

**JSL**  
JINDAL STAINLESS

*Shaping a Stainless World*

**INNOVATIVE  
STAINLESS  
SOLUTIONS**

# **Jindal Stainless (Hisar) Limited**

*Consolidated  
Financial Statements  
2020 - 2021*

**Lodha & Co.**

Chartered Accountants  
12, Bhagat Singh Marg,  
New Delhi – 110 001

**S. S. Kothari Mehta & Company**

Chartered Accountants  
Plot No-68, Okhla Industrial Area, Phase III,  
New Delhi -110020

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF JINDAL STAINLESS (HISAR) LIMITED****Report on the Audit of Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of JINDAL STAINLESS (HISAR) LIMITED (herein after referred to as "the Holding Company") and its subsidiaries (including step down subsidiaries) ("the Holding Company & its subsidiaries (including step down subsidiaries)" together referred as "the Group") and its associates, which comprise of the Consolidated Balance Sheet as at March 31, 2021, the Consolidated statement of profit and loss (including other comprehensive income), the Consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information in which are included the Return for the year ended on that date audited by the branch auditor of the Holding Company's branch located at Kothavalasa in Vizianagaram district, Andhra Pradesh (hereinafter referred to as "the consolidated financial statements").

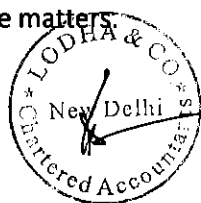
In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries (including step down subsidiaries) and associates referred to in the Other Matters section below, 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 the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group and its associates as at March 31, 2021, and its consolidated profit (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

**Basis of Opinion**

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

**Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgement 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 (including step down subsidiaries) and associates, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matter	How our audit addressed the key audit matters
<p><b><u>Contingent liabilities (Holding Company)</u></b></p> <p>The Company (Holding Company) faces a number of actual legal and regulatory proceedings. The determination of the provision and/or the level of disclosure required involves a high degree of judgement resulting in provisions and contingent liabilities being considered as a key audit matter.</p>	<p>We evaluated the design and tested operating effectiveness of controls in respect of determination of the contingencies. We determined that the operation of the controls provided to us with evidence over the completeness, accuracy and valuation of the guarantees by an independent valuer;</p> <p>We read the summary of litigation matters provided by management and held discussions with Company's legal department/ advisors and read determinations and judgements made by the Court/ legal authority(s). We requested legal letters from some of the external legal advisors with respect to the matters included in the summary. Where appropriate we examined correspondence connected with the cases;</p> <p>For litigation provisions/ contingencies, we tested the calculation, assessed the estimates against historical trends.</p> <p>We considered management's judgements on the level of provisioning/ contingencies to be appropriate. We also evaluated appropriateness of the disclosures in Note no. 31 and 36 of consolidated financial statements which we considered appropriate.</p>
<p><b><u>Revenue Recognition (Holding Company)</u></b></p> <p>Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognized when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer Note 1 of the Consolidated Financial Statements – Significant Accounting Policies</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls.</li> <li>• Evaluating the design and implementation of Company's controls in respect of revenue recognition.</li> <li>• Testing the effectiveness of such controls over revenue cut off at year-end.</li> <li>• Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognized in the correct period.</li> <li>• Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.</li> <li>• Assessing the appropriateness of the Company's revenue recognition accounting policies in line with IND AS 115 ("Revenue from Contracts with Customers") and testing thereof.</li> </ul>
<p>For Key Audit Matters identified by Component Auditors, refer "Annexure 1" attached herewith (as stated in respective audit reports).</p>	



## **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding 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 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 Auditors' Report.

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

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

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**

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 state of affairs (consolidated financial position), Consolidated financial performance (consolidated statement of profit and loss including other comprehensive income), Consolidated cash flows and consolidated statement of changes in Equity of the Group and its associates in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Board of Directors of the Companies included in the Group and its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its Associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the holding Company, subsidiary companies (including step down subsidiaries), and associates incorporated in India (based on the auditors' report of respective companies) company has adequate internal financial controls system 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be



communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

- (a) We did not audit the financial statements of five (5) subsidiaries / step down subsidiaries, namely, JSL Lifestyle Limited, JSL Media Limited, Green Delhi BQS Limited, Jindal Lifestyle Limited and J.S.S. Steelitalia Limited; included in the consolidated financial statements whose financial statements reflect total assets of Rs. 259.05 crores as at March 31, 2021, total revenues of Rs. 282.24 crores and cash flows(net) of Rs. (0.49) crores for the year ended on that date, as considered in the consolidated financial statements. We did not audit the financial statements of two (2) associates, namely Jindal Stainless Corporate Management Services Pvt. Limited and Jindal Stainless limited; in whose financial statements the Company's share of profit is Rs. 145.75 crores and total Comprehensive Income of Rs. 151.11 crores for the year ended on March 31, 2021. These financial statements have been audited by other auditors whose report have been furnished to us by the management and our opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of subsidiaries/ step down subsidiaries and associates, is based solely on the reports of the other auditors.
- (b) Financial statements of three (3) subsidiary companies namely Jindal Stainless Steelway Limited, Jindal Strategic Systems Limited and JSL Logistic Limited; which reflect total assets of Rs. 477.31 crores as at March 31, 2021, total revenue of Rs. 1,874.06 crores and cash flows(net) of Rs. 0.13 crores for the year ended on that date, have been audited by one of the joint auditors of the Holding Company.
- (c) We did not audit the financial statements of one branch of Holding Company included in consolidated financial statements of the Company whose financial statements reflect total assets of Rs. 47.68 crores as at March 31, 2021 and the total revenue of Rs. 6.17 crores for the year ended on that date, as considered in consolidated financial statements, has been audited by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branch, is based solely on the report of such branch auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### Report on other legal and regulatory requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated balance sheet, the Consolidated statement of profit and loss, the Consolidated statement of cash flows and Consolidated statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.



(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies (including step down subsidiaries) and associate companies incorporated in India, none of the Directors of the Group and its Associate companies incorporated in India is disqualified as on March 31, 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 over financial reporting of the Group (Holding and Subsidiary Companies (including step down subsidiaries)) and its associates companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure- A"; and

(g) With respect to the other matters to be included in the Auditors' report in accordance with the requirements of Section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us and on the consideration of the reports of the other auditors, referred to in other matter paragraph, on separate financial statements / consolidated financial statements of the subsidiaries/step down subsidiaries and its associates, we report that the remuneration paid by the Group and its associates to its directors during the year is in accordance with the provisions of section 197 of the Act, to the extent applicable.

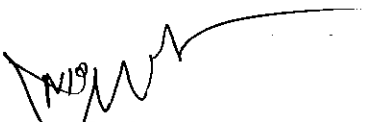
(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries (including step down 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- Refer Note 31, 36, 37 and 50 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company, its subsidiaries (including step down subsidiaries) and Associate Companies incorporated in India.

For **LODHA & CO.**  
Chartered Accountants  
ICAI-FRN: 301051E

  
**N.K. LODHA**  
Partner  
Membership No. 085155  
UDIN: 21085155AAAACJ4664  
Place: New Delhi  
Date: May 18, 2021



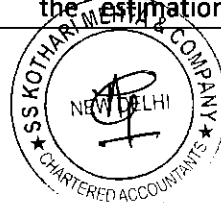
For **S.S. KOTHARI MEHTA & COMPANY**  
Chartered Accountants  
ICAI-FRN: 000756N

  
**AMIT GOEL**  
Partner  
Membership No. 500607  
UDIN: 21500607AAAAGA5323  
Place: New Delhi  
Date: May 18, 2021



## Annexure I

Component	Description of Key Audit Matter	How our audit addressed the key audit matter
<p>Jindal Stainless Limited (an Associate)</p>	<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 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 valuation experts on the audit engagement.</p> <p>Accordingly, assessment of impairment losses to be recognised, if any, on the</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 the estimation uncertainty impact of such</li> </ul>





Component	Description of Key Audit Matter	How our audit addressed the key audit matter
	<p>carrying amounts of investment in the associate company and net assets of the CGU has been considered as be a key audit matter for current year's audit.</p>	<p>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 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>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</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> <li>• 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</li> </ul>



Component	Description of Key Audit Matter	How our audit addressed the key audit matter
	<p>considered to be of most significance to the audit and determined to be a key audit matter for current year's audit.</p>	<p>impact of such assumptions on the timing of reversal of unabsorbed depreciation and utilisation of MAT credit;</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Evaluated the historical accuracy of the estimates made in the prior periods with respect to business projections and aforesaid tax computations.</li> <li>• Tested the mathematical accuracy of management's projections and tax computations.</li> <li>• 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.</li> <li>• Engaged the internal tax experts to assess the accuracy of MAT credit recognised in the consolidated financial statements.</li> <li>• Evaluated the appropriateness and adequacy of the disclosures related to MAT credit in the consolidated financial statements in accordance with the applicable accounting standards.</li> </ul>



**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JINDAL STAINLESS (HISAR) LIMITED**

**Report on the internal financial controls over financial reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of JINDAL STAINLESS (HISAR) LIMITED ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries (incorporated in India) together referred to as "the Group") and its associates which are companies incorporated in India and in which are incorporated the Return audited by the branch auditor of the Holding Company's branch at Kothavalasa in Vizianagaram district, Andhra Pradesh, as of that date.

**Management's responsibility for internal financial controls**

The respective board of directors of Holding Company, its subsidiary companies and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's responsibility**

Our responsibility is to express an opinion on the Group and its associates internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group and its associates internal financial controls system over financial reporting.

**Meaning of internal financial controls over financial reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial



statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

#### **Inherent limitations of internal financial controls over financial reporting**

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

#### **Opinion**

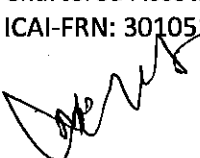
In our opinion, the Holding Company, its subsidiary companies and its associates which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

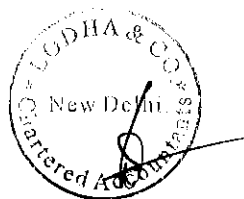
#### **Other matters**

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 8 subsidiary companies / stepdown subsidiary companies (including 3 subsidiary companies audited by one of the joint auditor of the Holding Company) and 2 associate companies which are companies incorporated in India, is based on the corresponding reports of the respective auditors of such companies incorporated in India and Return audited by the branch auditor of the Holding Company's branch at Kothavalasa in Vizianagaram district, Andhra Pradesh.

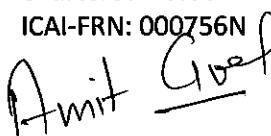
Our opinion is not modified in respect of this matters with respect to our reliance on the work done and the reports of the other auditors.

For **LODHA & CO.**  
Chartered Accountants  
ICAI-FRN: 301051E

  
**N.K. LODHA**  
Partner  
Membership No. 085155  
Place: New Delhi  
Date: May 18, 2021



For **S.S. KOTHARI MEHTA & COMPANY**  
Chartered Accountants  
ICAI-FRN: 000756N

  
**AMIT GOEL**  
Partner  
Membership No. 500607  
Place: New Delhi  
Date: May 18, 2021



UDIN - 21500607 AAAAG A 5323

**JINDAL STAINLESS (HISAR) LIMITED**  
**Consolidated balance sheet as at 31 March 2021**

(₹ in Crore)

	NOTE	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	1,871.20	2,006.32
Capital work-in-progress	52	183.36	106.87
Goodwill (includes goodwill on consolidation)	3	75.27	86.25
Other Intangible assets	3	14.49	15.77
Investment in associates - equity method	4	797.68	646.57
<b>Financial assets</b>			
Investments	4	0.00	0.00
Loans	5	1,050.00	900.00
Other financial assets	6	36.50	34.16
Deferred tax assets (net)	7	9.01	0.09
Other non-current assets	8	8.02	31.41
<b>Total non-current assets</b>		<b>4,045.53</b>	<b>3,827.44</b>
<b>Current assets</b>			
Inventories	9	1,639.01	1,554.01
<b>Financial assets</b>			
Trade receivables	10	916.56	746.81
Cash and cash equivalents	11	8.38	19.60
Bank balances other than above	12	12.52	14.20
Other financial assets	6	302.49	241.88
Current tax assets (net)	13	0.61	0.81
Other current assets	8	121.17	179.12
<b>Total current assets</b>		<b>3,000.74</b>	<b>2,756.43</b>
<b>Total Assets</b>		<b>7,046.27</b>	<b>6,583.87</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	14	47.19	47.19
Other equity	14A	2,924.03	2,223.82
<b>Total equity</b>		<b>2,971.22</b>	<b>2,271.01</b>
<b>Non-controlling interest</b>	14A	<b>26.67</b>	<b>24.84</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	15	1,250.41	1,828.64
Other financial liabilities	16	21.35	18.23
Provisions	17	18.18	20.87
Deferred tax liabilities (net)	18	17.00	37.71
<b>Total non-current liabilities</b>		<b>1,306.94</b>	<b>1,905.45</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	19	190.06	218.53
<b>Trade payables</b>			
Total outstanding dues of micro and small enterprises	20	32.61	50.43
Total outstanding dues of creditors other than micro and small enterprises	20	1,692.48	1,383.86
Other financial liabilities	16	458.64	469.21
Other current liabilities	21	257.83	252.51
Provisions	17	3.26	3.07
Current tax liabilities (net)	22	106.56	4.96
<b>Total current liabilities</b>		<b>2,741.44</b>	<b>2,382.57</b>
<b>Total Equity and Liabilities</b>		<b>7,046.27</b>	<b>6,583.87</b>

**Significant Accounting Policies**

The accompanying significant accounting policies and notes form an integral part of these consolidated financial statements.

In terms of our report of even date annexed hereto.

For LODHA & CO.  
Chartered Accountants

(N.K. LODHA)  
Partner  
Membership No. 85155  
FRN 301051E

For S.S. KOTHARI MEHTA & COMPANY  
Chartered Accountants

(AMIT GOEL)  
Partner  
Membership No. 500607  
FRN 000756N

For and on behalf of the Board of Directors :

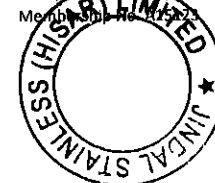
ABHYUDAY JINDAL  
Managing Director  
DIN 07290474

JAGMOHAN SOOD  
Whole Time Director  
DIN 08121814

RAMNIK GUPTA  
Chief Financial Officer  
PAN AHEPG2769D

BHARTENDU HARIT  
Company Secretary  
Membership No. 15000

PLACE: New Delhi  
DATED: 18 May 2021



**JINDAL STAINLESS (HISAR) LIMITED**

Consolidated statement of profit and loss for the year ended 31 March 2021

(₹ in Crore)

	NOTE	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>INCOME</b>			
Revenue from operations	23	9,400.29	9,379.00
Other income	24	107.22	132.86
<b>Total Income</b>		<b>9,507.51</b>	<b>9,511.86</b>
<b>EXPENSES</b>			
Cost of materials consumed	25	5,968.10	5,985.27
Purchases of stock in trade		387.97	248.36
Changes in Inventories of finished goods, work in progress and stock in trade	26	(41.40)	51.60
Employee benefits expenses	27	227.42	235.21
Finance costs	28	250.94	322.77
Depreciation and amortization expenses	29	290.38	294.58
Other expenses	30	1,731.16	1,923.39
<b>Total Expenses</b>		<b>8,814.57</b>	<b>9,061.18</b>
<b>Profit before exceptional items and tax</b>		<b>692.94</b>	<b>450.68</b>
Share of profit from associates - equity method		145.75	25.92
Exceptional items - gain (net)	33	41.39	20.09
<b>Profit before tax for the year</b>		<b>880.07</b>	<b>496.69</b>
<b>Tax expense</b>			
Current tax		208.42	138.57
Deferred tax		(22.14)	(43.25)
Taxes in relation to earlier years		(1.80)	0.59
<b>Net Profit for the year</b>		<b>695.59</b>	<b>400.78</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent		693.77	392.87
Non-controlling interest		1.82	7.91
		<b>695.59</b>	<b>400.78</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gains / (losses) on defined benefit plans		1.45	(1.40)
Income tax effect on above		(0.37)	0.35
Share of other comprehensive income from associates		5.36	14.70
<b>Other comprehensive income for the year</b>		<b>6.44</b>	<b>13.65</b>
<b>Other comprehensive income for the year attributable to:</b>			
Owners of the parent		6.43	13.69
Non-controlling interest		0.01	(0.04)
		<b>6.44</b>	<b>13.65</b>
<b>Total comprehensive income for the year</b>		<b>702.04</b>	<b>414.43</b>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the parent		700.21	406.56
Non-controlling interest		1.83	7.87
		<b>702.04</b>	<b>414.43</b>
<b>Earnings per share (In ₹)</b>			
Basic	47	29.40	16.65
Diluted		29.40	16.65

**Significant Accounting Policies**

The accompanying significant accounting policies and notes form an integral part of these consolidated financial statements.

In terms of our report of even date annexed hereto.

For LODHA & CO.  
Chartered Accountants

(N.K. LODHA)  
Partner  
Membership No. 85155  
FRN 301051E

For S.S. KOTHARI MEHTA & COMPANY  
Chartered Accountants

(AMIT GOEL)  
Partner  
Membership No. 500607  
FRN 000756N

For and on behalf of the Board of Directors :

ABHYUDAY JINDAL  
Managing Director  
DIN 07290474

JAGMOHAN SOOD  
Whole Time Director  
DIN 08121814

RAMNIK GUPTA  
Chief Financial Officer  
PAN AHEPG2769D

BHARTENDU HARTI  
Company Secretary  
Membership No. A15123

PLACE: New Delhi  
DATED: 18 May 2021



**JINDAL STAINLESS (HISAR) LIMITED**

Statement of changes in equity for the year ended 31 March 2021

**EQUITY SHARE CAPITAL**

(₹ In Crore)

As at 01 April 2019	Changes In equity share capital during 2019-20	As at 31 March 2020	Changes In equity share capital during 2020-21	As at 31 March 2021
47.19	-	47.19	-	47.19

**OTHER EQUITY**

(₹ In Crore)

	Surplus			Retained earnings	Items of other comprehensive income Re-measurement of the net defined benefit plans (net of tax)	Total	Non- Controlling Interest
	Capital reserve	Securities premium	General Reserve				
Balance as at 01 April 2019	0.05	562.94	-	1,244.20	(1.60)	1,805.59	47.49
Profit for the year 2019-20	-	-	-	392.87	-	392.87	7.91
Other comprehensive income for the year 2019-20	-	-	-	-	13.69	13.69	(0.04)
Transition of non controlling interest of subsidiaries due to change in shareholding	0.04	2.64	6.34	18.42	(0.03)	27.41	(30.53)
Change in associate shareholding	-	-	-	(3.55)	(12.19)	(15.74)	-
Balance as at 31 March 2020	0.09	565.58	6.34	1,651.94	(0.13)	2,223.82	24.84
Profit for the year 2020-21	-	-	-	693.77	-	693.77	1.82
Other comprehensive income for the year 2020-21	-	-	-	-	6.43	6.43	0.01
Balance as at 31 March 2021	0.09	565.58	6.34	2,345.71	6.30	2,924.03	26.67

The accompanying significant accounting policies and notes form an integral part of these consolidated financial statements.

In terms of our report of even date annexed hereto.

For LODHA & CO.  
Chartered Accountants

(N.K. LODHA)  
Partner  
Membership No. 85155  
FRN 301051E

For S.S. KOTHARI MEHTA & COMPANY  
Chartered Accountants

(AMIT GOEL)  
Partner  
Membership No. 500607  
FRN 000756N

For and on behalf of the Board of Directors :

ABHYUDAY JINDAL  
Managing Director  
DIN 07290474

RAMNIK GUPTA  
Chief Financial Officer  
PAN AHEPG2769D

JAGMOHAN SOOD  
Whole Time Director  
DIN 08121814

BHARTENDU HARIT  
Company Secretary  
Membership No. A15123

PLACE: New Delhi  
DATED: 18 May 2021



**JINDAL STAINLESS (HISAR) LIMITED**

Consolidated Statement of Cash Flows for the year ended 31 March 2021

(₹ In Crore)

DESCRIPTION	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>A. Cash flow from operating activities</b>		
Profit before tax	880.08	496.69
Adjustment for:		
Depreciation and amortisation expenses	290.38	294.58
Allowance for expected credit losses/bad debts (net)	13.48	5.81
Effect of unrealised foreign exchange gain	(6.61)	(4.14)
Mark to market of derivatives contract (gain)/loss	(16.06)	12.25
Share of profit from associates-Equity Method	(145.75)	(25.92)
Re-measurements of the net defined benefit Plans	6.81	13.30
Finance costs	250.94	322.77
Profit on sale of current investments	(0.02)	-
Interest income	(97.76)	(99.73)
Loss on sale/discard of property, plant & equipment (net)	2.87	0.97
<b>Operating profit before working capital changes</b>	<b>1,178.36</b>	<b>1,016.58</b>
Movement in working capital :		
(Increase) / decrease in inventories	(85.00)	(76.71)
(Increase) / decrease in trade receivables	(183.87)	136.81
(Increase) / decrease in loans & advances and other assets	85.99	(81.32)
Increase / (decrease) in liabilities and provisions	415.02	(118.46)
<b>Cash Inflow from operating activities</b>	<b>1,410.50</b>	<b>876.90</b>
Income tax paid (net)	(105.19)	(167.15)
<b>Net cash inflow from operating activities</b>	<b>1,305.31</b>	<b>709.75</b>
<b>B. Cash flow from Investing activities</b>		
Bank deposits encashed/(made)	1.68	(6.70)
Purchase of property, plant & equipment and intangible asset	(223.94)	(223.80)
Loan given to related party	(150.00)	-
Sales proceeds of property, plant & equipment	3.90	7.62
Net proceeds on sale of Investments	0.02	-
Interest received	12.93	17.63
<b>Net cash outflow from investing activities</b>	<b>(355.41)</b>	<b>(205.25)</b>
<b>C. Cash flow from financing activities</b>		
Interest and finance charges paid	(164.82)	(309.05)
Repayment of long term borrowings (net)	(766.01)	(198.87)
Repayment of short term borrowings (net)	(27.12)	13.09
Buy Back of Shares by Subsidiary	-	(3.11)
Payment of lease liability	(3.17)	(5.58)
<b>Net cash outflow from financing activities</b>	<b>(961.12)</b>	<b>(503.52)</b>
<b>Net changes in cash &amp; cash equivalents</b>	<b>(11.22)</b>	<b>0.98</b>
Cash & cash equivalents (closing balance) (refer note no.11)	8.38	19.60
Cash & cash equivalents (opening balance)(refer note no.11)	19.60	18.62
<b>Net changes in cash &amp; cash Equivalents</b>	<b>(11.22)</b>	<b>0.98</b>

**Reconciliation of liabilities arising from financing activities**

	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Long term borrowing	Short term borrowing	Long term borrowing	Short term borrowing
Opening balance	1,962.05	218.53	2,161.34	205.55
<b>Cash flows</b>				
Repayment	(821.87)	(27.12)	(198.87)	-
Proceeds	55.86	-	-	13.09
<b>Non cash</b>				
Foreign exchange movement	-	(1.35)	-	(0.11)
Interest converted to loan on availment of moratorium	100.73	-	-	-
Fair value changes	(6.22)	-	(0.42)	-
<b>Closing balance</b>	<b>1,290.55</b>	<b>190.06</b>	<b>1,962.05</b>	<b>218.53</b>

\* Short term borrowings are presented on net basis

The accompanying significant accounting policies and notes form an integral part of these consolidated financial statements.

In terms of our report of even date annexed hereto.

For LODHA & CO.  
Chartered Accountants

For S.S. KOTHARI MEHTA & COMPANY  
Chartered Accountants

For and on behalf of the Board of Directors :

(N.K. LODHA)  
Partner  
Membership No. 85155  
FRN 301051E

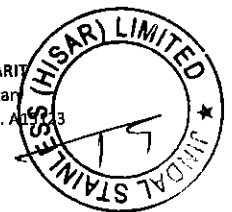
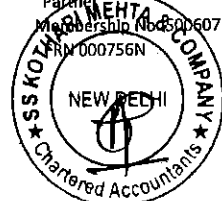
(AMIT GOEL)  
Partner  
Membership No. 850607  
FRN 000756N

ABHYUDAY JINDAL  
Managing Director  
DIN 07290474

JAGMOHAN SOOD  
Whole Time Director  
DIN 08121814

RAMNIK GUPTA  
Chief Financial Officer  
PAN AHEPG2769D

BHARTENDU HARI  
Company Secretary  
Membership No. A19243



PLACE: New Delhi  
DATED: 18 May 2021



# JINDAL STAINLESS (HISAR) LIMITED

## Notes to the consolidated financial statements for the year ended 31 March 2021

### NOTE NO – 1 BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES

#### 1) General information

Jindal Stainless (Hisar) Limited (“the Company” or “the Parent Company”) is a leading manufacturer /producer of stainless steel flat products in austenitic, ferritic, martensitic and duplex grades. The product range includes ferro alloys, stainless steel slabs and blooms, hot rolled coils, plates, cold rolled coils and specialty products such as razor blade steel, precision strips, coin blanks and long products.

The Parent and its subsidiaries (together referred as “the Group”) are manufacturer of diverse range of steel products with its manufacturing facilities located in the state of Haryana, Andhra Pradesh, Tamil Nadu, Gujarat and Maharashtra in India.

#### 2) Basis of preparation

The consolidated financial statements have been prepared complying in all material respects with the Indian Accounting Standards (IND AS) notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rule 2015. The financial statements comply with IND AS notified by Ministry of Company Affairs (MCA). The Company has consistently applied the accounting policies used in the preparation of financial statement of all period presented.

The financial statements has been prepared considering all IND AS as notified and made applicable by MCA for reporting date i.e. 31 March 2021.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

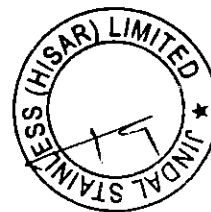
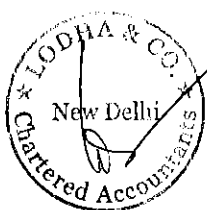
#### 3) Changes in Significant accounting policies

##### Standards issued but yet not effective

Ministry of Corporate Affairs (MCA) notified new standard and amendments to the existing standards. There is no such notification, which would have been applicable from 01 April 2021.

#### 4) Basis of consolidation of financial statements

- i) The Company has prepared consolidated financial statements by consolidating its accounts with those of the followings as on 31 March 2021 :



# JINDAL STAINLESS (HISAR) LIMITED

## Notes to the consolidated financial statements for the year ended 31 March 2021

Name	Country of Incorporation	%Age Shareholding / Voting Power	
		31 March 2021	31 March 2020
<b>Subsidiaries @</b>			
Jindal Stainless Steelway Limited	India	100.00%	100.00%
JSL Lifestyle Limited	India	78.70%	78.70%
JSL Logistics Limited	India	100.00%	100.00%
Green Delhi BQS Limited	India	95.09%	95.09%
JSL Media Limited	India	100.00%	99.94%
Jindal Strategic Systems Limited*	India	100.00%	--
J.S.S. Steelitalia Limited**	India	100.00%	33.00%
Jindal Lifestyle Limited***	India	100.00%	--
<b>Associates #</b>			
Jindal Stainless Limited	India	34.54%	34.54%
Jindal Stainless Corporate Management services Pvt Ltd.	India	50.00%	50.00%

@ The control in subsidiary is gained when the Company is exposed to, or has rights to variable returns from its involvement with the entity and the ability to affect those returns through its power over the entity.

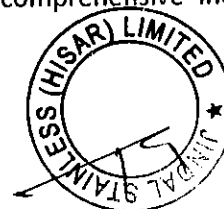
#An associate is entity over which the group has significant influence, i.e. the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

\*Subsidiary w.e.f 15 December 2020

\*\*Associate upto 15 January 2021 and Subsidiary w.e.f 16 January 2021

\*\*\*Subsidiary w.e.f 16 December 2020

- ii) The financial statements of parent Company and its subsidiaries have been consolidated on line-by-line basis by adding together book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra- group transactions in accordance with Ind AS 110 "Consolidated Financial Statement".
- iii) Non-controlling interest represents the equity in a subsidiary not attributable, directly or indirectly to a Parent. Non-controlling interest in the net assets of the subsidiaries being consolidated is identified and presented in the consolidated balance sheet separately from the equity attributable to the Parent's shareholders and liabilities. Profit or loss and each component of other comprehensive income are attributed to parent and to the non-controlling interest. Impact of any insignificant and immaterial non-controlling interest is not considered.
- iv) In case of associates, where Company holds directly or indirectly through subsidiaries 20% or more equity or / and exercises significant influence, investments are accounted for by using equity method in accordance with Ind AS 28 "Investments in Associates and Joint Ventures".
- v) Post-acquisition, the Company accounts for its share in the change in net assets of the associates, through its statement of profit and loss, other comprehensive income and through its reserves for the balance.



# JINDAL STAINLESS (HISAR) LIMITED

## Notes to the consolidated financial statements for the year ended 31 March 2021

- vi) The difference between the cost of investment and the share of net fair value of investees' assets and liabilities at the time of acquisition of shares in the associates is identified in the financial statements as goodwill or capital reserve as the case may be. However goodwill is not separately recognised but included in the value of investments.
- vii) The difference between the cost of investment at the time of acquisition of shares in the subsidiaries and the share of net of the assets acquired and the liabilities assumed measured at their acquisition date fair values is identified in the financial statements as goodwill or capital reserve as the case may be.
- viii) The accounting policies of the parent company, its subsidiaries and associates are largely similar.
- ix) The deferred tax is recognised for temporary differences arising after elimination of profits and losses resulting from intragroup transactions.
- x) Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with parent company's financial statements.
- xi) Significant accounting policies of the financial statements of the company and its subsidiaries are set out in their respective Standalone Financial Statements.

### 5) Significant accounting policies

The significant accounting policies to prepare consolidated financial statements are in uniformity with the standalone financial statements of the Company. Following are the additional policies specifically considered for preparation of consolidated financial statements:

#### a) Business combination

Business combinations are accounted for using the acquisition method. The cost of acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Company in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria are stated at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard.

The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling shareholders' proportionate share of the acquiree's identifiable net assets.

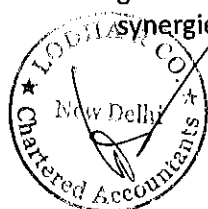
#### b) Deferred tax

The Company does not recognise deferred tax liability with respect to undistributed retained earnings of subsidiaries as the Company controls the timing of distribution of profits and it is probable that the subsidiaries will not distribute the profits in the foreseeable future.

#### c) Goodwill

Goodwill arising on an acquisition of business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination.



**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

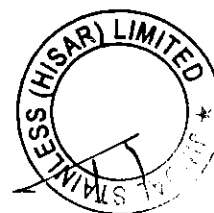
**2. PROPERTY, PLANT AND EQUIPMENT**

(₹ In Crore)

	Right to use of assets	Leasehold land	# Freehold land	# Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total
<b>GROSS CARRYING AMOUNT</b>									
As at 01 April 2019	-	8.56	331.28	459.30	2,685.79	11.72	32.29	5.64	3,534.58
Additions	29.76	-	-	16.72	154.65	5.25	4.61	1.42	212.41
Disposal/adjustments	-	-	-	-	30.00	0.02	0.07	0.11	30.20
As at 31 March 2020	29.76	8.56	331.28	476.02	2,810.44	16.94	36.83	6.95	3,716.79
Additions	3.22	-	-	14.96	117.25	1.98	1.39	1.12	139.92
Disposal/adjustments	(0.48)	0.34	(2.74)	(4.39)	19.24	3.43	0.03	0.79	16.22
As at 31 March 2021	33.46	8.22	334.02	495.37	2,908.45	15.49	38.19	7.28	3,840.49
<b>ACCUMULATED DEPRECIATION</b>									
As at 01 April 2019	-	1.87	-	139.17	1,274.82	6.77	15.83	2.84	1,441.30
Charge for the year	6.51	0.03	-	26.23	251.48	2.87	3.22	0.46	290.80
Relating to Disposal/adjustments	-	-	-	-	21.58	0.02	0.00	0.03	21.63
As at 31 March 2020	6.51	1.90	-	165.40	1,504.72	9.62	19.05	3.26	1,710.47
Charge for the year	7.39	0.65	-	29.31	238.08	1.86	3.42	1.39	282.10
Relating to Disposal/adjustments	-	(0.39)	-	(2.10)	20.61	3.73	0.01	1.42	23.28
As at 31 March 2021	13.90	2.94	-	196.81	1,722.19	7.75	22.46	3.23	1,969.29
<b>NET CARRYING AMOUNT</b>									
As at 31 March 2020	23.25	6.66	331.28	310.62	1,305.72	7.32	17.78	3.69	2,006.32
As at 31 March 2021	19.56	5.28	334.02	298.56	1,186.26	7.74	15.73	4.05	1,871.20

**Notes**

#The Company has legally valid, clear & marketable title over the freehold land & buildings amounting to ₹ 318.12 crore and ₹ 3.24 crore respectively, vested in the company pursuant to the composite scheme of arrangement. Mutation of whole land at Hisar (other than 97 kanal of land amounting to ₹ 9.98 Crore) has been recorded by Land Revenue Department in the name of the Company.



**JINDAL STAINLESS (HISAR) LIMITED**

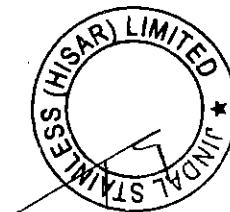
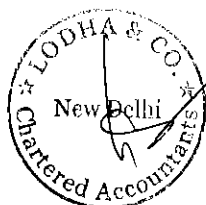
Notes to the consolidated financial statements for the year ended 31 March 2021

**3. GOODWILL AND INTANGIBLE ASSETS**

(₹ in Crore)

	Goodwill	Software	Bus Q Shelter Concession Rights	Total
<b>GROSS CARRYING AMOUNT</b>				
As at 01 April 2019	86.25	17.44	50.26	153.95
Additions	-	8.86	-	8.86
Disposals/adjustments	-	-	-	-
<b>As at 31 March 2020</b>	<b>86.25</b>	<b>26.30</b>	<b>50.26</b>	<b>162.81</b>
Additions	-	7.02	-	7.02
Disposals/adjustments	10.98	1.33	-	12.31
<b>As at 31 March 2021</b>	<b>75.27</b>	<b>31.99</b>	<b>50.26</b>	<b>157.52</b>
<b>ACCUMULATED AMORTIZATION</b>				
As at 01 April 2019	-	6.75	50.26	57.01
Charge for the year	-	3.78	-	3.78
Relating to disposals/adjustments	-	-	-	-
<b>As at 31 March 2020</b>	<b>-</b>	<b>10.53</b>	<b>50.26</b>	<b>60.79</b>
Charge for the year	-	8.28	-	8.28
Relating to disposals/adjustments	-	1.31	-	1.31
<b>As at 31 March 2021</b>	<b>-</b>	<b>17.50</b>	<b>50.26</b>	<b>67.76</b>
<b>NET CARRYING AMOUNT</b>				
As at 31 March, 2020	86.25	15.77	-	102.02
As at 31 March, 2021	75.27	14.49	-	89.76

\* Amortised upto 5 Years



**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

(₹ in Crore)

	As at 31 March 2021			As at 31 March 2020		
	Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount

**4 INVESTMENTS**
**NON - CURRENT INVESTMENTS  
AT COST LESS PROVISION**
**A Equity shares fully paid up of associate company-quoted**

Jindal Stainless Limited #	16,82,84,309	2	366.19	16,82,84,309	2	366.19
Share in profit from associate - equity method			426.29			276.33
<b>TOTAL (A)</b>			<b>792.48</b>			<b>642.52</b>

**B Equity shares fully paid up of associate company-unquoted**

Jindal Stainless Corporate Management Services Pvt. Ltd.	5,000	10	0.01	5,000	10	0.01
Share in profit from associate - equity method			5.19			4.04
J.S.S. Steelitalia Limited	-	-	-	77,13,190	10	7.71
Share in (loss) from associate - equity method \$(till 15th January,2021)			-			(7.71)
<b>TOTAL (B)</b>			<b>5.20</b>			<b>4.05</b>

**C Govt./Semi Govt. securities - non trade at fair value**

National Savings Certificate [ ₹ 1,500 ( ₹ 1,500)]*			0.00			0.00
<b>TOTAL (C)</b>			<b>0.00</b>			<b>0.00</b>

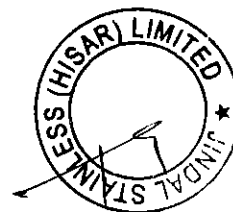
**TOTAL - NON CURRENT INVESTMENT (A+B+C)**

Aggregate amount of quoted Investments			792.48			642.52
Aggregate market value of quoted Investments			1,137.60			405.57
Aggregate amount of unquoted investments			5.20			4.05

# Pledge of 7,84,15,662 (7,84,15,662) shares in favour of lenders of Jindal Stainless Limited and pledge of 8,98,68,647 (8,98,68,647) shares in favour of lenders of the company. (Read with Note no 34(iv))

\* Lodged with Government Authorities as security.

\$ As per Para 38 of Ind AS-28 "Investments in associates" investor will recognise share of loss in associate upto its interest in associate, accordingly loss of ₹5.35 crore not recognised till 31 March,2020.



**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

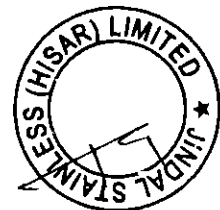
(₹ In Crore)

	As at 31 March 2021	As at 31 March 2020
<b>5 NON CURRENT LOANS</b>		
(Unsecured, considered good unless otherwise stated) (refer note no. 43)		
Loans to related party *	1,050.00	900.00
<b>TOTAL - NON CURRENT LOANS</b>	<b>1,050.00</b>	<b>900.00</b>
* carrying interest rate@ 10% p.a.		

	Non Current		Current	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
<b>6 OTHER FINANCIAL ASSETS</b>				
Security deposits [Net of provision of ₹ 0.54 crore (₹ 0.54 crore)]	34.73	33.91	2.51	2.95
Interest receivable \$ (refer note no. 43)	-	-	249.01	164.18
Other receivable #	-	-	45.99	74.75
Derivative assets	-	-	4.98	-
	1.77	0.25	-	-
Bank deposits with original maturity of more than 12 months*				
<b>TOTAL - OTHER FINANCIAL ASSETS</b>	<b>36.50</b>	<b>34.16</b>	<b>302.49</b>	<b>241.88</b>
\$ includes ₹ 245.29 crore ( ₹ 162.00 crore) receivable from Jindal Stainless Limited.				
# Includes export incentives etc.				
* under lien with banks/govt. authorities				

	As at 31 March 2021	As at 31 March 2020
<b>7 DEFERRED TAX ASSETS (NET)</b>		
(a) DEFERRED TAX LIABILITY		
Difference between book & tax depreciable assets	0.28	4.14
<b>Total deferred tax liability</b>	<b>0.28</b>	<b>4.14</b>
(b) DEFERRED TAX ASSETS		
Disallowance under income tax act	3.30	0.90
Brought forward loss/unabsorbed depreciation	5.99	-
<b>Total deferred tax assets</b>	<b>9.29</b>	<b>0.90</b>
<b>MAT CREDIT ENTITLEMENT</b>	<b>-</b>	<b>3.33</b>
<b>DEFERRED TAX ASSETS (NET)</b>	<b>9.01</b>	<b>0.09</b>

	Non Current		Current	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
<b>8 OTHER ASSETS</b>				
Capital advances [Net of provision of ₹ 2.68 crore (₹ Nil)]	7.26	30.45	-	-
Advance to vendors	-	-	50.43	43.32
Advance to employees	-	-	0.10	0.31
Balances with indirect tax authorities	-	-	59.21	122.66
Unbilled revenue	-	-	-	0.24
Other receivables *	0.76	0.96	11.43	12.59
<b>TOTAL - OTHER ASSETS</b>	<b>8.02</b>	<b>31.41</b>	<b>121.17</b>	<b>179.12</b>
* Includes prepaid expenses etc				



**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

	As at 31 March 2021	As at 31 March 2020
<b>9 INVENTORIES</b>		
(As taken by the management (valued at lower of cost and net realizable value unless otherwise stated )		
Raw materials [Including material in transit ₹141.37 crore ( ₹ 174.71 crore )]	600.97	533.98
Work In progress	511.29	448.15
Finished goods	441.05	462.30
Stock in trade	3.09	3.18
Store and spares [Including material in transit ₹3.30 crore ( ₹ 17.90 crore)]	82.23	106.06
Scrap (at estimated realizable value)	0.38	0.34
<b>TOTAL - INVENTORIES</b>	<b>1,639.01</b>	<b>1,554.01</b>

	As at 31 March 2021	As at 31 March 2020
<b>10 TRADE RECEIVABLES</b>		
Unsecured		
Considered good* (refer note no. 43)	916.56	746.81
Credit impaired	50.01	42.75
Less : Allowance for expected credit losses	(50.01)	(42.75)
<b>TOTAL - TRADE RECEIVABLES</b>	<b>916.56</b>	<b>746.81</b>

\*The above includes trade receivables of ₹26.62 crore ( ₹ 55.88 crore) due for more than 180 days.

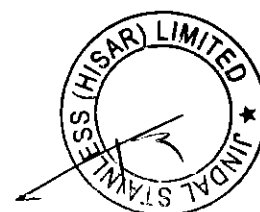
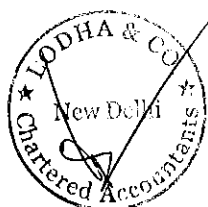
	As at 31 March 2021	As at 31 March 2020
<b>11 CASH AND CASH EQUIVALENTS</b>		
Balances with banks	8.06	6.63
Bank Deposits with original maturity of less than three month *	0.24	0.23
Cheques In hand/money in transit	0.01	12.61
Cash In hand	0.07	0.13
Puja and silver coins [ ₹ 18,814 ( ₹ 17,964)]	0.00	0.00
<b>TOTAL - CASH AND CASH EQUIVALENTS</b>	<b>8.38</b>	<b>19.60</b>

\* under lien with Banks/Government authorities.

	As at 31 March 2021	As at 31 March 2020
<b>12 OTHER BANK BALANCES</b>		
Bank Deposits with original maturity of more than three month but less than 12 months *	12.52	14.20
<b>TOTAL - OTHER BANKS BALANCES</b>	<b>12.52</b>	<b>14.20</b>

\* under lien with Banks / Govt authorities

	As at 31 March 2021	As at 31 March 2020
<b>13 CURRENT TAX ASSETS (NET)</b>		
Current tax assets [Net of provision of ₹ 0.01 Crore ( ₹ 44.77 Crore)]	0.61	0.81
<b>TOTAL - CURRENT TAX ASSETS (NET)</b>	<b>0.61</b>	<b>0.81</b>





**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

	As at 31 March 2021	As at 31 March 2020
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**14 SHARE CAPITAL**

<b>AUTHORISED</b>		
240,000,000 (240,000,000) equity shares of ₹ 2/- each	48.00	48.00
10,000,000 (10,000,000) preference shares of ₹ 2/- each	2.00	2.00
	<b>50.00</b>	<b>50.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
235,934,685 (235,934,685) equity shares of ₹ 2/- each	47.19	47.19
	<b>47.19</b>	<b>47.19</b>

**(a) RECONCILIATION OF THE NUMBER OF EQUITY SHARES**

	31 March 2021	31 March 2020
Shares outstanding at the beginning of the year	23,59,34,685	23,59,34,685
Shares outstanding at the end of the year	<b>23,59,34,685</b>	<b>23,59,34,685</b>

**(b) TERMS/RIGHTS ATTACHED TO EQUITY SHARES**

The company has only one class of equity shares having a par 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 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.

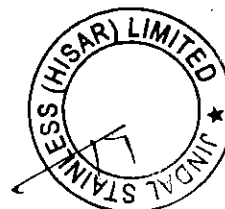
As on 31 March 2021, 7,552,167 GDSs (7,552,167 GDSs) with 15,104,334 underlying equity shares (15,104,334 equity shares) were outstanding. Each GDS represents 2 underlying equity shares of the Company.

**(c) EQUITY SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER**

NAME OF THE SHAREHOLDER	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% holding	No. of shares	% holding
JSL Overseas Holding Limited	3,02,00,000	12.80%	3,02,00,000	12.80%
JSL Overseas Limited	2,65,60,440	11.26%	2,65,60,440	11.26%
ELM Park Fund Limited	1,94,32,160	8.24%	1,94,32,160	8.24%
Hypnos Fund Limited	1,19,87,711	5.08%	1,25,87,711	5.34%

Note: JSL Overseas Holding Limited also hold 71,17,492 GDS representing 1,42,34,984 underlying equity shares of ₹ 2/- each.

(d) No bonus, buy back, issue of share other than in cash in last 5 years.



**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

**14A. OTHER EQUITY**

(₹ In Crore)

	Surplus			Retained earnings	Items of other comprehensive income Re-measurement of the net defined benefit plans (net of tax)	Total	Non-Controlling Interest
	Capital reserve	Securities premium	General Reserve				
Balance as at 01 April 2019	0.05	562.94	-	1,244.20	(1.60)	1,805.59	47.49
Profit for the year 2019-20	-	-	-	392.87	-	392.87	7.91
Other comprehensive income for the year 2019-20	-	-	-	-	13.69	13.69	(0.04)
Transition of non controlling interest of subsidiaries due to change in shareholding	0.04	2.64	6.34	18.42	(0.03)	27.41	(30.53)
Change in associate shareholding	-	-	-	(3.55)	(12.19)	(15.74)	-
Balance as at 31 March 2020	0.09	565.58	6.34	1,651.94	(0.13)	2,223.82	24.84
Profit for the year 2020-21	-	-	-	693.77	-	693.77	1.82
Other comprehensive Income for the year 2020-21	-	-	-	-	6.43	6.43	0.01
Balance as at 31 March 2021	0.09	565.58	6.34	2,345.71	6.30	2,924.03	26.67

**Nature of Reserves**

**Capital Reserve** :- Represents on cancellation of share capital in terms of composite scheme of arrangement.

**Securities Premium** :- Represents the amount received in excess of par value of securities. Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

**Other Comprehensive Income Reserve** :- Represents the balance in equity for items to be accounted in other comprehensive income. OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

**General reserve** :- Represents the statutory reserve in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend. However, under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.



14



**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

	Non Current		Current	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
<b>15 LONG-TERM BORROWINGS</b>				
<b>SECURED</b>				
(a) Rupee term loans from banks	1,219.61	1,799.03	30.15	130.00
(b) Working capital demand loan from banks	3.87	-	2.90	-
(c) Working capital term loans from financial Institutions	-	2.57	2.69	3.36
(d) Car loans from bank	-	0.03	0.05	0.05
<b>TOTAL - SECURED</b>	<b>1,223.48</b>	<b>1,801.63</b>	<b>35.79</b>	<b>133.41</b>
<b>UNSECURED</b>				
(e) External Commercial Borrowings from other party	-	-	4.35	-
(f) Loan from other party	26.93	27.01	-	-
<b>TOTAL - UNSECURED</b>	<b>26.93</b>	<b>27.01</b>	<b>4.35</b>	<b>-</b>
Less : Amount disclosed under the head other current financial liabilities	-	-	40.14	133.41
<b>TOTAL - LONG TERM BORROWINGS</b>	<b>1,250.41</b>	<b>1,828.64</b>	<b>-</b>	<b>-</b>

**Secured Borrowings**

- (a) The term loan facility from banks amounting to ₹ 1,249.76 Crore (₹ 1,929.03 Crore) are repayable in quarterly instalments. ₹ 30.15 Crore during 2021-22 (four instalments - ₹ 5.97 Crore, ₹ 7.55 Crore and two instalments of ₹ 8.31 Crore each), ₹ 34.64 Crore during 2022-23 (three instalments of ₹ 8.31 Crore each and one instalment of ₹ 9.71 Crore), ₹ 248.60 Crore during 2023-24 (four instalments - ₹ 41.62 Crore, two instalments of ₹ 68.72 Crore each and one instalment of ₹ 69.55 Crore), ₹ 278.21 Crore during 2024-25 (instalments of ₹ 69.55 Crore each), ₹ 278.49 Crore during 2025-26 (three instalments of ₹ 69.55 Crore each and one instalment of ₹ 69.83 Crore), ₹ 279.33 Crore during 2026-27 (instalments of ₹ 69.83 Crore each), ₹ 99.03 Crore during FY 2027-28 (four instalments - ₹ 67.16 Crore, ₹ 26.29 Crore, ₹ 2.51 Crore and ₹ 3.07 Crore) and balance amount of ₹ 1.31 Crore in 2028-29.

The term loan facility is secured/ to be secured by first pari-passu charge by way of mortgage of Company's immovable properties and hypothecation of moveable fixed assets both present & future and second pari-passu charge by way of hypothecation and/or pledge of current assets including finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable, etc both present and future. The stated term loan facility are further secured/ to be secured by a first ranking pari-passu charge by way of hypothecation or assignment in relation to loans and advances advanced by the Company to JSL. (read with note no. 34)

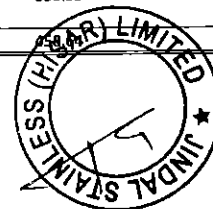
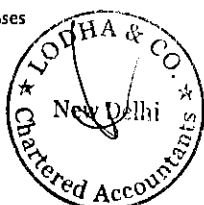
Rupee term loan facility (except for IndusInd Bank term loan) has been sanctioned at floating rate of interest linked with SBI base rate plus applicable spread of 165 bps. The lenders also have an option to link their effective rate of interest with their own bank's base rate/ MCLR and adjust the spread accordingly. IndusInd Bank (IBL) term loan facility has been sanctioned at floating rate of interest linked with IBL's 1 year MCLR plus applicable spread of 65 bps.

- (b) In case of JSL Lifestyle Limited (JSL), The working capital demand loan facility is secured by first pari-passu charge by way of mortgage of JSL immovable properties and hypothecation of moveable fixed assets both present & future and by way of hypothecation and/or pledge of current assets including finished goods, raw materials, work-in-progress, consumable stores and spares, book debts, bills receivable, etc both present and future. The loan is repayable as follows: (a) 8.25% Demand Loan of ₹ 1 crore with outstanding balance of ₹ 0.78 crore is repayable in 14 monthly equal instalments ending in May 2022. (b) 7.40% Demand Loan of ₹ 2.25 crores with outstanding balance of ₹ 1.63 crores is repayable in 13 monthly equal instalments ending in April 2022. (c) 7.95% Demand Loan of ₹ 4.09 crores with outstanding balance of ₹ 4.09 crores is repayable in 36 monthly equal instalments ending in Nov 2024.
- (c) In case of Jindal Stainless Steelway Limited (JSSL), Working Capital Term Loan Facility are secured by way of first pari-passu charge on the existing fixed assets of the company (both present and future) and second pari-passu charge on the current assets of the JSSL (both present and future). The loan is repayable by January, 2022 in 22 instalments and carries floating interest rate which range from 9.95% p.a. to 11.1% p.a.
- (d) In case of Jindal Stainless Steelway Limited, Vehicle loan is secured by way of hypothecation of vehicles purchased there under and payable for the terms of the agreement. The loan is repayable in 36 EMI till September 2021 and carries interest @ 9.20% p.a.

**Unsecured Borrowings**

- (e) In case of JSS Steelitalia Limited, Current Maturities of Long term debt of External Commercial borrowings includes overdue amount of ₹ 3.07 crore and ₹ 1.28 crore payable to Inox Market Services S.R.L and Steelway S.R.L respectively. JSS Steelitalia Limited has applied for waiver of interest due to financial constraint. Hence, no provision for interest has been made from April 2016 onwards.
- (f) In case of Green Delhi BQS Limited and JSL Lifestyle Limited, unsecured loan shall be repayable by the end of March 2025.

	Non Current		Current	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
<b>16 OTHER FINANCIAL LIABILITIES</b>				
Lease Liability	15.98	18.23	4.94	5.96
Current maturities of non-current borrowings	-	-	40.14	133.41
Interest accrued	-	-	9.96	18.37
Capital payables	-	-	28.70	38.72
Derivative liabilities	-	-	-	11.08
Security deposits	-	-	2.99	3.02
Due to employees	-	-	18.36	17.16
Other outstanding financial liabilities*	5.37	-	353.55	241.49
<b>TOTAL - OTHER FINANCIAL LIABILITIES</b>	<b>21.35</b>	<b>18.23</b>	<b>469.21</b>	<b>469.21</b>
* Includes provision for expenses				



**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

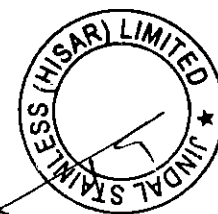
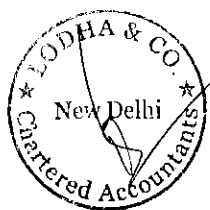
	Non Current		Current	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
<b>17 PROVISIONS</b>				
For employee benefits	18.18	20.87	3.26	3.07
<b>TOTAL - PROVISIONS</b>	<b>18.18</b>	<b>20.87</b>	<b>3.26</b>	<b>3.07</b>

	As at	
	31 March 2021	31 March 2020
<b>18 DEFERRED TAX LIABILITY (NET)</b>		
<b>(a) DEFERRED TAX LIABILITY</b>		
Difference between book & tax depreciable assets	55.38	67.81
Other temporary differences	2.68	2.90
<b>Total deferred tax liability</b>	<b>58.06</b>	<b>70.71</b>
<b>(b) DEFERRED TAX ASSETS</b>		
Disallowance under Income tax act	40.50	32.99
<b>Total deferred tax assets</b>	<b>40.50</b>	<b>32.99</b>
<b>MAT CREDIT ENTITLEMENT</b>	<b>0.56</b>	<b>0.01</b>
<b>DEFERRED TAX LIABILITY (NET)</b>	<b>17.00</b>	<b>37.71</b>

	As at	
	31 March 2021	31 March 2020
<b>19 CURRENT BORROWINGS</b>		
<b>SECURED</b>		
Working capital facilities from banks	155.40	196.01
Buyer credit - against working capital	12.14	-
<b>TOTAL - SECURED</b>	<b>167.54</b>	<b>196.01</b>
<b>UNSECURED</b>		
Loan from other parties	22.52	22.52
<b>TOTAL - UNSECURED</b>	<b>22.52</b>	<b>22.52</b>
<b>TOTAL - CURRENT BORROWINGS</b>	<b>190.06</b>	<b>218.53</b>

**Secured Borrowings**

Working capital facilities (including buyer credit) are secured by first pari-passu charge by way of hypothecation and/or pledge of current assets including finished goods, raw material, work in progress, consumable stores and spares, book debts, bill receivable, etc both present and future and by way of second charge in respect of other moveable and immoveable properties, both present and future, of the JSHL, JSSL and Lifestyle. Working capital facility is repayable on demand. (read with Note no. 34)



**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

	As at 31 March 2021	As at 31 March 2020
<b>20 TRADE PAYABLES</b>		
Micro and small enterprises	32.61	50.43
Trade payables (including acceptances)(other than micro and small enterprises)	1,692.48	1,383.86
<b>TOTAL TRADE PAYABLES</b>	<b>1,725.09</b>	<b>1,434.29</b>

Based on the intimation received from supplier regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the required disclosure is given below \* :

	As at 31 March 2021	As at 31 March 2020
Principal amount due outstanding	40.93	50.91
Interest due on above due outstanding and unpaid	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the year of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

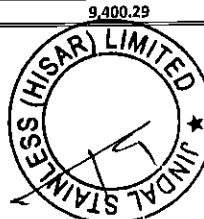
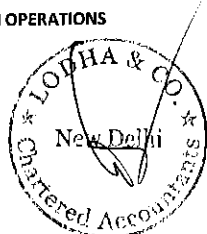
\* to the extent information available with the company.

	As at 31 March 2021	As at 31 March 2020
<b>21 OTHER CURRENT LIABILITIES</b>		
Advance from customers	44.00	45.08
Other outstanding liabilities *	213.83	207.43
<b>TOTAL - OTHER CURRENT LIABILITIES</b>	<b>257.83</b>	<b>252.51</b>

\* Includes statutory dues, arbitration liability etc.

	As at 31 March 2021	As at 31 March 2020
<b>22 CURRENT TAX LIABILITIES (NET)</b>		
Current tax liabilities [Net of prepaid tax ₹ 404.62 Crore (₹ 453.67 crore)]	106.56	4.96
<b>TOTAL - CURRENT TAX LIABILITIES (NET)</b>	<b>106.56</b>	<b>4.96</b>

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>23 REVENUE FROM OPERATIONS</b>		
<b>SALE OF PRODUCTS</b>		
Manufactured goods	8,900.74	8,814.68
Stock in trade	405.04	258.98
Export benefits	25.22	38.98
	<b>9,331.00</b>	<b>9,112.64</b>
<b>SALE OF SERVICES</b>		
Job charges received	23.96	66.49
	<b>23.96</b>	<b>66.49</b>
<b>OTHER OPERATING REVENUE</b>		
Sale of gases / slag	12.47	17.49
Sale of scrap	10.17	156.52
Provision for doubtful debts/advances reversed	-	0.43
Miscellaneous income	22.69	25.43
	<b>45.33</b>	<b>199.87</b>
<b>TOTAL - REVENUE FROM OPERATIONS</b>	<b>9,400.29</b>	<b>9,379.00</b>



**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

	For the year ended 31 March 2021	For the year ended 31 March 2020
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**24 OTHER INCOME**

<b>INTEREST INCOME ON</b>		
Loan & advances	96.55	97.01
Trade receivables	1.21	2.72
	<u>97.76</u>	<u>99.73</u>
<b>GAIN ON SALE OF CURRENT INVESTMENTS</b>	0.02	-
<b>OTHER NON-OPERATING INCOME (NET)</b>	9.44	33.13
<b>TOTAL - OTHER INCOME</b>	<u>107.22</u>	<u>132.86</u>

	For the year ended 31 March 2021	For the year ended 31 March 2020
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**25 COST OF MATERIAL CONSUMED**

Raw material consumed	5,968.10	5,985.27
<b>TOTAL - COST OF MATERIAL CONSUMED</b>	<u>5,968.10</u>	<u>5,985.27</u>

	For the year ended 31 March 2021	For the year ended 31 March 2020
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**26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**

<b>OPENING STOCK</b>		
Finished goods	462.30	433.76
Work in progress	448.15	521.08
Scrap	0.34	10.73
Stock in trade	3.18	-
<b>TOTAL</b>	<u>913.97</u>	<u>965.57</u>
<b>Add : Pertaining to period before associate JSS SteelItalia became subsidiary</b>		
Finished goods	0.04	-
Work in progress	0.39	-
Scrap	0.01	-
<b>TOTAL OPENING STOCK</b>	<u>914.41</u>	<u>965.57</u>
<b>CLOSING STOCK</b>		
Finished goods	441.05	462.30
Work in progress	511.29	448.15
Scrap	0.38	0.34
Stock in trade	3.09	3.18
<b>TOTAL CLOSING STOCK</b>	<u>955.81</u>	<u>913.97</u>
<b>TOTAL - CHANGES IN INVENTORIES</b>	<u>(41.40)</u>	<u>51.60</u>

	For the year ended 31 March 2021	For the year ended 31 March 2020
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**27 EMPLOYEE BENEFITS EXPENSES**

Salaries, wages, bonus and other benefits	210.05	213.44
Contribution to provident and other funds	10.82	11.42
Staff welfare expenses	6.55	10.35
<b>TOTAL - EMPLOYEE BENEFITS EXPENSES</b>	<u>227.42</u>	<u>235.21</u>



**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

	For the year ended 31 March 2021	For the year ended 31 March 2020
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**28 FINANCE COSTS**

Interest expenses	227.86	289.25
Other borrowing costs	23.08	33.52
<b>TOTAL - FINANCE COSTS</b>	<b>250.94</b>	<b>322.77</b>

	For the year ended 31 March 2021	For the year ended 31 March 2020
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**29 DEPRECIATION AND AMORTIZATION EXPENSES**

Depreciation on property, plant and equipment	282.10	290.80
Amortization of intangible assets	8.28	3.78
<b>TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES</b>	<b>290.38</b>	<b>294.58</b>

	For the year ended 31 March 2021	For the year ended 31 March 2020
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**30 OTHER EXPENSES**

<b>MANUFACTURING EXPENSES</b>		
Consumption of stores and spares	491.20	544.64
Power and fuel	657.50	768.46
Labour processing & transportation charges	169.07	186.84
Repairs to buildings	6.22	4.07
Repairs to plant & machinery	23.88	29.74
Job work expenses	69.10	70.33
Other manufacturing expenses	17.16	18.41
	<b>1,434.13</b>	<b>1,622.49</b>

**ADMINISTRATIVE EXPENSES**

Insurance	15.12	12.11
Rent	4.79	4.84
Rates and taxes	1.76	2.52
Legal and professional	61.76	69.17
Postage, telegram, telex and telephone	3.56	3.17
Printing & stationary	3.61	3.33
Travelling & conveyance	2.95	8.08
Managerial commission	3.93	11.22
Director's meeting fees	0.25	0.30
Vehicle upkeep and maintenance	5.31	7.52
Auditor's remuneration	0.74	0.68
Donation	0.11	0.19
Loss (net) on sale/discard of property, plant and equipment	2.87	0.97
Corporate social responsibility (refer note no 53)	11.10	10.31
Miscellaneous expenses	22.25	13.75
	<b>140.11</b>	<b>148.16</b>

**SELLING EXPENSES**

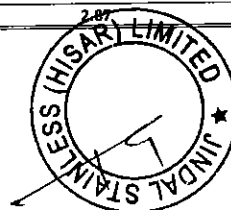
Freight & forwarding expenses	117.99	108.71
Commission on sales	11.62	19.23
Other selling expenses	9.55	5.97
Allowance for expected credit losses	4.35	5.22
Bad debts (net of recovery)	8.90	5.64
Advertisement & publicity	4.51	7.97
	<b>156.92</b>	<b>152.74</b>

**TOTAL - OTHER EXPENSES**

	<b>1,731.16</b>	<b>1,923.39</b>
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**NET LOSS ON SALE/DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT INCLUDES :**

Loss on sale	2.87	0.79
Loss on discard	-	0.18
	<b>2.87</b>	<b>0.97</b>



# JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2021

31.

(₹ in Crore)

A	Contingent liabilities not provided for in respect of :	As at 31 March 2021	As at 31 March 2020
	i) Sale tax demands against which company preferred appeals.	1.54	0.53
	ii) Excise duty/custom/service tax/Cess/ show cause notices/ demands against which company has preferred appeals.	150.90	152.22
	iii) Claims and other liabilities against the company not acknowledged as debt.	68.18	63.24
	iv) Income tax demands against which company has preferred appeals.	5.19	5.60
B	Guarantee given to custom authorities for import under EPCG Scheme {Custom duty saved as on 31 March 2021 ₹ 29.86 crore (₹26.88 crore)}	147.36	118.34
C	Corporate guarantee given to banks against credit facilities / financial assistance availed by Jindal Stainless Limited.	4,298.51	4,841.62
Note: Contingent liabilities in respect of associate (refer note no. 50)			

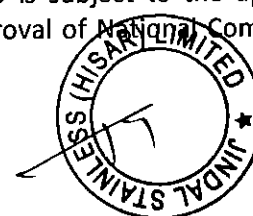
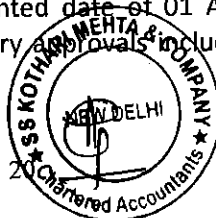
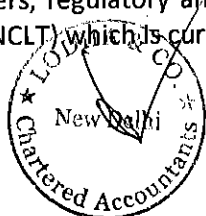
32. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 40.47 Crore (₹ 149.16 Crore).

33. Exceptional items includes gain/ (loss) (net) of ₹ 27.64 Crore (₹ 27.64 Crore) on translation/settlement of foreign currency monetary items (including borrowing), gain / (loss) of ₹ 16.06 Crore (₹ (12.25) Crore) upon marked to market of derivatives contracts (net), gain/(loss) of ₹ (2.31) Crore (₹ 4.70 Crore) on forward cover cancellation.

34. The term loan facility and working capital facility of the Company are also secured by the following additional securities:

- (i) Unconditional & irrevocable personal guarantee of Mr. Ratan Jindal;
- (ii) Unconditional & irrevocable corporate guarantee of Jindal Stainless Limited (JSL);
- (iii) Pledge of 87.7% of Promoter's shareholding, as determined on the basis of the filings of the Borrower with the Securities Exchange Board of India (SEBI);
- (iv) Pledge of 8,98,68,647 shares of JSL (out of 16,82,84,309 shares) held by the Company in favour of lenders of the Company. Balance 7,84,15,662 no. shares have been pledged in favour of Lenders of JSL;
- (v) Pledge over investments of the Company in subsidiaries as listed below:
  - JSL Lifestyle Limited; and
  - JSL Logistics Limited

35. (a) On 29 December 2020, the Board of Directors of the Company had approved a Composite Scheme of Arrangement (the 'Scheme') under Section 230 to 232 (read with Section 66 and other applicable provisions) of Companies Act, 2013 amongst the Company, Jindal Stainless Limited, JSL Lifestyle Limited, Jindal Lifestyle Limited, JSL Media Limited and Jindal Stainless Corporate Management Services Private Limited. The Scheme having appointed date of 01 April 2020 is subject to the approval of shareholders, regulatory and other necessary approvals including approval of National Company Law Tribunal (NCLT) which is currently awaited.





# JINDAL STAINLESS (HISAR) LIMITED

## Notes to the consolidated financial statements for the year ended 31 March 2021

(b) Outbreak of Covid-19 has disturbed the economic activity through interruption in manufacturing process, disruption in supply chain, etc. for the Company during the year ended 31 March 2021 and post 31 March 2021. The Company, considering internal and external factors known to the management, has made assessment of likely adverse impact on economic environment in general, and financial risk on account of Covid-19 on carrying value of its assets and operations of the Company upto the date of these financial results. The Company is closely monitoring the impact of this pandemic and believes this pandemic may not have significant adverse impact on the long term operations and performance of the Company.

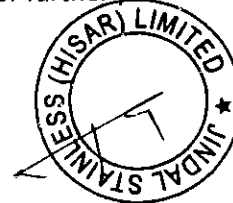
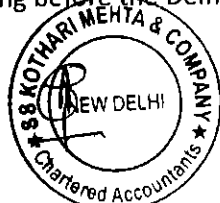
c) Certain balances of trade receivable and trade payable are in process of confirmation and/or reconciliation. In the opinion of the management, on confirmation / reconciliation, there will not be any material impact.

36. The Company had challenged the legality of LADT Act / Entry Tax Act in the state of Haryana before the Hon'ble Punjab and Haryana High Court / Supreme Court of India. Subsequently, on the SLP of the Haryana Government, Constitutional Bench of the Hon'ble Supreme vide its judgement dated 11 November 2016 held the applicability of entry tax valid on compensatory ground and directed its Divisional/ Regular Bench for examining the provisions of the state legislation on the issue of discrimination with respect to the parameters of Article 304 (a) of the Constitution and competence of state legislatures to levy entry tax on goods entering the landmass of India from another country. The division bench of Hon'ble Supreme Court vide its order dated 21 March 2017 (declared on 20 May 2017) remanded back the matter and permitted the petitioners to file petition before respective High Court to decide on factual background or any other constitutional/ statutory issues arises for consideration. The company accordingly filed Civil Writ Petition before Hon'ble High Court of Punjab & Haryana on 30 May 2017. The Hon'ble High Court granted interim relief by order for stay of demand on 31 May 2017 till any further direction.

In the meanwhile, the division bench of Hon'ble Supreme Court of India vide its order dated 09 October 2017 has upheld the legislative competence of the State Legislatures to levy Entry Tax on Import of goods from any territory outside India while examining the Entry Tax legislations of the State of Odisha, Kerala and Bihar.

The Company has made necessary provisions in this regard based on own assessment and calculation. In view of above, Interest/ penalty if any, will be accounted for as and when this is finally determined/ decided by the Hon'ble Court.

- 37 Green Delhi BQS Limited (GDBQS) had entered into a Concessionaire Agreement ("Agreement") with DTC in 2007 on Build, Operate and Transfer basis of Bus Queue Shelters across identified locations in Delhi ("Sites"). Subsequently, there was dispute between the GDBQS and DTC over the non-handover of certain Sites. Thereafter, the Agreement was unilaterally terminated by the DTC in 2011. GDBQS then approached the Delhi High Court for resolution of dispute. The Hon'ble Court directed that the matter be resolved by arbitration as per the Agreement. The matter was then referred to a panel of three arbitrators who by a unanimous award dated July 1, 2019 ("Arbitration award") held that DTC had committed first breach of the Agreement by not handing over the Sites to GDBQS. The Arbitration award, after considering the claim and counterclaim of the parties directed DTC to pay an amount of ₹16.51 Crore to GDBQS within 6 weeks of the Arbitration award. However DTC filed an appeal against the Arbitration award before the Delhi High Court and prayed for grant of stay on the enforceability of the same. The High Court vide its order dated December 16, 2019, granted the stay subject to the condition that DTC deposits ₹16.51 crore in the Registry of the Court within a period of 8 weeks from the date of the order. The matter is pending before the Delhi High Court for further proceedings.



# JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2021

38. Green Delhi BQS Limited has taken unsecured loan from certain companies, aggregating to ₹ 70.54 crore outstanding as on 31 March 2021. GDBQS is not able to service interest liability due to insufficient cash flow/-ve net worth of the Company. GDBQS has negotiated said Companies for waiver of interest liability with an assurance to pay the principal liability after the outcome of the Arbitration proceedings, which is likely to be decided during the next financial year.

## 39. Financial Risk Management

### 39.1 Financial risk factors

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finances for the Group's operations. The Group has loan, Investment, trade receivables, other receivables, cash and short-term deposits that arise directly from its operations. The Group also enters into derivative transactions. The Group's activities expose it to a variety of financial risks:

#### i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at 31 March 2021 and 31 March 2020.

#### ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

#### iii) Liquidity risk

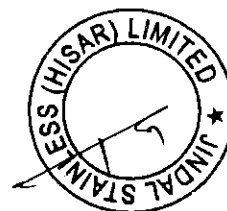
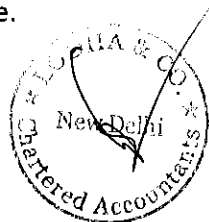
Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures. The Group does not acquire or issue derivative financial instruments for trading or speculative purposes.

Risk management is carried out by the treasury department under policies approved by the board of directors. The treasury team identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

#### i) Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Group uses derivative financial instruments such as foreign exchange forward contracts depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.



# JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2021

## Foreign exchange risk and sensitivity

An Exposure can be defined as a Contracted Cash Flow (Trade Receivable, Trade Payable, loan, purchase order placed or sales order received) denominated in a currency other than Indian Rupees. The Group may have foreign currency exposure on account of the following items:

Exposure against Working capital –

- i) Export Trade Receivables and export sales orders received;
- ii) Imports Trade Payables and purchase orders raised;
- iii) Packing credit in foreign currency (PCFC),
- iv) Borrowings against FCNR(B) deposits of the banks;
- v) Advances from customers;
- vi) Any other kind of foreign currency borrowings as permitted by RBI for financing working capital of the Group.
- vii) Exposure against long term financing/relating to projects:
  - i. Foreign Currency Borrowings for capital and project expansion;
  - ii. Payments due against imported capital equipment for projects;
  - iii. Purchase orders for capital expenditure;
  - iv. Any kind of foreign currency borrowing used for long term financing requirements of the Group.

## Derivatives Financial Instruments

Derivative contracts entered into by the Group and outstanding as on 31 March 2021 for hedging currency risks:

As at 31 March 2021

Nature of derivatives	Type	No. of contracts	Foreign currency (Million)	Amount (₹. In Crore)
<b>Forward covers</b>				
USD/INR	Sale	44	65.000	475.18
EURO/USD	Sale	32	17.150	147.04
USD/INR	Buy	144	43.721	319.67

As at 31 March 2020

Nature of derivatives	Type	No. of contracts	Foreign currency (Million)	Amount (₹. In Crore)
<b>Forward covers</b>				
USD/INR	Sale	56	59.283	447.88
EURO/USD	Sale	26	15.335	127.78
USD/INR	Buy	109	34.847	263.37

Note: INR equivalent values have been calculated at the year end exchange rates in INR to give an indicative value of the contracts in Indian rupees. Actual hedges however may be in different currency denominations.



# JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2021

Foreign Currency exposures that are not hedged by derivative instruments or otherwise outstanding as on 31 March 2021 is as under:

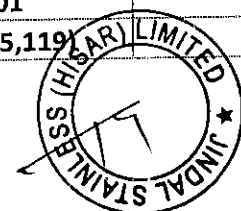
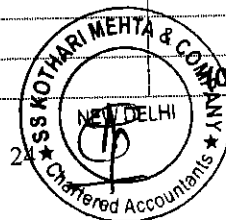
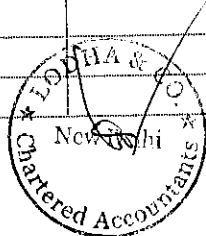
Nature	As at 31 March 2021		As at 31 March 2020	
	Foreign Currency (Millions)	Amount (₹ In Crore)	Foreign Currency (Millions)	Amount (₹ In Crore)
<b>Account receivables</b>				
USD	4.226	30.90	2.582	19.52
GBP	0.054	0.55	0.107	1.01
EURO	0.001	0.007	0.010	0.08
<b>Account payables</b>				
USD	15.890	116.18	13.400	101.27
EURO	2.908	24.94	3.644	30.39
CHF	0.024	0.18	0.237	1.86
GBP	0.517	5.21	0.387	3.63
CAD	0.040	0.23	0.040	0.22
JPY	0.155	0.01	-	-
<b>Buyer Credits</b>				
USD	1.505	11.00	-	-
EURO	0.132	1.14	-	-
<b>Working Capital Borrowings</b>				
USD	2.904	21.23	1.779	12.87
EURO	4.527	38.84	-	-
<b>ECB Borrowings</b>				
EURO	0.510	4.35	-	-

The following table demonstrates the sensitivity in the USD, EURO and other currencies to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to Changes in the fair value of monetary assets and liabilities are given below:

Foreign exchange risk and sensitivity (Un hedged)

(₹ In Crore)

	Change in currency exchange rate	31 March 2021	31 March 2020
		Effect on profit/ (loss) before tax	Effect on profit/ (loss) before tax
USD	+5%	(5.88)	(4.84)
	-5%	5.88	4.84
EURO	+5%	(3.47)	(1.49)
	-5%	3.47	1.49
GBP	+5%	(0.23)	(0.13)
	-5%	0.23	0.13
CAD	+5%	(0.01)	(0.01)
	-5%	0.01	0.01
JPY	+5%	0.00	(5,119)



# JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2021

	-5%	0.00 (5,119)	-
CHF	+5%	(0.01)	(0.09)
	-5%	0.01	0.09

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

The Group transacts business primarily in Indian Rupee, USD, EURO, JPY, GBP and CHF. The Group has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. 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 adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value.

## Summary of exchange difference accounted in statement of profit and loss

(₹ In Crore)

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Currency Fluctuations</b>		
Net foreign exchange gain shown as exceptional item	41.39	20.09
<b>TOTAL</b>	<b>41.39</b>	<b>20.09</b>

## Interest rate risk and sensitivity

The Group will have Interest rate exposure on all interest bearing financial assets and liabilities. These could be broadly categorized as under:

- Interest bearing Trade Receivables and Trade Payables;
- Working capital borrowings;
- Long term borrowings.

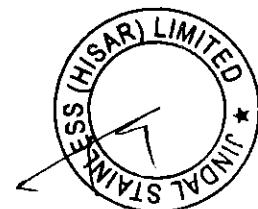
All interest bearing assets and liabilities need to be captured, first based on the currency denomination e.g., INR, USD. Further classification needs to be done based on whether these are against floating rate benchmarks or fixed rate

With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of borrowings and borrowings on which interest rate swaps are taken.

(₹ In Crore)

	Increase/decrease in basis points	Effect on profit/(loss) before tax	
		31 March 2021	31 March 2020
INR borrowings	+50	(6.38)	(10.51)
	-50	6.38	10.51
USD borrowings	+50	(0.50)	(0.06)
	-50	0.50	0.06
EURO borrowings	+50	(0.21)	-
	-50	0.21	-

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.



# JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2021

## Price risk and sensitivity

The Group is exposed to the movement in price of key raw materials in domestic and international markets. The Group has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Group enters into contracts for procurement of material, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

The Group is not facing any exposure to equity price risk as all of its equity investments are within the group and its associates.

## ii) Credit risk

The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

### Trade receivables

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customers. Outstanding Trade receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Group has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent.

In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

## Financial instruments and cash deposits

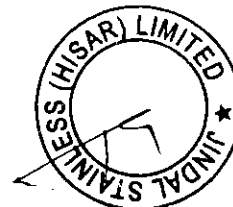
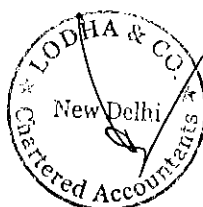
The Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The bank balances are maintained with the institutions with which the Group has also availed borrowings. The Group does not maintain significant cash and deposit balances other than those required for its day to day operations

## iii) Liquidity risk

The Group's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below provides undiscounted cash flows towards non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date.

The Group is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders, except where exemption is provided by lender.



# JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2021

As at 31 March 2021

(₹ In Crore)

	Carrying amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	1,480.61	230.20	311.46	938.95	1,480.61
Other financial liabilities	439.85	418.50	14.13	7.22	439.85
Trade payables	1,725.09	1,725.09	-	-	1,725.09
<b>Total</b>	<b>3,645.55</b>	<b>2,373.79</b>	<b>325.59</b>	<b>946.17</b>	<b>3,645.55</b>

\* Including current maturity.

As at 31 March 2020

(₹ In Crore)

	Carrying amount	Less than 1 Year	1 to 3 Years	> 3 Years	Total
Borrowings*	2,180.58	351.94	588.60	1,240.04	2,180.58
Other financial liabilities	354.03	335.80	7.78	10.45	354.03
Trade payables	1,434.29	1,434.29	-	-	1,434.29
<b>Total</b>	<b>3,968.90</b>	<b>2,122.03</b>	<b>596.38</b>	<b>1,250.49</b>	<b>3,968.90</b>

\* Including current maturity.

Unused Lines of Credit

(₹ In Crore)

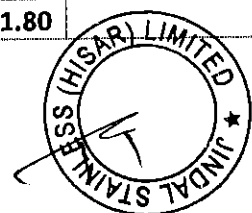
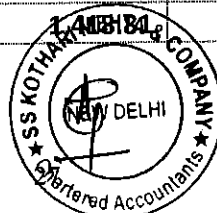
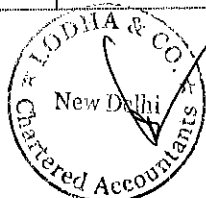
	As at 31 March 2021	As at 31 March 2020
Secured	189.22	257.10
Unsecured	-	-
<b>Total</b>	<b>189.22</b>	<b>257.10</b>

Interest rate and currency of borrowings

The below details do not necessarily represent foreign currency or interest rate exposure to the income statement, since the Group has taken derivatives for offsetting the foreign currency and interest rate exposure.

For the year ended 31 March 2021

	Total borrowings (₹ In Crore)	Floating rate borrowings (₹ In Crore)	Fixed rate borrowings (₹ In Crore)	Weighted average Interest rate (%)
INR	1,338.85	1,277.05	61.80	9.44%
USD	98.57	98.57	-	1.96%
EURO	43.19	43.19	-	1.85%
<b>Total</b>	<b>1,480.61</b>	<b>1,418.81</b>	<b>61.80</b>	



# JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2021

For the year ended 31 March 2020

	Total borrowings (₹ In Crore)	Floating rate borrowings (₹ In Crore)	Fixed rate borrowings (₹ In Crore)	Weighted average interest rate (%)
INR	2,167.71	2,103.57	64.14	10.29%
USD	12.87	12.87	-	0.63%
<b>Total</b>	<b>2,180.58</b>	<b>2,116.44</b>	<b>64.14</b>	

### 39.2 Competition and price risk

The Group faces competition from domestic and international competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products and trustworthy and innovative solution to meet the needs of its customers.

### 39.3 Capital risk management

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, redeem or buy back capital to shareholders or issue new shares. The Group's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Group's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Group also proposes to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalent.

The Group monitors capital using gearing ratio, which is net debt divided by total capital.

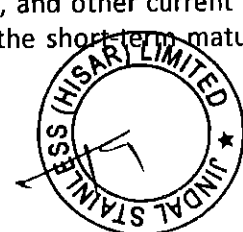
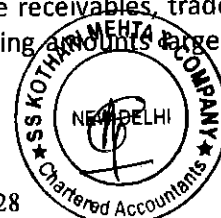
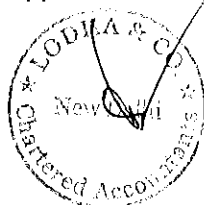
	As at 31 March 2021	As at 31 March 2020
Loans and borrowings	1,480.61	2,180.58
Less: Cash and cash equivalents	8.38	19.60
<b>Net debt</b>	<b>1,472.23</b>	<b>2,160.98</b>
Total capital	2,971.22	2,271.01
<b>Capital and net debt</b>	<b>4,443.45</b>	<b>4,431.99</b>
<b>Gearing ratio</b>	<b>33%</b>	<b>49%</b>

### 40. Fair values of financial assets and liabilities and hierarchy

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.





# JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2021

2) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the Group is considered to be insignificant in valuation.

3) The fair values of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters, basis contractual terms, period to maturity, and market parameters such as interest rates, foreign exchange rates, and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgment, and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.

## Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Group's financial asset and financial liabilities, grouped into Level 1 to Level 3 as described below:

Level 1- Quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

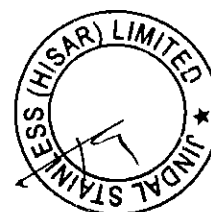
Level 2- Inputs other than quoted prices include within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3- Unobservable inputs for the asset or liability.

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the companies: -

	Note	Level	As at 31 March 2021 (₹ In Crore)	As at 31 March 2020 (₹ In Crore)	Valuation Techniques and Key Inputs
<b>Financial assets /liabilities at fair value through amortised cost:</b>					
<b>(a) Financial assets</b>					
Loans	5	3	1,050.00	900.00	Discounted cash flows
Other financial assets	6	3	334.01	276.04	Discounted cash flows
<b>(b) Financial liabilities</b>					
Borrowings - non current	15	3	1,250.41	1828.64	Discounted cash flows
Borrowings - current	19	3	190.06	218.53	Discounted cash flows
Other financial liabilities	16	3	479.99	476.36	Discounted cash flows
<b>Financial assets / liabilities at fair value through statement of profit or loss:</b>					
Derivative Forward Contract ( assets)	6	2	4.98	-	Forward foreign currency exchange rate
Derivative Forward Contract ( liabilities)	16	2	-	11.08	Forward foreign currency exchange rate

There were no significant changes in the classification and no significant movements between the fair value hierarchy of assets and liabilities during FY 2020-21.



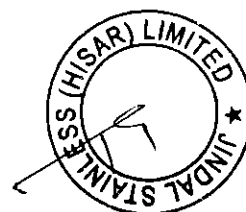
# JINDAL STAINLESS (HISAR) LIMITED

## Notes to the consolidated financial statements for the year ended 31 March 2021

### Fair valuation of financial guarantees

Financial guarantees issued by the company on behalf of Jindal Stainless Limited have been measured at fair value through profit and loss account. Fair value of said guarantees as at 31 March 2021 and 31 March 2020 have been considered at nil as estimated by the management and an independent professional.

41. In the earlier year, the Company has made investment in a associate in terms of composite scheme of arrangements approved by Hon'ble High Court where the prices of equity shares are determined as per SEBI formula.
42. On 03 February 2021, the Board of Directors of the Jindal Stainless Steelway Limited had approved a Scheme of Amalgamation (the 'Scheme') under Section 230 to 232 (read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable laws) of Companies Act, 2013 for the Amalgamation of JSS Steelitalia Limited into and with the Jindal Stainless Steelway Limited. The Scheme having appointed date of 01 March 2021 is subject to the approval of shareholders, regulatory and other necessary approvals including approval of National Company Law Tribunal (NCLT).  
The First Motion Application was filed before the NCLT, Chandigarh bench on 22 March 2021.



## JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2021

### 43 Related Party Transactions (as identified by the Management)

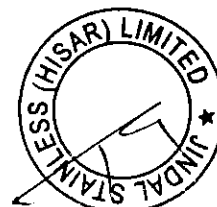
As defined in Indian Accounting Standard-24, the group has related parties with whom transactions have taken place during the current and previous year, which are:

	Country of Incorporation	Ownership Interest	
		31 March 2021	31 March 2020
<b>a) Associates</b>			
1 Jindal Stainless Corporate Management Services Pvt. Limited	INDIA	50.00%	50.00%
2 Jindal Stainless Limited	INDIA	34.54%	34.54%
3 J S S Steelitalia Limited (upto 15.01.2021)	INDIA	-	33.00%
<b>b) Subsidiaries and associates of parties listed in (a) above</b>			
1 Jindal Stainless FZE, Dubai	UAE		Subsidiary of Jindal Stainless Limited
2 PT Jindal Stainless Indonesia	INDONESIA		Subsidiary of Jindal Stainless Limited
3 Iberjindal S.l.	SPAIN		Subsidiary of Jindal Stainless Limited
4 Jindal Coke Limited	INDIA		Associate of Jindal Stainless Limited
5 Jindal United Steel Limited	INDIA		Associate of Jindal Stainless Limited
<b>c) Trusts</b>			
1 Jindal Stainless (Hisar) Limited Group Gratuity Fund			
2 Jindal Stainless (Hisar) Limited (Ferro alloys) Group Gratuity Scheme			
3 Jindal Stainless (Hisar) Limited EPF Trust			
4 Jindal Stainless (Hisar) Welfare Fund			
<b>d) Key Management Personnel</b>			
1 Mr. Ratan Jindal			Chairman - Jindal Stainless (Hisar) Limited
2 Mr. Abhyuday Jindal			Managing Director - Jindal Stainless (Hisar) Limited
3 Ms. Deepika Jindal			Managing Director - JSL Lifestyle Limited
4 Mr. Jagmohan Sood			Whole Time Director - Jindal Stainless (Hisar) Limited
5 Mr. Ramnik Gupta			Chief Financial Officer - Jindal Stainless (Hisar) Limited
6 Mr. Bhartendu Harit			Company Secretary - Jindal Stainless (Hisar) Limited and JSL Lifestyle Limited
7 Mr. Rajesh Mohata			Executive Director & CEO (wef 17.03.2021) - JSL Lifestyle Limited
8 Mr. Mandeep Singh			Executive Director & CEO (Upto 28.02.2021) - JSL Lifestyle Limited
9 Mr. Rajinder Kumar Garg			Chief Financial Officer (from 22.01.2019 to 20.12.2019) - JSL Lifestyle Limited
10 Mr. Ajay Jain			Chief Financial Officer (wef 29.01.2020) - JSL Lifestyle Limited
11 Mr. Ashish Aggarwal			Whole Time Director (upto 17.06.2019) - Jindal Stainless Steelway Limited
12 Mr. Sanjay Kumar Goyal			Whole Time Director (wef 07.08.2019) - Jindal Stainless Steelway Limited
13 Mr. Vijay Kumar Sharma			Director - Jindal Stainless Steelway Limited
14 Mr. Sanjeev Sharma			Chief Financial Officer (upto 14.05.2020) - Jindal Stainless Steelway Limited
15 Mr. Dharendra Bahadur Singh			Chief Financial Officer (wef 09.06.2020) - Jindal Stainless Steelway Limited
16 Mr. Rajesh Kumar Pandey			Company Secretary - Jindal Stainless Steelway Limited
17 Mrs. Arti Luniya			Independent Director - Jindal Stainless (Hisar) Limited *
18 Mr. Kanwaljit Singh Thind			Independent Director (upto 01.11.2020) - Jindal Stainless (Hisar) Limited *
19 Mr. Rajeev Uberol			Independent Director (wef 11.12.2020) - Jindal Stainless (Hisar) Limited *
20 Mr. Girish Sharma			Independent Director - Jindal Stainless (Hisar) Limited *
21 Mr. Nirmal Chandra Mathur			Independent Director - Jindal Stainless (Hisar) Limited and Jindal Stainless Steelway Limited*
22 Mrs. Shruti Shrivastava			Independent Director - Jindal Stainless Steelway Limited*
23 Mr. Ashok Kumar Agarwal			Independent Director - JSL Lifestyle Limited*
24 Mr. Abhishek Poddar			Independent Director - JSL Lifestyle Limited*
25 Mr. Vivek Kumar Garg			Chief Financial Officer and Whole Time Director - JSS Steelitalia Limited
26 Mr. Yogesh Pareek			Company Secretary - JSS Steelitalia Limited

\*Independent directors are included only for the purpose of compliance with definition of key management personnel given under IND AS 24.

### e) Enterprises over which any person described in (d) along with their relatives is able to exercise significant influence with whom transactions have been taken place during the year:

- Jindal Defence Systems Private Limited (previously known as Jindal Defence Systems Limited)
- Jindal Advance Materials Private Limited
- JSL Global Commodities Pte. Ltd.
- Prime Stainless DMCC (w.e.f. 13.11.2019)
- Jindal Defence Trading Pvt. Limited
- Jindal Stainless Foundation



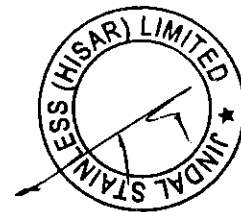
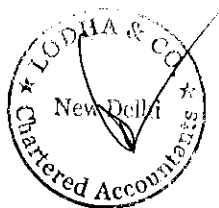
**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

B Transactions :

(₹ In Crore)

Description	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Associates & Other Parties (a,b,c&e)	Key Management Personnels (d)	Associates & Other Parties (a,b,c&e)	Key Management Personnels (d)
<b>Purchase of goods</b>	<b>2,111.81</b>	-	<b>2,288.43</b>	-
PT. Jindal Stainless Indonesia	1.37	-	-	-
J S S Steel Italia Limited	-	-	0.05	-
Jindal United Steel Limited	121.55	-	221.72	-
Jindal Coke Limited	13.99	-	21.90	-
Jindal Stainless Limited	1,755.84	-	2,015.33	-
Prime Stainless DMCC	52.63	-	29.43	-
JSL Global Commodities Pte. Ltd.	166.43	-	-	-
<b>Sale of goods</b>	<b>704.16</b>	-	<b>838.39</b>	-
PT. Jindal Stainless Indonesia	39.38	-	32.22	-
J S S Steel Italia Limited	12.72	-	-	-
Iberjindal S.l.	36.12	-	113.64	-
Jindal Stainless Limited	400.88	-	593.82	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	1.38	-	2.78	-
JSL Global Commodities Pte. Ltd.	102.82	-	95.93	-
Jindal United Steel Limited	0.10	-	-	-
Jindal Advance Material Pvt Ltd	0.27	-	-	-
Prime Stainless DMCC	110.49	-	-	-
<b>Job charges received</b>	<b>21.47</b>	-	<b>63.56</b>	-
Jindal Stainless Limited	21.47	-	63.56	-
<b>Job work charges paid</b>	-	-	<b>11.36</b>	-
Jindal Stainless Limited	-	-	0.02	-
JSS SteelItalia Limited	-	-	11.34	-
<b>Freight charges Paid</b>	<b>0.35</b>	-	<b>2.94</b>	-
Jindal Stainless Limited	0.35	-	2.94	-
Jindal Coke Limited (₹39,248)	-	-	0.00	-
<b>Freight charges received</b>	<b>1.34</b>	-	<b>1.43</b>	-
Jindal Stainless Limited	1.34	-	1.43	-
<b>Rent received</b>	<b>17.93</b>	-	<b>14.81</b>	-
Jindal Stainless Limited	15.36	-	14.74	-
Jindal Defence Systems Limited	0.09	-	0.06	-
Jindal Advance Materials Pvt. Limited	-	-	0.01	-
Jindal United Steel Limited	2.48	-	-	-
Jindal Defence Trading Pvt Limited ₹ 47,390	0.00	-	-	-
Jindal Stainless Foundation ₹ 24,000	0.00	-	-	-
<b>Rent paid</b>	<b>1.62</b>	-	<b>1.53</b>	-
Jindal Stainless Limited	1.62	-	1.53	-
<b>Overheads &amp; maintenance charges received</b>	-	-	<b>1.91</b>	-
JSS SteelItalia Limited	-	-	1.91	-
<b>Overheads &amp; maintenance charges paid</b>	-	-	<b>0.20</b>	-
Jindal Stainless Limited	-	-	0.20	-
<b>Commission on sale paid</b>	<b>7.24</b>	-	<b>12.91</b>	-
Jindal Stainless FZE, Dubai	2.09	-	9.05	-
JSL Global Commodities Pte. Ltd.	3.84	-	3.63	-
Prime Stainless DMCC	1.31	-	0.23	-

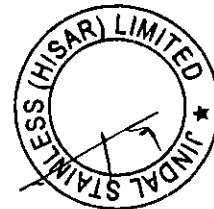
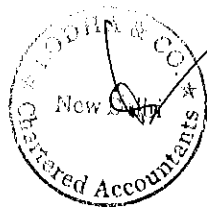


**JINDAL STAINLESS (HISAR) LIMITED**

Notes to the consolidated financial statements for the year ended 31 March 2021

(₹ In Crore)

Description	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Associates & Other Parties (a,b,c&e)	Key Management Personnels (d)	Associates & Other Parties (a,b,c&e)	Key Management Personnels (d)
<b>Receiving of services ( remuneration )</b>	-	21.73	-	27.90
Mr. Ratan Jindal (Commission)	-	-	-	10.68
Mr. Abhyuday Jindal (Commission and remuneration)	-	9.93	-	6.54
Mr. Jagmohan Sood	-	1.87	-	1.65
Mr. Ramnik Gupta	-	0.97	-	0.91
Mr. Bhartendu Harit	-	0.37	-	0.34
Ms. Deepika Jindal	-	4.00	-	4.00
Mr. Mandeep Singh	-	1.93	-	1.82
Mr. Rajinder Kumar Garg	-	-	-	0.31
Mr. Ajay Jain	-	0.55	-	0.19
Mr. Rajesh Mohata	-	0.15	-	-
Mr. Ashish Aggarwal	-	-	-	0.36
Mr. Sanjay Kumar Goyal	-	0.78	-	0.45
Mr. Sanjeev Sharma	-	0.19	-	0.48
Mr. Rajesh Kumar Pandey	-	0.17	-	0.16
Mr. Dhirendra Bahadur Singh	-	0.49	-	-
Mr. Yogesh Pareek	-	0.29	-	-
Mr. VIVEK Kumar Garg	-	0.04	-	-
<b>Interest income</b>	93.22	-	92.65	-
Jindal Stainless Limited	93.22	-	92.65	-
<b>Support Service Charges Paid</b>	0.35	-	0.42	-
Jindal Stainless Limited	0.35	-	0.42	-
<b>Consultancy charges paid</b>	55.13	-	60.33	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	55.13	-	60.33	-
<b>Bad Debts written off</b>	-	-	0.00	-
J S S Steel Italia Limited (₹5723)	-	-	0.00	-
<b>Sharing of exp. reimbursed/to be reimbursed</b>	7.16	-	4.82	-
Jindal Stainless Limited	7.10	-	4.53	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.06	-	0.29	-
<b>Sharing of exp. recovered/to be recovered</b>	0.01	-	0.01	-
Jindal Stainless Limited (₹6785)	-	-	0.00	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.01	-	0.01	-
<b>Loans &amp; advances given</b>	150.00	-	-	-
Jindal Stainless Limited	150.00	-	-	-
<b>Contribution towards trusts</b>	32.09	-	34.34	-
Jindal Stainless (Hisar) Limited Group Gratuity Fund	4.12	-	5.31	-
Jindal Stainless (Hisar) Limited (Ferro alloys) Group Gratuity Scheme	0.03	-	0.20	-
Jindal Stainless (Hisar) Limited EPF Trust	27.01	-	27.97	-
Jindal Stainless (Hisar) Welfare Fund	0.93	-	0.86	-



**JINDAL STAINLESS (HISAR) LIMITED**
**Notes to the consolidated financial statements for the year ended 31 March 2021**

(₹ in Crore)

Description	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Associates & Other Parties (a,b,c&e)	Key Management Personnels (d)	Associates & Other Parties (a,b,c&e)	Key Management Personnels (d)
<b>Outstanding balance</b>				
<b>Guarantee/ counter guarantee given</b>	<b>4,298.51</b>	<b>-</b>	<b>4,841.62</b>	<b>-</b>
Jindal Stainless Limited	4,298.51	-	4,841.62	-
<b>Loans &amp; advances</b>	<b>1,295.29</b>	<b>-</b>	<b>1,062.00</b>	<b>-</b>
Jindal Stainless Limited @	1,295.29	-	1,062.00	-
<b>Advance against services</b>	<b>6.64</b>	<b>-</b>	<b>8.80</b>	<b>-</b>
Jindal Stainless Corporate Management Services Pvt. Ltd.	6.64	-	8.80	-
<b>Receivables</b>	<b>106.53</b>	<b>-</b>	<b>98.42</b>	<b>-</b>
PT. Jindal Stainless Indonesia	56.12	-	48.18	-
Iberjindal S.I.	8.45	-	36.99	-
Jindal Stainless Limited	0.49	-	0.01	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.18	-	0.33	-
Jindal Defence Systems Private Limited ₹ 13,637	0.00	-	0.01	-
Jindal Advance Materials Pvt. Limited (₹ 6,018)	0.27	-	0.00	-
JSL Global Commodities Pte. Ltd.	35.91	-	12.89	-
Jindal United Steel Limited (₹ 22,584)	0.44	-	0.00	-
Prime Stainless DMCC	4.67	-	-	-
<b>Payables</b>	<b>125.64</b>	<b>-</b>	<b>78.40</b>	<b>-</b>
J S S Steel Italia Limited	-	-	0.31	-
PT. Jindal Stainless Indonesia	1.57	-	0.76	-
Jindal Stainless FZE, Dubai	0.69	-	2.40	-
Jindal Stainless Limited	100.10	-	55.66	-
Jindal Coke Limited	1.32	-	3.66	-
Prime Stainless DMCC	3.34	-	15.17	-
JSL Global Commodities Pte. Ltd.	14.06	-	0.44	-
Jindal United Steel Limited	4.56	-	-	-
<b>Remuneration payable</b>	<b>-</b>	<b>2.43</b>	<b>-</b>	<b>1.35</b>
Mr. Ratan Jindal	-	-	-	1.19
Mr. Abhyuday Jindal	-	2.25	-	-
Mr. Jagmohan Sood	-	0.11	-	0.09
Mr. Ramnik Gupta	-	0.05	-	0.05
Mr. Bhartendu Harit	-	0.02	-	0.02

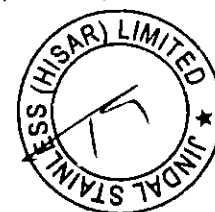
Above to read with note no. 31 (c).

@ Includes Inter corporate loan amounting to ₹1,050.00 crore (₹ 900.00 crore) together with interests accrued during financial years 2018-19, 2019-20 & 2020-21. For the financial year 2021-22, the interest would accrue on the aggregate outstanding amount on monthly basis. The cumulative amount including accumulated interest is repayable in one or more instalment by the earlier of (a) 31 March 2023 or (b) the effective date of scheme of arrangement or (c) such other date as may be mutually agreed between the company and Jindal Stainless Limited.

**Compensation to key management personnel**

Particulars	(₹ in Crore)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Short-term employee benefits*	21.73	27.90
<b>Total Compensation to key management personnel</b>	<b>21.73</b>	<b>27.90</b>

\*As the future liability for gratuity & leave encashment is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.



## JINDAL STAINLESS (HISAR) LIMITED

### Notes to the consolidated financial statements for the year ended 31 March 2021

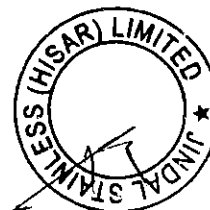
#### 44 Income tax reconciliation

Tax expenses	(₹ in Crore)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax	208.42	138.57
Deferred tax	(22.14)	(43.25)
Taxes in relation to earlier years	(1.80)	0.59
<b>Total</b>	<b>184.48</b>	<b>95.91</b>

#### Effective tax reconciliation

Numerical 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 :

Particulars	(₹ in Crore)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Net Profit before taxes and before Share of associate	734.33	470.77
Enacted Tax Rate	25.168%	25.168%
Computed tax (Income)/expense	184.82	118.48
Increase/(reduction) in taxes on account of:		
Additional allowance for tax purpose	(0.23)	(0.98)
Expenses not allowed for tax purpose	1.80	4.17
Deferred Tax recognized for earlier years	2.54	0.46
Current Tax recognized for earlier years	(4.34)	0.13
Effect of change in tax rate	(0.19)	(23.27)
Mat credit entitlement	(0.69)	-
Non taxable subsidiaries and effect of differential tax rate	0.77	(3.08)
<b>Income tax expense reported</b>	<b>184.48</b>	<b>95.91</b>



## JINDAL STAINLESS (HISAR) LIMITED

### Notes to the consolidated financial statements for the year ended 31 March 2021

- 45 Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each cash generating unit ('CGU') within the group at which the goodwill or other assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and fair value less costs of disposal. During the year, the testing did not result in any impairment in the carrying amount of goodwill and other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid term market conditions.

Assumption	Approach used to determining values
<b>Sales volume</b>	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
<b>Sales price</b>	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term inflation forecasts for each territory.
<b>Budgeted gross margin</b>	Based on past performance and management's expectations for the future.
<b>Other operating costs</b>	Fixed costs of the CGUs, which do not vary significantly with sales volumes or prices. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases but not reflecting any future restructurings or cost saving measures. The amounts disclosed above are the average operating costs for the five-year forecast period.
<b>Annual capital</b>	Expected cash costs in the CGUs. This is based on the historical experience of management, and the planned refurbishment expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.
<b>Long-term growth rate</b>	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.
<b>Pre-tax discount rates</b>	Reflect specific risks relating to the relevant segments and the countries in which they operate.

#### 46 Segment reporting

i) **Information about business segment ( for the year 2020-21 )**

Company operates in a Single Primary Segment ( Business Segment ) i.e. Stainless Steel products.

ii) **Secondary segments ( geographical segment )**

	2020-21			2019-20			( ₹ in Crore )
	Within India	Outside India	Total	Within India	Outside India	Total	
	1 Revenue*	8,355.83	999.13	9,354.96	7,975.28	1,203.85	9,179.13
2 Non Current Assets**	2,152.34	-	2,152.34	2,246.62	-	2,246.62	

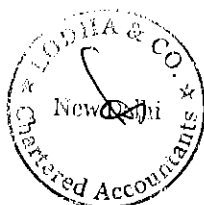
\*excludes other operating revenue

\*\*The Group operating facilities are located in India

There are no major customers of the Group to whom sale is made more than 10% of total revenue.

#### 47 Earning Per Share ( EPS ) computed in accordance with Ind AS 33 " Earning Per Share "

	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Net Profit after tax attributable to owners of the parent ( ₹ in Crore )</b>	693.78	392.87
<b>Weighted average no. of equity shares for basic/diluted EPS (No's)</b>	23,59,34,685	23,59,34,685
<b>Basic/Diluted EPS Per Share ( in ₹ )</b>	29.40	16.65
<b>Face Value Per Share ( in ₹ )</b>	2.00	2.00





# JINDAL STAINLESS (HISAR) LIMITED

## Notes to the consolidated financial statements for the year ended 31 March 2021

### 48 Disclosures as per Indian Accounting Standard (IND AS) 115 'Revenue from contracts with customers'

#### A. Disaggregation of revenue

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.

For the year ended 31st March 2021

(₹ in Crore)

Revenue from operations	Goods*	Services	Other operating revenue	Total
<b>Revenue by geography</b>				
Domestic *	8,357.09	23.96	45.33	8,426.38
Export	973.91	-	-	973.91
<b>Total</b>	<b>9,331.00</b>	<b>23.96</b>	<b>45.33</b>	<b>9,400.29</b>
<b>Revenue by time</b>				
Revenue recognised at point in time				9,376.33
Revenue recognised over time				23.96
<b>Total</b>				<b>9,400.29</b>

\* Export benefit has been included in domestic revenue

For the year ended 31st March 2020

(₹ in Crore)

Revenue from operations	Goods*	Services	Other operating revenue	Total
<b>Revenue by geography</b>				
Domestic *	7,947.77	66.49	199.87	8,214.13
Export	1,164.87	-	-	1,164.87
<b>Total</b>	<b>9,112.64</b>	<b>66.49</b>	<b>199.87</b>	<b>9,379.00</b>
<b>Revenue by time</b>				
Revenue recognised at point in time				9,312.51
Revenue recognised over time				66.49
<b>Total</b>				<b>9,379.00</b>

\* Export benefit has been included in domestic revenue

#### B. Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

(₹ in Crore)

Description	For the year ended 31 March 2021	For the 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	45.08	32.85
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

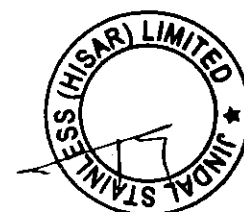
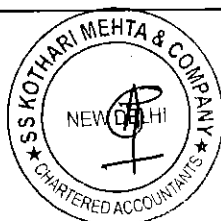
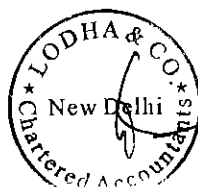
(₹ in Crore)

Description	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
<b>Contract assets related to sale of goods</b>				
Trade receivables	-	916.56	-	746.81
<b>Contract liabilities related to sale of goods</b>				
Advance from customers	-	44.00	-	45.08

#### D. Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price

(₹ in Crore)

Description	For the year ended 31 March 2021	For the year ended 31 March 2020
Contract price	9,602.91	9,545.54
Less: Discount, rebates, credits etc.	202.62	166.54
<b>Revenue from operations as per Statement of Profit and Loss</b>	<b>9,400.29</b>	<b>9,379.00</b>



## Jindal Stainless (Hisar) Limited

### Notes to the consolidated financial statements for the year ended 31 March 2021

#### 49 Lease related disclosures

The Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. The Company has leases for office building, warehouses and related facilities.

The following is the movement in lease liabilities and corresponding Right to use asset for leases classified under lease arrangements during the year ended March 31, 2021 :

#### Right to use Asset Movement

Building	(₹ in crore)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Right to use assets-opening balance	23.25	20.13
Addition during the year	3.70	9.63
Depreciation during the year	7.39	6.51
<b>Right to use assets-closing balance</b>	<b>19.56</b>	<b>23.25</b>

#### Lease obligation Movement

	(₹ in crore)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Lease obligation-Opening balance	24.19	20.13
Addition to lease obligation	-	10.16
Payment of lease	(5.66)	(8.80)
Addition as interest	2.39	2.70
<b>Lease obligation-Closing balance</b>	<b>20.92</b>	<b>24.19</b>

The following is the break-up of current and non-current lease liabilities as at March 31, 2021 :

Lease Liabilities	(₹ in crore)	
	As at 31 March 2021	As at 31 March 2020
Current	4.94	5.96
Non Current	15.98	18.23
<b>Total</b>	<b>20.92</b>	<b>24.19</b>

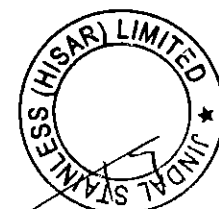
The table below provides details regarding contractual maturities of lease liabilities of non cancellable contractual commitments on undiscounted basis.

As at 31 March 2021	(₹ in crore)		
	Lease Payments	Interest expense	Net Present value
Less than one year	6.81	1.87	4.94
One to five years	14.79	3.72	11.07
More than five years	7.73	2.82	4.91
<b>Total</b>			<b>20.92</b>

As at 31 March 2020	(₹ in crore)		
	Lease Payments	Interest expense	Net Present value
Less than one year	8.31	2.36	5.95
One to five years	16.95	4.61	12.34
More than five years	9.26	3.36	5.90
<b>Total</b>			<b>24.19</b>

The statement of profit or loss shows the following amounts relating to leases:

	(₹ in crore)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation on Right to use assets	7.39	6.51
Interest expense on lease liability (included in finance cost)	2.39	2.70
Expense relating to low value leases (included in administrative expenses)	4.79	4.84
<b>Total</b>	<b>14.57</b>	<b>14.05</b>



## JINDAL STAINLESS (HISAR) LIMITED

Notes to the consolidated financial statements for the year ended 31 March 2021

### 50 Interest in subsidiaries and associates

#### 50.1 Material non-controlling Interest In subsidiary

Summarised financial information of JSL Lifestyle Limited, which has material non-controlling interest  
The principal place of business : India

	(₹ in Crore)	
	As at 31 March 2021	As at 31 March 2020
<b>Assets</b>		
Non current assets	68.80	70.18
Current assets	153.26	192.63
<b>Sub total</b>	<b>222.06</b>	<b>262.81</b>
<b>Liabilities</b>		
Non-current liabilities	25.83	20.39
Current liabilities	80.38	135.25
<b>Sub total</b>	<b>106.21</b>	<b>155.64</b>
<b>Equity attributable to owner's of the company (% of holding: 78.70%)</b>	<b>91.17</b>	<b>84.35</b>
<b>Equity attributable to non controlling interest (% of non controlling interest :21.30%)</b>	<b>24.68</b>	<b>22.83</b>

	(₹ in Crore)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue	280.12	311.95
Net profit for the year	8.66	6.96
Other comprehensive income	0.02	(0.05)
<b>Total comprehensive income</b>	<b>8.68</b>	<b>6.91</b>
<b>Total comprehensive income attributable to non controlling interests</b>	<b>1.85</b>	<b>1.47</b>

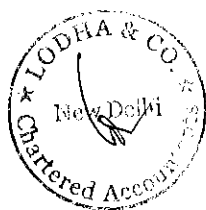
	(₹ in Crore)	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net cash inflow/(outflow) from operating activities	8.72	16.61
Net cash inflow/(outflow) from investing activities	(6.79)	(11.37)
Net cash inflow/(outflow) from financing activities	(2.04)	(5.15)
<b>Net cash inflow/(outflow)</b>	<b>(0.11)</b>	<b>0.09</b>

#### 50.2 Material Non-Controlling Interest In Subsidiary

Summarised financial information of Jindal Stainless Steelway Limited, which has material non-controlling interest  
The principal place of business : India

	(₹ in Crore)	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue	-	1,740.93
Net profit for the year	-	33.49
Other comprehensive income	-	(0.20)
<b>Total comprehensive income</b>	<b>-</b>	<b>33.29</b>
<b>Total comprehensive income attributable to non controlling interests (upto 14.02.2020)</b>	<b>-</b>	<b>5.28</b>

	(₹ in Crore)	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net cash inflow/(outflow) from operating activities	-	51.09
Net cash inflow/(outflow) from investing activities	-	(2.84)
Net cash inflow/(outflow) from financing activities	-	(48.33)
<b>Net cash inflow/(outflow)</b>	<b>-</b>	<b>(0.08)</b>



# JINDAL STAINLESS (HISAR) LIMITED

## Notes to the consolidated financial statements for the year ended 31 March 2021

51 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary / associate.

Name of the entity	Net assets (total assets minus total liabilities)		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit/(loss)	Amount (₹ in Crore)	As % of consolidated OCI	Amount (₹ in Crore)	As % of consolidated total comprehensive income	Amount (₹ in Crore)
<b>Parent Company</b>								
Jindal Stainless (Hisar) Limited	77.91	2,315.01	68.87	477.78	15.27	0.98	68.38	478.76
<b>Subsidiaries: Indian</b>								
Jindal Stainless Steelway Limited	8.04	239.03	9.35	64.87	1.25	0.08	9.28	64.95
JSL Lifestyle Limited	3.90	115.85	1.25	8.66	0.24	0.02	1.24	8.68
Green Delhi BQS Limited	(2.36)	(70.24)	(0.07)	(0.51)	-	-	(0.07)	(0.51)
JSL Media Limited	(1.24)	(36.94)	(0.65)	(4.48)	-	-	(0.64)	(4.48)
JSL Logistics Limited	0.02	0.55	0.01	0.04	-	-	0.01	0.04
Jindal Strategic Systems Limited	0.00	0.05	(0.00)	(0.00)	-	-	(0.00)	(0.00)
Jindal Lifestyle Limited	(0.00)	(0.00)	(0.00)	(0.01)	-	-	(0.00)	(0.01)
<b>Minority Interest in all subsidiaries</b>	(0.90)	(26.67)	(0.26)	(1.82)	(0.11)	(0.01)	(0.26)	(1.83)
<b>Associates (Investment as per equity method)</b>								
Jindal Stainless Corporate Management Services Private Limited	0.17	5.20	0.14	0.94	3.26	0.21	0.16	1.15
Jindal Stainless Limited	26.67	792.48	20.87	144.81	80.11	5.15	21.42	149.96
Consolidation Adjustments/ Elimination	(12.21)	(363.10)	0.49	3.50	(0.02)	(0.00)	0.48	3.50
<b>Total</b>	<b>100.00</b>	<b>2,971.22</b>	<b>100.00</b>	<b>693.78</b>	<b>100.00</b>	<b>6.43</b>	<b>100.00</b>	<b>700.21</b>

52 Total work-in-progress (CWIP) includes technical know-how and supervision fees, taxes, machinery under installation/in transit, pre-operative expenses and other assets under erection. Details is as under:

	(₹ In Crore)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening balance	106.87	92.33
Add: Additions during the year	159.86	136.23
Less: Capitalisation during the year	83.37	121.69
<b>Closing balance</b>	<b>183.36</b>	<b>106.87</b>

53 Amount required to be spent towards Corporate Social Responsibility as per the provisions of section 135 of Companies Act, 2013 by the Company during the year is ₹11.01 Crore (₹ 10.23 Crore) and details of amount spent towards Corporate Social Responsibility is as under:

	(₹ In Crore)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Promoting education & enhancing vocational skills	2.01	4.29
Promoting gender equality & empowering women	0.22	0.47
Ensuring environment sustainability & ecological balance	0.56	0.89
Promoting preventive health care	0.33	0.57
Rural development programme	0.78	1.31
Emergencies and relief work	4.97	2.20
Administration expenditure	0.27	0.58
<b>Total</b>	<b>9.14</b>	<b>10.31</b>

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the group, through implementing agency, has transferred the unspent amount for ongoing project of ₹ 1.96 Crore to separate bank account subsequent to the balance sheet date.

54 Adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of consolidated financial statements.

55 Previous years' figures have been re-arranged and regrouped wherever considered necessary. Figures less than ₹ 50000 have been shown as absolute number. Figures in bracket indicate previous year figures.

56 Note 1 to 56 are annexed to and form integral part of the consolidated balance sheet and consolidated statement of profit & loss.

In terms of our report of even date annexed hereto.

For and on behalf of the Board of Directors:

For LODHA & CO.  
Chartered Accountants

For S.S. KOTHARI MEHTA & COMPANY  
Chartered Accountants

ABHYUDAY JINDAL  
Managing Director  
DIN 07290474

JAGMOHAN SOOD  
Whole Time Director  
DIN 08121814

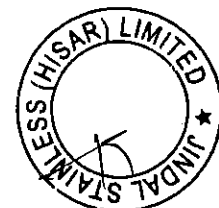
(N.K. LODHA)  
Partner  
Membership No. 85155  
FRN 301051E

(AMIT GOEL)  
Partner  
Membership No. 500607  
FRN 000756N

RAMNIK GUPTA  
Chief Financial Officer  
PAN AHEPG2769D

BHARTENDU HARIT  
Company Secretary  
Membership No. A15123

PLACE: New Delhi  
DATED: 18 May 2021





# JINDAL STAINLESS (HISAR) LIMITED

## Notes to the consolidated financial statements for the year ended 31 March 2020

### 50.3 Material Interest in associate : Jindal Stainless Limited (Group)

Country of Incorporation & operation : India

Principal activities : Manufacturer /producer of stainless steel flat products in austenitic, ferritic, martensitic and duplex grades

	As at 31 March 2021	As at 31 March 2020
% of Ownership Interest	34.54%	34.54%

The above associate was accounted for using equity method in the consolidated financial statement.

	As at 31 March 2021	As at 31 March 2020
Non current assets	6,615.98	6,851.34
Current assets	4,118.53	3,826.30
Non-current liabilities	3,459.88	3,349.21
Current liabilities	4,056.25	4,598.17

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue	12,229.36	12,990.76
Net profit for the year attributable to owners of the Parent	419.23	71.32
Other comprehensive Income attributable to owners of the Parent	3.59	7.34
Total comprehensive income attributable to owners of the Parent	422.82	78.66

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
Net assets of the associate	3,151.41	2,717.24
% of share in associate	34.54%	34.54%
Share in net assets of associate (net of ₹ 296.02 Crores being fair value adjustment at the time of acquisition)	792.48	642.52
Other adjustments	-	-
Carrying amount of interest in associates	792.48	642.52

The associate had the following contingent liabilities (to the extent of share in associate)

	As at 31 March 2021	As at 31 March 2020
<b>A. Contingent liabilities not provided for in respect of</b>		
i) a) Sale tax/entry tax demands against which company preferred appeals.	38.23	38.27
b) Excise duty/custom/service tax show cause notices/ demands against which company has preferred appeals.	15.44	5.90
c) Income tax demands against which company has preferred appeals.	34.53	34.65
ii) Demand made by Dy. Director of Mines, Jajpur Road Circle, Orissa against which company has preferred appeal / disputed by the Company.	26.78	26.78
<b>B. Corporate Guarantee given to banks against credit facilities / financial assistance availed by Jindal Stainless (Hisar) Limited, amount for facilities outstanding as on 31 March 2021 ₹ 2,940.36 Crore (₹ 3,378.11 Crore).</b>	1,015.60	1,166.80

### 50.4 Immaterial Interest In Associates:

Country of incorporation & operation : India

	% of Ownership Interest	As at 31 March 2021	As at 31 March 2020
1 Jindal Stainless Corporate Management Services Private Limited	50%	50%	50%
2 J.S.S. Steelitalia Limited (till 15 January 2021)	-	-	33%

Immaterial Interest in associate : Jindal Stainless Corporate Management Services Private Limited

	For the year ended 31 March 2021	For the year ended 31 March 2020
Carrying amount	5.20	4.05
Net Profit for the year	1.88	2.57
Other comprehensive income	0.42	(0.06)
Total comprehensive income	2.30	2.51

Immaterial interest in associate : JSS Steelitalia Limited

	For the year ended 31 March 2021	For the year ended 31 March 2020
Carrying amount		(0.48)
Net Profit for the year		0.00
Other comprehensive income		(0.48)
Total comprehensive income		(0.48)

