facilities of the Holding Company remained suspended from 25 March 2020 till 4 May 2020. The Holding Company in compliance with the necessary instructions/guidelines, resumed its operations on 5 May 2020 in a phased manner, while ensuring health safety of all the stakeholders.</p> <p>This situation resulted in temporary disturbance in the economic activities through interruption in manufacturing process, disruption in supply chain, etc. for the Holding Company during the year ended 31 March 2021. Further, the recent second wave of COVID-19 has resulted in partial lockdown/restriction in various states of India. However, the Group is closely monitoring the impact of the aforementioned pandemic and believes that there will not be any adverse impact on the long term operations, financial position and performance of the Group.</p>
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<b>34</b>	<b>Composite scheme of arrangement</b>
<b>I</b>	<b>Demerger</b>
<b>A</b>	<p>The Composite Scheme of Arrangement (hereinafter referred to as the 'Scheme') amongst the Holding Company (transferor company) and its three wholly owned subsidiaries, namely, Jindal Stainless (Hisar) Limited (JSHL), Jindal United Steel Limited (JUSL) and Jindal Coke Limited (JCL) (resultant companies) under the provisions of section 391-394 read with section 100-103 of the erstwhile Companies Act, 1956 and other relevant provision of the Companies Act, 1956 and / or the Companies Act, 2013 was sanctioned by the Hon'ble High Court of Punjab and Haryana, Chandigarh vide its order dated 21 September 2015, amended vide order dated 12 October 2015.</p> <p>Section I and section II of the Scheme became effective on 1 November 2015, operative from the appointed date i.e. close of business hours before midnight of 31 March 2014. Section III and section IV of the Scheme became effective on 24 September 2016 [i.e. on receipt of approvals from the Orissa Industrial Infrastructure Development Corporation (OIIDCO) for the transfer/grant of the right to use of the land on which Hot Strip Mill (HSM) Plant and Coke Oven Plants are located, to JUSL and JCL respectively as specified in the Scheme], operative from the appointed date i.e. close of business hours before midnight of 31 March 2015.</p>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>B</b>	<b>Pursuant to the Section III and Section IV of the Scheme becoming effective:</b>
<b>(i)</b>	<p>Business undertaking 2, comprising, <i>inter alia</i>, of the HSM plant of the Holding Company, was transferred to JUSL at a lump sum consideration of ₹ 2,412.67 crores; out of this ₹ 2,150.00 crores was received, and against the balance amount of ₹ 262.67 crores, JUSL issued and allotted to the Holding Company:</p> <ul style="list-style-type: none"> <li>- 175,000,000 0.01% non-cumulative compulsorily convertible preference shares (CCPS) having face value of ₹ 10 each [upto the year ended 31 March 2020, 99,048,637 CCPS were allotted to the Holding Company and converted into equal number of equity shares of ₹ 10 each as fully paid at par and the balance 63,654,063 CCPS have been presented as "Investment in 0.01% Non-cumulative compulsorily convertible preference shares" (Refer note 4)], and</li> <li>- 87,673,311 10% non-cumulative non-convertible redeemable preference shares having face value of ₹ 10 each, which have been allotted to the Holding Company.</li> </ul>
<b>(ii)</b>	<p>Business undertaking 3, comprising, <i>inter alia</i>, of the Coke Oven plant of the Holding Company, was transferred to JCL at a lump sum consideration of ₹ 492.65 crores; out of this ₹ 375.00 crores was received and against the balance amount of ₹ 117.65 crores, JCL issued and allotted to the Holding Company:</p> <ul style="list-style-type: none"> <li>- 26,000,000 0.01% non-cumulative CCPS having face value of ₹ 10 each [upto the year ended 31 March 2020, 8,382,432 CCPS were allotted to the Holding Company and converted into equal number of equity shares of ₹ 10 each fully paid at par. During the year, the Holding Company converted the balance 17,617,568 CCPS initially allotted, into equal number of "10% non-cumulative non-convertible redeemable preference shares having face value of ₹ 10 each fully paid at par" (Refer note 4)], and</li> <li>- 91,647,073 10% non-cumulative non-convertible redeemable preference shares having face value of ₹ 10 each, which have been allotted to the Holding Company.</li> </ul>
<b>II</b>	<p><b>Merger</b></p> <p>At its meeting held on 29 December 2020, the Board of directors of the Holding Company considered and approved a Composite Scheme of Arrangement ('Scheme') pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, amongst the Holding Company (Amalgamated Company), Jindal Stainless (Hisar) Limited, JSL Lifestyle Limited, JSL Media Limited, Jindal Stainless Corporate Management Services Private Limited (amalgamating companies) and Jindal Lifestyle Limited (resulting company). The aforementioned scheme is subject to necessary statutory and regulatory approvals under applicable laws, including approval of the National Company Law Tribunal in India which is currently awaited.</p>

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

35	Contingent liabilities	As at 31 March 2021	As at 31 March 2020
<b>A</b>	Demands from statutory and regulatory authorities		
<b>(i)</b>	- Sales tax, value added tax and entry tax*#	110.79	110.79
	- Excise duty, custom duty, service tax and GST #	44.70	17.08
	- Income-tax (refer note C below)	99.96	100.31
<b>(ii)</b>	- Demand from office of the Dy. Director of Mines, Jajpur Road Circle, Odisha on account of mining of excess quantity of chrome ore over and above the approved quantity under mining plan/scheme	77.53	77.53
	- Royalty under the Mines and Minerals (Development and Regulation) Act, 1957, rural infrastructure and socio-economic development tax under the Orissa Rural Infrastructure and Socio-Economic Development Act, 2004 and Water tax under the Orissa Irrigation Act, 1959	4.80	5.13
<b>B</b>	Corporate guarantee given to banks against credit facilities / financial assistance availed by Jindal Stainless (Hisar) Limited - amount for facilities outstanding [read with note 34(I)]	2,940.36	3,378.11
		<b>3,278.14</b>	<b>3,688.95</b>
	<p>* The Holding Company had challenged the legality of Orissa Entry Tax Act, 1999 before the Hon'ble Supreme Court. The order dated 09 October 2017 of Divisional bench of the Hon'ble Supreme Court read with the order dated 11 November 2016 of Nine Judge Bench of Hon'ble Supreme Court, decided some of the issues and granted opportunity to the petitioners for filing revival petition within 30 days for deciding the issue of discrimination under Article 304(a) as per law laid down by Nine Judges Bench of the Hon'ble Supreme Court. The Holding Company has filed revival petition before the Hon'ble High Court of Orissa on the ground of discrimination under Article 304(a), as per the direction of the Hon'ble Supreme Court. However, interest/penalty (if any) till the decision of the Hon'ble Supreme Court has been stayed by Hon'ble High Court of Orissa in three separate writ petitions filed by the Holding Company on the issue exclusively on the legality of imposing interest under the Orissa Entry Tax Act, 1999 and therefore, liability, if any, in this regard will be recognised when this matter is finally settled/determined by the Hon'ble High Court of Orissa.</p> <p># Amount includes basic, interest and penalty as demanded by the concerned authority in the relevant case.</p>		
<b>C</b>	<p><b>Income-tax</b> Contingent liabilities for income-tax specified above, <i>inter alia</i>, includes ₹ 45.54 crores pertaining to the Holding Company for Assessment years 2012-13 to 2014-15 for which the management does not expect any cash outflow since the Holding Company has sufficient unabsorbed depreciation to set off from disallowance, if any, that may arise on account of adverse ruling by higher authorities in relation to the aforementioned demands. Having said that, the management is fairly confident of a favourable outcome for the ongoing demands/ litigations on all the aforementioned years.</p>		



**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

36	Commitments	As at 31 March 2021	As at 31 March 2020
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	741.88	61.46
	Other commitments	15.90	25.84
		<b>757.78</b>	<b>87.30</b>

37	Exceptional items	Year ended 31 March 2021	Year ended 31 March 2020
	Gain (net) on translation/settlement of foreign currency monetary items	78.09	46.57
	Gain/(loss) on fair valuation and settlement of derivative contracts	35.89	(27.62)
	Amortisation of debit balance in foreign currency monetary item translation difference account	(11.57)	(14.51)
		<b>102.41</b>	<b>4.44</b>

38	Corporate Debt Restructuring (CDR)
<b>A</b>	During the year ended 31 March 2020, the Holding Company had exercised its right to redeem OCRPS and accordingly, aggregate amount of ₹ 558.47 crores was paid to the OCRPS holders towards redemption of these OCRPS along with applicable recompense of ₹ 221.01 crores.
<b>B</b>	During the year ended 31 March 2020, the Holding Company had successfully exited CDR after discharging the recompense liability of ₹ 274.75 crores (₹ 221.01 crores on OCRPS and balance on other CDR Loans) in cash as determined in accordance with RBI's Master Circular on Corporate Debt Restructuring. State Bank of India, in its capacity of Monitoring Institution and on behalf of CDR lenders issued no objection certificate (NOC) confirming formal exit of JSL from CDR effective from 31 March 2019.

39	Derivative contracts entered into by the Group and outstanding as on 31 March 2021 for hedging foreign currency risks:				
Nature of derivative	Type	31 March 2021		31 March 2020	
		No. of contracts	Foreign currency (in million)	No. of contracts	Foreign currency (in million)
<b>Forward covers</b>					
USD/INR	Sell	82	\$179.94	70	\$182.10
EURO/USD	Sell	51	€ 75.25	25	€ 47.00
USD/INR	Buy	320	\$112.80	289	\$79.86

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

<b>40</b>	<b>Employee benefits</b>		
<b>A</b>	<b>Defined contribution plans</b>		
		<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Group's contribution to provident fund	5.73	5.87
	Group's contribution to employee welfare fund	0.26	0.27
	Group's contribution to national pension scheme	0.62	0.69
	Group's contribution to employee's state insurance scheme	0.08	0.12
	Group's contribution to other fund	1.81	1.94
	<b>Total</b>	<b>8.50</b>	<b>8.89</b>
<b>B</b>	<b>Defined benefit plan – Gratuity</b>		
<b>(i)</b>	<b>Reconciliation of present value of defined benefit obligation and the fair value of plan assets</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	Present value of defined benefit obligation as at the end of the year	19.67	20.53
	Less: Fair value of plan assets at the end of the year	11.22	10.70
	<b>Net liability recognised in the balance sheet</b>	<b>8.45</b>	<b>9.83</b>
<b>(ii)</b>	<b>Movement in the present value of defined benefit obligation recognised in the balance sheet</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	<b>Present value of defined benefit obligation as at the beginning of the year</b>	<b>20.53</b>	<b>18.81</b>
	Transfer in/out of employees from associate companies	0.55	0.21
	Current service cost	2.16	4.02
	Interest cost	1.50	1.27
	Benefits paid	(2.08)	(5.16)
	Foreign exchange loss	0.73	0.38
	Actuarial (gain)/loss	(3.72)	1.00
	<b>Present value of defined benefit obligation as at the end of the year</b>	<b>19.67</b>	<b>20.53</b>
<b>(iii)</b>	<b>Movement in the plan assets recognised in the balance sheet</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	<b>Fair value of plan assets at the beginning of the year</b>	<b>10.70</b>	<b>9.96</b>
	Expected return on plan assets	0.73	0.77
	Actuarial (loss) for the year on plan asset	(0.07)	(0.10)
	Employer contributions	1.10	1.11
	Benefits paid	(1.24)	(1.04)
	<b>Fair value of plan assets at the end of the year</b>	<b>11.22</b>	<b>10.70</b>
	The Holding Company's plan assets primarily comprise of qualifying insurance policies issued by Life Insurance Corporation of India.		

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

<b>(iv)</b>	<b>Expense recognised in the statement of profit and loss consists of:</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	<b>Employee benefit expense</b>		
	Current service cost	2.16	4.02
	Net interest cost	0.77	0.50
	<b>Amount recognised in the statement of profit and loss</b>	<b>2.93</b>	<b>4.52</b>
	<b>Other comprehensive income</b>		
	Actuarial (gain)/loss arising from changes in financial assumptions	(2.97)	0.83
	Actuarial (gain)/loss arising from experience adjustments	(0.76)	0.17
	Return on plan assets excluding amounts included in net interest on net defined benefit liability (asset)	(0.07)	(0.10)
		<b>(3.66)</b>	<b>1.10</b>
<b>(v)</b>	<b>Actuarial gain/(loss) on plan assets</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Expected interest income	0.73	0.77
	Actual income on plan asset	0.66	0.67
	<b>Actuarial gain/(loss) for the year on plan asset</b>	<b>(0.07)</b>	<b>(0.10)</b>
<b>(vi)</b>	<b>The principal actuarial assumptions used for estimating the Group's defined benefit obligations are set out below:</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Discount rate	6.80% - 7.20% p.a.	6.82% - 8.34% p.a.
	Expected rate of increase in salary	5.00% - 5.50% p.a.	5.50% - 7.00% p.a.
	Retirement age	56-58 years	58 years
	Mortality rate (inclusive of provision for disability)	100% of IALM (2012-14) / CSO'80	100% of IALM (2012-14) / CSO'80
	Expected average remaining working lives of employees(years)	22.37	23.22
	The assumption of discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities. Future salary increase rate takes into account the inflation, seniority, promotion and other relevant factors on long term basis. Same assumptions were considered for comparative period i.e. 2019-20 as reported.		

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

(vii)	Sensitivity analysis for gratuity liability	Year ended 31 March 2021	Year ended 31 March 2020
	<b>Impact of the change in discount rate</b>		
	Present value of obligation at the end of the period		
	Increase of 0.50%	(3.11)	(4.06)
	Decrease of 0.50%	3.59	4.73
	<b>Impact of the change in salary increase</b>		
	Present value of obligation at the end of the period		
	Increase of 0.50%	3.58	4.73
	Decrease of 0.50%	(3.10)	(4.08)
	Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these not calculated.		
(viii)	Estimate of expected benefit payments (in absolute terms i.e. undiscounted)	Year ended 31 March 2021	Year ended 31 March 2020
	0 to 1 year	0.82	1.24
	1 to 5 year	6.70	4.76
	Beyond 5 years	19.24	72.67
(ix)	The Holding Company expects to contribute ₹ 2.07 crores (previous year ₹ 2.02 crores) to its gratuity plan for the next year.		
(x)	<b>Risk exposures:</b>		
	Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such valuation of the Group is exposed to follow risks -		
	<b>A) Salary increases</b> : Higher than expected increases in salary will increase the defined benefit obligation.		
	<b>B) Investment risk</b> : Since the plan is funded, assets liabilities mismatch and actual investment return on assets being lower than the discount rate assumed at the last valuation date can impact the defined benefit obligation.		
	<b>C) Discount rate</b> : The defined benefit obligation calculation uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.		
	<b>D) Mortality and disability</b> : If the actual deaths and disability cases are lower or higher than assumed in the valuation, it can impact the defined benefit obligation.		
	<b>E) Withdrawals</b> : If the actual withdrawals are higher or lower than the assumed withdrawals or there is a change in withdrawal rates at subsequent valuations, it can impact defined benefit obligation.		

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>41</b>	<b>Operating segments</b>			
	In accordance with Ind AS 108, the Board of Directors of the Holding Company, being the Chief operating decision maker of the Group has determined “Stainless steel products” as the only operating segment. Further in terms of paragraph 31 of Ind AS 108, entity wide disclosures have been presented below:			
	No single customer account for more than 10% revenue from operations of the Group.			
		<b>31 March 2021</b>		
		<b>Within India</b>	<b>Outside India</b>	<b>Total</b>
	Revenue from operations	9,492.84	2,695.62	<b>12,188.46</b>
	Non current assets	6,140.43	256.41	<b>6,396.84</b>
		<b>31 March 2020</b>		
		<b>Within India</b>	<b>Outside India</b>	<b>Total</b>
	Revenue from operations	9,595.31	3,355.56	<b>12,950.87</b>
	Non current assets	6,357.83	250.01	<b>6,607.84</b>

<b>42</b>	<b>Lease related disclosures</b>		
	The Group has leases for the factory land, plant and machinery, vehicle, building, furniture and related facilities. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.		
	Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security.		
<b>A</b>	<b>Lease payments not included in measurement of lease liability</b>		
	The expense relating to payments not included in the measurement of the lease liability is as follows:		
	<b>Particulars</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
	Short-term leases	15.76	14.83
	Leases of low value assets	4.46	5.02
<b>B</b>	Total cash outflow for leases for the year ended 31 March 2021 was ₹ 33.86 crores (previous year ₹ 29.54 crores).		
<b>C</b>	The Group has total commitment for short-term leases as at 31 March 2021 ₹ 9.35 crores (previous year ₹ 2.20 crores).		

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>D Maturity of lease liabilities</b>				
The lease liabilities are secured by the related underlying assets. Future minimum lease payments (pertaining to leases other than short-term leases) are as follows:				
<b>31 March 2021</b>	<b>Minimum lease payments due</b>			
	<b>0 to 1 year</b>	<b>1 to 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
Lease payments	13.10	50.08	82.92	<b>146.10</b>
Interest expense	6.97	24.06	39.66	<b>70.69</b>
<b>Net present values</b>	<b>6.13</b>	<b>26.02</b>	<b>43.26</b>	<b>75.41</b>
<b>31 March 2020</b>	<b>Minimum lease payments due</b>			
	<b>0 to 1 year</b>	<b>1 to 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
Lease payments	12.36	49.62	95.13	<b>157.11</b>
Interest expense	8.00	26.48	44.99	<b>79.47</b>
<b>Net present values</b>	<b>4.36</b>	<b>23.14</b>	<b>50.14</b>	<b>77.64</b>

<b>E</b>	Variable lease payments are expensed in the period they are incurred. Expected future cash outflow pertaining to variable lease payment as at 31 March 2021 is ₹ nil.
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<b>F Information about extension and termination options</b>							
<b>Right-of-use assets</b>	<b>Number of leases</b>	<b>Range of remaining term</b>	<b>Average remaining lease term</b>	<b>Number of leases with extension option</b>	<b>Number of leases with purchase option</b>	<b>Number of leases with termination option</b>	
Plant and machinery	2	10 years	10 years	2	2	2	
Vehicle	8	7 years	2 years	5	-	3	
Furniture	1	1 year	1 year	-	-	1	
Building	3	2 years	1 year	1	-	2	
Land	4	69 years	69 years	4	-	4	

<b>G</b>	There are no leases which are yet to commence as on 31 March 2021.
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**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>H</b>	<b>The following are the amounts recognised in profit or loss:</b>		
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Depreciation expense of right-of-use assets	13.21	12.49
	Interest expense on lease liabilities	8.07	8.40
	Expense relating to short-term leases (included in other expenses)	15.76	14.83
	Expense relating to leases of low-value assets (included in other expenses)	4.46	5.02
	<b>Total</b>	<b>41.50</b>	<b>40.74</b>

<b>I</b>	<b>The movement in lease liabilities is as follows:</b>		
	<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Opening lease liabilities	77.64	81.65
	Add: Addition in Lease Liabilities due to modification of lease liability	1.73	-
	Add: Finance cost accrued during the period	8.07	8.40
	Less: Lease rent paid	(12.03)	(12.41)
	<b>Balance at the end</b>	<b>75.41</b>	<b>77.64</b>

<b>43</b>	<b>Remuneration paid to Key management personnel (KMP)</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
	Short-term employee benefits	7.53	18.12
	Post-employment benefits *	0.15	0.13
	Sitting fees	0.25	0.23
	<b>Total</b>	<b>7.93</b>	<b>18.48</b>

\*Does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>44</b>	<b>Assets pledged as security for borrowings</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	<b>Current</b>		
	<b>Financial assets</b>		
	Investments	0.58	2.53
	Trade receivables	859.89	617.93
	Cash and cash equivalents	50.25	15.93
	Bank balances other than above	38.95	28.45
	Loans	3.04	3.16
	Other financial assets	68.32	76.48
	<b>Non financial assets</b>		
	Inventories	2,540.02	2,405.96
	Other current assets	191.69	207.20
	<b>Total</b>	<b>3,752.74</b>	<b>3,357.64</b>
	<b>Non-current</b>		
	Property, plant and equipment	5,870.25	6,189.35
	Capital work-in-progress	49.22	9.13
	Investments	393.67	296.47
	Other financial assets	0.76	2.24
	<b>Total</b>	<b>6,313.90</b>	<b>6,497.19</b>
	<b>Total assets pledged as security</b>	<b>10,066.64</b>	<b>9,854.83</b>



**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

**45 Related party disclosures****I. Relationships****(a) Key management personnel (KMP)**

<b>SI No</b>	<b>Name</b>	<b>Designation</b>
1	Mr. Ratan Jindal	Chairman and Managing Director
2	Mr. Abhyuday Jindal	Managing Director
3	Mr. Tarun Kumar Khulbe	Whole Time Director
4	Mr. Navneet Raghuvanshi	Company Secretary
5	Mr. Anurag Mantri	Chief Financial Officer
6	Mr. Gautam Kanjilal	Nominee Director [Ceased to be Director with effect from ('w.e.f.') 8 September 2020]
7	Mr. Parveen Kumar Malhotra	Nominee Director(Appointed w.e.f 8 September 2020)
8	Mr. Suman Jyoti Khaitan	Independent Director
9	Mr. Jayaram Easwaran	Independent Director (appointed w.e.f. 5 August 2019)
10	Mr. T.S. Bhattacharya	Independent Director(Ceased to be Director w.e.f. 22 September 2019)
11	Ms. Bhaswati Mukherjee	Independent Director
12	Mrs. Arti Luniya	Independent Director (Appointed w.e.f. 26 November 2019)
13	Dr. Rajeev Uberoi	Independent Director (Ceased to be Director w.e.f. 2 July 2019)

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

**(b) Associates\***

SI No	Name of the entity	Principal place of operation / country of incorporation	Principal activities / nature of business	Shareholding / voting power	
				As at 31 March 2021	As at 31 March 2020
1	Jindal Stainless Corporate Management Services Private Limited	India	Management services	50.00%	50.00%
2	Jindal United Steel Limited	India	Stainless Steel manufacturing	26.00%	26.00%
3	Jindal Coke Limited	India	Coke Manufacturing	26.00%	26.00%

**(c) Entity exercising significant influence on the Holding Company\***

SI No	Name of the entity	Principal place of operation / country of incorporation	Principal activities / nature of business
1	Jindal Stainless (Hisar) Limited (JSHL)	India	Stainless Steel manufacturing

**(d) Subsidiaries of entity exercising significant influence on the Holding Company\***

SI No	Name of the entity	Principal place of operation / country of incorporation	Principal activities / nature of business
1	JSL Lifestyle Limited	India	Stainless steel Consumer Products
2	JSL Logistics Limited	India	Logistic
3	Jindal Stainless Steelways Limited	India	Stainless Steel manufacturing
4	J.S.S. Steelitalia Limited	India	Stainless Steel manufacturing

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

**(e) Entities under the control/significant influence of KMP\***

SI No	Name of the entity	Principal place of operation / country of incorporation	Principal activities / nature of business
1	Prime Stainless DMCC	UAE	Trading company
2	JSL Global Commodities Pte. Ltd.	Singapore	Trading company
3	Jindal Advance Materials Pvt. Ltd.	India	Glass composite business.
4	O.P. Jindal Charitable Trust	India	Charitable trust

\*with whom transactions have occurred

**(f) Post-employment benefit plan for the benefit of employees of the Holding Company**

SI No	Name of the entity	Principal place of operation / country of incorporation	Principal activities / nature of business
1	Jindal Stainless Limited Group Gratuity Fund	India	Company's employee gratuity trust

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

**II. Transactions with related parties during the year and balances as at the balance sheet date\***

SI No	Particulars	Year ended and as at 31 March 2021					Year ended and as at 31 March 2020				
		Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP
	<b>Transactions during the year</b>										
<b>1</b>	<b>Purchase of goods</b>	<b>109.65</b>	<b>485.84</b>	<b>58.57</b>	-	<b>284.82</b>	<b>120.96</b>	<b>726.46</b>	<b>12.80</b>	-	<b>69.32</b>
	Jindal Stainless Steelways Limited	-	-	41.98	-	-	-	-	12.29	-	-
	Jindal Coke Limited	91.39	-	-	-	-	96.52	-	-	-	-
	Jindal Stainless (Hisar) Limited	-	485.84	-	-	-	-	726.46	-	-	-
	Prime Stainless DMCC	-	-	-	-	62.52	-	-	-	-	69.32
	JSL Global Commodities Pte. Ltd.					222.30					
	JSL Lifestyle Limited	-	-	0.50	-	-	-	-	0.51	-	-
	Jindal Advance Materials Pvt. Ltd.			0.08							
	J.S.S Steeltalia Limited	-	-	16.01	-	-	-	-	-	-	-
	Jindal United Steel Limited	18.26	-	-	-	-	24.44	-	-	-	-
<b>2</b>	<b>Job work charges paid</b>	<b>846.32</b>	<b>1.32</b>	<b>34.59</b>	-	-	<b>765.64</b>	<b>44.22</b>	<b>32.17</b>	-	-
	Jindal Stainless (Hisar) Limited	-	1.32	-	-	-	-	44.22	-	-	-
	Jindal Stainless Steelways Limited	-	-	34.59	-	-	-	-	32.17	-	-
	Jindal United Steel Limited	846.32	-	-	-	-	765.64	-	-	-	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021					Year ended and as at 31 March 2020				
		Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP
<b>3</b>	<b>Sale of goods</b>	<b>440.11</b>	<b>827.86</b>	<b>925.16</b>	-	<b>1,199.36</b>	<b>516.66</b>	<b>892.12</b>	<b>1,129.66</b>	-	<b>454.08</b>
	Jindal Stainless Steelways Limited	-	-	922.01	-	-	-	-	1,120.35	-	-
	Jindal Stainless (Hisar) Limited	-	827.86	-	-	-	-	892.12	-	-	-
	JSL Lifestyle Limited	-	-	3	-	-	-	-	4.63	-	-
	JSL Global Commodities Pte. Ltd.	-	-	-	-	617.66	-	-	-	-	454.08
	Prime Stainless DMCC					581.70					
	Jindal Coke Limited	43.96	-	-	-	-	31.59	-	-	-	-
	Jindal United Steel Limited	396.15	-	-	-	-	485.07	-	-	-	-
	JSL Logistics Limited	-	-	0.15	-	-	-	-	0.19	-	-
	J.S.S Steelitalia Limited	-	-	-	-	-	-	-	4.49	-	-
<b>4</b>	<b>Rent received</b>	<b>2.71</b>	<b>1.62</b>	-	-	-	<b>2.71</b>	<b>1.53</b>	-	-	-
	Jindal Stainless (Hisar) Limited	-	1.62	-	-	-	-	1.53	-	-	-
	Jindal Stainless Corporate Management Services Private Limited	2.71	-	-	-	-	2.71	-	-	-	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021					Year ended and as at 31 March 2020				
		Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significant influence of KMP	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/significant influence of KMP
<b>5</b>	<b>Rent paid</b>	-	<b>0.71</b>	<b>14.65</b>	-	<b>0.02</b>	-	<b>0.71</b>	<b>14.03</b>	-	-
	Jindal Stainless (Hisar) Limited	-	0.71	-	-	-	-	0.71	-	-	-
	Jindal Stainless Steelways Limited	-	-	14.65	-	-	-	-	14.03	-	-
	O.P. Jindal Charitable Trust					0.02					
<b>6</b>	<b>Freight charges paid</b>	-	-	<b>1.34</b>	-	-	-	-	<b>1.43</b>	-	-
	JSL Logistics Limited	-	-	1.34	-	-	-	-	1.43	-	-
<b>7</b>	<b>Interest received</b>	<b>7.37</b>	-	<b>0.62</b>	-	-	<b>1.84</b>	-	<b>4.01</b>	-	-
	Jindal Stainless Steelways Limited	-	-	0.62	-	-	-	-	4.01	-	-
	Jindal United Steel Limited	7.37	-	-	-	-	1.84	-	-	-	-
<b>8</b>	<b>Commission received</b>	-	<b>0.69</b>	-	-	-	-	<b>6.97</b>	-	-	-
	Jindal Stainless (Hisar) Limited	-	0.69	-	-	-	-	6.97	-	-	-
<b>9</b>	<b>Interest expenses</b>	-	<b>90.04</b>	<b>1.77</b>	-	-	-	<b>90.00</b>	<b>3.60</b>	-	-
	Jindal Stainless Steelways Limited	-	-	1.77	-	-	-	-	3.60	-	-
	Jindal Stainless (Hisar) Limited	-	90.04	-	-	-	-	90.00	-	-	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021					Year ended and as at 31 March 2020				
		Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP
<b>10</b>	<b>Commission on purchase paid</b>	-	-	-	-	<b>23.95</b>	-	-	-	-	<b>16.99</b>
	Prime Stainless DMCC	-	-	-	-	11.02	-	-	-	-	6.17
	JSL Global Commodities Pte. Ltd.	-	-	-	-	12.93	-	-	-	-	10.82
<b>11</b>	<b>Commission on export paid</b>	-	-	-	-	<b>8.74</b>	-	-	-	-	-
	JSL Global Commodities Pte. Ltd.	-	-	-	-	0.47	-	-	-	-	-
	Prime Stainless DMCC	-	-	-	-	8.27	-	-	-	-	-
<b>12</b>	<b>Commission on export written back</b>	-	-	-	-	<b>0.30</b>	-	-	-	-	-
	JSL Global Commodities Pte. Ltd.	-	-	-	-	0.30	-	-	-	-	-
<b>13</b>	<b>Support service charges paid</b>	<b>53.00</b>	-	-	-	-	<b>58.05</b>	-	-	-	-
	Jindal Stainless Corporate Management Services Private Limited	53.00	-	-	-	-	58.05	-	-	-	-
<b>14</b>	<b>Support service charges received</b>	<b>58.36</b>	-	<b>0.35</b>	-	-	<b>70.25</b>	-	<b>0.62</b>	-	-
	Jindal Coke Limited	8.57	-	-	-	-	12.89	-	-	-	-
	Jindal United Steel Limited	49.79	-	-	-	-	57.36	-	-	-	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021					Year ended and as at 31 March 2020				
		Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP
	Jindal Stainless Steelways Limited	-	-	-	-	-	-	-	0.20	-	-
	JSL Logistics Limited	-	-	0.35	-	-	-	-	0.42	-	-
<b>15</b>	<b>Expenses incurred on behalf of Company and reimbursed</b>	-	<b>0.08</b>	<b>0.01</b>	-	<b>2.32</b>	-	<b>0.03</b>	<b>0.11</b>	-	-
	Jindal Stainless Steelways Limited	-	-	-	-	-	-	-	-	-	-
	JSL Global Commodities Pte. Ltd.					2.27					
	Prime Stainless DMCC					0.05					
	JSL Lifestyle Limited	-	-	0.01	-	-	-	-	0.11	-	-
	Jindal Stainless (Hisar) Limited	-	0.08	-	-	-	-	0.03	-	-	-
<b>16</b>	<b>Expenses incurred and reimbursed by Company on behalf of</b>	<b>0.68</b>	<b>6.19</b>	<b>1.63</b>	-	-	<b>0.50</b>	<b>6.58</b>	<b>0.90</b>	-	<b>0.01</b>
	Jindal Coke Limited	0.04	-	-	-	-	0.04	-	-	-	-
	JSL Lifestyle Limited	-	-	0.79	-	-	-	-	0.44	-	-
	Jindal United Steel Limited	0.21	-	-	-	-	0.17	-	-	-	-
	Prime Stainless DMCC	-	-	-	-	-	-	-	-	-	0.01



**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021					Year ended and as at 31 March 2020				
		Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP
	Jindal Stainless Steelways Limited	-	-	0.84	-	-	-	-	0.46	-	-
	Jindal Stainless Corporate Management Services Private Limited	0.43	-	-	-	-	0.29	-	-	-	-
	Jindal Stainless (Hisar) Limited	-	6.19	-	-	-	-	6.58	-	-	-
<b>17</b>	<b>Loan received</b>	-	<b>150.00</b>	-	-	-	-	-	-	-	-
	Jindal Stainless (Hisar) Limited	-	150.00	-	-	-	-	-	-	-	-
<b>18</b>	<b>Remuneration (refer note 43)</b>	-	-	-	<b>7.68</b>	-	-	-	-	<b>18.25</b>	-
	Mr. Ratan Jindal	-	-	-	-	-	-	-	-	13.92	-
	Mr. Abhyuday Jindal	-	-	-	3.00	-	-	-	-	-	-
	Mr. Tarun Kumar Khulbe	-	-	-	1.77	-	-	-	-	1.60	-
	Mr. Anurag Mantri	-	-	-	2.08	-	-	-	-	1.93	-
	Mr. Navneet Raghuvanshi	-	-	-	0.83	-	-	-	-	0.80	-
<b>19</b>	<b>Non executive director-sitting fee (refer note 43)</b>	-	-	-	<b>0.25</b>	-	-	-	-	<b>0.23</b>	-
	Mr. Gautam Kanjilal	-	-	-	0.01	-	-	-	-	0.05	-
	Mr. Suman Jyoti Khaitan	-	-	-	0.06	-	-	-	-	0.06	-
	Mr. T.S. Bhattacharya	-	-	-	-	-	-	-	-	0.02	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021					Year ended and as at 31 March 2020				
		Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP
	Mrs. Arti Luniya	-	-	-	0.04	-	-	-	0.01	-	
	Mr. Jayaram Easwaran	-	-	-	0.05	-	-	-	0.03	-	
	Ms. Bhaswati Mukherjee	-	-	-	0.05	-	-	-	0.05	-	
	Mr.Parveen kumar malhotra				0.04						
	Dr. Rajeev Uberoi	-	-	-	-	-	-	-	0.01	-	
<b>20</b>	<b>Security deposits repaid</b>	-	-	-	-	-	-	-	-	-	
	Jindal Coke Limited	-	-	-	-	-	-	-	-	-	
	<b>Balances outstanding as at balance sheet date</b>										
<b>21</b>	<b>Corporate guarantee given</b>	-	<b>2,940.36</b>	-	-	-	<b>3,378.11</b>	-	-	-	
	Jindal Stainless (Hisar) Limited	-	2,940.36	-	-	-	3,378.11	-	-	-	
<b>22</b>	<b>Personal guarantee received</b>										
	Mr. Ratan Jindal	-	-	-	Refer note 15, 20 and 38	-	-	-	Refer note 15, 20 and 38	-	

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

SI No	Particulars	Year ended and as at 31 March 2021					Year ended and as at 31 March 2020				
		Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP
<b>23</b>	<b>Loans and advances - receivables</b>	<b>67.00</b>	-	-	-	-	<b>67.00</b>	-	-	-	-
	Jindal United Steel Limited	67.00	-	-	-	-	67.00	-	-	-	-
<b>24</b>	<b>Borrowings (inter corporate deposits)</b>	-	<b>1,050.00</b>	-	-	-	-	<b>900.00</b>	-	-	-
	Jindal Stainless (Hisar) Limited	-	1,050.00	-	-	-	-	900.00	-	-	-
<b>25</b>	<b>Receivables</b>	<b>50.96</b>	<b>3.75</b>	<b>83.58</b>	-	<b>99.02</b>	<b>69.26</b>	<b>26.66</b>	<b>13.03</b>	-	<b>51.57</b>
	JSL Lifestyle Limited	-	-	0.33	-	-	-	-	2.96	-	-
	Prime Stainless DMCC	-	-	-	-	42.18	-	-	-	-	-
	JSL Global Commodities Pte. Ltd.	-	-	-	-	56.84	-	-	-	-	51.57
	Jindal United Steel Limited	40.69	-	-	-	-	57.74	-	-	-	-
	Jindal Stainless Corporate Management Services Private Limited	10.27	-	-	-	-	11.52	-	-	-	-
	Jindal Advance Materials Pvt. Ltd.	-	-	-	-	-	-	-	0.01	-	-
	Jindal Coke Limited	-	-	-	-	-	-	-	-	-	-
	Jindal Stainless (Hisar) Limited	-	3.75	-	-	-	-	26.66	-	-	-

**JINDAL STAINLESS LIMITED**
**Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**
**(All amounts in ₹ crores, unless otherwise stated)**

Sl No	Particulars	Year ended and as at 31 March 2021					Year ended and as at 31 March 2020				
		Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP	Associates	Entity exercising significant influence on the Company	Subsidiaries of entity exercising significant influence on the Company	KMP	Entities under the control/ significant influence of KMP
	Jindal Stainless Steelways Limited	-	-	80.58	-	-	-	-	-	-	-
	J.S.S. Steelitalia Limited	-	-	2.67	-	-	-	-	10.06	-	-
<b>26</b>	<b>Security deposit payable</b>	<b>329.64</b>	-	-	-	-	<b>329.64</b>	-	-	-	-
	Jindal Coke Limited	125.00	-	-	-	-	125.00	-	-	-	-
	Jindal United Steel Limited	204.64	-	-	-	-	204.64	-	-	-	-
<b>27</b>	<b>Payables</b>	<b>20.46</b>	<b>309.72</b>	<b>9.41</b>	-	<b>98.30</b>	<b>3.10</b>	<b>241.74</b>	<b>9.76</b>	-	<b>16.47</b>
	Prime Stainless DMCC	-	-	-	-	16.71	-	-	-	-	16.47
	JSL Global Commodities Pte. Ltd.	-	-	-	-	81.59	-	-	-	-	-
	Jindal Coke Limited	20.46	-	-	-	-	3.10	-	-	-	-
	Jindal Stainless Steelways Limited	-	-	7.02	-	-	-	-	9.75	-	-
	J.S.S. Steelitalia Limited	-	-	1.72	-	-	-	-	-	-	-
	JSL Logistics Limited	-	-	0.19	-	-	-	-	0.01	-	-
	Jindal Stainless (Hisar) Limited	-	64.43	-	-	-	-	79.74	-	-	-
	Jindal Stainless (Hisar) Limited (Interest Payable)	-	245.29	-	-	-	-	162.00	-	-	-
	JSL Lifestyle Limited	-	-	0.48	-	-	-	-	-	-	-

\* In the opinion of the management, the transactions reported herein are at arms' length basis.

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

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**A Additional information as required by paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Act.**

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income	
	2020-21		2020-21		2020-21		2020-21	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated OCI	Amount	As % of consolidated Total OCI	Amount
<b>Parent</b>								
Jindal Stainless Limited	97.96%	3,152.78	102.02%	427.92	11.98%	0.43	101.25%	428.35
<b>Subsidiaries</b>								
<b>Indian</b>								
Jindal Stainless Park Limited	-*	0.03	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
<b>Foreign</b>								
PT Jindal Stainless Indonesia	2.05%	65.92	(0.26%)	(1.09)	28.13%	1.01	(0.02%)	(0.08)
Jindal Stainless FZE	0.56%	18.07	(0.45%)	(1.88)	-	-	(0.44%)	(1.88)
JSL Group Holdings Pte Limited	0.98%	31.54	(0.01%)	(0.06)	-	-	(0.01%)	(0.06)
Iberjindal S.L.	1.03%	33.14	0.16%	0.66	-	-	0.16%	0.66
<b>Non-controlling interest in all subsidiaries</b>	0.41%	13.25	0.05%	0.23	-	-	0.05%	0.23
<b>Associates (Investment as per equity method)</b>								
<b>Indian @</b>								
Jindal Coke Limited	5.20%	167.44	3.58%	15.02	0.28%	0.01	3.55%	15.03

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income	
	2020-21		2020-21		2020-21		2020-21	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated OCI	Amount	As % of consolidated Total OCI	Amount
Jindal United Steel Limited	5.30%	170.43	(2.56%)	(10.75)	1.11%	0.04	(2.53%)	(10.71)
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.16%	5.31	0.22%	0.94	5.85%	0.21	0.27%	1.15
<b>Intercompany elimination and consolidation adjustment</b>	(13.65%)	(439.53)	(2.74%)	(11.52)	52.65%	1.89	(2.28%)	(9.63)
<b>Total</b>	<b>100.00%</b>	<b>3,218.38</b>	<b>100.00%</b>	<b>419.46</b>	<b>100.00%</b>	<b>3.59</b>	<b>100.00%</b>	<b>423.05</b>

\* Rounded off to nil

@ Refer note 49 for details

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

**B Additional information as required by paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Act.**

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income	
	2019-20		2019-20		2019-20		2019-20	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated OCI	Amount	As % of consolidated Total OCI	Amount
<b>Parent</b>								
Jindal Stainless Limited	97.33%	2,657.32	210.52%	152.88	(13.76%)	(1.01)	189.93%	151.87
<b>Subsidiaries</b>								
<b>Indian</b>								
Jindal Stainless Park Limited	-*	0.04	(0.01%)	(0.01)	-	-	(0.01%)	(0.01)
<b>Foreign</b>								
PT Jindal Stainless Indonesia	1.56%	42.51	(100.58%)	(73.04)	3.95%	0.29	(90.98%)	(72.75)
Jindal Stainless FZE	0.75%	20.60	3.64%	2.64	-	-	3.30%	2.64
JSL Group Holdings Pte Limited	1.20%	32.66	(0.03%)	(0.02)	-	-	(0.03%)	(0.02)
Iberjindal S.L.	1.16%	31.58	5.12%	3.72	-	-	4.65%	3.72
<b>Non-controlling interest in all subsidiaries</b>	0.48%	13.02	1.79%	1.30	-	-	1.63%	1.30
<b>Associates (Investment as per equity method)</b>								
<b>Indian @</b>								
Jindal Coke Limited	5.02%	137.09	(4.21%)	(3.06)	(0.27%)	(0.02)	(3.85%)	(3.08)
Jindal United Steel Limited	6.18%	168.83	(8.39%)	(6.09)	(0.68%)	(0.05)	(7.68%)	(6.14)
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.15%	4.16	1.76%	1.28	(0.41%)	(0.03)	1.56%	1.25

**JINDAL STAINLESS LIMITED**

Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income	
	2019-20		2019-20		2019-20		2019-20	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated OCI	Amount	As % of consolidated Total OCI	Amount
Intercompany elimination and consolidation adjustment	(13.83%)	(377.55)	(9.61%)	(6.98)	111.17%	8.16	1.48%	1.18
<b>Total</b>	<b>100.00%</b>	<b>2,730.26</b>	<b>100.00%</b>	<b>72.62</b>	<b>100.00%</b>	<b>7.34</b>	<b>100.00%</b>	<b>79.96</b>

\* Rounded off to nil

@ Refer note 49 for details



**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)****47 Financial instruments****A Financial assets and liabilities**

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

<b>Particulars</b>	<b>Note</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
<b>Financial assets measured at fair value through profit or loss:</b>			
Investments	4 A	0.58	0.22
Derivative asset	6	41.51	30.83
<b>Financial assets measured at fair value through other comprehensive income:</b>			
Investments	4 A	8.58	8.58
<b>Financial assets measured at amortised cost:</b>			
Investments	4 A	39.80	36.06
Loans	5	109.57	110.43
Other financial assets	6	27.57	49.73
Trade receivables	10	933.89	705.19
Cash and cash equivalents	11	77.37	40.21
Other bank balances	12	38.95	28.45
<b>Total</b>		<b>1,277.82</b>	<b>1,009.70</b>
<b>Financial liabilities measured at fair value through profit or loss:</b>			
Derivative liability	16	7.22	61.79
<b>Financial liabilities measured at amortised cost:</b>			
Borrowings (including current maturity of long term debts)	15, 16 & 20	3,154.36	3,902.90
Other financial liabilities	16	773.82	541.76
Trade payables	21	2,631.85	2,659.58
<b>Total</b>		<b>6,567.25</b>	<b>7,166.03</b>

Investment in associates are measured as per equity method and hence, not presented here.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)****B Fair values hierarchy**

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

**The categories used are as follows:**

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

**B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements**

As at 31 March 2021	Note	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	4 A	0.58	-	-	<b>0.58</b>
Derivative assets	6	-	41.51	-	<b>41.51</b>
<b>Financial assets measured at fair value through other comprehensive income:</b>					
Investments	4 A	-	-	8.58	<b>8.58</b>
<b>Financial liabilities measured at fair value through profit or loss:</b>					
Derivative liabilities	16	-	7.22	-	<b>7.22</b>

As at 31 March 2020	Note	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	4 A	0.22	-	-	<b>0.22</b>
Derivative assets	6	-	30.83	-	<b>30.83</b>
<b>Financial assets measured at fair value through other comprehensive income:</b>					
Investments	4 A	-	-	8.58	<b>8.58</b>
<b>Financial liabilities measured at fair value through profit or loss:</b>					
Derivative liabilities	16	-	61.79	-	<b>61.79</b>

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

#### Valuation process and technique used to determine fair value

- (i) The fair value of investments in quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.
- (ii) The fair value of investments in unquoted equity shares is estimated at their respective costs, since those companies do not have any significant operations and there has neither been any significant change in their performance since initial recognition nor there is any expectation of such changes in foreseeable future.
- (iii) The Group enters into forward contracts with banks for hedging foreign currency risk of its borrowings and receivables and payables arising from import and export of goods. Fair values of such forward contracts are determined based on spot current exchange rates and forward foreign currency exchange premiums on similar contracts for the remaining maturity on the balance sheet date.

#### B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Investments	39.77	44.09	33.80	34.31
Security deposits	28.06	29.22	26.57	27.73
Bank deposits with remaining maturity of more than 12 months	0.76	0.76	2.24	2.24
Loans	78.31	78.31	78.69	78.69
<b>Financial liabilities</b>				
Security deposits	32.60	47.88	29.12	38.92
Borrowings	2,593.08	2,593.08	2,715.57	2,715.57

The management assessed that fair values of current loans, other current financial assets, cash and cash equivalents, other bank balances, trade receivables, current investments, short term borrowings, trade payables and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is disclosed at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Non-current investments, long-term loans and advances and non-current financial liabilities are evaluated by the Group based on parameters such as interest rates, individual creditworthiness of the counterparty/borrower and other market risk factors.

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

- (ii) The fair values of the Group's fixed interest-bearing liabilities, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2021 was assessed to be insignificant.
- (iii) Most of the long term borrowing facilities availed by the Group from unrelated parties are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's credit worthiness. The inter corporate deposit from the related party is also a variable rate facility which is subject to changes as notified by lender from time to time in accordance with prevailing market interest rates. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

## C Financial risk management

### Risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Investments in redeemable preference shares and government securities, loans, Cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost	Aging analysis, Credit ratings	Bank deposits, diversification of asset base, credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting	Forward foreign exchange contracts
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

The Group's risk management is carried out by a central treasury department (of the Group) under policies approved by the Board of Directors of the respective companies. The respective Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

#### C.1 Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by investments in redeemable preference shares, cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

##### a) Credit risk management

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

Based on business environment in which the Group operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

In respect of financial assets carried at amortised cost, other than trade receivables, the management has evaluated that as at 31 March 2021 and 31 March 2020, the credit risk is low and hence, allowance, if any, is measured at 12-month expected credit loss.

In respect of trade receivables, the Group is required to follow simplified approach and accordingly, allowance is recognised for lifetime expected credit losses.

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

#### **Cash and cash equivalents and bank deposits**

Credit risk related to cash and cash equivalents and bank deposits is managed by only investing in highly rated banks and diversifying bank deposits and accounts in different banks across the countries.

#### **Derivative financial instruments**

Derivative financial instruments are considered to have low credit risk since the contracts are with reputable banks, most of which have an 'investment grade' credit rating.

#### **Trade receivables**

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Group's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored and a significant element of credit risk is covered by credit insurance. The Group's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by the Group. The Group has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent. In respect of trade receivables, the Group recognises a provision for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Group.

#### **Other financial assets measured at amortised cost**

Investments in redeemable preference shares of associate companies, loans (comprising security deposits) and other financial assets are considered to have low credit risk since there is a low risk of default by the counterparties owing to their capacity to meet contractual cash flow obligations as and when fall due. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

#### **b) Expected credit losses for financial assets**

##### **i) Financial assets (other than trade receivables)**

Group provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

- For cash and cash equivalents, other bank balances and derivative financial instruments- Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, derivative financial instruments, other bank balances and bank deposits is evaluated as very low.

- For loans comprising security deposits paid - Credit risk is considered low because the Group is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Group's knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Group's policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

As at 31 March 2021 and 31 March 2020, management has evaluated that the probability of default of outstanding financial assets (other than trade receivables) is insignificant and therefore, no allowance for expected credit losses has been recognised.

#### ii) Expected credit loss for trade receivables under simplified approach

In respect of trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses using a simplified approach.

Based on evaluation of historical credit loss experience, management considers an insignificant probability of default in respect of receivables which are less than one year overdue. Receivables which are more than one year overdue are analysed individually and allowance for expected credit loss is recognised accordingly.

## C.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

#### a) Financing arrangements

The Group has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2021	As at 31 March 2020
Secured*	1,023.03	666.24

\* Working capital facilities due for review every year

#### b) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

<b>31 March 2021</b>	<b>Less than 1 year</b>	<b>1-2 year</b>	<b>2-3 year</b>	<b>More than 3 years</b>	<b>Total</b>
<b>Non-derivatives</b>					
Borrowing (including current maturities of long term debt) along with estimated future interest obligation	214.57	1,554.77	393.06	1,393.81	<b>3,556.21</b>
Short term borrowings	513.64	-	-	-	<b>513.64</b>
Security deposit	15.03	-	-	329.64	<b>344.67</b>
Trade payables	2,631.85	-	-	-	<b>2,631.85</b>
Other financial liabilities	655.01	21.97	13.10	106.80	<b>796.88</b>
<b>Derivatives</b>					
Derivative liability	7.22	-	-	-	<b>7.22</b>
<b>Total</b>	<b>4,037.32</b>	<b>1,576.74</b>	<b>406.16</b>	<b>1,830.25</b>	<b>7,850.47</b>

<b>31 March 2020</b>	<b>Less than 1 year</b>	<b>1-2 year</b>	<b>2-3 year</b>	<b>More than 3 years</b>	<b>Total</b>
<b>Non-derivatives</b>					
Borrowing (including current maturities of long term debt) along with estimated future interest obligation	853.08	579.17	1,374.36	1,604.60	<b>4,411.21</b>
Short term borrowings	645.73	-	-	-	<b>645.73</b>
Security deposit	13.47	-	-	329.64	<b>343.11</b>
Trade payables	2,659.58	-	-	-	<b>2,659.58</b>
Other financial liabilities	425.89	12.41	12.41	119.87	<b>570.58</b>
<b>Derivatives</b>					
Derivative liability	61.79	-	-	-	<b>61.79</b>
<b>Total</b>	<b>4,659.54</b>	<b>591.58</b>	<b>1,386.77</b>	<b>2,054.11</b>	<b>8,692.00</b>

**C.3 Market risk****a) Foreign currency risk**

The Group is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Group act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adopts the policy of selective hedging based on risk perception of management.



**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

Foreign exchange hedging contracts are carried at fair value. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Foreign currency (in million)	Amount (₹ crores)	Foreign currency (in million)	Amount (₹ crores)
<b>Trade receivables</b>				
GBP	0.02	0.22	-	-
<b>Balance with banks</b>				
USD	0.01	0.08	-	-
EUR	0.03	0.27	-	-
<b>Borrowings</b>				
USD	-	-	36.56	276.34

Particulars	As at 31 March 2021		As at 31 March 2020	
	Foreign currency (in million)	Amount (₹ crores)	Foreign currency (in million)	Amount (₹ crores)
<b>Trade payables</b>				
USD	38.24	279.62	63.43	479.42
EUR	3.32	28.51	2.59	21.61
GBP	0.20	1.98	0.00	0.01
JPY	-	-	0.25	0.02
SGD	-	-	0.00	0.00

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Group's financial assets and financial liabilities at the reporting date, net of derivative contracts for hedging those exposures. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near-term future volatility.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

The impact on the Group's profit before tax due to changes in the foreign currency exchange rates are given below:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>USD sensitivity</b>		
INR/USD - Increase by 4.69% (31 March 2020 - 5.45%)	(13.11)	(41.19)
INR/USD - Decrease by 4.69% (31 March 2020 - 5.45%)	13.11	41.19
<b>GBP sensitivity</b>		
INR/GBP - Increase by 8.23% (31 March 2020 - 10.65%)	(0.14)	(0.00)
INR/GBP - Decrease by 8.23% (31 March 2020 - 10.65%)	0.14	0.00
<b>Euro sensitivity</b>		
INR/EUR - Increase by 7.07% (31 March 2020 - 7.57%)	(2.00)	(1.64)
INR/EUR - Decrease by 7.07% (31 March 2020 - 7.57%)	2.00	1.64

**b) Interest rate risk****i) Financial liabilities**

The Group's policy is to minimise interest rate cash flow risk exposures on external financing. At 31 March 2021 and 31 March 2020, the Group is exposed to changes in interest rates through bank borrowings carrying variable interest rates. The Group's investments in fixed deposits carry fixed interest rates.

**Interest rate risk exposure**

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at 31 March 2021	As at 31 March 2020
Variable rate borrowing	2,693.92	3,724.02
Fixed rate borrowing	460.44	178.88
<b>Total borrowings</b>	<b>3,154.36</b>	<b>3,902.90</b>

**Sensitivity**

Below is the sensitivity of profit or loss to interest rates.

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Interest sensitivity*</b>		
Interest rates – increase by 50 basis points	8.76	12.11
Interest rates – decrease by 50 basis points	(8.76)	(12.11)

\* Holding all other variables constant

## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

#### ii) Financial assets

The Group's investments in redeemable preference shares of its associate companies and government securities, loan to a related party and deposits with banks are carried at amortised cost and are fixed rate instruments. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### c) Price risk

##### i) Exposure

The Group's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss (FVTPL). To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

##### ii) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Group's equity and profit for the year :

#### Impact on profit before tax

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Quoted equity</b>		
Price increase by 5% - FVTPL	0.03	0.01
Price decrease by 5% - FVTPL	(0.03)	(0.01)

#### 48 Capital management

The Group's capital management objectives are

- to ensure it's ability to continue as a going concern
- to provide an adequate return to shareholders

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of its gearing ratio, debt equity ratio and ratio of net debts to its earnings before interest, tax, depreciation and amortisation (EBITDA).

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)****Debt equity ratio**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
Total borrowings (including current maturities of long term debt)	3,154.36	3,902.90
Less: Cash and cash equivalents	77.37	40.21
<b>Net debt</b>	<b>3,076.99</b>	<b>3,862.69</b>
Total equity	3,218.38	2,730.26
<b>Net debt to equity ratio</b>	<b>95.61%</b>	<b>141.48%</b>

**Ratio of net debt to EBITDA**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
<b>Profit before exceptional item and tax</b>	<b>587.26</b>	<b>160.82</b>
Less: Other income	40.90	39.89
Add: Depreciation and amortisation expense	402.96	425.16
Add: Finance cost	480.08	585.53
<b>EBITDA</b>	<b>1,429.40</b>	<b>1,131.62</b>
Net debt	3,076.99	3,862.69
<b>Ratio of net debt to EBITDA</b>	<b>2.15</b>	<b>3.41</b>

**Gearing ratio**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
Total borrowings (including current maturities of long term debt)	3,154.36	3,902.90
Less: Cash and cash equivalents	77.37	40.21
<b>Net debt</b>	<b>3,076.99</b>	<b>3,862.69</b>
Total equity	3,218.38	2,730.26
<b>Equity and net debt</b>	<b>6,295.37</b>	<b>6,592.95</b>
<b>Gearing ratio</b>	<b>48.88%</b>	<b>58.59%</b>

As per loan covenants, the Group is required to comply with requirement relating to certain financial ratio (including total debt to EBITDA/ net worth, EBITDA to gross interest, debt service coverage ratio and fixed assets coverage ratio). During the year ended 31 March 2021 and 31 March 2020, the Group has complied with the financial ratios as per loan covenants.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021**

(All amounts in ₹ crores, unless otherwise stated)

**49 Financial information of subsidiaries with material non-controlling interest and associates which are material to the Group****I Information about subsidiary with material non-controlling interest**

A	Name of entity	Principal activity	Principal place of business	% of equity	
				As at 31 March 2021	As at 31 March 2020
	Iber Jindal S.L	Processing and marketing of ferrous metals	Spain	65.00	65.00

**(i) Summarised balance sheet**

Particulars	As at 31 March 2021	As at 31 March 2020
Non-current assets	3.17	2.90
Current assets	162.61	255.88
<b>Total assets</b>	<b>165.78</b>	<b>258.78</b>
Non-current liabilities	-	-
Current liabilities	85.45	227.20
<b>Total liabilities</b>	<b>85.45</b>	<b>227.20</b>
<b>Net assets *</b>	<b>80.33</b>	<b>31.58</b>

**(ii) Summarised statement of profit and loss**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Revenue	379.68	471.50
<b>Total comprehensive income</b>		
Profit for the year	0.66	3.72
Other comprehensive income	0.91	-
<b>Total*</b>	<b>1.57</b>	<b>3.72</b>
Attributable to non controlling interest *	0.55	1.30

\* This number is before considering inter-company elimination

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)****(iii) Summarised cash flow statement**

<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
Net cash inflow/(outflow) from operating activities	2.36	13.90
Net cash inflow/(outflow) from investing activities	(0.76)	(1.94)
Net cash inflow/(outflow) from financing activities	(2.51)	(10.43)
<b>Net cash inflow/(outflow)</b>	<b>(0.91)</b>	<b>1.53</b>

**(iv) Non-controlling interest**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
Accumulated balance of material non-controlling interest	13.25	13.02
	<b>13.25</b>	<b>13.02</b>

**II Summarised financial information of associate companies that are material to the Group:**

<b>A</b>	<b>Name of entity</b>	<b>Principal activity</b>	<b>Principal place of business</b>	<b>% of equity</b>	
				<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
	Jindal United Steel Limited	Manufacturer of hot rolled products of stainless steel and carbon steel	India	26.00	26.00

The above associate is accounted for using equity method in the consolidated financial statements. There is no quoted market price for Jindal United Steel Limited.

**(i) Summarised balance sheet**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
Non-current assets	2,929.22	3,031.21
Current assets	186.15	124.28
<b>Total assets</b>	<b>3,115.37</b>	<b>3,155.49</b>
Non-current liabilities	2,566.95	2,560.33
Current liabilities	121.18	161.72
<b>Total liabilities</b>	<b>2,688.13</b>	<b>2,722.05</b>
<b>Net assets</b>	<b>427.24</b>	<b>433.44</b>

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)****(ii) Summarised statement of profit and loss**

<b>Particulars</b>	<b>Year ended 31 March 2021</b>	<b>Year ended 31 March 2020</b>
Revenue	911.31	279.68
<b>Total comprehensive income</b>		
Net profit	(41.35)	(23.41)
Other comprehensive income	0.15	(0.19)
<b>Total</b>	<b>(41.20)</b>	<b>(23.60)</b>
Dividend received during the year	-	-

**(iii) Reconciliation of summarised financial information to the carrying amount of the interest in the associates recognised in the consolidated financial statements:**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
<b>Opening net assets</b>	<b>433.44</b>	<b>340.54</b>
Add: shares issued during the year	47.30	116.50
<b>Total net assets available for equity holders</b>	<b>480.74</b>	<b>457.04</b>
Less: Loss during the year	(41.35)	(23.41)
Add: Other comprehensive income during the year	0.15	(0.19)
<b>Closing net assets</b>	<b>439.54</b>	<b>433.44</b>
Less: Instruments entirely equity in nature *	75.88	75.95
<b>Closing net assets available for equity holders</b>	<b>363.66</b>	<b>357.49</b>
Group's share in %	26.00	26.00
Group's share in ₹	94.55	92.95
Investment in 10 % Non-cumulative non-convertible redeemable preference shares (equity portion)	75.88	75.88
<b>Carrying value of investment accounted for using equity method</b>	<b>170.43</b>	<b>168.83</b>

\* Instruments entirely equity in nature includes non-cumulative compulsory convertible preference shares issued to Holding Company.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

B	Name of entity	Principal activity	Principal place of business	% of equity	
				As at 31 March 2021	As at 31 March 2020
	Jindal Coke Limited	Manufacturer of coke and coke products	India	26.00	26.00

The above associate is accounted for using equity method in the consolidated financial statement. There is no quoted market price for Jindal Coke Limited.

**(i) Summarised balance sheet**

Particulars	As at 31 March 2021	As at 31 March 2020
Non-current assets	599.50	610.53
Current assets	227.85	213.09
<b>Total assets</b>	<b>827.35</b>	<b>823.62</b>
Non-current liabilities	551.58	526.69
Current liabilities	47.15	108.54
<b>Total liabilities</b>	<b>598.73</b>	<b>635.23</b>
<b>Net assets</b>	<b>228.62</b>	<b>188.39</b>

**(ii) Summarised statement of profit and loss**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Total revenue	768.64	764.83
<b>Total comprehensive income</b>		
Net profit / (loss)	57.79	(11.75)
Other comprehensive income	0.06	(0.07)
<b>Total</b>	<b>57.85</b>	<b>(11.82)</b>
Dividend received during the year	-	-



## JINDAL STAINLESS LIMITED

### Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021

(All amounts in ₹ crores, unless otherwise stated)

#### (iii) Reconciliation of summarised financial information to the carrying amount of the interest in the associates recognised in the consolidated financial statements:

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Opening net assets</b>	<b>188.39</b>	<b>200.21</b>
Add: Profit during the year	57.79	(11.75)
Add: Other comprehensive income during the year	0.06	(0.07)
<b>Closing net assets</b>	<b>246.24</b>	<b>188.39</b>
Less: Instruments entirely equity in nature *	17.62	17.62
<b>Closing net assets available for equity holders</b>	<b>228.62</b>	<b>170.77</b>
Group's share in %	26.00	26.00
Group's share in ₹	59.44	44.40
Share of profit due to change in shareholding	13.38	13.38
Investment in 10 % Non-cumulative non-convertible redeemable preference shares (equity portion)	94.62	79.31
<b>Carrying value of investment accounted for using equity method</b>	<b>167.44</b>	<b>137.09</b>

\* Instruments entire equity in nature includes non-cumulative compulsory convertible preference shares issued to Holding Company.

#### III Immaterial interest in associate: Jindal Stainless Corporate Management Services Private Limited, an associate that is immaterial to the parent

	As at 31 March 2021	As at 31 March 2020
Aggregate carrying amount of individually immaterial associate	5.31	4.16
Group share in:		
Profit for the year	0.94	1.28
Other comprehensive income	0.21	(0.03)
<b>Total comprehensive income</b>	<b>1.15</b>	<b>1.25</b>

#### 50 Code on Social Security

The Code of Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Presidential assent in September 2020. Subsequently, the Ministry of Labour has released the draft rules on the aforementioned Code. However, the same is yet to be notified. The Holding Company will evaluate the impact and make necessary adjustments to the financial statements in the period when the Code will come into effect.

**JINDAL STAINLESS LIMITED****Summary of significant accounting policies and other explanatory information to consolidated financial statements for the year ended 31 March 2021****(All amounts in ₹ crores, unless otherwise stated)**

This is the summary of significant accounting policies and other explanatory information referred in our report of even date.	For and on behalf of the Board of Directors	
<b>For Walker Chandiok &amp; Co LLP</b> Chartered Accountants FRN 001076N/N500013	<b>Abhyuday Jindal</b> Managing Director DIN: 07290474	<b>Tarun Kumar Khulbe</b> Whole Time Director DIN: 07302532
<b>Rajni Mundra</b> Partner Membership No.: 058644	<b>Anurag Mantri</b> Chief Financial Officer	<b>Navneet Raghuvanshi</b> Company Secretary
<b>Place:</b> New Delhi		
<b>Date:</b> 14 May 2021		

**FORM AOC-1 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**  
**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES AND ASSOCIATES**

(₹ in Crores)

Name of the Subsidiary	Reporting Period	Reporting Currency and Exchange Rates in ₹	Exchange Rate in ₹	Share Capital	Other Equity	Total Assets	Total Liabilities	Investment	Turnover (Gross)	Profit/(Loss) before Taxation (Including Other Comprehensive Income)	Provision for Taxation	Profit/(Loss) after Taxation (Including Other Comprehensive Income)	Proposed Dividend	% of Share holding
PT. Jindal Stainless Indonesia	31-Mar-21	USD	73.11	94.44	(28.52)	502.57	436.65	-	435.81	2.07	0.76	1.31	-	99.999%
Jindal Stainless Park Limited	31-Mar-21	INR	1.00	0.05	(0.02)	0.05	0.02	-	-	(0.01)	0.00	(0.01)	-	100.00%
Jindal Stainless FZE, Dubai	31-Mar-21	AED	19.90	12.34	5.73	19.41	1.33	-	2.48	(1.88)	-	(1.88)	-	100.00%
JSL Group Holdings Pte. Ltd., Singapore	31-Mar-21	USD	73.11	34.00	(2.45)	32.90	1.35	-	-	(0.06)	-	(0.06)	-	100.00%
Iberjindal S.L., Spain	31-Mar-21	EURO	85.74	8.33	24.81	165.78	132.64	-	379.68	1.39	0.73	0.66	-	65.00%

(₹ in Crores)

Name of Associate	Latest audited Balance Sheet Date	Shares of Associate held by the company on the year end				Profit/Loss for the year ( including Other Comprehensive Income )			
		No.	Amount of Investment in Associate	Extend of Holding%	Net worth attributable to shareholding as per latest audited Balance Sheet	Considered in Consolidation	Not Considered in Consolidation	Description of how there is significant influence	Reason why the Associate is not consolidated
Jindal Stainless Corporate Management Services Private Limited	31-Mar-21	5,000	0.01	50%	5.18	1.15	1.15	% Holding	NA
Jindal Coke Ltd	31-Mar-21	8,432,372	8.43	26%	59.44	15.04	42.81	% Holding	NA
Jindal United Steel Ltd	31-Mar-21	111,395,877	111.40	26%	111.08	-10.71	(30.49)	% Holding	NA

Note:

i) Joint Ventures (a) MJSJ Coal Limited and (b) Jindal Synfuels Limited have been excluded from consolidation, as group does not have any control thereto as Investment in terms of agreement as Investor , being 9% and 10% respectively.

Place: New Delhi  
 Date: 14 May 2021

**Abhyuday Jindal**  
 Managing Director

**Tarun Kumar Khulbe**  
 Wholetime Director

**Anurag Mantri**  
 Chief Financial Officer

**Navneet Raghuvanshi**  
 Company Secretary

## JINDAL STAINLESS LIMITED

(CIN: L26922HR1980PLC010901)

Regd. Office: O.P. Jindal Marg, Hisar - 125 005 (Haryana), India

Phone No. (01662) 222471-83, Fax No. (01662) 220499

Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi - 110066

Email Id. for Investors: [investorcare@jindalstainless.com](mailto:investorcare@jindalstainless.com)

Website: [www.jslstainless.com](http://www.jslstainless.com)

### E-COMMUNICATION REGISTRATION FORM

To,

Link Intime India Private Limited

[Unit: Jindal Stainless Limited]

Noble Heights, 1st Floor, Plot NH 2

C-1 Block LSC, Near Savitri Market

Janakpuri, New Delhi – 110058

Phone No.: (011) 41410592/93/94

Fax No.: (011) 41410591

Email: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)

### Green initiative on Corporate Governance

I/we hereby exercise my/our option to receive all communications from the Company such as Notice of General Meeting, Explanatory Statement, Audited Financial Statements, Balance Sheet, Profit & Loss Account, Directors' Report, Auditor's Report etc. in electronic mode pursuant to the "Green Initiative in Corporate Governance" taken by the Ministry of Corporate Affairs vide circular no. 17/2011 dated 21<sup>st</sup> April, 2011. Please register my e-mail ID as given below, in your records, for sending the communications:

Folio No. / DP ID & Client No.: .....

Name of 1st Registered Holder: .....

Name of Joint Holder(s), if any: .....

Registered Address of the Sole/1<sup>st</sup> Registered Holder:.....

No. of Shares held: .....

E-mail ID (to be registered): .....

Date: .....

Signature:.....

#### Notes:

- 1) On registration, all communications will be sent to the e-mail ID registered.
- 2) Shareholders are requested to keep the Company's Registrar - Link Intime India Pvt. Ltd. informed as and when there is any change in the e-mail address.



### **CORPORATE OFFICE**

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12, Bhikaji Cama Place, New Delhi - 110066, India  
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Fax : +91 - 011 - 26170691, 26161271  
Email : [info@jindalstainless.com](mailto:info@jindalstainless.com)  
Websites: [www.jindalstainless.com](http://www.jindalstainless.com), [www.jslstainless.com](http://www.jslstainless.com)

### **REGISTERED OFFICE**

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Fax : 01662 - 220499  
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Email for Investors : [investorcare@jindalstainless.com](mailto:investorcare@jindalstainless.com)

### **MANUFACTURING FACILITIES**

#### **ODISHA**

Kalinga Nagar Industrial Complex, Duburi  
Dist. Jajpur - 755 026, Odisha, India  
Email : [info@jindalstainless.com](mailto:info@jindalstainless.com)

#### **INDONESIA**

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