JINDAL STAINLESS

July 29, 2020

National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 cmlist@nse.co.in Security Code: JSLHISAR	**BSE Ltd.** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 corp.relations@bseindia.com Security Code: 539597

Sub : Annual Report for the FY 2019-20 including Notice of the 7th Annual General Meeting Pursuant to Regulation 34 of the Securities and Exchange Board of

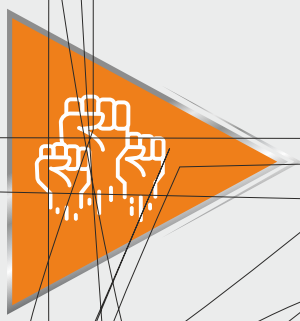
JSL
JINDAL STAINLESS

SWIFT AND STAINLESS

Annual Report 2019-20 | Jindal Stainless (Hisar) Limited

Aerial View of Jindal Stainless (Hisar) Limited, Hisar, Haryana

Improving lives through trustworthy and innovative stain-less solutions

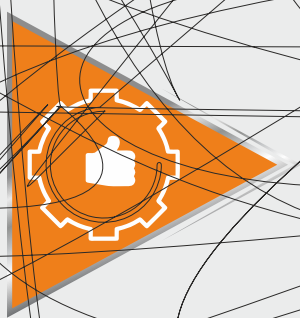


Improving Lives

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

And Innovative

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



Stain-less Solutions

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

MISSION

To be a leading stainless steel company in the world

Forging reliable relationships with customers, suppliers, employees and all other stakeholders

Building strong capabilities, driving innovative practices, high quality and competitive solutions

Leading Stainless Steel Company in the World

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

Reliable Relationships with Customers, Suppliers and all other Stakeholders

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

Strong Capabilities

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

Innovative Practices

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

High Quality

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

Competitive Solutions

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

FOUNDING PRINCIPLES

A True Son of the Soil,
who laid the foundation
of great economic
and social institutions
of new India.

A visionary leader who will always be remembered for his business excellence and social responsibility, Shri OP Jindal believed that without the upliftment of the society, a nation can never prosper.

His journey from his humble origin to becoming a respected and successful industrialist, a philanthropist, a politician and a social reformer, will remain a great source of inspiration for generations to come.

Shri Om Prakash Jindal always believed that "What is good for the nation is only what is good for the business".

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

Smt. Savitri Devi Jindal
Chairperson Emeritus

It brings me immense pleasure to share with you an all-round view of the developments that took place in Jindal Stainless (Hisar) Limited (JSHL) in the last year. Our incessant commitment towards inclusive growth and development in a sustainable manner has been effective by conducting our operations through the prism of 'Going Beyond Business'. On this note, I express my deepest gratitude to each and every one of you for positing your faith in our institution.

Our approach has taken a much more ambitious and strategic view on CSR and sustainability, focusing on empowering communities to generate a positive impact financially, socially and environmentally. I am glad to share that this year the company responded promptly to the distress calls arising due to the cyclone Fani, that made landfall on the coast of Odisha. Our CSR department started relief work in the five most affected villages, wherein we undertook distribution of medicines, solar lights, and shelter material like bamboos sticks, thereby resonating with our overarching vision statement of "Improving lives through trustworthy and innovative stainless solutions".

Apart from this, our existing empowerment programs not only strengthened, but also paved way for us to expand opportunities into different sectors. The innovative projects around education and skill development have provided equal access to knowledge and learning for many marginalized sections of society. The CSR team's effective interventions in communities helped in strengthening existing structures, such as women self help groups which are currently engaged in micro-credit activities and are taking loans from large and small banks. The growth of Stainless Skill Training Institute has given a voice to the rural women and showcases their prowess in entrepreneurial development. Such case studies and stories need to be shared and replicated across geographies.

Working with the farming community at close quarters has been especially rewarding, as we have been able to witness their trajectory of growth and development. Our concern remains on how to increase the incomes of farmers by providing adequate linkages and opportunities for them to connect with markets across geographies and we are relentlessly working on the same.

Towards education and health-care, JSHL has opened non-formal education centers for children by running computer literacy programs. Towards health, JSHL has mobile clinics and programs addressing issues around relevant topics such as female feticide. We have also initiated Project Udaya in Hisar which will focus on different issues related to adolescent girls including menstruation and sexual abuse. It aims to bring change to the parenting and the value system that our education system is expected to provide.

> **"Our approach has taken a much more ambitious and strategic view on CSR and sustainability."**

I am confident that with the aim of pursuing excellence and the overarching vision of 'Improving Lives', Jindal Stainless (Hisar) Limited will continue to grow from strength to strength and will exceed expectations in terms of being a Socially Responsible Corporate.

CHAIRMAN SPEAKS

Ratan Jindal
Chairman

Dear Shareholders,

I'm humbled to work alongside the dedicated team of Jindal Stainless (Hisar) Limited (JSHL) that ensured steady performance despite global challenges and adverse market conditions. The Company's FY 20 performance is reflective of its passionately progressive approach to business, and does justice to its five-decade long legacy of creating innovative stainless steel solutions for the country.

The global stainless steel industry witnessed a growth of 2.9% in melt production in the calendar year (CY) 2019 (YoY), less buoyant than the 5.5% growth achieved in CY 2018. Global trade flows declined on account of the continued effects of geo-political trade war and protectionist measures, fluctuating commodity prices, and undue exploitation of trade agreements in the ASEAN region. COVID-19 further suppressed demand across industries and sectors. Indian stainless steel production fared slightly better at 5% (YoY) growth in CY 2019, but couldn't completely escape the adverse impact of subdued global trade coupled with lower GDP growth.

Focussed approach from the organisation on improving its internal processes and efficiencies helped us in tiding over challenging times. Although global and domestic factors impacted your Company's growth, I am happy to share that coin blank and blade steel production in the Specialty Products Division was ramped-up. We're proud to have initiated the supply of bimetallic blanks for our country's new INR 20 coins. These specialty products, which comprise your Company's unique offerings, are acclaimed in the domestic and international markets for their impeccable quality and cost competitiveness. Reinforcing our thrust on such value-added products, we have initiated a bold plan of doubling our capacity in this division, and work has begun on this project. Your Company also launched *'Jindal Saathi'*, a co-branding initiative in the Pipe and Tubes segment, which is the first such initiative in the stainless steel industry in India to ensure that the best quality material reaches the end consumers.

Our sustained efforts and investments in R&D have helped us cater to growing segments like railway infrastructure, defence, nuclear, and holloware applications. Digitisation is another major thrust area, wherein the organisation is maintaining its leadership status in the Indian manufacturing industry. Adoption of C4C (Cloud for Customer) and the SAP Hybris e-commerce module is already showing promising results in terms of customer satisfaction and ease of doing business. Going forward, we will continue investing in systems that help us create superior value for our customers and enhance their experience through better transparency and efficiency.

If we treat challenges as tests of our mettle, we seize the opportunity to come out of them stronger. The current global crisis resulting from the pandemic of COVID-19 has posed unprecedented challenges for the industry and your Company. Our relentless efforts have kept us afloat during the toughest of times, but with the worst of the COVID-19 pandemic still looming large, there's no scope for laxity. The adverse effects of the COVID-19 pandemic started around last quarter of the previous fiscal year, and are expected to continue at least till the second quarter of the current fiscal. Constrained liquidity and uncertainty of re-lockdowns will add to this pressure.

The situation, however, is not without hope. Demand growth induced by COVID-19, in the area of healthcare infrastructure and two-wheelers segments, is also expected to augment our top line in the current fiscal. This is over and above the demand from conventional application areas such as construction, transportation, and process industries. It's also not far-fetched to hope that several markets within and outside the country may be vacated by Chinese players and Chinese goods. Our Company, and in fact, the entire stainless steel sector of India, is more than prepared to fill this void as it emerges. Micro, Small, and Medium Enterprises (MSMEs), which constitute a majority of the total downstream manufacturing of stainless steel in India, will need support to quickly adapt to these new demand drivers. For JSHL, incubating, handholding, and growing MSMEs has been a business philosophy since inception. Throughout this crisis as well, we have been handholding our MSME partners in helping them avail of Government benefits and identify opportunities for growth.

Atmanirbhar Bharat Abhiyan, the government's economic recovery package, is expected to provide the required boost to the industry, which will thereby catalyse the realisation of the 'Vocal for Local' vision. This is especially essential since the domestic stainless steel industry continues to suffer due to the glut of imports from ASEAN countries which have Free Trade Agreements (FTAs) with India. The FTAs are further exploited by countries which use this route to circumvent duties and dump their goods in India. Economic recovery of the domestic industry will be possible only with strict measures from the Government to create a level playing field for the Indian industry.

Stainless steel is a natural choice for Government's projects like the National Infrastructure Pipeline. For development of inland waterways, coastal infrastructure, public utilities, and many more such projects, stainless steel fits the bill of **Life Cycle Costing** approach recommended by the National Steel Policy. The metal segues with the Government mandate of building sustainable infrastructure which is socially safe, economically optimum, and environment friendly.

Your Company is resolute in its commitment to uplift and support communities and stakeholders through CSR endeavours in the areas of agriculture, education, women empowerment, gender equality and health care. As we continue this journey to create long-term value for every stakeholder, I thank all shareholders, board of directors, customers, bankers, investors and employees, for reposing your trust in the Company. I look forward to your valuable support in strengthening the steely resolve for many more years to come.

FROM THE MANAGING DIRECTOR'S DESK

Abhyuday Jindal
Managing Director

Dear Shareholders,

We are at a juncture that will become a defining point in most of our lives, since the definition of 'normal' will be completely different after the pandemic of COVID-19. The challenging circumstances arising due to the pandemic are a true test of how adaptive we are as human beings. Now more than ever, the focus needs to be on creating sustainable solutions for our collective future. Seeing the world unite in its fight against COVID-19, I'm hopeful of a global comeback story greater than any setback that we are currently facing.

Although the impact of the pandemic kicked in from the last quarter of FY20, exerting pressure on the already subdued market sentiment, a keen focus on operational excellence and automation helped Jindal Stainless (Hisar) Limited (JSHL) manage a sturdy performance. None of it would have been possible without the relentless efforts of the dedicated employees of JSHL. Your Company registered a growth of 22% in Profit After Tax (PAT) over the corresponding period last year, at Rs 320 crore. Consolidated Revenue and EBITDA during FY20 remained nearly flat at Rs 8,340 crore and Rs 862 crore, respectively. Total sales volume was adversely impacted on account of global slowdown and trade wars, standing at 6 lakh tonnes in the last fiscal, though our volumes for value-added products largely remained intact. The performance of JSHL, and in fact the entire Indian stainless steel industry, was impacted on account of surge in subsidised imports of stainless steel flat products. Countries with wanton excess capacity in stainless steel continued to misuse trade agreements entered into by the Government of India to dump their excess produce, either directly, or indirectly. As a consequence, the capacity utilisation across the domestic industry was to the tune of 60% on an average.

On the operational front, your Company continued its pursuit of excellence. From catering to global clients like Alstom with strict product requirements, to getting approval from Tata Motors for supplying material for BSVI compliant passenger and commercial vehicles, the year was full of milestones. I'm delighted to share that our quality labs in both the hot and cold rolling facilities are now accredited by NABL, which is testimony to our unwavering focus on quality and process efficacy. We also started employing new automatic ultrasonic testing for serving stringent orders. Commissioning and stabilising of a new induction furnace in FY20 added flexibility to our operational capabilities and will help reduce the risk of volatility in prices of consumables. We have also started the process for commissioning of new facilities in the Specialty Products Division. These facilities would not only assist in increasing sales volumes but also add substantially to organisation's profitability. With customer servicing as the key theme, Theory of Constraints (TOC) based Made-to-Anticipation (MTA) model has been implemented in yards spread across multiple locations in India, with sharp focus on various performance parameters, safety, logistics, and IT-based process improvement initiatives.

JSHL made further inroads into strategic segments like Nuclear and Defence, by supplying indigenous material for previously import-dependent applications. Our consistent efforts to increase our share in the railway segment are yielding promising results, and we are partnering with Indian Railways for infrastructure modernisation of foot-over and road-over bridges, starting with the Bhayander foot-over bridge in Mumbai. We also renewed our thrust on learning and development to enable our workforce to adapt with continuously evolving market conditions, and become future-ready.

Our efforts to increase awareness about the benefits of stainless steel continued in full swing. You will be pleased to know that the elective course on stainless steel and advanced carbon special steel that we initiated with IIT Roorkee last year received a good response. It has now been cascaded across other IITs and various other leading engineering and architecture colleges. Our stainless steel showcase vans, called Stainless Academy, are also traversing the length and breadth of the country, and have successfully trained over 9000 fabricators, along with educating end-consumers on the benefits of using stainless steel.

The subsidiaries of JSHL, JSL Lifestyle Limited (JSLL) and Jindal Stainless Steelway Limited (JSSL) continued to offer specialised and customised services to end-users, along with retail product offerings. Internal restructuring and process optimisation efforts at JSLL ensured tactical focus on identified segments and improved efficiency in meeting customer requirements. These efforts will continue to go a long way in ensuring better service to our customers, thereby catalysing growth opportunities for them. As the service centre arm for JSHL, JSSL kept its promise of offering value-added, convenient, customised, just-in-time services to the doorsteps of its customers.

Going forward, we will uphold our rigour towards efficiency improvement through automation, distribution optimisation and skill development of our team. We will continue to be unwavering on our commitment to service our domestic customers with world-class quality. We will continue with our MoU scheme to take our relationship with customers to the next level, and strengthen it further with mutually beneficial offerings. We plan to introduce an anti-bacterial range of products to align with the evolving demand in the healthcare and utensils segments.

I'm confident that with the government's clarion call for *'Atma Nirbhar Bharat'*, economic revival in the country is imminent. Although trade policies across the world continue to impact the profitability of the domestic stainless steel industry, I'm optimistic about our manufacturing sector's contribution in building a self-reliant nation. Your Company reaffirms its commitment to sustainable development of national infrastructure. I extend my thanks to all our stakeholders – customers, shareholders, bankers, and business associates. I look forward to your participation and steady support in the future too. I want to especially thank our employees whose hard work and allegiance to the vision of the Company have helped us tide through the challenges of the past, and prepare us for the goals of the future.

NEW PRODUCT DEVELOPMENTS

SS CHEQUERED PLATE FOR FOOD PROCESSING INDUSTRY

Making further inroads in the food processing industry comes naturally for a hygienic metal like stainless steel. Chequered flooring plate in 304 grade of stainless steel is now being used in a bread manufacturing unit in New Delhi. The movement of carts in storage area was causing abrasion and was difficult to keep clean; thereby wearing out the existing flooring. Usage of stainless steel has added hygiene, and resistance to wear and tear, and made cleaning easier. It will double the life of the flooring.

STAINLESS STEEL IN WATER CONTAINERS OF HOUSEHOLD RO'S

Over a 1000 manufacturers make approximately 50 lakh RO units each year for household use. Replacing the plastic water tank in the RO with a stainless steel one will not only be more hygienic but also corrosion resistant, strong and more durable. We have developed a prototype RO tank in Stainless Steel, 304 grade, to support the ongoing initiative of manufacturers in both the organised and unorganised sectors who are working on this application. This sector holds the potential of usage of more than 10000 MT of stainless steel.

STAINLESS ACADEMY – DISPLAY AND TRAINING VEHICLE

Christened as the Stainless Academy, these vans have helped train over 9000 fabricators across 61 cities. Each van displays a few of the varied applications of stainless steel in a particular sector. This also enables the showcase of the stainless edge during conferences, industrial displays, road shows and events.

For spreading awareness about the health, hygiene, cost, ecological and other benefits of the stainless steel among a diverse audience, we have created 4 stainless steel showcase vans that travel the length and breadth of the country, highlighting the benefits of the metal. These vans are used for creating awareness amongst end consumers as well as for live demos and trainings for fabricators. They are equipped with fabrication tools and supported by government bodies like the **Ministry of Steel under Ispati Irada** and **Skill India by National Skill Development Corporation (NSDC)**, a Government of India body. We developed a 3rd van in last financial year to showcase the countless **possibilities of using stainless steel for industrial applications.** This van showcases a wide range of products, including roofing sheets, shutters, chequered flooring, UV printed SS sheets, special finishes & textures, and miniature industry models and accessories (nuts, bolts, hinges etc.)

PRODUCT BASKET

Stainless steel (SS) is a generic term for a family of corrosion-resistant alloy steels containing 10.5% or more chromium. All stainless steels have a tremendous resistance to corrosion. This resistance is due to the naturally occurring chromium-rich oxide film formed on the surface of the steel. Although extremely thin, this invisible, inert film is tightly adherent to the metal and extremely protective in corrosive environment. The film is expeditiously self repairing in nature, and the indentation due to abrasion, cutting or machining is hastily repairable in the presence of oxygen. In addition, stainless steel objects rarely become waste at the end of their useful life as this metal is 100% recyclable. Qualities like low lifecycle cost, high strength to weight ratio, aesthetic brilliance and easy-clean ability make SS the wonder metal for various applications.

Jindal Stainless (Hisar) Limited (JSHL) is India's first integrated stainless steel manufacturer with a capacity of 0.8 million tons per annum. JSHL is world's largest producer of stainless steel strips for razor blades and India's largest producer of coin blanks, serving mints worldwide. The Specialty Product Division caters to high-end precision and specialty stainless steel requirements across the globe. JSHL's product range includes Slabs & Blooms, Hot Rolled Coils, Strips, Plates, Coin Blanks, Precision Strips and Cold Rolled Coils.

Slab

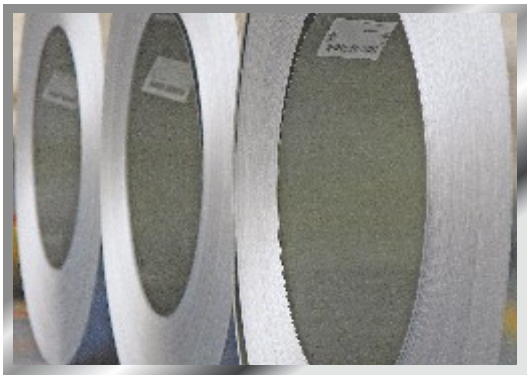
Product	Max Width (mm)	Thickness (mm)
Slab	1280	200

Plates

Product	Max Width (mm)	Thickness (mm)	
		Minimum	Maximum
Plates/ Sheets	1250	6.0	80

HR Coil

Product	Max Width (mm)	Thickness (mm)	
		Minimum	Maximum
Hot Rolled Coil	1270	2.0	12.0
HRAP Coil	1270	2.5	6.0



CR Coil

Product	Max Width (mm)	Thickness (mm)	
		Minimum	Maximum
CRAP Coil	1000	0.5	3.15
	1250	0.5	3.15

Precision Strips

The precision strips are rolled up to 0.05 mm in thickness. These strips are often the starting material for industries like Automotive, Electronics and Telecommunication, Health & Hygiene, Consumer Durables and Petrochemical Industry and exported as well. The customized chemical composition, extraordinary mechanical properties and precise dimensional and shape tolerance makes JSHL Precision Strips special.

Blade Steel (Razor Blade)

The razor blade cold rolled strips of up to 0.076 mm thickness are produced in Specialty Products Division (SPD) at JSHL and supplied to leading Indian and international razor blade manufacturers.

Coin Blanks

JSHL has been supplying stainless steel coin blanks to the Indian government mint and foreign mints for making coins. The company has the capability of producing high quality stainless steel and non-ferrous coin blanks. The present installed capacity for coin blanking is 10,000 metric tons per annum.

STAINLESS STEEL APPLICATIONS

Stainless Steel Usages

Architecture Building Construction

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

Process & Engineering

Nuclear grade SS for fuel containment and waste handling | Super critical boilers in power plants | Water treatment and drinking water supply | Desalination applications | Chemicals, petro-chemical & fertilizer plants

Automobile Railway Transport

Bus bodies | Exhaust systems, auto chassis, trims, suspension parts, fuel tanks, catalytic convertors | Railway wagons and coaches | Metro coaches

Consumer Durables

Washing machine | Microwave | Refrigerator | Components thereof

Stainless Steel in Plumbing

Stainless steel pipes are being increasingly used for plumbing because stainless steel offers wide range of benefits, with particular importance attached to its hygienic properties, its resistance to corrosion, long life and low maintenance. It does not require painting and blends smoothly with modern interior design. It is also fully recyclable.

Stainless steel often enjoys life cycle cost advantages compared to other materials. Even though the initial costs may be marginally higher for stainless steel plumbing materials, the gap in installed cost is reduced by a fast and more efficient method of jointing. Low maintenance, low system downtime and replacement costs and long life makes stainless steel the most attractive metal when compared to other materials.

Stainless Steel in Chemical Industry

Probably the most demanding industries that use stainless steels are the chemical, processing and oil and gas industries. They have created a large market for stainless tanks, pipes, pumps and valves. One of the first major success stories for 304/316 stainless steel was the storage of dilute nitric acid as it could be used in thinner sections and was more robust than other materials.

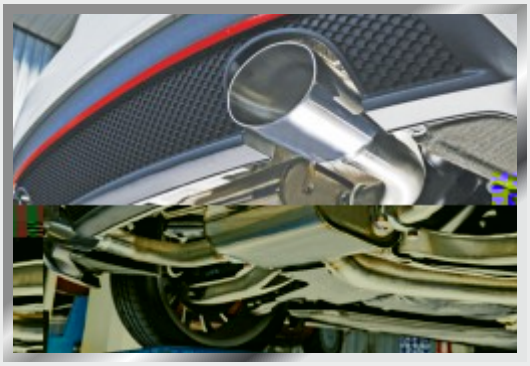
SS pipes and tubes exhibit superior corrosion resistance, heat resistance and low-temperature properties and have been used as raw materials that can withstand harsh environments as seen in petroleum, brewery, sugar, refining, oil and gas industries.

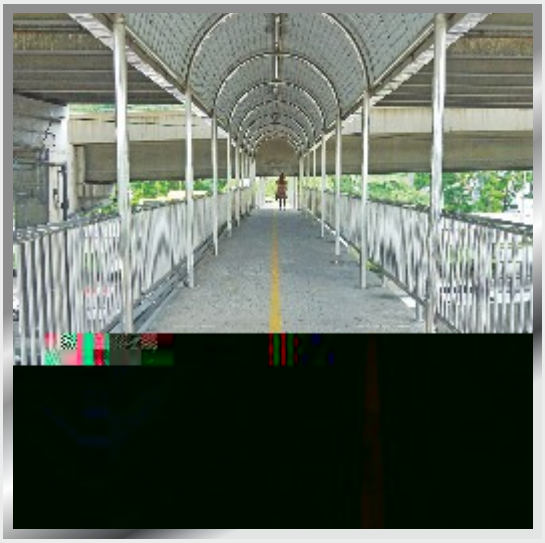
Stainless Steel in Beverage, Dairy and Food Preparation and Processing

Materials for beverage, dairy and food preparation, processing and storage are required to maintain the integrity of the structure (i.e. to be corrosion resistant and sufficiently robust to withstand their service environment) and to be inert (i.e. to impart neither colour nor flavour to food or beverages). Stainless steel is widely used in these applications because it is resistant to corrosion, inert, easily cleaned and sterilised without loss of properties, and can be readily fabricated by a variety of techniques.

Stainless Steels for Application in Automotive and Transport Sectors

Automotive and transport sectors are making increasing use of stainless steel to reduce weight, improve aesthetics, enhance safety and minimize life cycle cost. Characterized by superior fire and corrosion resistance, they ensure safety and reliability. Since stainless steel exhibits superior combination of high strength, ductility, formability and toughness compared to other metals and alloys, the intrinsic weight of vehicle decreases and its load carrying capacity and fuel efficiency increases. Maintenance cost is naturally lower and stainless steel components at the end of their long life are easily recycled.





Stainless Steel In Architecture, Building & Construction

Stainless steel has been used in architecture, building and construction since its invention. Stainless Steel provides tremendous design flexibility to high profile projects while its strength and resistance to corrosion, wear and fire make it a practical long-lasting choice for public and industrial buildings.

Worldwide stainless steels are being used for structural applications ranging from cutting-edge architecture to infrastructure. Exceptional examples of historical structures include the stainless steel concrete reinforcing bar in Yucatan, Mexico's Progreso Pier (1945); St. Louis, USA's Gateway Arch (1965); and the Louvre Pyramid in Paris, France (1989).

HARNESSING THE POWER OF IT

Members of JSHL IT Team

Jindal Stainless (Hisar) Limited (JSHL) has been a forerunner in leveraging the benefits of Information Technology (IT) revolution for long. IT has been instrumental in enabling smoother, faster, and transparent processes across multiple divisions of JSHL's major operations and activities.

Some major activities undertaken in the last financial year were implementation of paperless RFQ floating system, digitalisation of manual inventory operations, PO delivery tracking system, etc. Several initiatives were undertaken to streamline inbound logistics processes, like online driver gate pass entry, digitization of vehicle loading process, TAT calculation and freight bill processing, and many others. These not only saved hundreds of paper rims but also made the processes much smoother, faster and more transparent.

Data security has been a focal point for IT. To ensure that important data is not lost in case of device theft or crash, auto-backup on cloud is implemented for the top 100 critical users in the company. For the finance vertical, P&L statement in SAP, GST compliance auto-mail functionality, stock position and aging report were implemented.

With global technological advancements, JSHL embarked upon the journey of adopting industry-specific e-commerce best practices by on-boarding Hybris Commerce. We started with the rolling out of the e-Auction platform. Our customers can now access a Customer 360˚ view, which gives them relevant information in the form of reports and dashboards covering every aspect of the customer's interaction with us. Moreover, vehicle tracking data is now one click away. The portal also equips customers to place an order with us online for our high-selling-SKUs, and also make online payments. With our presales product, C4C, tightly integrated with Hybris Commerce, we are now able to provide expeditious service. Aiming to provide seamless customer service, Assisted Service Module has been activated to aid the Customer Support Team in efficiently addressing the queries of the customers.

Today, technology is the prime differentiator between a market leader and a follower. By embracing these aforementioned technological advancements, the Company is cementing its position as a market leader. The most important element in this transformation is the Company's IT team, whose unfailing dedication and zest are the reason behind the success of our digitization endeavours.

AWARDS & ACCOLADES 2019-20

International Safety Award 2020 Merit
from British Safety Council

Winner of Golden Peacock
Environment Management Award

8 PAR Excellence & 7 Excellence Awards
in NCQC

24 Gold & 6 Silver medals in CCQC

'Energy Efficient Unit' Award in
20th National Awards for
Excellence in Energy Management
by CII

'Innovation in Energy Efficiency' Award in
Large Scale Industries in
National Energy Efficiency Circle Awards
by CII

UNLEASHING PEOPLE POWER

At Jindal Stainless (Hisar) Limited, the bedrock of our success is the relentless effort put in by our workforce. In turn, we continue to nurture an environment where our employees can continuously work on innovation in processes and products, and skill enhancement for themselves. During the year, the Human Resources (HR) team focused on Competence, Competitiveness, Commitment and Care. Our efforts were reinforced through best-in-class technology and digitisation by adopting Success Factors for all people processes.

Competence is critical for fostering our business, especially during these challenging times. We have been continuously reinforcing our talent pool from the premier institutions of the country, like IITs, NITs and Government Engineering colleges. To ensure smooth and seamless on-boarding of fresh talent, we introduced ARISE, a 9-months induction program to "Shape Stainless Engineers" of the future. During the year, over 16000 human-days of training were imparted to all employees, including off-roll employees. We completed the 12 month journey of **Masterful Management**, a flagship leadership development program for middle managers that focused on leadership capabilities for the changing business landscape. With the world changing dynamically and adapting digital platforms for almost everything, in this year, we explored different platforms for e-Learning, like Datacamp, Udemy, VSkills, Alison, Lynda. Encouraging experiential learning, we also encouraged the presence of our employees in various seminars, conferences and paper presentation seminars, across leading institutes and organisations like IITs, IIMs, CII and UNDP.

The key to business success has been **competitiveness**, which can be achieved by bringing out the best in every employee. In order to align individual's and company's objectives, your Company introduced Continuous Performance Management System (CPMs), wherein all managerial employees are encouraged to align their goals with business priorities on a quarterly basis. The system also encourages regular feedback and review, ensuring the highest level of performance. Your Company has augmented its Reward & Recognition policy to reinforce a culture of appreciation and last year, over 1500 employees were recognized for special contributions.

Building employee **commitment** is an intensive and critical process for business sustenance. We believe in connecting with our employees and family members through our multiple communication platforms, like **Sampark** and **Coffee with MD** for a direct connect with MD, town hall meetings with the leadership team, and celebration of festivals with family members. Jindal Premier Cricket League, Pro-Kabaddi League and Zonal Level Sports Meets were enjoyed by one and all. Further, our engagement with employees continued to strengthen through the **Climate Survey**, which was launched to solicit their opinions, perceptions and feelings regarding the organisation's environment. An online module on **POSH** was launched across all management levels to reiterate our commitment towards being a **'zero tolerance organization'** against sexual harassment of women at workplace.

Employee **care** is one of the core values for your Company. We address the basic needs of employees in terms of medical care, housing and education. We have ensured quality education to all employees' wards by subsidising school fees. All employees and family members are covered under the medical care scheme. Your company also provides well maintained accommodation to its employees. The HR team continues to be dedicated towards building competent, committed and agile workforce for this world-class organisation.

SUSTAINABLE INITIATIVES

Philosophy of Sustainable Development

CSR Vision

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

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

Aim

Mainstreaming communities at the bottom of the pyramid

Philosophy

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

Objectives

- To work towards social advancement of all stakeholders including communities and their families
- To work with farming communities towards doubling their incomes through technology based solutions
- romoting climate adaptation

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CSR ACTIVITIES

Going beyond business is in the ethos of our organisation and hence, it is befitting that our CSR projects cater to relevant issues such as Community Development, Education, Integrated Health Care, Skill Development, Women Empowerment, Environment and Business & Human Rights.

While a wide array of projects are undertaken each year and continued from previous years, let's have a look at some major initiatives in FY20.

Agriculture Development Project

In partnership with the Gram Unnati Foundation, our project for 'Improving the Incomes of Farmers through Production Practices and Market Linkages' is being implemented at Hisar, Pataudi and Nuh (Districts Gurugarm and Mewat); and with NABARD (National Bank for Agriculture and Rural Development) in rest of India. Around 2452 farmers are directly associated with the project and are given technical advisory assistance on agricultural practices, right from sowing till the harvesting for both Rabi and Kharif crops. Farmers also get an opportunity to participate in various other events and trainings such as, Kisan Mela, exposure visits etc., conducted at various institutes. The project is exploring tie-ups with other institutional buyers in Delhi NCR to present farmers the opportunity to access a larger market. The farmer-centric project has also joined hands with NABARD to strengthen the Farmers Production Organisations (FPOs) in 6 districts of Haryana, 3 districts of Rajasthan and 2 districts of Uttar Pradesh.

Maintenance and Restoration of O P Jindal Memorial Park

The restoration and maintenance of the O P Jindal Memorial Park is being implemented in partnership with Prabhaav Foundation. The park covers 24.5 acres of land, and regular activities related to its beautification are carried out, such as plantation of the seasonal flower plants/trees, grass mowing, irrigation, cleaning, mural painting etc. Additionally, Stainless Steel toilets, benches, dustbins, RO unit for safe drinking water, topiary and giraffe structure etc were installed in FY20. A series of community sensitisation drives and a mega cultural, entertaining and informative event were organized for the local communities.

Deaf School Empowerment Project, 'Nai Disha'

A program for developing the knowledge and skills of the deaf students enrolled at Welfare Centre for Persons with Speech and Hearing Impairment (WCPSHI), Hisar and Sonipat is being executed in partnership with Noida Deaf Society. Around 229 students are benefitting by learning the Indian Sign language, Basic English Communication, Value education and Computing. Sports activities such as skipping ropes, cricket, badminton, football are also organised periodically. Assessments show improvements in the academic performances of the students, along with increased communication with teachers, parents and friends, thus inculcating a positive attitude towards leading a satisfying life.

Adolescent Health and Menstrual Hygiene Project, 'Udaya'

Project Udaya aims to disseminate appropriate knowledge and create awareness among adolescents on menstrual health, child sexual abuse and domestic violence in 5 schools in partnership with Sachhi Saheli. A mass sensitization workshop was organized with the students and the teachers. Identified teachers were intensively trained as Master Trainers to further sensitise students in their respective schools. The students are gradually learning to manage emotions and relationships that is important for leading healthy lifestyles.

Skill Development

Skill up gradation courses are offered to the communities of the rural and urban areas of Hisar. The skill development centers are operational in the rural, slum and urban areas. The students are trained in the basic and advanced courses of Stitching and Tailoring, Dress Designing and Fashion Technology and Beauty Culture. Around 351 students benefitted from the trainings that helped a majority of them develop vocational skills and secure a livelihood.

Initiatives around Delhi NCR

We have been maintaining the Environment Park at the AIIMS crossing in Delhi for many years. In sports, we have been promoting Football and Tennis, wherein talented children from underprivileged backgrounds are sent to up-skill their talents and get an opportunity for Football at Sudeva Sports Academy, Delhi, and play Tennis at different clubs and sports schools. We have also partnered with the Delhi Golf Club for maintaining the greens and providing opportunities to the local caddies and others for up-skilling through sustained training. Road safety is another focus area for our interventions in Delhi, wherein first aid training, bicycle conspicuity drives and awareness creation efforts are undertaken.

Chairperson Emeritus
Mrs. Savitri Devi Jindal

Chairman
Mr. Ratan Jindal

Managing Director
Mr. Abhyuday Jindal

Whole Time Director
Mr. Jagmohan Sood

Directors
Mrs. Deepika Jindal
Maj. Gen. Kanwaljit Singh Thind, VSM (Retd)
Mr. Girish Sharma
Mr. Nirmal Chandra Mathur
Mrs. Arti Luniya

Chief Financial Officer
Mr. Ramnik Gupta

Company Secretary
Mr. Bhartendu Harit

Working Capital Bankers
Axis Bank
Bank of Baroda
Canara Bank
ICICI Bank
Punjab National Bank
State Bank of India
Standard Chartered Bank

Statutory Auditors
M/s Lodha & Co.
Chartered Accountants
M/s S.S. Kothari Mehta & Co.
Chartered Accountants

Secretarial Auditors
M/s Vinod Kothari & Co.
Practicing Company
Secretaries

Cost Auditors
M/s Ramanath Iyer & Co
Cost Accountants

Registered Office
O.P.Jindal Marg
Hisar – 125005 (Haryana)

Manufacturing Facilities
Hisar (Haryana)
Kothavalasa (Andhra Pradesh)

NOTICE

JINDAL STAINLESS (HISAR) LIMITED
(CIN: L27205HR2013PLC049963)
Regd. Office: O.P. Jindal Marg, Hisar – 125 005 (Haryana), India
Phone No. (01662) 222471-83, Fax No. (01662) 220499
Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi– 110066.
Phone No. (011) 26188345-60, 41462000, Fax No. (011) 41659169, 26101562
Email Id.: investorcare.jshl@jindalstainless.com; Website: www.jshlstainless.com

NOTICE is hereby given that the **7th Annual General Meeting ("AGM")** of Members of **Jindal Stainless (Hisar) Limited** will be held on Friday, the **21st day of August, 2020 at 1:00 P.M.** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

a. the audited standalone financial statements of the Company for the financial year ended on 31st March, 2020, the Reports of Board of Directors and Auditors thereon, and

b. the audited consolidated financial statements of the Company for the financial year ended on 31st March, 2020 and the Report of the Auditors thereon.

2. To appoint a Director in place of Mrs. Deepika Jindal (DIN: 00015188), who retires by rotation and being eligible, offers herself for re-appointment.

3. To re-appoint the Joint Statutory Auditors and Branch Auditor of the Company and fix their remuneration and in this regard, to consider and if thought fit, to pass, the following resolution(s) as Ordinary Resolution(s):

I. **"RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s. Lodha & Co, Chartered Accountants (Firm Regn. No. 301051E) and M/s. S.S. Kothari Mehta & Co., Chartered Accountants (Firm Regn. No. 000756N), be and are hereby reappointed as Joint Statutory Auditors of the Company to conduct audit of the books of accounts of the Company for second term of five consecutive years from the conclusion of this Annual General Meeting until the conclusion of 12th Annual General Meeting of the Company at a remuneration as set out in the explanatory statement annexed to this Notice and as may be finalized by the Board of Directors of the Company."

II. **"RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s. N.C. Aggarwal & Co, Chartered Accountants (Firm Regn. No. 003273N), be and is hereby reappointed as Branch Auditors to conduct audit of the books of accounts of Company's branch located at Kothavalasa in Vizianagaram district, Andhra Pradesh for second term of five consecutive years from the conclusion of this Annual General Meeting until the conclusion of 12th Annual General Meeting of the Company at a remuneration as set out in the explanatory statement annexed to this Notice and as may be finalized by the Board of Directors of the Company."

SPECIAL BUSINESS:

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

4. AS AN ORDINARY RESOLUTION:

RATIFICATION OF REMUNERATION TO BE PAID TO M/S RAMANATH IYER & CO., COST ACCOUNTANTS, AS COST AUDITORS OF THE COMPANY, FOR THE FINANCIAL YEAR 2020-21

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 1,92,500/- (Rupees One Lakh Ninety Two Thousand and Five Hundred only) fixed by the Board of Directors of the Company, payable to M/s Ramanath Iyer & Co., (Firm Registration No. 000019), Cost Accountants, appointed as Cost Auditors, by the Board of Directors of the Company on the recommendation of the Audit Committee for conducting audit of cost accounting records of the Company for the Financial Year 2020-21, be and is hereby ratified.

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

5. AS AN ORDINARY RESOLUTION:

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

"RESOLVED THAT pursuant to the provisions of Section 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and all other applicable provisions of law(s), approval of the Members of the Company be and is hereby accorded to the Board of Directors, to enter into one or more contracts / arrangements / transactions with the following related parties for the amounts stated hereunder:

S. No.	Name of the Related Party	Amount Upto (In ₹ Crores)
1	Jindal Stainless Limited ("JSL")	2,300
2	Jindal Stainless Steelway Limited ("JSSL")	1,400
3	JSL Global Commodities Pte. Ltd. ("JSL Global")	1,000
4	Prime Stainless DMCC ("Prime")	1,000

during the financial year 2020-21 on such terms and conditions as may be mutually agreed upon between the Company and JSL, JSSL, JSL Global and Prime."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to decide upon the nature and value of the products, goods, materials or services etc. to be transacted with JSL, JSSL, JSL Global and Prime within the aforesaid limits."

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

6. AS AN ORDINARY RESOLUTION:

PROVIDING CORPORATE GUARANTEE(S) IN FAVOUR OF THE LENDERS OF JINDAL STAINLESS LIMITED

"RESOLVED THAT pursuant to the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other law(s), rule(s), regulation(s), as may be applicable, approval of the Members of the Company be and is hereby accorded to provide securities by way of Corporate Guarantee(s), within the overall limits of ₹ 20,000 crore as earlier approved by the Members of the Company vide special resolution passed pursuant to the provisions of Section 186 of the Companies Act, 2013 through Postal Ballot on 9th March, 2016, in favour of lenders of Jindal Stainless Limited, a related party being an associate company of the Company ("JSL"), to secure the credit facilities being availed by JSL as per the following details:

- term loan of ₹ 400 Crore from IndusInd Bank Limited; and
- Non Convertible Debentures amounting to ₹ 400 Crore issued to Kotak Special Situations Fund on private placement basis.

RESOLVED FURTHER that the Board of Directors, including any Committee thereof, be and is hereby authorized to finalise the terms & conditions of the arrangements / agreements relating to the above transactions, including any modifications/renewals thereof and to do all such acts, matters, deeds and things as may be deemed necessary, proper, expedient or incidental for the purpose of giving effect to the above resolution."

7. AS A SPECIAL RESOLUTION:

APPROVAL FOR PAYMENT OF COMMISSION TO MR. RATAN JINDAL, CHAIRMAN (NON-EXECUTIVE) OF THE COMPANY.

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and all the applicable provisions of the Companies Act, 2013 read with relevant rules thereof, as amended, and subject to requisite consents and approvals, if any, and based on the recommendations of the Audit Committee and the Nomination and Remuneration Committee, consent of the Members of the Company be and is hereby accorded to make payment of Commission to Mr. Ratan Jindal, Non-Executive Chairman of the Company, for an amount upto 4% on the net profits of the Company, as calculated in terms of provisions of Section 198 of the Companies Act, 2013, every year for a period of three years commencing from 1st April, 2020 till 31st March, 2023, as may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of Directors of the Company, keeping in view the overall performance of the Company and all other prevailing scenarios."

NOTICE

"RESOLVED FURTHER THAT in accordance with the provisions of Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and subject to requisite consents and approvals, if any, consent of the Members of the Company be and is hereby accorded to make payment of Commission to Mr. Ratan Jindal, Non-Executive Chairman of the Company, for an amount upto 4% of the net profits of the Company, as calculated in terms of provisions of Section 198 of the Companies Act, 2013, for a period of one year from 1st April, 2020 to 31st March, 2021, as may be approved by the Board of Directors and/or the Nomination and Remuneration Committee of the Company, from time to time keeping in view the overall performance of the Company and all other prevailing scenarios."

Registered Office:

O.P. Jindal Marg
Hisar-125005, Haryana.
July 22, 2020

By order of the Board
For Jindal Stainless (Hisar) Limited

Bhartendu Harit
Company Secretary
Membership No. A15123

NOTICE

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM Facility, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and circular dated 12th May 2020 issued by the Securities and Exchange Board of India ("SEBI Circular"), the 7th AGM of the Company is being held through VC / OAVM Facility. The detailed procedure for participating in the meeting through VC/OAVM Facility is mentioned hereunder in this notice. The deemed venue for the 7th AGM shall be the Registered Office of the Company.

   In terms of the MCA Circulars and SEBI Circular, the Notice of the 7th AGM will be available on the website of the Company at www.jshlstainless.com, on the website of BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at https://www.nseindia.com and also on the website of Link Intime India Private Limited, at https://instavote.linkintime.co.in

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circular through VC / OAVM Facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 7th AGM of the Company and therefore the Proxy Form and Attendance Slip are not annexed to this Notice.

3. Attendance of the Members of the Company, participating in the 7th AGM through VC / OAVM Facility will be counted for the purpose of reckoning the quorum under section 103 of the Act.

4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 7th AGM and facility for those Members participating in the 7th AGM to cast vote through e-Voting system during the 7th AGM. Link Intime India Private Limited ("Link Intime"/"RTA") will be providing facility for voting through remote e-Voting, for participation in the 7th AGM through VC/OAVM Facility and e-Voting during the 7th AGM.

5. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to ordinary business for re-appointment of joint statutory auditors & branch auditor and special business to be transacted at the AGM is annexed hereto.

6. The relevant details as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2") of the person seeking re-appointment as Director under Item No. 2 of the Notice, are also attached. The Company has received relevant disclosures / consent from the Director seeking re-appointment.

7. Pursuant to Section 91 of the Act and Regulation 42 of the SEBI Listing Regulations, the Register of Members and the Share Transfer books of the Company will remain closed from Monday, August 17, 2020 to Tuesday, August 18, 2020 (both days inclusive) for the purpose of 7th AGM of the Company.

8. The Securities and Exchange Board of India ('SEBI') has mandated submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.

9. **SEBI had also mandated that requests for effecting transfer of securities (except transmission or transposition of securities) shall not be processed after March 31, 2019, unless the securities are held in dematerialized form. Hence, the Members holding shares in physical form are requested to convert their holdings to dematerialized form at the earliest.**

10. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in despatch of physical copies of the Notice of the 7th AGM and the Annual Report for the year 2019-20 including therein the Audited Financial Statements for financial year ended 31st March, 2020, are being sent only by email to the Members. Members who have not registered their email addresses with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 7th AGM and the Annual Report for the year 2019-20 and all other communication sent by the Company, from time to time, can now register the same by submitting a duly filled-in request form mentioning their folio number, complete address, email address to be registered along with scanned self attested copy of the PAN Card and any document (such as Driving Licence, Passport, Bank Statement, Aadhar Card) supporting the registered address of the Member, by email to the Registrar. Members holding shares in demat form are requested to register their email addresses with their Depository Participant(s) only.

11. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. 14th August, 2020 and as per the Register of Members of the Company. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

12. In case of joint holders attending the Meeting, only the Member whose name appears first will be entitled to vote.

13. Since 7th AGM of the Company will be held through VC / OAVM Facility, therefore Route Map is not annexed to this Notice.

NOTICE

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

ITEM NO. 3

As per the provisions of Companies Act, 2013 read with rules made thereunder, the first term of M/s. Lodha & Co, Chartered Accountants (Firm Regn. No. 301051E) and M/s. S.S. Kothari Mehta & Co., Chartered Accountants (Firm Regn. No. 000756N) Joint Statutory Auditors of the Company and M/s. N.C. Aggarwal & Co., Chartered Accountants (Firm Regn. No. 003273N), Branch Auditor of the Company expires at the conclusion of the 7th Annual General Meeting (AGM). The Audit Committee and Board of Directors of the Company have recommended re-appointment of M/s. Lodha & Co, Chartered Accountants (Firm Regn. No. 301051E) and M/s. S.S. Kothari Mehta & Co., Chartered Accountants (Firm Regn. No. 000756N) as Joint Statutory Auditors and M/s. N.C. Aggarwal & Co, Chartered Accountants (Firm Regn. No. 003273N) as Branch Auditor of Company's branch located at Kothavalasa in Vizianagaram district, Andhra Pradesh (hereinafter referred to as "Branch Auditor") for second term of five (5) consecutive years from the conclusion of the 7th AGM till the conclusion of 12th AGM of the Company.

Additional information about Joint Statutory Auditors and Branch Auditor pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

Details	Particulars
Proposed fees payable to the auditors	

Details	Particulars
	- M/s S.S Kothari Mehta & Company (SSKM) is an esteemed chartered accountant firm established in 1953 with offices in New Delhi, Kolkata, Chandigarh and Mumbai. With its head office in New Delhi, the firm currently has a diversified and passionate team of about 500 persons lead by talented partners and directors having professional experience ranging from 20 to 50 years in their respective fields. SSKM has been consistently amongst India's eminent chartered accountancy firms since last few decades. Apart from its core offices, SSKM has a strong pan India presence through network of prominent associates. Its clients include diversified large and medium Businesses & multinational promoters which indicates its acceptability in the business world. SSKM's service strategy is to provide clients single window by Partners, specializing in their respective fields, in an IT friendly environment. SSKM's emphasis has been on Knowledge based Development with Specialist Partner-driven client services. SSKM has an established quality assurance process where its practice quality is regularly reviewed resulting in constant upgradation of service quality and deliverables. Its service quality is evidenced through its association with some of the clientele for decades altogether. SSKM's range of professional services include Audit & Assurance; Tax & Regulatory Services; Business Advisory; Accounting & Business Support, IT Risk Advisory etc. - M/s N.C. Aggarwal & Co, chartered accountant firm duly registered under the Institute of Chartered Accountants of India and empanelled under CAG & RBI, is having a work experience of more than 38 years in carrying on the profession of auditing of listed and non listed companies as well as firms, Accounting, Direct & Indirect taxation, Management Consultancy Services and company law matters. The Firm has 4 assurance partners as at March 31, 2020. The firm complies with the relevant requirements of quality control as per the Standard on Quality Control 1, Quality Control for Firms that perform audits and reviews of financial statements, and other assurance and related services engagements; and Indian SQC 1, Quality Control for firms that perform audits and reviews of historical financial information.

M/s. Lodha & Co. and M/s. S.S. Kothari Mehta & Co. have conveyed their consent to be re-appointed as the Statutory Auditors of the Company for the second term of five consecutive years along with the confirmation that, their appointment, if approved by the members, would be within the limits prescribed under the Act. M/s. N.C. Aggarwal & Co. has also conveyed its consent to be re-appointed as the Branch Auditor of Company's branch located at Kothavalasa in Vizianagaram district, Andhra Pradesh for the second term of five consecutive years along with the confirmation that they are eligible for reappointment as per provisions of the Act.

Your Directors recommend passing of the Ordinary Resolutions as set out at item no. 3 of this Notice for your approval.

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

ITEM NO. 4

Pursuant to Section 148 of the Companies Act 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditors should be ratified by the shareholders of the Company. The Board of Directors, in its meeting held on 10th June, 2020, on the basis of recommendation of the Audit Committee appointed M/s. Ramanath Iyer & Co., Cost Accountants, as Cost Auditors to conduct audit of cost records of the Company for the financial year 2020-21 and subject to ratification by Members, fixed their remuneration at ₹ 1,92,500/- (Rupees One Lakh Ninety Two Thousand and Five Hundred only).

Your Directors recommend passing of the resolution as set out at item no. 4 of this Notice as an Ordinary Resolution for your approval.

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

NOTICE

ITEM NO. 5

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

The value of the transactions proposed, which will be on an arm's length basis, are based on the Company's estimated transaction value for the financial year 2020-21.

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

The above mentioned contracts between the Company and the 'Related Parties' are likely to exceed the thresholds of materiality limits as defined under the SEBI Regulations and the Policy on dealing with Related Party Transactions of the Company during the financial year 2020-21.

Your Directors recommend passing of the resolution as set out at item no. 5 of this Notice as an Ordinary Resolution for your approval.

Except Mr. Ratan Jindal, Chairman and Managing Director of Jindal Stainless Limited and Mr. Abhyuday Jindal, Managing Director of Jindal Stainless Limited (referred as 'related parties') and their relatives, to the extent of their shareholding interest in the Company, none of the other Directors, Key Managerial Personnel(s) and their relatives, are in any way, concerned or interested, financially or otherwise in the said resolution.

ITEM NO. 6

The members of the Company are hereby informed that Jindal Stainless Limited **("JSL")**, an associate company, approached the Company to provide Corporate Guarantee to inter-alia secure JSL's fresh long term borrowing of ₹ 800 Crore.

JSL has successfully exited the Corporate Debt Restructuring **("CDR"**) framework effective from March 31, 2019. JSL had earlier issued 142,830,637 nos. of 0.01% Optionally Convertible Redeemable Preference Shares having face value of ₹ 2/- each (OCRPS) to CDR lenders vide Conversion cum Subscription Agreement dated 18th May, 2017 **("the Agreement")**. As per the terms of the Agreement, OCRPS were redeemable, interalia, at the option of JSL, anytime upto 31st October 2020. Exercising its right, JSL redeemed the aforesaid OCRPS at the issue price i.e. ₹ 39.10 (including premium of ₹ 37.10 per OCRPS aggregating to ₹ 529.90 Crore) alongwith the recompense on OCRPS calculated in accordance with the CDR Guidelines and as approved by CDR lenders.

The lenders of JSL considered its proposal for exit from CDR and allowed JSL to raise long term debt in the form of Non-Convertible Debentures and term loan to the extent of ₹ 800 Crore. Subsequently, JSL raised debt of ₹ 400 Crore from Kotak Special Situations Fund **("KSSF")** in the form of Non-Convertible Debentures which assisted in redemption of OCRPS. JSL also raised term loan of ₹ 400 Crore from IndusInd Bank Limited **("IBL")** to shore up its long term working capital. The security terms stipulated by KSSF and IBL include a corporate guarantee of JSHL.

The Board of Directors, in its meeting held on 10th June, 2020, on the basis of recommendation of the Audit Committee, subject to the approval of the members of the Company, approved to issue corporate guarantee in favour of KSSF and IBL to secure the following:

- term loan of ₹ 400 Crore sanctioned by IBL to JSL;
- Non Convertible Debentures amounting to ₹ 400 Crore issued by JSL to KSSF on private placement basis

Providing aforesaid guarantee for JSL will be within the overall limits of ₹ 20,000 crore as approved by the members through passing a special resolution under the provisions of Section 186 of the Companies Act, 2013 by way of Postal Ballot on 9th March, 2016. Since JSL is a related party of the Company, amount of corporate guarantee given / to be given alongwith the other transactions proposed to be executed with JSL during the current financial year would exceed the threshold of materiality as provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the proposal of providing such corporate guarantee is being placed before members of the Company for approval.

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

Except Mr. Ratan Jindal, Chairman and Managing Director of Jindal Stainless Limited and Mr. Abhyuday Jindal, Managing Director of Jindal Stainless Limited (referred as 'related parties') and their relatives, to the extent of their shareholding interest in the Company, none of the other Directors, Key Managerial Personnel(s) and their relatives, are in any way, concerned or interested, financially or otherwise in the said resolution.

NOTICE

ITEM NO. 7

The Members of the Company at the 2nd Annual General Meeting held on 30th December, 2015 had approved appointment of Mr. Ratan Jindal as a Director in the capacity of Non Executive Chairman of the Company. The Members had also accorded their approval for payment of commission upto 4% of the net profits of the Company, as calculated in terms of provisions of Section 198 of the Companies Act, 2013, every year for a period of five years commencing from 1st April, 2015 till 31st March, 2020.

Since the term of payment of commission to Mr. Ratan Jindal was upto the financial year ended 31st March, 2020, the Board of Directors, at its meeting held on 10th June, 2020, keeping in view his rich industrial experience of more than three decades and valuable contribution made by Mr. Ratan Jindal during his tenure as Chairman of the Company and on recommendation of the Audit Committee and Nomination and Remuneration Committee, considered seeking approval of the Members of the Company for payment of commission to him upto 4% of the net profits of the Company, as calculated in terms of provisions of Section 198 of the Companies Act, 2013, every year for a further period of three years commencing from 1st April, 2020 till 31st March, 2023.

Payment of commission for every year would be determined by the Board of Directors and/or Nomination and Remuneration Committee based on the overall performance of the Company and would be upto 4% of the net profits of the Company, as calculated in terms of provisions of Section 198 of the Companies Act, 2013.

The Members may further note that Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") provides that the approval of shareholders by way of special resolution shall be obtained every year, in the event if the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors and giving details of the remuneration thereof.

The Board of Directors at its meeting held on 10th June, 2020, approved seeking consent of Members by way of special resolution in terms of provisions of SEBI LODR Regulations also.

The members may please note that a commerce graduate and alumnus of the Wharton School of Management, Mr. Ratan Jindal is Chairman of the Company. He is also the Chairman and Managing Director of Jindal Stainless Limited.

Known for his technical proficiency and intimate knowledge of customers and markets, Mr. Ratan Jindal is synonymous with stainless steel in India. As a vanguard of innovation in stainless steel industry, his focus has not only been on producing world class stainless steel products but also on promoting the usage of stainless steel in myriad applications. His vision for the Company is to improve the lives of people by producing and promoting a metal that is corrosion resistant, durable, infinitely recyclable and inherently stainless.

Social commitments remain as central to Mr. Ratan Jindal's businesses as they were to the founder of the Jindal Group, Shri O.P. Jindal. Established by the group, the 600-bedded multispecialty charitable hospital, the famed VDJ School (VDJS) and the O.P. Jindal Modern School in Hisar (Haryana, India) stand testimony to this commitment. The Company undertakes several initiatives at the plant level to empower local communities through self-reliance. The interventions include technical & vocational training, micro- financing & livelihood generation, tailoring, farming & poultry training, and environment conservation drives. True to his sportsman spirit, Mr. Ratan Jindal is a keen golfer, and takes avid interest in tennis and cricket.

Your Directors recommend passing of the resolution as set out at item no. 7 of this Notice as Special Resolution for your approval.

Mr. Ratan Jindal, Chairman of the Company, is interested in the resolution as set out at item no. 7 of this Notice. Mrs. Deepika Jindal, Director and Mr. Abhyuday Jindal, Managing Director of the Company, being relatives of Mr. Ratan Jindal, may deemed to be interested in the said resolution. The other relatives of Mr. Ratan Jindal may be deemed to be interested to the said resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / key managerial personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the above referred resolution.

Registered Office:

O.P. Jindal Marg
Hisar-125005, Haryana.
July 22, 2020

By order of the Board
For Jindal Stainless (Hisar) Limited

Bhartendu Harit
Company Secretary
Membership No. A15123

NOTICE

INSTRUCTIONS FOR E-VOTING:

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and as amended, the Company is pleased to provide remote e-voting facility to enable the members to cast their votes electronically on the resolutions mentioned in the Notice of the 7th AGM of the Company to be held on Friday, the 21st day of August, 2020. The Company has appointed Mr. Kamal Gupta, Advocate, as the Scrutinizer for conducting the remote e-voting process and e-voting during the AGM in a fair and transparent manner. The list of shareholders/ beneficial owners shall be reckoned on the equity shares as on 14th August, 2020.

The Member(s) requiring any assistance with regard to use of technology for remote e-voting or during the 7th AGM may contact Mr. Rajiv Ranjan (AVP) at the designated email ID: rajiv.ranjan@linkintime.co.in or contact at 022-49186000.

The remote e-voting period will commence on 18th August, 2020 at 9.00 a.m. (IST) and ends on 20th August, 2020 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 14th August, 2020, may cast their vote electronically. The remote e-voting module shall be disabled by Link Intime India Private Limited ("Link Intime") for voting thereafter. Once the vote on a resolution is cast by a Member, whether partially or otherwise, it shall not be allowed to change subsequently.

Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED".

Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

Remote e-Voting Instructions for shareholders:

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

   Those who are first time users of Link Intime e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

   ► Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

   A. User ID: Enter your User ID

   - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
   - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
   - Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company

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

   C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

   D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

   - Shareholders/ members holding shares in **CDSL demat account shall provide either 'C' or 'D', above**
   - Shareholders/ members holding shares in **NSDL demat account shall provide 'D', above**
   - Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

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

   ► Click "confirm" (Your password is now generated).

   NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of Link Intime: https://instavote.linkintime.co.in, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on 'Login' under '**SHARE HOLDER**' tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit'**.
4. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
7. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on '**No**' and accordingly modify your vote.

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

If you have forgotten the password:

o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password**?'

o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.

- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

General Guidelines for shareholders:

- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case shareholders/ members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manua**l available at https://instavote.linkintime.co.in, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

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

Shareholders/Members are entitled to attend and participate in the Annual General Meeting through VC/OAVM Facility being provided by Link Intime by following the below mentioned process:

1. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and shall be kept open till the expiry of 15 minutes after the schedule time on first come first basis.
2. Up to 1,000 members will be able to join on a first come first served basis to the AGM.

   Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first come first basis.
3. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Members shall register their details and attend the Annual General Meeting as under:

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

   □ Select the "**Company**" and '**Event Date**' and register with your following details: -

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

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

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

   C. Mobile No.: Enter your mobile number.

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

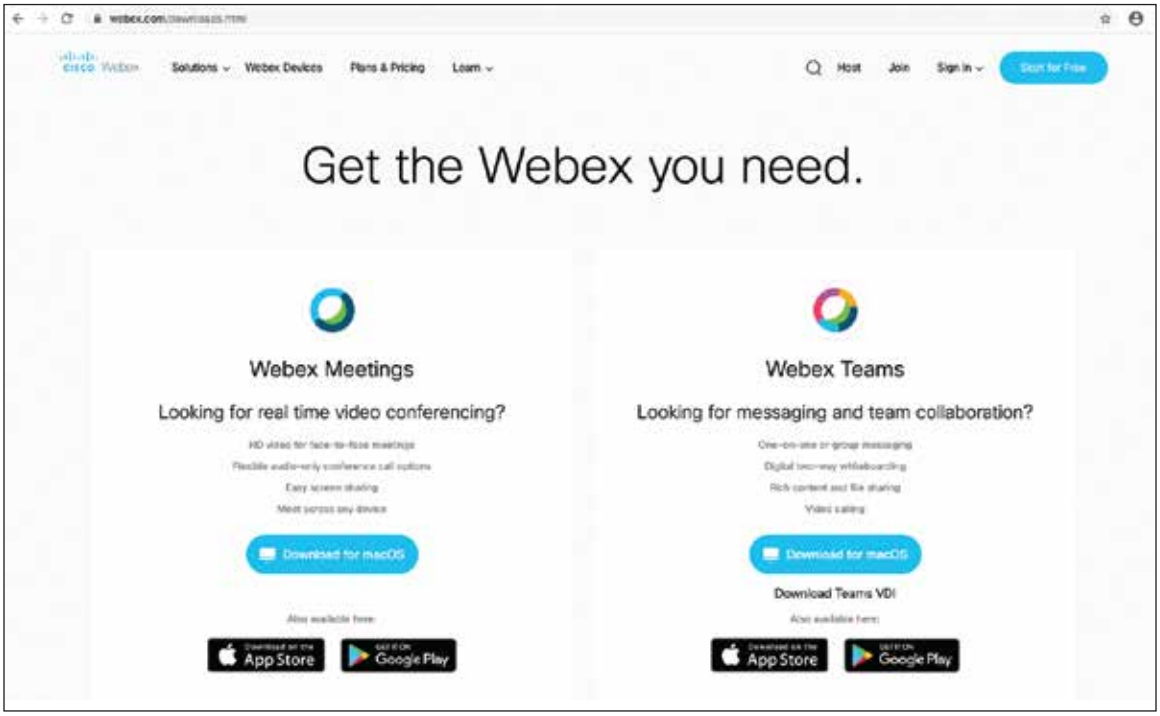
   □ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

NOTICE

Guidelines to attend the AGM proceedings of the Company at InstaMEET of Link Intime India Pvt. Ltd.

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

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



NOTICE

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The InstallShield(R) Wizard will install Cisco Webex Meetings on your computer. To continue, click Next.
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Cancel
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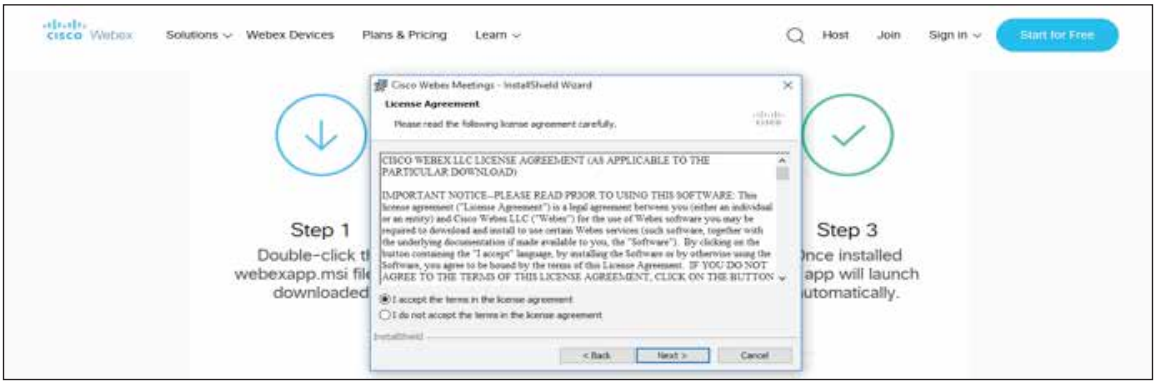
Step 3
To open the app double-click
the Webex Meetings icon on your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Please read the following license agreement carefully.
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IMPORTANT NOTICE--PLEASE READ PRIOR TO USING THIS SOFTWARE: This license agreement ("License Agreement") is a legal agreement between you (either an individual or an entity) and Cisco Webex LLC ("Webex") for the use of Webex software you may be required to download and install to use certain Webex services (such software, together with the underlying documentation if made available to you, the "Software"). By clicking on the button containing the "I accept" language, by installing the Software or by otherwise using the Software, you agree to be bound by the terms of this License Agreement. IF YOU DO NOT AGREE TO THE TERMS OF THIS LICENSE AGREEMENT, CLICK ON THE BUTTON
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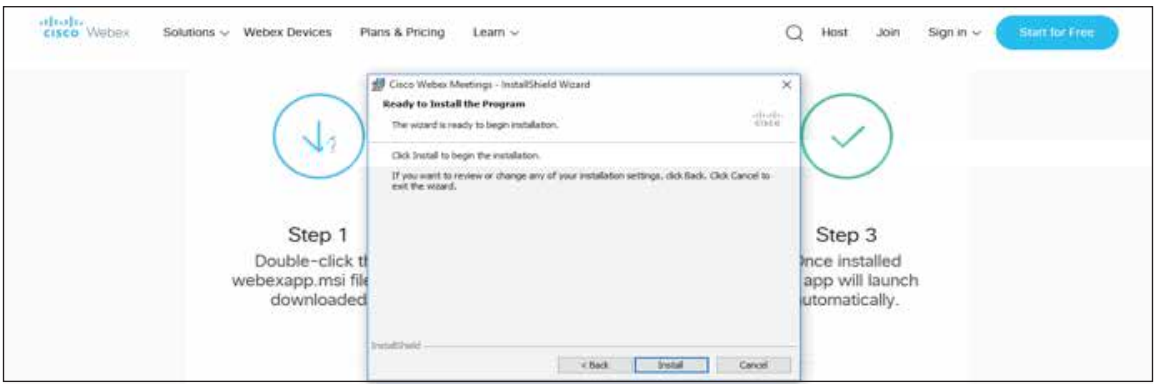
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Cisco Webex Meetings - InstallShield Wizard
Ready to Install the Program
The wizard is ready to begin installation.
Click Install to begin the installation.
If you want to review or change any of your installation settings, click Back. Click Cancel to exit the wizard.
< Back
Install
Cancel
Step 1
Step 3

OR

NOTICE

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

Step 1: Enter your First Name, Last Name and Email ID and click on Join Now.

1 (A) : If you have already installed the Webex application on your device, join the meeting by clicking on Join Now

Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

1 (B) : If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.

Instructions for Shareholders to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 5 days in advance with the Company on the Email Id. investorcare.jshl@jindalstainless.com.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

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

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

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

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

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

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

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

NOTICE

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

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

FOR ATTENTION OF SHAREHOLDERS

1. Those Members, who hold shares in physical form or who have not registered their email address with the Company and who wish to participate in the 7th AGM or cast their vote through remote e-Voting or through the e-Voting system during the meeting, may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning the name, folio number and complete address; and (ii) self attested scanned copy of the PAN Card and any document (such as Driving Licence, Bank Statement, Election Card, Passport, Aadhar Card) in support of the address of the Member as registered with the Company; to the email address of the Company investorcare.jshl@jindalstainless.com.

   In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning their name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID); (ii) self attested scanned copy of client master or Con nld iii) self attested scanned copy of the PAN Car,; to the email (address)-09(of the Company)]TJ0 Tw T*▯ investorcare.jshl@jindalstainless

NOTICE

ADDITIONAL INFORMATION

Information as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India for Item No. 2:

Brief Profile of director, who retires by rotation and eligible for re-appointment:

Name of Director	Mrs. Deepika Jindal
DIN	00015188
Brief Resume	Mrs. Deepika Jindal is an Art graduate. She has versatile experience in corporate and business management. Mrs. Deepika Jindal, Managing Director of JSL Lifestyle Limited (brand arttdinox and ARC), subsidiary of the Company, is a name to reckon with when it comes to design. She initiated her design journey with manufacturing lifestyle products in Stainless Steel under the brand name of 'arttd'inox'. It is under her able guidance and vision that arttdinox is one of India's first blended lifestyle stainless steel accessories company having a world standard manufacturing unit producing products exclusively designed by a very able and talented team of designers. Nurturing the brand arttd'inox has grown on to give the country first Luxury Stainless steel modular kitchens and Stainless steel furniture. Under her aegis arttd'inox has won lot of highly acclaimed awards such as EDIDA, India Design Mark, Red Dot (honorary award). Following her passion to promote stainless steel in all its forms, she founded 'The Stainless' an art gallery, where she patronizes artists to create beautiful pieces of art in this material, giving them all infrastructural and financial support. Mrs. Jindal is also the Chairperson of O.P. Jindal Modern School and Vidya Devi Jindal School, Hisar. She has been constantly mentoring the schools into very good educational institutions. She is also the Chairperson of O.P. Jindal Cancer Hospital, N.C. Jindal Institute of Medical Care & Research, a Multi Specialty Hospital – giving them the vision and guiding them to provide the best medical care to the people of Hisar and around. Always wanting to give back to the society Mrs. Jindal is the Chairperson of Jindal Stainless Foundation – a CSR wing of Jindal Stainless Limited. Under the same arena JSL Lifestyle Limited won the PDH Astitva award under Mrs. Jindal's leadership.
Date of Birth (Age in years)	February 18, 1965 (55 years)
Qualification	B.A.
Experience and expertise in specific functional area	Corporate and business management
Terms and conditions of appointment	Mrs. Deepika Jindal is Non-Executive Director, liable to retire by rotation.
Details of remuneration and remuneration last drawn	Sitting Fee of ₹ 2 Lakh was paid to Mrs. Deepika Jindal for attending Board meetings during FY 2019-20.
Date on which first appointed on the Board	May 1, 2016
Details of shareholding in the Company (as on 31st March, 2020)	69,265 equity shares of ₹ 2 each
Relationship with other Directors/ Key Managerial Personnel (if any)	Wife of Mr. Ratan Jindal, Chairman and Mother of Mr. Abhyuday Jindal, Managing Director of the Company.
Number of Board Meetings attended during the year 2019-20	2
Details of Directorships / Committee Chairmanship and Memberships in other companies (as on 31st March, 2020)	As detailed herein below

Type of Company	Directorship held	Committee Membership	Committee Chairmanship
Unlisted Public Limited Company	JSL Lifestyle Limited	-	Corporate Social Responsibility Committee, Sub Committee
	Jindal Stainless Steelway Limited	Corporate Social Responsibility Committee	-
	Synergy Environics Limited	-	-

DIRECTORS' REPORT

TO

THE MEMBERS,

Your Directors have pleasure in presenting the 7th Annual Report on the business and operations of your Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2020.

FINANCIAL RESULTS

Your Company's performance for the financial year ended 31st March, 2020 is summarized below:

(₹ in Crore)

Sl. No.	Particulars	For the financial year ended (Standalone)		For the financial year ended (Consolidated)	
		31.3.2020	**31.3.2019**	**31.3.2020**	**31.3.2019**
I	Revenue from operations	**8339.69**	8,956.40	**9379.00**	10,288.86
II	Other Income	**97.88**	95.67	**132.86**	102.11
III	Total Income	**8437.57**	9,052.07	**9511.86**	10,390.97
IV	Total Expenses	**8054.72**	8,680.13	**9061.18**	9,906.53
V	EBITDA*	**861.77**	899.61	**935.17**	1038.74
VI	Profit before exceptional Items, share of profit of an associate and tax	**382.85**	371.94	**450.68**	484.44
VII	Share of Profit from Associates	**-**	-	**25.92**	51.66
VIII	Exceptional items - Gain	**18.71**	31.81	**20.09**	33.71
IX	Profit after exceptional items but before tax	**401.56**	403.75	**496.69**	569.81
X	Tax expense	**81.23**	142.10	**95.91**	173.61
XI	Net Profit for the year	**320.33**	261.65	**400.78**	396.20
XII	Total Other Comprehensive Income	**(0.79)**	(0.95)	**13.65**	(1.93)
XIII	Total Comprehensive Income for the year (comprising Profit and other Comprehensive Income for the year)	**319.54**	260.70	**414.43**	394.27

*EBITDA = Earnings before Interest, Tax, Depreciation & Amortization and Other Income

FINANCIAL HIGHLIGHTS

During the year, the revenue from operations of your Company on standalone basis stood at ₹ 8339.69 Crore as compared to ₹ 8,956.40 Crore during previous financial year 2018-19. The Profit before other income, Finance Cost, Exceptional Items, Tax, Depreciation & Amortisation (EBITDA) on standalone basis stood at ₹ 861.77 Crore as compared to ₹ 899.61 Crore during previous year. The Net profit on standalone basis stood at ₹ 320.33 Crore as compared to a net profit of ₹ 261.65 Crore during previous year.

Further, during the year, the consolidated revenue from operations of your Company stood at ₹ 9379.00 Crore as compared to ₹ 10,288.86 Crore during previous financial year 2018-19. Consolidated Profit before other income, Finance Cost, Exceptional Items, Tax Depreciation & Amortization (EBITDA) stood at ₹ 935.17 Crore as compared to ₹ 1038.74 Crore during previous year. The Net profit on consolidated basis stood at ₹ 400.78 Crore as compared to ₹ 396.20 Crore during previous year.

The performance of your Company was stable despite global uncertainties and weak growth in the last quarter of FY 2019-20. Annual sales volume was impacted on account of global slowdown and trade wars. Demand from auto and utensils segment was subdued throughout the year. Sales degrew by 10%, from 6.67 lakh tonnes in FY18-19 to 6 lakh tones in FY19-20, also due to continuous dumping of irrationally priced imports, forcing Indian manufacturers to under-utilize capacities.

OPERATIONS

Hisar Division:

Your Company performed creditably during the financial year 2019-20 in spite of very challenging business scenario. Global Economic activity during the year were clouded due to US- China Trade tensions, Liquidity issues and Covid 19 pandemic. Company not only managed to tide over these challenging times but also further enhanced upon its facilities & processes.

Company has always focussed on contributing to nation building by making it self-reliant in the field of stainless steel .It has been supplying materials to various key segments , Company has now further increased its offerings to key strategic sectors like 'Defence' & 'Nuclear'.

Company has put lot of focus on high value added segment & achieved highest ever dispatch numbers in precision strips segment .Company is already working on increasing its manufacturing capacities for precision strips which would assist in increasing numbers substantially .Company also managed to consolidate & expand Coin blanking business , It is now serving to major mints like Finland , Dutch , Brazil etc. Domestically company is now serving complete bouquet by catering to requirements of INR 5, INR 10 & INR 20 Coins respectively.

DIRECTORS' REPORT

Your Company undertook various capacity enhancement & efficiency improvement initiatives during the year. Company took giant leap in reducing its cost of conversion as well as immunizing itself from volatility in prices of key raw material like Graphite Electrode & Refractories by commissioning of 'Induction furnace' during the year. This has added greater flexibility to company's operational capabilities.

Environment, Health & Safety has always been focal point around which company has built its business processes. Company's efforts towards sustainable Environment were acknowledged & It was bestowed with prestigious "Golden Peacock Environment Management" award during the year. Company continued to put a paramount focus on health & Safety and undertook numerous initiatives in this regard. Company's immense efforts in the field of Safety resulted in global recognition in the form of "International Safety Award, 2020 Merit" from British Safety Council, considered as benchmark in the field of safety.

Your Company continued its tradition of Excellent Quality and was duly recognized by the industrial bodies for the same. Numerous "PAR EXCELLENCE" awards were given to your Company in Quality circle front by NCQC (National Convention on Quality Circles). Company also shown brightly at CCQC & won major honours.

Your Company has put great emphasis on reducing energy consumption , thereby reducing not only cost's but also carbon footprints .Company's efforts in this direction has resulted in improving efficiencies further .Company Won "Energy efficient Unit" Award in 20th National Award for Excellence in Energy management, it also got awarded with "Innovation in Energy Efficiency" in Large Scale Industries.

Having managed to overcome challenging times, your Company today is on a very strong footing to embark on a new Cycle of Success & Growth.

Vizag Division:

Vizag Division produces High Carbon Ferro Chrome ("HCFC") with an annual capacity of 40000 MT. Vizag Division uses Chrome Ore purchased from Odisha Mining Corporation Ltd. Tata Steel Limited & others and transfers output to Hisar plant and exports also. The Unit could produce 22589 MT of HCFC during F.Y. 2019-20 as compared to 27547 MT during the previous F.Y. 2018-19. The production is less in current F.Y. 2019-20 due to the reasons as below:

- The 5.5 mva was switched off for 47 days for refractory relining work of Furnace during April & May.

- The 12.5 mva was switched off for 58 days for Shed Structural Strengthening work during December to February.

- Both Furnaces were operated at low load for 40 days during whole year due to shortage of chrome ore & poor market of Ferro Chrome.

Also the Unit could recover a quantity 3338 ton HCFC by processing of 205393 ton of Ferro Chrome slag through 50TPH Crushing unit & 40TPH Tenova Delkor Jig Machine during F.Y. 2019-20 with recovery of 1.62%, whereas the Unit could recover a qty. of 2833 MT of HCFC by processing of 180355 MT of Ferro Chrome Slag during previous F.Y. 2018-19 with recovery of 1.56%.

The Vizag Division could dispatch/sell total qty. of 27894 ton of HC Ferro Chrome (25994 ton to Hisar plant, 486 ton in domestic & export 1414 ton) during current year 2019-20 as compared to 28258 ton during previous year 2018-19.

The Vizag Division is producing HC Ferro Chrome from the beginning, but keeping in view of poor market of Ferro Chrome the Vizag Division has planned to produce other Ferro Alloys Products i.e. HC Ferro Manganese & MC Silicon Manganese in addition to HC Ferro Chrome in the coming period as the market of both the products is good.

CREDIT RATING

During the year, CARE has reaffirmed the credit rating of your Company at 'CARE A-' for long term banking facilities and 'CARE A2+' for short term banking facilities.

DIVIDEND AND TRANSFER TO RESERVES

In terms of the Dividend Distribution Policy, as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, equity shareholders of the Company may expect dividend if the Company is having surplus funds and after taking into consideration the relevant internal and external factors as mentioned in the said Policy. Accordingly, considering the cash position, fund requirements for growth of business of your Company and agreement with the Lenders, the Board of Directors has not recommended any dividend for the financial year ended 31st March, 2020. Accordingly, no amount is also proposed to be transferred to the reserves of your Company. The Dividend Distribution Policy is available on Company's website at the following link: www.jshlstainless.com/pdf/Dividend-Distribution-Policy20818.pdf

SHARE CAPITAL

As on 31st March, 2020, paid up share capital of the Company was ₹ 47,18,69,370 divided into 23,59,34,685 equity shares of ₹ 2/- each. There was no change in share capital of the Company during the Financial Year 2019-20.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") forms part of this Annual Report.

INFORMATION TECHNOLOGY

Your Company has been a forerunner in leveraging the benefits of Information Technology (IT) revolution for long. IT has been instrumental in enabling smoother, faster, and transparent processes across multiple divisions of JSHL's major operations and activities. Details are given elsewhere in the Annual Report.

DIRECTORS' REPORT

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 ("the Act"), SEBI LODR and Ind-AS-110 on Consolidated Financial Statements read with Ind-AS-28 on investments in Associates and Ind-AS-31 on interests in Joint Ventures, the Audited Consolidated Financial Statements for the financial year ended 31st March, 2020 are provided in the Annual Report.

SUBSIDIARY COMPANIES / JOINT VENTURES / ASSOCIATE COMPANIES

As on 31st March, 2020, your Company has five subsidiaries, namely (i) JSL Lifestyle Limited, (ii) Jindal Stainless Steelway Limited, (iii) Green Delhi BQS Limited, (iv) JSL Media Limited and (v) JSL Logistics Limited and two associate companies namely (i) Jindal Stainless Limited; and (ii) Jindal Stainless Corporate Management Services Private Limited. There is no joint venture of the Company. Jindal Stainless Steelway Limited is material subsidiary of your Company.

In terms of the provisions of Section 136 of the Act, the standalone financial statements of the Company, consolidated financial statements of the Company, along with other relevant documents and separate audited accounts of the subsidiaries, are available on the website of the Company, at the link: viz. www.jshlstainless.com.

The members, if they desire, may write to the Secretarial Department of the Company at O.P. Jindal Marg, Hisar – 125005 (Haryana) to obtain the copy of the financial statements of the subsidiary companies. A statement containing the salient features of the financial statement of the subsidiaries and associate companies in the prescribed Form AOC - 1 is attached along with financial statements. The statement also provides the details of performance and financial position of each of the subsidiary company. Your Company has framed a policy for determining "Material Subsidiary" in terms of Regulation 16(6) of SEBI LODR, which is available at the website of the Company at the link:
http://www.jshlstainless.com/pdf/Policy%20for%20determining%20material%20subsidiaries.pdf

DIRECTORS & KEY MANAGERIAL PERSONNEL

During the year, the Board of Directors approved appointment of Mr. Girish Sharma, whose 1st term was upto 30th April, 2019, as a non-executive Independent Director, to hold office for a 2nd term of 3 (three) years w.e.f. 1st May, 2019. The Board of Directors also approved appointment of Mr. Nirmal Chandra Mathur, whose 1st term was upto 4th August, 2019, as a non-executive Independent Director, to hold office for a 2nd term of 3 (three) years w.e.f. 5th August, 2019. The resolutions for their appointment as Independent Directors were approved by the Members at the 6th AGM.

Mrs. Deepika Jindal, as a Director retires by rotation at the ensuing AGM under the provisions of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

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

All Independent Directors have given declaration to the Company that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI LODR. Further, all the Directors have also confirmed that they are not debarred to act as a Director by virtue of any SEBI order or any other statutory authority.

Your Company has also devised a Policy on Familiarization Programme for Independent Directors which aims to familiarize the Independent Directors with your Company, nature of the industry in which your Company operates, business operations of your Company etc. The said Policy may be accessed on your Company's website at the link:
http://jshlstainless.com/pdf/Policy%20on%20familiarisation%20programme%20for%20independent%20directors-%20JSHL.pdf

BOARD EVALUATION

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

FIXED DEPOSITS

Your Company has not accepted any deposit from the public. Hence, no information is required to be appended to this report.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, there was no unclaimed amount required to be transferred to Investor Education and Protection Fund of Government of India.

EMPLOYEES STOCK OPTION SCHEME

Since the Company has not issued any stock options, the requirement of disclosure under Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 is not applicable to the Company.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure – I** forming part of this Report.

DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES

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

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

STATUTORY AUDITORS AND AUDITORS' REPORT

M/s. Lodha & Co. and M/s. S.S. Kothari Mehta & Co., Joint Statutory Auditors of the Company and M/s. N.C. Aggarwal & Co., Branch Auditor of the Company's branch located at Kothavalasa in Vizianagaram district, Andhra Pradesh (hereinafter referred to as "Branch Auditor"), were appointed by the Shareholders at the 2nd Annual General Meeting of the Company held on 30th December, 2015, for a period of five consecutive years i.e. until the conclusion of the 7th Annual General Meeting of the Company. Accordingly, M/s. Lodha & Co. and M/s. S.S. Kothari Mehta & Co., Joint Statutory Auditors and M/s. N.C. Aggarwal & Co., Branch Auditor will hold office till the conclusion of the ensuing Annual General Meeting of your Company.

M/s Lodha & Co. and M/s S.S. Kothari Mehta & Co. have conveyed their consent to be re-appointed as the Statutory Auditors of the Company for the second term of five consecutive years alongwith the confirmation that they are eligible for re-appointment as per provisions of the Act and their appointment, if approved by the Members, would be within the limits prescribed under the Act. M/s N.C. Aggarwal & Co. has also conveyed its consent to be re-appointed as Branch Auditor of the Company for the second term of five consecutive years alongwith the confirmation that they are eligible for re-appointment.

The Board of Directors of your Company at its meeting held on 10th June, 2020 has approved and recommended reappointment of M/s. Lodha & Co. and M/s. S.S. Kothari Mehta & Co., as Joint Statutory Auditors of the Company and M/s. N.C. Aggarwal & Co., as Branch Auditor of the Company for a period of five consecutive years from the conclusion of 7th Annual General Meeting until the conclusion of 12th Annual General Meeting your Company. Accordingly, requisite resolutions for their reappointment as Joint Statutory Auditors and Branch Auditor of your Company are placed for your approval.

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

COST AUDITORS

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, your Company is required to get its cost accounting records audited by a Cost Auditor. The Company has appointed M/s. Ramanath Iyer & Co., Cost Accountants, for this purpose for FY 2020-21.

The remuneration of the Cost Auditors shall be placed for ratification by members in terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

SECRETARIAL AUDITORS

The Board had appointed M/s Vinod Kothari & Co., Practicing Company Secretaries to conduct Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith marked as **Annexure – III(a)** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Jindal Stainless Steelway Limited, material subsidiary of your Company, has undertaken its secretarial audit for the financial year ended 31st March, 2020 by M/s Khadriya & Co., Practicing Company Secretaries, which is annexed herewith marked as **Annexure – III(b)**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

In line with the Circular dated February 08, 2019 issued by the Securities and Exchange Board of India, Annual Secretarial Compliance Report for the year ended 31st March, 2020 confirming compliance of all applicable SEBI Regulations, Circulars and Guidelines by the Company was issued by M/s Vinod Kothari & Co., Practicing Company Secretaries and filed with the Stock Exchanges on June 11, 2020. The same is available on the website of the Company at www.jshlstainless.com.

RISK MANAGEMENT

Though the Regulation 21 of the SEBI LODR, as amended, is not applicable to the Company based on the market capitalisation as on 31st March, 2020, it has voluntarily constituted a Risk Management Committee which has been entrusted inter alia with the following functions: (a) Framing of Risk Management Plan and Policy; (b) Overseeing implementation / Monitoring of Risk Management Plan and Policy; (c) Identifying emerging risks and reviewing risk mitigation strategies; and (d) Formulating a cyber security plan and overseeing its implementation.

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

INTERNAL FINANCIAL CONTROLS

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

AUDIT COMMITTEE

The Audit Committee comprises of the four Directors out of which three are Independent Directors:

Sl. No.	Name of Director	Status	Category
1	Mr. Girish Sharma	Chairman	Independent Director
2	Mr. Jagmohan Sood	Member	Whole Time Director, Non-Independent
3	Mr. Kanwaljit Singh Thind	Member	Independent Director
4	Mrs. Arti Luniya	Member	Independent Director

All the recommendations made by the Audit Committee during the financial year 2019-20 were accepted by the Board.

CORPORATE SOCIAL RESPONSIBILITY

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

In line with the CSR philosophy and all the focus areas, your Company has planned interventions in the fields of education & vocational training, integrated health care, women empowerment, social projects, rural infrastructure development, environment sustainability, sports, preservation of art and culture.

The Disclosure as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Report at **Annexure-IV.**

The CSR Policy can be accessed on the Company's website at the link: http://jshlstainless.com/pdf/JSHL%20CSR%20Policy.pdf

CSR COMMITTEE

As on 31st March, 2020, the CSR Committee comprises of the following members:

Sl. No.	Name of Director	Status	Category
1	Mrs. Deepika Jindal	Chairperson	Non-Executive, Non Independent
2	Mr. Kanwaljit Singh Thind	Member	Non- Executive, Independent Director
3	Mr. Jagmohan Sood	Member	Executive, Non Independent

BUSINESS RESPONSIBILITY REPORT

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

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

POLICY ON PREVENTION OF SEXUAL HARASSMENT

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

No complaint was received during the year. There are no pending complaints either at the beginning or end of the financial year. To create awareness and sensitivity among employees of all genders, the Company has been extensively undertaking induction and POSH Training programmes on a continuous basis.

DIRECTORS' REPORT

STOCK EXCHANGES WHERE THE SHARES ARE LISTED

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

BSE Limited ("BSE")
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai – 400 001

The Company pays annual listing fee to NSE and BSE. No shares of your Company were delisted during the financial year 2019-20. The Global Depository Shares ("GDS") are listed on Luxembourg Stock Exchange.

EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT-9 in terms of the provisions of Section 92 (3) of the Companies Act, 2013 is annexed herewith as **Annexure –V** and is also posted on the website of your Company which can be accessed at the link: http://jshlstainless.com/annualreports.html

NUMBER OF BOARD MEETINGS

The Board of Directors met four times during the financial year ended on 31st March, 2020. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report forming part of this Annual Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI LODR, your Company has a Vigil Mechanism namely, Whistle Blower Policy for directors, employees and business partners to report genuine concerns about unethical behavior, actual or suspected fraud or violation of your Company's Code of Conduct or ethics policy.

The Whistle Blower Policy can be accessed on the Company's website at the link: http://jshlstainless.com/pdf/Whistle%20Blower%20Policy-JSHL.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantees or investments by the Company under Section 186 of the Companies Act, 2013 are stated in Notes to Accounts, forming part of the Annual Report.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered and executed during the year under review were at arms' length basis. As per the provisions of Section 188 of the Companies Act, 2013 and Rules made thereunder read with Regulation 23 of SEBI LODR, your Company had obtained approval of the Audit Committee under omnibus approval route and / or under specific agenda before entering into such transactions.

Particulars of contracts or arrangements entered into by the Company with the related parties referred to in Section 188(1) of the Companies Act, 2013, in prescribed form AOC-2, is attached as **Annexure – VI** to this Report.

Your Directors draw attention of the members to Notes to the financial statements, which inter alia set out related party disclosures. The Policy on materiality of related party transactions and dealing with related party as approved by the Board may be accessed on your Company's website at the link: http://www.jshlstainless.com/pdf/Policy%20on%20dealing%20with%20Related%20Party%20Transactions%20JSHL.pdf

In terms of Regulation 23 of the SEBI LODR, approval of the members for all material related party transactions will be taken at the ensuing AGM. During the Financial year 2019-20, there was no transaction with person or entity belonging the promoter/promoter group which hold(s) 10% or more shareholding in the Company.

THE CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of Company's business during the financial year ended on 31st March, 2020.

COVID 19 IMPACT

Due to the outbreak of Coronavirus Disease 2019 (COVID-19), declared a pandemic by the World Health Organization, the nationwide lockdown was imposed by the Central and State Government(s) to control the spread of the disease. Accordingly the manufacturing facilities of the Company remained closed from 25th March, 2020 to 6th May, 2020. In compliance with the directives issued by the Government, the Company resumed partial operations on 7th May, 2020 in a phased manner. The Company ensured the health and safety of all involved stakeholders by enforcing all published Government guidelines for social distancing and safety. As per the resumption plan of the Company, operations will be ramped-up gradually aligned with the market outlook.

The aforesaid lockdown has disturbed the economic activity through interruption in manufacturing process, disruption in supply chain, etc. The Company believes that due to strong business fundamentals, this pandemic may not have a significantly adverse impact on the operations and performance of the Company in the long term. Furthermore, the Company has also constituted an internal cross-functional COVID task force that is monitoring the situation on a real time basis for immediate course corrections and stabilising business operations.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report.

The NRC considers the best remuneration practice in the industry and while fixing the appropriate remuneration package and for administering the long-term incentive plans. Further, the compensation and packages of the Directors, key Managerial Personnel, Senior Management and other employees is designed in terms of remuneration policy framed by the NRC. The remuneration policy of your company can be viewed at the following link: www. jshlstainless.com/pdf/Remuneration%20Policy.pdf

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

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statement relates on the date of this report.

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

During the financial year 2019-20, there were no such significant material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

SECRETARIAL STANDARDS

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit and loss of the Company for the year ended on that date;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

(e) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

A separate section on Corporate Governance and certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, form part of the Annual Report.

OTHER DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to the below items during the period under review:

a) Issue of equity shares with differential voting rights as to dividend, voting or otherwise.

b) Issue of shares (including sweat equity shares) to the employees of the Company under any Scheme.

c) Neither the Managing Director(s) nor the Whole-time Director of the Company receive any remuneration or commission from any of the subsidiary companies.

ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Abhyuday Jindal
Managing Director
DIN: 07290474

Jagmohan Sood
Whole Time Director
DIN: 08121814

Place : Hisar
Date : June 10, 2020

Annexure - I to Directors Report

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

(A) CONSERVATION OF ENERGY

As a part of continued efforts towards energy conservation, some of the important energy conservation initiatives taken during the year 2019-20 in different areas are as under:

(a) The steps taken or impact on conservation of energy

- Adopted the ISO 50001:2018 to improve the energy management system and energy performance by improving the "Convenience", "Adequacy", and "Efficiency"
- Variable frequency enabled rotary screw type air compressor to avoid poor capacity utilization, thus improved specific power consumption.
- Energy efficient centrifugal compressors leading to a reduction in specific power consumption (kW/CFM) resulting in savings in energy consumption.
- Reduction in the utilisation of compressed air by which achieved substantial conservation of energy, arrested leakages in the distribution network, replaced faulty pneumatic instrumentation and removed dead network, resulting in conservation of natural resources.
- Installed separate descaling water pumping system units in stakle and strip mills and automated with the process parameters avoid continuous full load working of descaling system
- Replacement of metallic blades in the process cooling tower fans with Fiber Reinforced Plastic (FRP) blades to reduce the power consumption
- To reduce energy consumption in plant and other facility illumination, replacement of conventional fluorescent lighting with LED lighting were undertaken during the year.
- Process cooling water pumps of the capacity of 185 kW replaced by 139 kW Pumps in SPD division, resulting in the conservation of natural resources.
- Improvements in fuel efficiency of the furnaces by modification in bullnose design.
- The above schemes are expected to result in total energy savings of 1,350 tonnes of oil equivalent per annum of fuel oil.

(b) The steps taken by the Company for utilising alternate sources of energy

In continuation of the steps taken last year, we expanded the use of natural resources of solar power in plant and support facilities. Also, the increased use of green fuels in place of conventional fossil fuels in the reheating furnaces. An alternative source of water resources was tapped by optimisation of rainwater harvesting.

- Installation of a rooftop solar PV system of the capacity of 200 kWp to increase the renewable energy capacity.
- Increase the share of environment-friendly green biofuel by 3% in total thermal energy consumption.
- The adoption of alternate sources of energy initiative will mitigate 3,850 Tons of CO_2.

(c) The capital investment on energy conservation equipments

Keeping our plans for a long term energy conservation goal, this year we invested in many areas of energy conservation and environmental preservation;

- Total investment towards energy efficiency and technology upgradations including inverter type air compressors, centrifugal air compressors, descaling pumping system, etc. was ₹ 575 lakh.
- Investment incurred to retrofitting of energy conservation measures and adoption of best-operating practices is about ₹ 425 lakh.
- Beyond the above, the company has invested a total of ₹ 95 lakh towards harnessing energy from renewable energy sources.

(d) Awards

The efforts of the company towards energy and environment conservation aspect has been recognised and awarded by various societies and organisations

- Awarded 'Best Energy Efficient Unit' Award in 20th National Award for Excellence in Energy Management organized by Confederation of Indian Industry (CII) Hyderabad.
- Won Platinum Award in "Iron & Steel Sector" in SEEM National Energy Management Award 2019.
- Won Innovation category award in 3rd CII energy circle completion 2019 Delhi.
- Won 7 excellence & 1 par excellence at NCQC-2019.

(e) Impact Created

- Impact on cost of production: The implemented energy conservation measures and adoption of alternate energy resources have resulted in reduced consumption of electrical and thermal energy at various load centers and helped in containing the energy costs despite the hike in fuel price and electricity tariff. The cumulative monetary benefits are estimated to be ₹ 2,560 lakh during the financial year.
- Total energy consumption and specific energy consumption: The reduction in the specific power consumption (energy per tonne of product) during the PAT cycle – 2 was 6.3%, even though our operations are energy-intensive in nature.

Annexure - I to Directors Report

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption; and the benefits derived like product improvement, cost reduction, product development or import substitution.

Development of new products to diversify product mix:

- Development of EN 1.4547 (Super austenitic) grade in 0.5 mm thickness.
- Development of anti microbial grade 430-Cu for utensil application.
- Development of new electrode quality grades EQ316L & EQ309LMo for weld overlay application.
- Development of high sulfur (S >0.15%) grade 316F for food and pharmaceutical processing equipment.
- Development of grade 430J1L for BS6 auto exhausts application.
- Development of grade 304J1 for water purifier tank application.

Development of customized & value added products:

- Development of customized variant of 441 grade for automotive tube application.
- Development of roll bonded clad plate using Ni based super-alloys for FGD application.
- Surface quality improvement for 15CDV6 grade in cold rolled product (< 6 mm).
- Established welding process parameters of ultra high strength martensite steel using different welding electrodes.

Benefits derived from process improvement:

- Minimization of hydrogen content in martensitic steel through modification of steel making practice.
- Optimization of properties of grade 201 (4% Ni) for precision strip application.
- Quality improvement of JT grade through modification of annealing parameters.
- Yield improvement of EQ24.13LNb by modification of hot rolling process parameters.
- Established hot rolling process parameters for manufacturing of UNS S32205 Grade in 4 mm thickness, leading to improve productivity in thinner gauge.
- Quality improvement of EN 1.4116 grade for knife application

Future plan of action:

- Manufacturing of Ni based super-alloy.
- Development of High Aluminium (>4%) Ferritic Stainless Steels for automotive catalytic converter.
- Maximize cost reduction through optimization of raw material.

Major technological projects completed in financial year 2019-20

- Induction furnace, 03 nos, Capacity 45 MT each- Market competitiveness and process cost saving project
- Homogenization furnace, 1200 MT/month - capacity enhancement and quality improvement project for JBS grades
- Tandem mill modification - Convert to Hydraulic semi Auto gauge control for minimize gauge variation & improve flatness
- Wider BA line modification in CRD-2 - capacity enhance and quality improvement project to achieve BA finish.

(ii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- Schuler MRV 150 Ringmaster press for Capacity enhancement of Bimetallic Blanks
- Automatic Inspection Machine (By Proditec France) for Improvement in product inspection by use of a combination of matrix camera and laser.

(iii) Expenditure incurred on Research and Development (R&D)

(₹ in Crore)

		2019-20	2018-19
a)	Capital	0.00	0.04
b)	Revenue	10.39	17.09
	Total	**10.39**	**17.13**
c)	Total R&D expenditure as a percentage of turnover	0.12%	0.19%

Foreign Exchange Earnings & Outgo

(₹ in Crore)

	2019-20
Foreign Exchange Earnings	1103.84
Foreign Exchange Outgo	1247.45

Annexure - II to Directors Report

Details of remuneration under section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2020:

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

Sl. No.	Name of Director	Designation	Ratio of Remuneration of Director to the median remuneration of Employees*
1	Mr. Ratan Jindal**	Chairman	213.6 : 1
2	Mr. Abhyuday Jindal	Managing Director	130.8 : 1
3	Mr. Jagmohan Sood	Whole-time Director	32.6 : 1

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

Sl. No.	Name	Designation	Percentage increase in Remuneration*
1	Mr. Ratan Jindal**	Chairman	0.85%
2	Mr. Abhyuday Jindal	Managing Director	NIL
3	Mr. Jagmohan Sood	Whole-time Director	46.8%***
4	Mr. Ramnik Gupta	Chief Financial Officer	Not comparable as employed for part of FY 2018-19
5	Mr. Bhartendu Harit	Company Secretary	13.4%

c. The percentage increase in the median remuneration of employees in the financial year: 8.6%

d. The number of permanent employees on the rolls of the Company: 2,364 (excluding contractual employees)

e. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** The median percentage increase made in the salaries of employees other than the managerial personnel was 8.76% while the increase in the remuneration of managerial personnel was 12.21%.

f. It is further affirmed that remuneration paid to Directors and Key Managerial Personnel was as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Abhyuday Jindal
Managing Director
DIN: 07290474

Jagmohan Sood
Whole Time Director
DIN: 08121814

Place : Hisar
Date : June 10, 2020

Annexure - III (a) to Directors Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

To,
The Members,
Jindal Stainless (Hisar) Limited
O.P. Jindal Marg
Hisar- 125005

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jindal Stainless (Hisar) Limited** hereinafter called ("**the Company**") for the financial year ended 31st March, 2020 ['**Audit Period**']. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company as provided in Annexure- 1 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes book, forms and returns filed and other records as maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

1. The Companies Act, 2013 (the "Act") and the rules made thereunder including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), to the extent applicable: -
   a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
   b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
6. Laws specifically applicable to the Industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:
   a. Payment of Wages Act, 1936
   b. The Payment of Undisbursed Wages (Mines) Rules, 1989

   We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings (SS-1) and for General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. as mentioned above.

Management and Auditor Responsibility:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. Wherever our Audit has required our examination of books and records maintained by the Company, we have also relied upon electronic versions of such books and records, as provided to us through online communication. Wherever for the purposes of our Audit, there was a need for physical access to any of the places of business of the Company, the same has not been uniformly possible in view of the prevailing lockdown.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns;
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc;
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
7. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practice;

Annexure - III (a) to Directors Report

8. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company;
9. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Recommendations as a matter of best practice:

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

We further report that:

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

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

Majority decision was carried through, while there were no minuted instances of dissent in Board or Committee meetings.

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

We further report that during the Audit Period, the Company has not undertaken any specific event/action that can have a major bearing on the company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

1. **Alteration of object clause of Memorandum of Association (MoA) of the Company:**

   During the Audit, the shareholders approved alteration of MoA of the Company on January 12, 2020 by substituting Clause III (A)(4) of the Memorandum of Association of the Company to insert new clause enabling the Company to carry on the business concerning arms and ammunition, auto parts and rail coach/ wagon/ locomotives.

For M/s Vinod Kothari & Company
Practicing Company Secretaries

Vinita Nair
Senior Partner
Membership No. F10559
C P No.:11902
UDIN: F010559B000329350

Place: Mumbai
Dated: June 9, 2020

Annexure- 1

LIST OF DOCUMENTS

1. Minutes of the following meetings (final draft of signed minutes provided through electronic mode on account of lockdown due to COVID-19)
   a) Board Meeting;
   b) Audit Committee;
   c) Nomination and Remuneration Committee;
   d) Stakeholders Relationship Committee;
   e) Corporate Social Responsibility Committee;
   f) Sub –Committee of Board of directors meeting;
   g) Separate Meeting of Independent Directors;
   h) Annual General meeting;
2. Annual Report 2018-19;
3. Notice and Agenda for Board and Committee Meeting on sample basis.
4. Memorandum and Articles of Association;
5. Disclosures under Act, 2013 and Listing Regulations;
6. Policies framed under Act, 2013 and Listing Regulations;
7. Forms and returns filed with the ROC (and under FEMA);
8. Checklists duly filled for specific laws;
9. Registers maintained under Act, 2013;
10. Disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015
11. Disclosures under SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

Annexure - III (b) to Directors Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

To,
The Members,
Jindal Stainless Steelway Limited
Village Pathredi, Bilaspur, Tauru Road
Gurgaon 122413
CIN: U27109HR2004PLC082454

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Jindal Stainless Steelway Limited (hereinafter called "the Company"), having its Registered Office at Village Pathredi, Bilaspur, Tauru Road Gurgaon 122413. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the M/s Jindal Stainless Steelway Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Jindal Stainless Steelway Limited ("the Company") for the financial year ended on March 31, 2020 according to the applicable provisions of:

I. The Companies Act, 2013 & The Companies Act,1956 ("the Acts") and the rules made there under;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines to the extent applicable as prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')- Not applicable being an unlisted Company

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

I. Secretarial Standards issued by the Institute of Company Secretaries of India.

II. The Company has not entered into listing Agreement with any of the Stock Exchange(s). Therefore, there is no listing agreement with the Company for any compliance therewith.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations: NIL

We further report that

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

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

Annexure - III (b) to Directors Report

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period, the Company has completed Buyback of shares as announced on 7th August, 2019. Pursuant to the offer, the company has bought back and extinguished 31,05,257 Equity Shares of ₹ 10 Each. Further during the Audit period Company has also altered its Memorandum of Association for shifting of its Registered office from NCT of Delhi to State of Haryana and same has been approved by Regional Director, Northern Region vide its order dated 14th August, 2019. Except the above there were no other specific events / actions occurred having major impact on the Company Affairs.

FOR KHADRIYA & CO.
COMPANY SECRETARIES
FRN: S2017DE470400

(CS RAHUL KHADRIYA)
PROPRIETOR
M. NO. FCS- 8558
CP No. 10166
UDIN: F008558B000314754

Date: 03.06.2020
Place: New Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure -A and forms an integral part of this report.

ANNEXURE -A TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
Jindal Stainless Steelway Limited
Village Pathredi, Bilaspur, Tauru Road
Gurgaon 122413
CIN: U27109HR2004PLC082454

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

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards, is the responsibility of Management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

FOR KHADRIYA & CO.
COMPANY SECRETARIES
FRN: S2017DE470400

(CS RAHUL KHADRIYA)
PROPRIETOR
M. NO. FCS- 8558
CP No. 10166
UDIN: F008558B000314754

Date: 03.06.2020
Place: New Delhi

Annexure - IV to Directors Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs.

   A brief outline of the Company's CSR Policy is given in the Directors' Report.

   Web-link: http://jshlstainless.com/pdf/JSHL%20CSR%20Policy.pdf

2. The composition of the CSR Committee:

Mrs. Deepika Jindal	-	Chairperson of the Committee
Mr. Jagmohan Sood	-	Member
Mr. Kanwaljit Singh Thind	-	Member

3. Average net profit ** of the Company for last three financial years: ₹ 44,454.74 Lakh
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 889.09 Lakh
5. Details of CSR spent during the financial year.
   a. Total amount to be spent for the financial year: ₹ 889.09 Lakh
   b. Total amount spent in the financial year: ₹ 892.17 Lakh
   c. Amount unspent, if any: Nil
   d. Manner in which the amount spent during the financial year is detailed below:

(Amount in ₹)

1	2	3	4	5	6	7	8
S. No.	**CSR project or activity identified**	**Sector in which the project is covered**	**Projects or programs Local area or other. Specify the state and district where projects or programs was undertaken**	**Amount actually outlay (budget) project or programs wise**	**Amount spent on the project or programs sub-heads: (1) Direct Expenditure on projects or programs (2) Overheads:**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency ##**
1	Deaf School Empowerment; Computer aided Learning Station; Smart Classes for Schools; Scholarship & fees assistance to needy persons; Educational institutional support, Skill Training - for local Youths in Beauty & Wellness, Dress Designing & Fashion Technology Course / Sewing centers, IT, Advance Electrical; Early Childhood Education; Students to Scholar Programme; Village Library; Digital Equaliser Programme; Subject teachers for School; Computer Education for School; Documentation of the data in mobile app; Road Safety program in Schools; Educational Books Distribution; community based educational shows/ events and exhibitions: Support for sensitization and awareness program on disability & Human Rights.	Promoting Education & Enhancing Vocational Skills	Local area of District Hisar & Sonipat of Haryana Local area of District Delhi Local area of District Jajpur of Odisha Local area of Dausa District of Rajasthan	3,16,10,992	3,15,10,992	8,06,19,964	Both Direct and through implementing Agency

Annexure - IV to Directors Report

(Amount in ₹)

1	2	3	4	5	6	7	8
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs Local area or other. Specify the state and district where projects or programs was undertaken	Amount actually outlay (budget) project or programs wise	Amount spent on the project or programs sub-heads: (1) Direct Expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency ##
2	Stitching & Tailoring training Centres; Women Self help Groups; Livelihood Promotion Activities such as food processing unit; ASMITA Boutique, ASMITA Production centre, Sahaja Sanitary Napkin unit; Boutique centers, Income generating activities through diary, goat and sheep rearing project, poultry farming, mushroom cultivation etc. are promoted through SHGs; Create awareness on women's health and nutrition at village level; Promotion of Golden Grass Project among artisans to retain traditional art & craft at village level.	Promoting Gender Equality & Empowering Women	Local area of District Hisar of Haryana Local area of District Jajpur of Odisha	48,30,609	47,30,276	1,50,94,368	Both Direct and through implementing Agency
3	Restoration and maintenance of park and other public places; Support to the Gaushala	Ensuring environmental sustainability, ecological balance and Animal welfare	Local area of District Hisar of Haryana	89,13,088	89,13,088	1,87,32,199	Both Direct and through implementing Agency
4	Save the Girl Child; Improving Maternal & Child Health; Cancer awareness & early detection camps; school program on adolescent health & hygiene; Promotion of preventive healthcare for the underprivileged; Static and Mobile Health Clinics with free dispense of medicines in villages; Dental Care Units; Creating and sensitization on health awareness on various issues at community level.	Promoting Health Care	Local area of District Hisar of Haryana Local area of District Jajpur of Odisha	58,38,788	57,13,338	1,51,87,730	Both Direct and through implementing Agency

Annexure - IV to Directors Report

(Amount in ₹)

1	2	3	4	5	6	7	8
S. No.	**CSR project or activity identified**	**Sector in which the project is covered**	**Projects or programs Local area or other. Specify the state and district where projects or programs was undertaken**	**Amount actually outlay (budget) project or programs wise**	**Amount spent on the project or programs sub-heads: (1) Direct Expenditure on projects or programs (2) Overheads:**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency ##**
5	Improving Farmers Income project, Safe Drinking Water project in Park and School; Solar water system for agriculture development, Doubling Farmers Income through farmers development project in 4 districts, Creation of Producer Group among SHG members in village and cluster level, Promotion of village sports for local youths	Rural Development Programme	Local area of District Hisar, Mewat and Gurugram of Haryana. Local areas of District Cuttack, Jajpur, Khurda and Puri of Odisha.	1,31,24,675	1,31,24,675	2,86,60,380	Both Direct and through implementing Agency
6	Financial assistance to the Odisha State Disaster Management Authority for relief work due to Cyclone Fani; Support to the needy families during the spread of COVID 19	Emergencies and Relief work	Local area of District Hisar of Haryana Local area of District Jajpur of Odisha Local area of District Delhi	2,19,76,855	2,19,76,855	2,19,76,855	Both Direct and through implementing Agency
7	Administration Expenses	Admin. Overheads		8,62,782	32,47,629	51,03,776	Direct
	Total			**8,71,57,789**	**8,92,16,853**	**18,53,75,272**	

6. In case the Company has failed to spend the two per cent of the average net profit of the last financial years or any part thereof, the reasons for not spending the amount in its Board Report: Not Applicable.

7. A responsibility statement of the CSR Committee of the Company that the implementation and monitoring of CSR Policy, is in compliance with the CSR Objectives and Policy of the Company: It is herby stated that the implementation and monitoring of the CSR Policy, is in compliance with CSR Objectives and Policy of the Company.

*** For the purpose of Section 135," average net profit" has been calculated in accordance with the provisions of Section 198 of the Companies Act, 2013*

Name of implementing agency: Jindal Stainless Foundation having Registered Office at SCF No. 126, C U E - 1, Hisar - 125001.

Annexure - V to Directors Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2020

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	L27205HR2013PLC049963
(ii)	Registration Date	30th July, 2013
(iii)	Name of the Company	Jindal Stainless (Hisar) Limited
(iv)	Category / Sub-category of the Company	Public company limited by shares
(v)	Address of the Registered office and contact details	O.P. Jindal Marg, Hisar – 125005, Haryana Tel No.: (01662) 222471-83 Fax No.: (01662) 220499 Email:investorcare.jshl@jindalstainless.com
(vi)	Whether listed company Yes / No	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited Noble Heights, 1st Floor, Plot NH2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi – 110 058 Phone No. (011) 41410592/93/94 Fax No. (011) 41410591 Email : delhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the company
1.	Steel	2410	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl.	Name and address of the company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Jindal Stainless Steelway Limited Village Pathredi, Bilaspur, Tauru Road Gurgaon 122413	U27109HR2004PLC082454	Subsidiary	100.00	2(87)(ii)
2	JSL Lifestyle Limited 48th K.M. Stone, Delhi Rohtak Road, Village Rohad Tehsil Bahadurgarh Jhajjar, PIN: 124507	U74920HR2003PLC035976	Subsidiary	78.70	2(87)(ii)
3	Green Delhi BQS Limited Jindal Centre,12, Bhikaiji Cama Place, New Delhi – 110066	U45400DL2007PLC164938	Subsidiary	95.09	2(87)(ii)
4	JSL Media Limited 28, Najafgarh Road, New Delhi – 110015	U70102DL2007PLC170019	Subsidiary	99.94	2(87)(ii)
5	JSL Logistics Limited 28, Najafgarh Road,New Delhi – 110015	U63030DL2008PLC180599	Subsidiary	100.00	2(87)(ii)
6	Jindal Stainless Corporate Management Services Private Limited O.P. Jindal Marg, Hisar – 125005	U74140HR2013PTC049340	Associate	50	2(6)
7	Jindal Stainless Limited O.P. Jindal Marg, Hisar – 125005	L26922HR1980PLC010901	Associate	34.54	2(6)

Annexure - V to Directors Report

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i) Category-wise Share Holding (please refer notes)

	Category of Shareholders	No. of Shares held at the beginning of the year - 1st April, 2019 (Face value of ₹ 2/- each)				No. of Shares held at the end of the year- 31st March, 2020 (Face value of ₹ 2/- each)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A.	**Promoters**									
(1)	**Indian**									
a.	Individual / HUF	637,469	-	637,469	0.27	637,469	-	637,469	0.27	-
b.	Central Govt.	-	-	-	-	-	-	-	-	-
c.	State Govt.(s)	-	-	-	-	-	-	-	-	-
d.	Bodies Corp.	56,891,250	-	56,891,250	24.38	56,891,250	-	56,891,250	24.38	-
e.	Banks / FI	-	-	-	-	-	-	-	-	-
f.	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A) (1)	**57,528,719**	**-**	**57,528,719**	**24.39**	**57,528,719**	**-**	**57,528,719**	**24.39**	**-**
(2)	**Foreign**									
a.	NRIs – Individuals	7,532,171	-	7,532,171	3.19	7,532,171	-	7,532,171	3.19	-
b.	Other – Individuals	-	-	-	-	-	-	-	-	-
c.	Bodies Corp.	56,760,440	-	56,760,440	24.06	56,760,440	-	56,760,440	24.06	-
d.	Banks / FI	-	-	-	-	-	-	-	-	
e.	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A) (2)	**64,292,611**	**-**	**64,292,611**	**27.25**	**64,292,611**	**-**	**64,292,611**	**27.25**	**-**
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**121,821,330**	**-**	**121,821,330**	**51.63**	**121,821,330**	**-**	**121,821,330**	**51.63**	**-**
B.	**Public Shareholding**									
(1)	**Institutions**									
a.	Mutual Funds	5,167,542	14,300	5,181,842	2.20	5,101,899	14,300	5,116,199	2.17	0.03
b.	Banks / FI	347,355	22,560	369,915	0.16	92,374	22,560	114,934	0.05	0.11
c.	Central Govt.	-	-	-	-	-	-	-	-	-
d.	State Govt.(s)	-	-	-	-	-	-	-	-	-
e.	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f.	Insurance Companies	-	-	-	-	182,745	-	182,745	0.08	0.08
g.	FIIs/ Foreign Portfolio Investors	49,386,888	13,520	49,400,408	20.94	486,01,883	13,520	48,615,403	20.61	0.33
h.	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i.	Any Others: Alternate Investment Fund	3,195,000	-	3,195,000	1.35	7,345,000	-	7,345,000	3.11	1.76
	Sub-total (B) (1)	**58,096,785**	**50,380**	**58,147,165**	**24.65**	**61,323,901**	**50,380**	**61,374,281**	**26.01**	**1.36**
(2)	**Non-Institutions**									
a.	Bodies Corp.									
(i)	Indian	10,381,932	61,091	10,443,023	4.43	7,517,411	60,936	7,578,347	3.21	1.22
(ii)	Overseas	-	1,690	1,690	0.00	-	1,690	1,690	0.00	-
b.	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 2 lakh	20,370,660	2,434,035	22,804,695	9.67	20,232,234	2,319,450	22,551,684	9.56	0.11
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 2lakh	3,902,951	-	3,902,951	1.65	3,809,478	-	3,809,478	1.61	0.04
(iii)	Others	31,69,117	5,40,380	3,709,497	1.57	3,172,831	520,710	3,693,541	1.57	-
	Sub-total (B) (2)	**37,824,660**	**3,037,196**	**40,861,856**	**17.32**	**34,731,954**	**2,902,786**	**37,634,740**	**15.95**	**1.37**
	Total shareholding of Public (B) = (B)(1)+(B)(2)	**95,921,445**	**3,087,576**	**99,009,021**	**41.96**	**96,055,855**	**2,953,166**	**99,009,021**	**41.96**	**-**
C.	**Shares held by Custodian for GDRs & ADRs**									
	Promoter & Promoter Group	14,234,984	-	14,234,984	6.03	14,234,984	-	14,234,984	6.03	-
	Public	869,350	-	869,350	0.37	869,350	-	869,350	0.37	-
	Grand Total (A)+(B)+(C)	**232,847,109**	**3,087,576**	**235,934,685**	**100**	**232,981,519**	**2,953,166**	**235,934,685**	**100**	**-**

Annexure - V to Directors Report

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year - 1st April, 2019 (Face value of ₹ 2/- each)			No. of Shares held at the end of the year - 31st March, 2020 (Face value of ₹ 2/- each)			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Abhinandan Investments Limited	811,350	0.34	0.34	811,350	0.34	0.34	-
2	Abhyuday Jindal	22,180	0.01	-	22,180	0.01	-	-
3	Arti Jindal	14,390	0.01	-	14,390	0.01	-	-
4	Colarado Trading Co Ltd	2,074,930	0.88	0.88	2,074,930	0.88	0.88	-
5	Deepika Jindal	69,265	0.03	-	69,265	0.03	-	-
6	Ever Plus Securities & Finance Limited	1,157,835	0.49	0.49	1,157,835	0.49	0.49	-
7	Gagan Trading Company Limited	2,454,295	1.04	1.04	2,454,295	1.04	1.04	-
8	Goswamis Credits & Investments Ltd	877,795	0.37	0.37	877,795	0.37	0.37	-
9	Hexa Securities & Finance Co Ltd.	4,931,175	2.09	2.09	4,931,175	2.09	2.09	-
10	Jindal Equipment Leasing and Consultancy Services Limited	5,735,555	2.43	2.43	5,735,555	2.43	2.43	-
11	JSW Holdings Limited	460,720	0.2	-	460,720	0.2	-	-
12	Nalwa Sons Investments Limited	347,945	0.15	-	347,945	0.15	-	-
13	Kamal Kishore Bhartia	2,050	0.00	-	2,050	0.00	-	-
14	Manjula Finances Ltd	1,012,080	0.43	0.43	1,012,080	0.43	0.43	-
15	Mansarover Investments Limited	3,797,210	1.61	1.61	3,797,210	1.61	1.61	-
16	Meredith Traders Pvt Ltd	422,210	0.18	-	422,210	0.18	-	-
17	Nalwa Engineering Co Ltd	747,290	0.32	0.32	747,290	0.32	0.32	-
18	Nalwa Investment Limited	1,707,110	0.72	0.72	1,707,110	0.72	0.72	-
19	Naveen Jindal	12,768	0.01	-	12,768	0.01	-	-
20	Naveen Jindal HUF	107,860	0.05	-	107,860	0.05	-	-
21	Parth Jindal	27,575	0.01	-	27,575	0.01	-	-
22	Prithavi Raj Jindal	31,298	0.01	-	31,298	0.01	-	-
23	P R Jindal HUF	58,290	0.02	-	58,290	0.02	-	-
24	Ratan Jindal	7,424,148	3.15	3.15	7,424,148	3.15	3.15	-
25	R K Jindal & Sons HUF	13,940	0.01	-	13,940	0.01	-	-
26	Renuka Financial Services Ltd	886,620	0.38	0.38	886,620	0.38	0.38	-
27	Rohit Tower Building Ltd	31,200	0.01	-	31,200	0.01	-	-
28	S K Jindal and Sons HUF	33,330	0.01	-	33,330	0.01	-	-
29	Sangita Jindal	94,658	0.04	-	94,658	0.04	-	-
30	Sarika Jhunjhunwala	76,725	0.03	-	76,725	0.03	-	-
31	Saroj Bhartia	40	0.00	-	40	0.00	-	-
32	Savitri Devi Jindal	88,573	0.04	-	88,573	0.04	-	-

Annexure - V to Directors Report

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year - 1st April, 2019 (Face value of ₹ 2/- each)			No. of Shares held at the end of the year - 31st March, 2020 (Face value of ₹ 2/- each)			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
33	Seema Jajodia	900	0.00	-	900	0.00	-	-
34	Sminu Jindal	43,875	0.02	-	43,875	0.02	-	-
35	Stainless Investments Limited	1,442,895	0.61	0.61	1,442,895	0.61	0.61	-
36	Sun Investments Private Limited	9,296,780	3.94	3.94	9,296,780	3.94	3.94	-
37	Tanvi Shete	11,995	0.01	-	11,995	0.01	-	-
38	Tarini Jindal Handa	12,000	0.01	-	12,000	0.01	-	-
39	Tripti Jindal	12,175	0.01	-	12,175	0.01	-	-
40	Urvi Jindal	11,605	0.00	-	11,605	0.00	-	-
41	Vrindavan Services Private Limited	4,946,705	2.10	2.10	4,946,705	2.10	2.10	-
42	JSL Overseas Holding Limited*	30,200,000	12.80	12.59	30,200,000	12.80	12.59	-
43	JSL Overseas Limited	26,560,440	11.26	11.26	26,560,440	11.26	11.26	-
44	Jindal Strips Limited	5,314,090	2.25	2.25	5,314,090	2.25	2.25	-
45	Siddeshwari Tradex Private Limited	2,755,890	1.17	1.17	2,755,890	1.17	1.17	-
46	Jindal Rex Exploration Private Limited	929,730	0.39	0.39	929,730	0.39	0.39	-
47	JSL Limited	2,374,620	1.01	1.01	2,374,620	1.01	1.01	-
48	Jindal Infrastructure and Utilities Limited	2,374,620	1.01	1.01	2,374,620	1.01	1.01	-
49	Sajjan Jindal (as a Trustee for Sajjan Jindal Family Trust)	100	0.00	-	100	0.00	-	-
50	Sajjan Jindal (as a Trustee for Sajjan Jindal Lineage Trust)	100	0.00	-	100	0.00	-	-
51	Sajjan Jindal (as a Trustee for Sangita Jindal Family Trust)	100	0.00	-	100	0.00	-	-
52	Sajjan Jindal (as a Trustee for Tarini Jindal Family Trust)	100	0.00	-	100	0.00	-	-
53	Sajjan Jindal (as a Trustee for Tanvi Jindal Family Trust)	100	0.00	-	100	0.00	-	-
54	Sajjan Jindal (as a Trustee for Parth Jindal Family Trust)	100	0.00	-	100	0.00	-	-
	Total	**121,821,330**	**51.63**	**50.57**	**121,821,330**	**51.63**	**50.57**	**-**

* JSL Overseas Holding Limited also holds 7,117,492 GDS representing 14,234,984 underlying equity shares of ₹ 2/- each.

Annexure - V to Directors Report

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Name of Shareholders	As on 1.4.2019		As on 31.3.2020		Date wise increase / decrease in promoter shareholding during the year			
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	Date of issue of share/ disposed off	No. of shares disposed off	No. of shares acquired/ issue	No. of shares at the end of the year
1	Abhinandan Investments Limited	811,350	0.34	811,350	0.34	-	-	-	811,350
2	Abhyuday Jindal	22,180	0.01	22,180	0.01	-	-	-	22,180
3	Arti Jindal	14,390	0.01	14,390	0.01	-	-	-	14,390
4	Colarado Trading Co Ltd	2,074,930	0.88	2,074,930	0.88	-	-	-	2,074,930
5	Deepika Jindal	69,265	0.03	69,265	0.03	-	-	-	69,265
6	Ever Plus Securities & Finance Limited	1,157,835	0.49	1,157,835	0.49	-	-	-	1,157,835
7	Gagan Trading Company Limited	2,454,295	1.04	2,454,295	1.04	-	-	-	2,454,295
8	Goswamis Credits & Investments Limited	877,795	0.37	877,795	0.37	-	-	-	877,795
9	Hexa Securities & Finance Co Ltd	4,931,175	2.09	4,931,175	2.09	-	-	-	4,931,175
10	Jindal Equipment Leasing and Consultancy Services Limited	5,735,555	2.43	5,735,555	2.43	-	-	-	5,735,555
11	JSW Holdings Limited	460,720	0.2	460,720	0.2	-	-	-	460,720
12	Nalwa Sons Investments Limited	347,945	0.15	347,945	0.15	-	-	-	347,945
13	Kamal Kishore Bhartia	2,050	0.00	2,050	0.00	-	-	-	2,050
14	Manjula Finances Ltd	1,012,080	0.43	1,012,080	0.43	-	-	-	1,012,080
15	Mansarover Investments Limited	3,797,210	1.61	3,797,210	1.61	-	-	-	3,797,210
16	Meredith Traders Pvt Ltd	422,210	0.18	422,210	0.18	-	-	-	422,210
17	Nalwa Engineering Co Ltd	747,290	0.32	747,290	0.32	-	-	-	747,290
18	Nalwa Investment Limited	1,707,110	0.72	1,707,110	0.72	-	-	-	1,707,110
19	Naveen Jindal	12,768	0.01	12,768	0.01	-	-	-	12,768
20	Naveen Jindal HUF	107,860	0.05	107,860	0.05	-	-	-	107,860
21	Parth Jindal	27,575	0.01	27,575	0.01	-	-	-	27,575
22	Prithavi Raj Jindal	31,298	0.01	31,298	0.01	-	-	-	31,298
23	P R Jindal HUF	58,290	0.02	58,290	0.02	-	-	-	58,290
24	Ratan Jindal	7,424,148	3.15	7,424,148	3.15	-	-	-	7,424,148
25	R K Jindal & Sons HUF	13,940	0.01	13,940	0.01	-	-	-	13,940
26	Renuka Financial Services Ltd	886,620	0.38	886,620	0.38	-	-	-	886,620
27	Rohit Tower Building Ltd	31,200	0.01	31,200	0.01	-	-	-	31,200
28	S K Jindal & Sons HUF	33,330	0.01	33,330	0.01	-	-	-	33,330
29	Sangita Jindal	94,658	0.04	94,658	0.04	-	-	-	94,658
30	Sarika Jhunjhunwala	76,725	0.03	76,725	0.03	-	-	-	76,725
31	Saroj Bhartia	40	0.00	40	0.00	-	-	-	40
32	Savitri Devi Jindal	88,573	0.04	88,573	0.04	-	-	-	88,573

Annexure - V to Directors Report

S. No.	Name of Shareholders	As on 1.4.2019		As on 31.3.2020		Date wise increase / decrease in promoter shareholding during the year			
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	Date of issue of share/ disposed off	No. of shares disposed off	No. of shares acquired/ issue	No. of shares at the end of the year
33	Seema Jajodia	900	0.00	900	0.00	-	-	-	900
34	Sminu Jindal	43,875	0.02	43,875	0.02	-	-	-	43,875
35	Stainless Investments Limited	1,442,895	0.61	1,442,895	0.61	-	-	-	1,442,895
36	Sun Investments Limited	9,296,780	3.94	9,296,780	3.94	-	-	-	9,296,780
37	Tanvi Shete	11,995	0.01	11,995	0.01	-	-	-	11,995
38	Tarini Jindal Handa	12,000	0.01	12,000	0.01	-	-	-	12,000
39	Tripti Jindal	12,175	0.01	12,175	0.01	-	-	-	12,175
40	Urvi Jindal	11,605	0.00	11,605	0.00	-	-	-	11,605
41	Vrindavan Services Private Limited	4,946,705	2.10	4,946,705	2.10	-	-	-	4,946,705
42	JSL Overseas Holding Limited*	30,200,000	12.80	30,200,000	12.80	-	-	-	30,200,000
43	JSL Overseas Limited	26,560,440	11.26	26,560,440	11.26	-	-	-	26,560,440
44	Jindal Strips Limited	5,314,090	2.25	5,314,090	2.25	-	-	-	5,314,090
45	Siddeshwari Tradex Private Limited	2,755,890	1.17	2,755,890	1.17	-	-	-	2,755,890
46	Jindal Rex Exploration Private Limited	929,730	0.39	929,730	0.39	-	-	-	929,730
47	JSL Limited	2,374,620	1.01	2,374,620	1.01	-	-	-	2,374,620
48	Jindal Infrastructure and Utilities Limited	2,374,620	1.01	2,374,620	1.01	-	-	-	2,374,620
49	Sajjan Jindal (as a Trustee for Sajjan Jindal Family Trust)	100	0.00	100	0.00	-	-	-	100
50	Sajjan Jindal (as a Trustee for Sajjan Jindal Lineage Trust)	100	0.00	100	0.00	-	-	-	100
51	Sajjan Jindal (as a Trustee for Sangita Jindal Family Trust)	100	0.00	100	0.00	-	-	-	100
52	Sajjan Jindal (as a Trustee for Tarini Jindal Family Trust)	100	0.00	100	0.00	-	-	-	100
53	Sajjan Jindal (as a Trustee for Tanvi Jindal Family Trust)	100	0.00	100	0.00	-	-	-	100
54	Sajjan Jindal (as a Trustee for Parth Jindal Family Trust)	100	0.00	100	0.00	-	-	-	100
	Total	**121,821,330**	**51.63**	**121,821,330**	**51.63**	**-**	**-**	**-**	**121,821,330**

* JSL Overseas Holding Limited also holds 7,117,492 GDS representing 14,234,984 underlying equity shares of ₹ 2/- each.

Annexure - V to Directors Report

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of Shareholder	As on 1.4.2019		As on 31.3.2020		Date wise increase / decrease in shareholding during the year			
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	Date	No. of shares disposed off	No. of shares acquired	No. of shares at the end of the year
1	Hypnos Fund Limited	12,587,711	5.34	12,587,711	5.34	-	-	-	12,587,711
2	Reliance Capital Trustee Co. Ltd. A/C Reliance Power & Infra Fund	5,077,117	2.15	5,077,117	2.15	-	-	-	5,077,117
3	ELM Park Fund Limited	19,432,160	8.24	19,432,160	8.24	-	-	-	19,432,160
4	India Max Investment Fund Limited	3,882,980	1.65	0	0	27.03.2020	3,882,980	-	-
5	Albula Investment Fund Ltd.	3,609,070	1.53	10,247,050	4.34	27.03.2020	-	5,809,070	10,247,050
						31.03.2020	-	4,437,980	
6	Elara India Opportunities Fund Limited	6,775,000	2.87	4,020,000	1.70	27.03.2020	2,755,000	-	4,020,000
7	Aggarwal Finlease Pvt Ltd	1,429,122	0.61	482,026	0.20	17.01.2020	1,150,000	-	482,026
						24.01.2020	-	202,904	
8	Abakkus Growth Fund-1	2,700,000	1.14	5,000,000	2.12	05.04.2019	-	100,000	5,000,000
						10.05.2019	-	50,000	
						17.05.2019	-	750,000	
						26.07.2019	-	224,247	
						02.08.2019	-	100,753	
						09.08.2019	-	28,048	
						16.08.2019	-	21,952	
						23.08.2019	-	46,173	
						30.08.2019	-	28,827	
						13.09.2019	-	79,268	
						20.09.2019	-	20,732	
						11.10.2019	-	50,000	
						18.10.2019	-	75,000	
						25.10.2019	-	25,000	
						08.11.2019	-	25,000	
						06.12.2019	-	25,000	
						03.01.2020	-	100,000	
						07.02.2020	-	150,000	
						21.02.2020	-	50,000	
						28.02.2020	-	175,000	
						06.03.2020	-	125,000	
						13.03.2020	-	50,000	
9	Sunil Kant Munjal	895,000	0.38	895,000	0.38	-	-	-	895,000
10	Emerging Markets Core Equity Portfolio of DFA Investments Dimensions Group Inc.	888,373	0.38	888,373	0.38	-	-	-	888,373

Annexure - V to Directors Report

S. No.	Name of Shareholder	As on 1.4.2019		As on 31.3.2020		Date wise increase / decrease in shareholding during the year			
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	Date	No. of shares disposed off	No. of shares acquired	No. of shares at the end of the year
11	Abakkus Emerging-Opportunities Fund-1	-	-	1,850,000	0.78	06.03.2020	-	800,000	1,850,000
						13.03.2020	-	200,000	
						20.03.2020	-	400,000	
						27.03.2020	-	150,000	
						31.03.2020	-	300,000	
12	Sanatan Financial Advisory Services Private Limited	-	-	1,100,000	0.47	20.03.2020	-	1,100,000	1,100,000

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of Shareholder	As on 1.4.2019		As on 31.3.2020		Date wise increase / decrease in shareholding during the year			
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	Date	No. of shares disposed off	No. of shares acquired	No. of shares at the end of the year
1	Mr. Ratan Jindal	7,424,148	3.15	7,424,148	3.15	-	-	-	7,424,148
2	Mr. Abhyuday Jindal	22,180	0.01	22,180	0.01	-	-	-	22,180
3	Mrs. Deepika Jindal	69,265	0.03	69,265	0.03	-	-	-	69,265
4	Mr. Jagmohan Sood	1,294	0.00	1,294	0.00	-	-	-	1,294
5	Mr. Kanwaljit Singh Thind	515	0.00	515	0.00	-	-	-	515
6	Mr. Girish Sharma	-	-	-	-	-	-	-	-
7	Mr. Nirmal Chandra Mathur	955#	0.00	955#	0.00	-	-	-	955#
8	Mrs. Arti Luniya	-	-	-	-	-	-	-	-
9	Mr. Bhartendu Harit (Company Secretary)	-	-	-	-	-	-	-	-
10	Mr. Ramnik Gupta(CFO)	-	-	-	-	-	-	-	-

Mr. N.C. Mathur holds 9,330 shares of the Company (including 8,375 shares held as joint holder alongwith his spouse, Mrs. Aruna Mathur)

Annexure - V to Directors Report

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment **(Amount ₹ in Crore)**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year – 1st April, 2019				
(i) Principal Amount	2,181.20	-	-	2,181.20
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	0.34	-	-	0.34
Total (i+ii+iii)	**2,181.54**	**-**	**-**	**2,181.54**
Change in Indebtedness during the financial year				
- Addition	35.01	-	-	35.01
- Reduction	180.63	-	-	180.63
Net Change	(145.62)	-	-	(145.62)
Indebtedness at the end of the financial year – 31st March, 2020				
(i) Principal Amount	2,018.97	-	-	2,018.97
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	16.95	-	-	16.95
Total (i+ii+iii)	**2,035.92**	**-**	**-**	**2,035.92**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lakhs)

Sl.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Mr. Abhyuday Jindal	Mr. Jagmohan Sood	
1.	**Gross Salary**	**600.00**	**148.64**	**748.64**
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	599.60	144.26	743.86
(b)	Value of perquisites u/s 17(2) of Income-tax Act, 1961	0.40	4.38	4.78
(c)	Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	54.00	-	54.00
	- others, specify	-	-	-
5.	Others (Contribution to PF, NPS and other annual compensation)	-	16.06	16.06
	Total (A)	**654.00**	**164.70**	**818.70**
	Ceiling as per the Act: 10% of the net profits as per Section 198 of the Companies Act, 2013 : 4270.14			

Annexure - V to Directors Report

B. Remuneration to other Directors

1. Independent Directors

(₹ in lakhs)

Particulars of Remuneration	Name of Directors				Total Amount
	Mr. Girish Sharma	Mr. Kanwaljit Singh Thind	Mr. Nirmal Chandra Mathur	Mrs. Arti Lunia	
• Fee for attending board/ committee meetings	4.90	4.20	5.10	4.90	19.10
• Commission	-	-	-	-	-
• Others, please specify	-	-	-	-	-
Total (B)(1)	**4.90**	**4.20**	**5.10**	**4.90**	**19.10**

2. Other Non-Executive Directors

(₹ in lakhs)

Other Non-Executive Directors	Mr. Ratan Jindal	Mrs. Deepika Jindal
• Fee for attending board /committee meetings	2.10	2.00
• Commission	1,068.00	-
• Others, please specify	-	-
Total (B)(2)	**1,070.10**	**2.00**
Total Managerial Remuneration (excluding sitting fee) (A+B) *		**1,886.70**
Overall Ceiling as per the Act: 11% of the net profits as per Section 198 of the Companies Act, 2013		4,697.15

* Fee for attending the Board / Committee meetings is not part of managerial remuneration.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Ramnik Gupta (CFO)	Mr. Bhartendu Harit (Company Secretary)	
1.	Gross Salary	**84.01**	**26.88**	**110.89**
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	83.80	26.56	110.36
(b)	Value of perquisites u/s 17(2) of Income-tax Act, 1961	0.21	0.32	0.53
(c)	Profits in lieu of salary u/s 17(3) of Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others (Contribution to PF, NPS and other annual compensation)	6.52	6.70	13.22
	Total	**90.53**	**33.58**	**124.11**

Annexure - V to Directors Report

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding	Authority [RD/ NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
B. DIRECTORS					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				

Annexure - VI to Directors Report

Form No. AOC-2

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

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

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

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

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

(a)	Name(s) of the related party and nature of relationship	Jindal Stainless Limited [Jindal Stainless Limited ("JSL") is a public limited company in which two directors of the Company are also directors. Further, the Company holds more than 20% shareholding of Jindal Stainless Limited and therefore, it is an Associate Company of Jindal Stainless (Hisar) Limited].
(b)	Nature of contracts/ arrangements/ transactions	Sale, purchase or supply of materials and services etc.
(c)	Duration of the contracts/ arrangements/ transactions	April, 2019 to March, 2020
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Sale, purchase or supply of materials and services etc. amounting to approx. ₹ 1,610 Crore.
(e)	Date(s) of approval by the Board, if any	30th January, 2019
(f)	Amount paid as advances, if any	

REPORT ON CORPORATE GOVERNANCE

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

1. Company's philosophy on the code of corporate governance:

Your Company recognizes communication as a key element of the overall corporate governance framework and therefore, emphasizes on seamless and efficient flow of relevant communication to all external constituencies. Your Company follows the principles of fair representation and full disclosure in all its dealings and communications. The Company's annual reports, results presentations and other forms of corporate and financial communications provide extensive details and convey important information on a timely basis. Your Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, government and lenders. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders value, over a sustained period of time.

2. Board of Directors:

(i) Composition and Category of Directors

The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors, in conformity with Regulation 17 of the SEBI LODR. As at 31st March, 2020, the Board of your Company consisted of eight Directors, out of which four are Independent Directors including one Women Independent Director.

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

Category	Name of Directors
Promoter Directors	Mr. Ratan Jindal, Chairman
	Mrs. Deepika Jindal, Director
	Mr. Abhyuday Jindal, Managing Director
Executive Director	Mr. Jagmohan Sood
Independent Non-Executive Directors	Mr. Girish Sharma[1]
	Mr. Kanwaljit Singh Thind
	Mr. Nirmal Chandra Mathur[2]
	Mrs. Arti Luniya

1. Mr. Girish Sharma was reappointed as Director of the Company w.e.f. 1st May, 2019. The shareholders approved his appointment as an Independent Director at Annual General Meeting held on 11th September, 2019.
2. Mr. Nirmal Chandra Mathur was reappointed as Director w.e.f. 5th August, 2019. The shareholders approved his appointment as an Independent Director at Annual General Meeting held on 11th September, 2019.

(ii) Independent Directors

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

a. They are independent, and

b. They are not disqualified.

The Independent Directors had confirmed that they fulfill the conditions specified in the SEBI LODR/ the Act and they are independent to the management of the Company. Further, in terms of Regulation 25(8) of SEBI LODR, the Independent Directors have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Further, no Independent Director resigned during the year under review.

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

http://jshlstainless.com/appointmentofindependentdirectors.html

(iii) Board Meetings

During the financial year 2019-20, four Board meetings were held on 24th May, 2019, 8th August, 2019, 14th November, 2019 and 14th February, 2020. The gap between any two consecutive meetings was within the limit prescribed under the Act. The necessary quorum was present during all the meetings.

(iv) Attendance of Directors, Directorships and other details

Attendance of Directors at the Board Meetings, last Annual General Meeting and number of Directorships and Chairmanships / Memberships of Committee(s) in other companies as on 31st March, 2020 are given below:

Name of Director	No. of Board Meeting attended	Attendance at last AGM	No. of Directorship held in other public Companies	No. of Memberships (M) / Chairmanship (C) in other Board Committee(S)	No. of shares and Convertible Instruments held by Non-Executive Directors
Mr. Ratan Jindal	2	No	5	Nil	74,24,148 shares
Mrs. Deepika Jindal	2	No	3	Nil	69,265 shares
Mr. Abhyuday Jindal	4	Yes	1	1(M)	N.A.
Mr. Jagmohan Sood	4	Yes	-	Nil	N.A.
Mr. Kanwaljit Singh Thind	3	Yes	-	Nil	515 shares
Mr. Girish Sharma[1]	4	No	5	6(M)	Nil
Mr. Nirmal Chandra Mathur[2]	4	No	3	1(M)	955 shares
Mrs. Arti Luniya	4	No	1	Nil	Nil

Mrs. Deepika Jindal is wife of Mr. Ratan Jindal; and Mr. Abhyuday Jindal is their son. None of the other Directors are related to any other Director on the Board.

1. Mr. Girish Sharma was reappointed as Director of the Company w.e.f. 1st May, 2019. The shareholders approved his appointment as an Independent Director at Annual General Meeting held on 11th September, 2019.
2. Mr. Nirmal Chandra Mathur was reappointed as Director w.e.f. 5th August, 2019. The shareholders approved his appointment as an Independent Director at Annual General Meeting held on 11th September, 2019. Mr. Mathur holds 9,330 shares of the Company (including 8,375 shares held as joint holder alongwith his spouse, Mrs. Aruna Mathur).
3. Directorships do not include directorships in foreign companies, private limited companies and companies under Section 8 of the Act.
4. N.A. Not Applicable

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

i. holds Directorship in more than eight listed entities, and ;

ii. are member in more than 10 committees or acting as a Chairperson of more than 5 committees across all listed entities

Further, for the purpose of determining the limit of the Board Committee, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered as per Regulation 26 (1) (b) of SEBI LODR.

Also, none of the Independent Directors of the Company:

i. serves as an Independent Director in more than seven listed companies, and;

ii. acts as a whole-time Director in any listed entity

Names of the other listed entities where the Directors of the Company are Directors, are mentioned hereunder:

S. No.	Name of Directors	Number of Directorship	Name of Listed entity	Category of Directorship in other listed entity
1.	Mr. Ratan Jindal	1	Jindal Stainless Limited	Executive, Non-Independent
2.	Mrs. Deepika Jindal	Nil	N.A.	N.A.
3.	Mr. Abhyuday Jindal	1	Jindal Stainless Limited	Executive, Non-Independent
4.	Mr. Jagmohan Sood	Nil	N.A.	N.A.
5.	Mr. Girish Sharma	3	Jindal Saw Limited	Non-Executive, Independent
			Hexa Tradex Limited	Non-Executive, Independent
			JITF Infralogistics Limited	Non-Executive, Independent
6.	Mr. Kanwaljit Singh Thind	Nil	N.A.	N.A.
7.	Mr. Nirmal Chandra Mathur	Nil	N.A.	N.A.
8.	Mrs. Arti Luniya	1	Jindal Stainless Limited	Non-Executive, Independent

(v) Board Meetings, its Committee Meetings and Procedures thereof:

A. Scheduling and selection of agenda items for Board Meetings

i. The Board meets at least once in a quarter to review the financial results, performance of the Company and other items on the agenda. Apart from the four Board Meetings, additional Board Meetings are also convened as and when required to address the specific needs of the Company by giving appropriate notice to the Directors. The Board also approves permitted urgent matters by passing the resolutions through circulation.

ii. The meetings are usually held at the Company's Corporate Office at New Delhi.

iii. All divisions/departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion/ approval/decision in the Board/Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the Board meetings.

iv. The Board is given presentations on finance, sales and marketing, risk management, performance of subsidiaries and the major business segments and operations of the Company, while considering the results of the Company.

v. The Company Secretary, in consultation with the Chairman / Managing Director / Whole Time Director and other concerned persons in the top management, finalizes the agenda papers for the Board / Committee meetings.

B. Circulation of Board Agenda

ii. Agenda papers are circulated to the Directors, in advance, in the defined agenda format. All material information is incorporated in the agenda papers for facilitating meaningful, informed and focused discussions at the meeting. Where it is not possible to attach any document to the agenda, the same is placed on the table at the meeting with specific reference to this effect in the agenda.

ii. With the permission of Chairman and other directors present at the Meeting, additional or supplementary item(s) in the agenda are taken up for discussion and consideration. Sensitive matters may be discussed at the meeting without written material being circulated in advance for the meeting.

C. Recording minutes of proceedings at Board / Committee meeting

The Company Secretary records the minutes of the proceedings of each Board and Committee Meetings. Draft minutes of the meetings are circulated to the Directors within 15 days of the meetings for their comments / inputs. Thereafter, the minutes of the proceedings of meeting are entered in the minute's book within 30 days from the conclusion of the meeting and signed by the Chairman of the next Board / Committee Meeting.

Further, the signed and certified true copy of the minutes of the meetings are circulated to all the Directors within 15 days of signing of the minutes.

D. Post meeting follow up mechanism

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

E. Compliance

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

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

Further, the certificates relating to compliance of applicable provisions of laws, signed by the Heads of the Departments are placed in every Board Meeting.

(vi) Familiarization Programme for Board Members and Independent Directors

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

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

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

The familiarization programme for Independent Directors in terms of the provisions of Regulations 25 and 46 of the SEBI LODR is uploaded on the website of the Company and can be accessed through following link:
https://www.jshlstainless.com/pdf/DETAILS%20OF%20FAMILIARIZATION%20%20PROGRAMMES%20IMPARTED%20TO%20INDEPENDENT%20DIRECTORS%20JSHL.pdf

(vii) Desired skill/ expertise/ competence of the Board of Directors

In terms of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board of Directors at their meeting held on 24th May, 2019 had identified the kills/expertise/competencies within the Board as a whole. Further, the Board of Directors at their meeting held on 10th June, 2020 has identified the names of directors who have such skills/expertise/competencies available with respective Board member of the Company as per below matrix:

Areas of Core Skills/ Expertise/ Competence	Mr. Ratan Jindal	Mr. Abhyuday Jindal	Mrs. Deepika Jindal	Mr. Girish Sharma	Mr. K.J.S. Thind	Mr. N.C. Mathur	Mrs. Arti Luniya	Mr. Jagmohan Sood
Project management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Supply Chain Management	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Strategic & General Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Credit Management & Forex	Yes	Yes	Yes	No	No	No	No	Yes
Project Finance & Debt Syndication	Yes	Yes	Yes	Yes	No	No	No	Yes
Economics	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Administrative Reforms	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Law	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Corporate Governance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sales & marketing	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Global Business	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Technology	Yes	Yes	Yes	No	No	No	Yes	Yes
Merger & Amalgamation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Human Resource	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

(viii) Independent Directors' meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) to the Act and Regulation 25 of the SEBI LODR, a meeting of the Independent Directors of the Company was held on 9th June, 2020 without the presence of Non-Independent Directors and representatives of the management. The Independent Directors inter alia, reviewed the performance of non independent directors, Chairman and the Board of Directors as a whole, for the financial year 2019-20, taking into account the views of the Executive and Non-Executive Directors. The Independent Directors also evaluated the quality, contents and timelines of flow of information, between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

(ix) Evaluation of Board Effectiveness

In terms of the provisions of the Act read with relevant rules thereof and Regulation 19(4) read with Part D of Schedule II of the SEBI LODR, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have to evaluate the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31st March, 2020.

The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board acknowledges its intention to establish and follow best practices in Board Governance in order to fulfill its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among the Board members, greater efficiency in the use of the Board's time and increased effectiveness of the Board as a governing body.

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

3. Board Committees

The Committees constituted by the Board plays a very important role in the governance structure of the Company. The composition and the terms of reference of these Committees are approved by the Board and are in line with the requirement of the Act and Regulations 18, 19 and 20 of the SEBI LODR. The Board is updated on the discussions held at the Committee meetings and the recommendations made by various Committees. Further, the minutes of the Committee meetings are placed at the Board meetings. Currently there are 7 (seven) committees of the Board viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Share Transfer Committee, Sub-Committee and Risk Management Committee.

Meetings of Board Committees held during the year and Memb attendance:

Particulars	Audit Committee	Nomination & Remuneration Committee	akeholders elationship ommittee	Corporate Social Responsibility Committee	Risk Management Committee	Sub-Committee of Directors
Meetings held	4	4	4	1	0	15
Members' Attendance						
Mr. Ratan Jindal	N.A.	1	N.A.	N.A.	N.A.	N.A.
Mrs. Deepika Jindal	N.A.	N.A.	N.A.	1	N.A.	N.A.
Mr. Abhyuday Jindal	N.A.	N.A.	4	N.A.	0	13
Mr. Jagmohan Sood	4	N.A.	4	0	0	15
Mr. Kanwaljit Singh Thind	3	4	N.A.	1	N.A.	0
Mr. Girish Sharma	4	N.A.	N.A.	N.A.	N.A.	N.A.
Mrs. Arti Luniya	4	N.A.	N.A.	N.A.	0	N.A.
Mr. Nirmal Chandra Mathur	N.A.	4	4	N.A.	N.A.	2

(i) Audit Committee

Composition and Terms of Reference:

The composition and terms of reference of the Audit Committee are onformity with the provisions of Section 177 of the Act read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 20 nd Regulation 18 of the SEBI LODR. The composition of the Audit

	Category	Status
		Chairman
		Member
		Member

(ii) Nomination and Remuneration Committee:

Composition and Terms of Reference:

The Composition and terms of reference of the Nomination and Remuneration Committee (NRC) are in conformity with Section 178 of the Act and Regulation 19 of the SEBI LODR. The composition of the NRC as on 31st March, 2020 is as under:

Name of Director	Category	Status
Mr. Kanwaljit Singh Thind	Independent Director	Chairman
Mr. Ratan Jindal	Non-Independent	Member
Mr. Nirmal Chandra Mathur	Independent Director	Member

Brief terms of reference:

The terms of reference for the Nomination and Remuneration Committee of the Company inter-alia include:

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

Meetings:

During the financial year ended 31st March, 2020, four meetings of the Nomination and Remuneration Committee were held on 24th May, 2019, 8th August, 2019, 14th November, 2019 and 5th March, 2020. Requisite quorum was present during all the meetings. . The Company Secretary acts a Secretary of the Committee.

Performance Evaluation Criteria for Independent Directors:

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

(iii) Stakeholders Relationship Committee:

Composition and Terms of Reference:

The Composition and Terms of Reference of the Stakeholders Relationship Committee are in conformity with Section 178 of the Act and Regulation 20 of the SEBI LODR. The composition of the Stakeholders' Relationship Committee as on 31st March, 2020 is as under:

Name of Director	Category	Status
Mr. Nirmal Chandra Mathur	Independent Director	Chairman
Mr. Abhyuday Jindal	Non-Independent	Member
Mr. Jagmohan Sood	Whole Time Director, Non-Independent	Member

Meetings

During the financial year ended 31st March, 2020, four meetings were held on 24th May, 2019, 8th August, 2019, 14th November, 2019 and 14th February, 2020. Requisite quorum was present during the meetings.

The Stakeholders Relationship Committee oversees, inter-alia, redressal of shareholders and investor's grievances, transfer/transmission of shares, non-receipt of annual report or declared dividend, issue of duplicate shares, recording dematerialisation/ rematerialization of shares and related matters. The Company Secretary acts a Secretary of the Committee.

The details of the investors compliant(s) received and resolved during the financial year 2019-20 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing balance
0	3	3	0

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

(iv) Corporate Social Responsibility Committee:

Composition and Terms of Reference:

The Composition and terms of reference of the Corporate Social Responsibility Committee ("CSR Committee") are in conformity with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee consists of three Directors, out of which one is Independent. The composition of the CSR Committee as on 31st March, 2020 is as under:

Name of Director	Category	Status
Mrs. Deepika Jindal	Non-Independent	Chairperson
Mr. Jagmohan Sood	Whole Time Director, Non-Independent	Member
Mr. Kanwaljit Singh Thind	Independent Director	Member

Meetings

During the financial year ended 31st March, 2020, one meeting of the Committee was held on 24th May, 2019. Requisite quorum was present during the meeting. The Company Secretary acts as a Secretary to the Committee.

(v) Sub-Committee of Directors:

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

Names of Members of the Committee, their category and status as on 31st March, 2020 are given below:

Name of Director	Category	Status
Mr. Abhyuday Jindal	Managing Director, Non-Independent	Chairman
Mr. Jagmohan Sood	Whole Time Director, Non-Independent	Member
Mr. Kanwaljit Singh Thind	Independent Director	Member
Mr. Nirmal Chandra Mathur	Independent Director	Member

Meetings

During the financial year 2019-20, the Sub-Committee of Directors met 15 times on 15th April, 2019, 17th May, 2019, 29th May, 2019, 27th June, 2019, 24th July, 2019, 1st August, 2019, 30th August, 2019, 27th September, 2019, 23rd October, 2019, 29th November, 2019, 7th December, 2019, 3rd January, 2020, 8th February, 2020, 21st February, 2020 and 20th March, 2020. The decisions taken at the Sub Committee meetings are reviewed by the Board at its meetings. Requisite quorum was present during the meetings. The Company Secretary acts as a Secretary to the Committee.

(vi) Share Transfer Committee:

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

Name of Member	Category	Status
Mr. Abhyuday Jindal	Managing Director, Non-Independent	Chairman
Mr. Jagmohan Sood	Whole Time Director, Non-Independent	Member
Mr. Bhartendu Harit	Company Secretary	Member
Representative of Registrar and Transfer Agent	-	Member

Pursuant to a Circular dated 27th March, 2019, SEBI had effective from 1st April, 2019 mandated transfer of shares only in dematerialized form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior 1st April, 2019 and returned due to deficiency in the document. During the financial year ended 31st March, 2020, all the valid requests for transfer / transmission / transposition of shares were processed in time and there were no pending request.

(vii) Risk Management Committee

Composition and Terms of Reference:

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, top 500 listed entities, determined on the basis of market capitalization as at the end of immediate previous financial year are required to constitute a Risk Management Committee.

The Company ranked 536th position among the top 1000 listed entities, based on the market capitalization as on 31st March, 2020. However, in order to ensure the Companies strategies and risk appetite for the governance prospective the Board of Directors at its meeting held on 30th October, 2018 constituted the Risk Management Committee of the Company. The Company Secretary acts as a Secretary to the Committee.

The composition and "Terms of Reference" of the Risk Management Committee are in conformity with the provisions of Regulation 21 of the SEBI LODR, which inter-alia includes cyber security. The composition of the Risk Management Committee as on 31st March, 2020 is as under:

Name of Member	Category	Status
Mr. Abhyuday Jindal	Managing Director, Non-Independent	Chairman
Mr. Jagmohan Sood	Whole Time Director, Non-Independent	Member
Mrs. Arti Luniya	Independent Director	Member
Mr. Bhartendu Harit	Company Secretary	Member
Mr. Ajay Goyal	AVP (Finance & Accounts)	Member

4. REMUNERATION OF DIRECTORS

Remuneration Policy

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

The remuneration of the Executive Directors, KMPs and Senior Management Personnel is based on Company's financial position, industrial trends and remuneration paid by peer companies. Remuneration to Executive Directors is paid by way of salary/commission (including fixed pay and variable pay), perquisites and retirement benefits, based on recommendation of the Nomination and Remuneration Committee and approval of the Board and Shareholders. The Non-executive directors are paid commission / sitting fee for attending the meetings of the Board and Committees thereof.

(i) Details of Remuneration paid to the Directors during the financial year ended 31st March 2020:

(a) Executive Directors:

(Amount ₹ in Lakh)

Name of Director	Designation	Salary	Perquisites	Commission	Others (Contribution to PF, NPS and other annual compensation)	Total	Notice Period
Mr. Abhyuday Jindal	Managing Director	599.60	0.40	54.00	-	654.00	N.A.
Mr. Jagmohan Sood	Whole Time Director	144.26	4.38	-	16.06	164.70	2 months

(b) Non-Executive Directors:

Particulars of commission / sitting fee paid to the Non Executive Directors during financial year ended 31st March, 2020 are as follows:

Name of Director	Commission (₹ in lakhs)	Sitting fee paid Amount (₹ in Lakhs)
Mr. Ratan Jindal	1,068	2.10
Mrs. Deepika Jindal	-	2.00
Mr. Kanwaljit Singh Thind	-	4.20
Mr. Girish Sharma	-	4.90
Mr. Nirmal Chandra Mathur	-	5.10
Mrs. Arti Luniya	-	4.90

There has been no material pecuniary relationship or transactions between the Company and Non Executive Directors during the financial year 2019-20, except as stated above.

(ii) Stock Options granted to Directors:

The Company has not issued any stock options.

5. GENERAL BODY MEETINGS:

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

Year	Date	Day	Time	Special resolution(s) Passed
2016-17	26.09.2017	Tuesday	1:00 P.M.	No special resolution was passed.
2017-18	27.09.2018	Thursday	12:30 P.M.	- Appointment of Mr. Abhyuday Jindal as Managing Director of the Company.
				- Reappointment of Maj. Gen. Kanwaljit Singh Thind, VSM (Retd.) as an Independent Director
				- Approval for payment of commission to Mr. Ratan Jindal, Chairman (Non Executive) of the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
				- Increase in the aggregate limit for investment into the Company by the Foreign Portfolio Investors ("FPIs") upto 100% of the paid-up Equity shares capital of the Company on a fully diluted basis.
2018-19	11.09.2019	Wednesday	12:00 Noon	- Reappointment of Mr. Girish Sharma as an independent director.
				- Reappointment of Mr. Nirmal Chandra Mathur as an independent director.

- Apart from the Annual General Meeting, members of the Company passed a special resolution through postal ballot during financial year ended 31st March, 2020 for alteration in object clause of Memorandum of Association of the Company.

The Board appointed Mr. Kamal Gupta, Advocate, as the Scrutinizer for conducting the voting through Postal Ballot and E- voting in a fair and transparent manner. The Scrutinizer submitted his Report and on the basis of the said Report, the result of the Postal Ballot including votes cast through E-voting through CDSL in respect of the aforesaid resolution was declared on 13th January, 2020.

Summary of the votes cast through Postal Ballot including votes cast through E-voting is as follows:

Sl. No.	Particulars	No. of Votes with Assent	% with Assent	No. of Votes with Dissent	% with Dissent
1	Alteration in Object Clause of Memorandum of Association of the Company.	16,03,54,175	99.9998	334	0.0002

There is no resolution proposed to be passed through postal ballot at the ensuing Annual General Meeting of the Company.

6. MEANS OF COMMUNICATION:

i	Quarterly Results	The quarterly, half yearly and yearly financial results of the Company are submitted with the stock exchanges after they are approved by the Board. These are also published in the Newspapers, in the prescribed format as per the provisions of the SEBI LODR.
ii	Newspapers wherein results normally published	Economic Times, Times of India (English); Navbharat Times (Hindi) for the year 2019-20
iii	Any website, where displayed	www.jshlstainless.com
iv	Whether it also displays official news releases	The Company gives Press Releases to the stock exchanges and displays the same on its website
v	The Presentations made to institutional investors or to the analysts	The Company holds Analysts' / Investors' Meetings from time to time. The presentations made at the said meetings are uploaded on Company's website. The necessary intimation in terms of Regulation 30 of SEBI LODR are also made to the stock exchanges.
vi	NSE Electronic Application Processing System (NEAPS)	The NEAPS is a web based application designed by NSE for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.
vii	BSE Corporate Compliance & Listing Centre (the 'Listing Centre')	BSE's Listing Centre is a web based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.
viii	SEBI Complaint Redressal System (SCORES)	The investor complaints are processed in a centralized web based complaint redressal system. The salient features of this system are: Centralized Data Base of all complaints, online upload of Action Taken Report (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

7. General Shareholders' Information

7.1	Annual General Meeting : - Day, Date and Time - Venue	August 21, 2020 at 1:00 P.M. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.	
7.2	Financial Year :	The Financial year of the Company starts from 1st April and ends on 31st March every year.	
7.3	Financial Calendar 2020-21 (Tentative) :	Annual General Meeting – (Next Year) Financial Reporting Results for quarter ended June 30, 2020 Results for quarter ending Sept. 30, 2020 Results for quarter ending Dec. 31, 2020 Results for year ending Mar. 31, 2021 (Audited)	September, 2021 On or before 14-08-2020 On or before 14-11-2020 On or before 14-02-2021 On or before 30-05-2021
7.4	Book Closure date :	Monday, August 17, 2020 to Tuesday, August 18, 2020 (both days inclusive) for Annual General Meeting.	
7.5	Dividend payment date :	No dividend has been recommended by the Board of Directors for the financial year 2019-20.	

7.6 Unclaimed Share:

In terms of Clause 5A of the erstwhile Listing Agreement, Jindal Stainless Limited (JSL) had through its RTA sent three reminders to its Shareholders, whose Share Certificates were lying unclaimed with JSL, requesting them to provide complete postal address and other relevant details to enable the RTA to dispatch such unclaimed Share Certificates to them. On the basis of non-receipt of response, unclaimed Equity Shares of ₹ 2/- each held by Shareholders of JSL were then transferred to its "Unclaimed Suspense Account" and were dematerialized.

At the time of allotment of shares by the Company on 25th November, 2015, corresponding Unclaimed Shares allotted by the Company were credited in "Unclaimed Suspense Account" of the Company. During the year 2019-20, 1,555 unclaimed Equity Shares of ₹ 2 each held by 9 Shareholders were transferred from the "Unclaimed Suspense Account" to the demat accounts of respective shareholders. Details of Unclaimed shares as required under Regulation 34(3) read with Schedule V of SEBI LODR is given hereunder:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account as on 1st April, 2019	1,461	1,88,925
Number of shareholders who approached the Company / RTA for transfer of shares from suspense account during the year ended 31st March, 2020	9	1,555
Number of shareholders to whom shares were transferred from suspense account during the year ended 31st March, 2020	9	1,555
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31st March, 2020	1,452	1,87,370

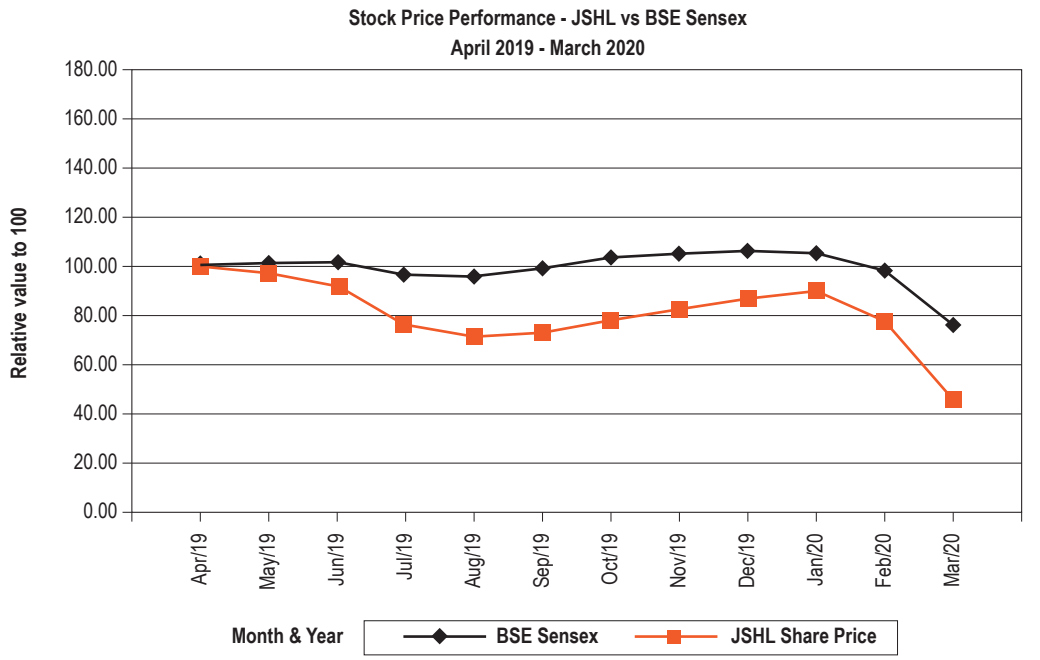
The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

As and when the rightful owner of such shares approaches the Company or RTA, the Company shall to the extent of his/her entitlement, arrange to deliver the shares from the said account to the rightful owner after proper verification of his/her identity.

7.7	**(a) Listing of Equity Shares on Stock Exchanges**	:	National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G – Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
	The Company pays annual listing fees to NSE and BSE.			
	(b) Listing of GDS on Stock Exchange	:	Luxembourg Stock Exchange, P.O. Box 165, L – 2011, Luxembourg	
7.8	**Stock Code (Equity Shares)**	:	Trading Symbol – BSE Limited Trading Symbol – National Stock Exchange of India	539597 (Demat Segment) JSLHISAR (Demat Segment)
	International Securities Identification Number (ISIN) Equity Shares : INE455T01018 GDS : US47760U1043			

7.9	Stock Market Price Data	National Stock Exchange of India Ltd. (NSE)		BSE Limited (BSE)	
	Month	Month's High Price (In ₹)	Month's low Price (In ₹)	Month's High Price (In ₹)	Month's low Price (In ₹)
	April, 2019	101.45	85.70	101.25	85.95
	May, 2019	89.05	73.60	89.15	74.25
	June, 2019	85.90	72.85	85.50	73.05
	July, 2019	82.40	64.50	82.40	63.50
	August, 2019	74.50	59.70	74.80	58.00
	September, 2019	81.20	58.50	81.35	58.45
	October, 2019	68.80	59.15	68.85	59.45
	November, 2019	76.40	66.45	76.15	66.40
	December, 2019	77.40	63.30	77.50	63.25
	January, 2020	91.60	73.65	91.35	73.70
	February, 2020	79.00	65.50	79.00	65.60
	March, 2020	72.45	30.40	72.40	30.40

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



7.11 Registrar and Transfer Agents:

Link Intime India Private Limited
Noble Heights, 1st Floor, Plot NH2, C-1 Block LSC
Near Savitri Market, Janakpuri, New Delhi – 110 058
Phone No. (011) 41410592/93/94 Fax No. (011) 41410591
Email: delhi@linkintime.co.in

7.12 Share Transfer System:

As per SEBI LODR and directions issued by SEBI, effective from 1st April, 2019, the securities of listed companies can only be transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior 1st April, 2019 and returned due to deficiency in the document. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants. Shareholders are advised to dematerialise their shares held by them in physical form. Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories i.e. NSDL and CDSL within the statutory time limit, from the date of receipt of documents complete in all respects along with the share certificates.

7.13 Reconciliation of Share Capital Audit:

The reconciliation of Share Capital Audit is conducted by a Chartered Accountant in practice to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Ltd. ("Depositories") and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories) and that the requests for dematerialization of shares are processed by the R&T Agents within stipulated period of 21 days and uploaded with the concerned depositories.

7.14 Transfer of Unpaid / Unclaimed Amounts to Investor Education and Protection Fund:

Not Applicable

7.15 Distribution of shareholding as at 31st March, 2020:

By size of shareholding	Shareholders		Equity Shares held	
	Number	Percentage	Number	Percentage
1 - 2500	51,775	96.87	1,44,30,568	6.12
2501 - 5000	864	1.62	31,31,179	1.33
5001 - 10000	371	0.69	27,34,094	1.16
10001 - 15000	135	0.25	16,79,814	0.71
15001 - 20000	76	0.14	13,55,791	0.57
20001 - 25000	41	0.08	9,37,355	0.40
25001 - 50000	82	0.15	30,41,867	1.29
50001 & Above	106	0.20	20,86,24,017	88.42
TOTAL	**53,450**	**100.00**	**23,59,34,685**	**100.00**
Physical Mode	**10,295**	**19.26**	**29,53,166**	**1.25**
Electronic Mode	**43,155**	**80.74**	**23,29,81,519**	**98.75**

By Category of shareholders	Equity Shares held	
	Number	Percentage
Promoters	12,18,21,330	51.63
GDS held by promoters underlying shares	1,42,34,984	6.03
GDS held by others underlying shares	8,69,350	0.37
FIs/Banks/Mutual Funds/ Alternative Investment Fund etc.	1,27,58,878	5.41
Corporate Bodies	75,78,347	3.21
FIIs/ Foreign Portfolio Investor (Corporate)	4,86,15,403	20.61
NRIs/OCBs	17,91,035	0.76
Public /others	2,82,65,358	11.98
Total	**23,59,34,685**	**100.00**

7.16	**Dematerialisation of shares**	:	As on 31st March, 2020, 98.75% of the total share capital was in dematerialized form. Trading in equity shares of the Company is permitted only in dematerialized form.
7.17	**Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion dates and likely impact on equity.**	:	Company's paid up capital includes 1,51,04,334 equity shares having face value of ₹2/- each, underlying 75,52,167 GDS. As at 31st March, 2020, the Company does not have any convertible instruments.
7.18	**Commodity price risk or foreign exchange risk and hedging activities**	:	Please refer Management Discussion and Analysis Report and notes to accounts to the financials mentioned in the Annual Report for details.

7.19	**Plant locations**	:	HISAR O.P. Jindal Marg, Hisar – 125 005 (Haryana). KOTHAVALASA Jindal Nagar, Kothavalasa – 535 183 Dist. Vizianagaram (A.P.)
7.20	**Investor Correspondence** **For transfer / dematerialisation of shares, payment of dividend on shares, query on Annual Report and any other query on the shares of the Company.**	:	Name: Mr. V.M. Joshi Designation: Vice President Address : Link Intime India Private Limited Noble Heights, 1st Floor, Plot NH2, C-1 Block LSC Near Savitri Market, Janakpuri, New Delhi – 110 058 Phone No. (011) 41410592/93/94 Fax No. (011) 41410591 Email : delhi@linkintime.co.in
7.21	**Address for correspondence**	:	Jindal Stainless (Hisar) Limited O.P. Jindal Marg, Hisar – 125 005 Telephone: (01662) 222471-83 Email: investorcare.jshl@jindalstainless.com Website: www.jshlstainless.com
	Shareholders holding shares in electronic mode should address all their correspondence relating to change of address, bank mandate and status to their respective Depository Participants (DPs).		
7.22	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.	:	During the year, CARE has reaffirmed credit rating of the Company at CARE A- for long term bank facilities and CARE A2+ for short term bank facilities

8. DISCLOSURES:

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

The Company has not entered into any transaction of material nature with the promoters, the directors or the management, their subsidiaries or relatives etc. that may have any potential conflict with the interests of the Company. Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link:

http://www.jshlstainless.com/pdf/Policy%20on%20dealing%20with%20Related%20Party%20Transactions%20JSHL.pdf

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

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

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

The Company has formulated a Whistle Blower Policy ("WBP") in accordance with the requirements of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI LODR. The WBP provides for establishment of vigil mechanism for directors and employees to report genuine concerns or grievances. It encourages all employees, directors and business partners to report any suspected violations promptly and intends to investigate any bona-fide reports of violations. It also specifies the procedures and reporting authority for reporting unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy or any other unethical or improper activity including financial irregularities, including fraud, or suspected fraud, wastage/ misappropriation of Company's funds/assets etc. The WBP also provides for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee, in exceptional cases. The WBP has also been uploaded on Company's website at the following link: http://www.jshlstainless.com/pdf/Whistle%20Blower%20Policy-JSHL.pdf

(iv) The Company has also formulated the Policy on Disclosure of Material Events or Information and Policy on Preservation and Archival of Documents.

The said Policies have also been uploaded on Company's website at the following links:
http://www.jshlstainless.com/pdf/JSHL%20Material%20Event%20Policy.pdf
http://www.jshlstainless.com/pdf/JSHL%20Preservation%20and%20Archival%20Policy.pdf

(v) Subsidiary Companies

The Audit Committee of the Company reviews the financial statements and the investments made by its unlisted subsidiary companies. Further, the minutes of the meetings of the board of directors of the unlisted subsidiary companies and statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies are periodically placed at the meeting of the Board of directors of the Company. Jindal Stainless Steelway Limited is material non-listed Indian subsidiary of the Company. The Company has formulated a policy for determining material subsidiaries which is uploaded on Company's website at the following link:
http://www.jshlstainless.com/pdf/Policy%20for%20determining%20material%20subsidiaries.pdf

(vi) Dividend Distribution Policy

The Company has formulated a Dividend Distribution Policy in accordance with the requirement of Regulation 43A of SEBI LODR. The said Policy has also been uploaded on Company's website at the following link:
http://www.jshlstainless.com/pdf/Dividend-Distribution-Policy20818.pdf

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

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

(viii) Fees paid to the Statutory Auditors

The shareholders at its 2nd Annual General Meeting (AGM) had appointed M/s. Lodha & Co. and M/s. S.S. Kothari Mehta & Co. as Joint Statutory Auditors of the Company for a term of five years until the conclusion of 7th AGM of the Company. The Company has made payment of ₹ 24.14 Lakh to M/s. Lodha & Co. and ₹ 16.06 Lakh to M/s. S.S. Kothari Mehta & Co. for all the services availed by the Company during F.Y. 2019-20.

During the period under review no services were availed by the subsidiaries of the Company from the statutory auditors of the Company except payment of statutory audit fee of ₹ 95,000 to M/s. S.S. Kothari Mehta & Co., Statutory Auditor of JSL Logistics, subsidiary of the Company. Further no services were availed by the company/subsidiaries from the network firm/entity of the statutory auditors during the period under review.

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

Compliance with mandatory and non-mandatory requirements (as on 31st March, 2020)

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

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

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

2. **Reporting of Internal Auditor**

   PricewaterhouseCoopers Services LLP ("PWC") are the internal auditors of the Company and make presentations on their reports to the Audit Committee.

(x) No funds were raised by the Company through preferential allotment or by way of qualified institution placement during financial year 2019-20.

9. OTHER INFORMATION

(a) Risk Management Framework

The Company has in place mechanism to inform Board members about the risk assessment and minimization procedures and periodical reviews to ensure that risk is controlled by the executive management through the means of a properly defined framework.

(b) CEO and CFO Certification

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

(c) Code of Conduct

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

To the Shareholders of Jindal Stainless (Hisar) Limited

Sub.: Compliance with Code of Conduct

I hereby declare that for the financial year ended 31st March, 2020 all the Board members and senior management personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

(Abhyuday Jindal)
Managing Director

Dated: June 10, 2020

REPORT ON CORPORATE GOVERNANCE

General Disclosures

(i) A summary of transactions with related parties in the ordinary course of business is periodically placed before the audit committee;

(ii) The mandatory disclosure of transactions with related parties in compliance with Indian Accounting Standard (Ind AS) is a part of this annual report;

(iii) While preparing the annual accounts in respect of the financial year ended 31st March, 2020, no accounting treatment was different from that prescribed in the Indian Accounting Standards (Ind AS);

(iv) The Company has a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and a Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

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

To the Members,

Jindal Stainless (Hisar) Limited

We have examined the compliance of the conditions of Corporate Governance by Jindal Stainless (Hisar) Limited ("the Company") (CIN No. L27205HR2013PLC049963) for the year ended on March 31, 2020 as stipulated in the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for the period from April 1, 2019 up to March 31, 2020.

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

On the basis of our findings from the examination of the records produced and explanations and information furnished to us and the representation made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the financial year ended March 31, 2020.

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

Place: Hisar
Dated: 09-06-2020

M/s. Rajesh Garg & Co.
Company Secretaries,
CS Rajesh Garg
Prop.
M. No. 5960
C.P. No. 4093
UDIN:F005960B000326962

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

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

To the Members of Jindal Stainless (Hisar) Limited

On the basis of our review and according to the records of Jindal Stainless (Hisar) Limited ("the Company") (CIN No. L27205HR2013PLC049963), we certify that none of the Directors on the Board of Directors of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Place: Hisar
Dated: 09-06-2020

M/s. Rajesh Garg & Co.
Company Secretaries,
CS Rajesh Garg
Prop.
M. No. 5960
C.P. No. 4093
UDIN:F005960B000326973

MANAGEMENT DISCUSSION AND ANALYSIS

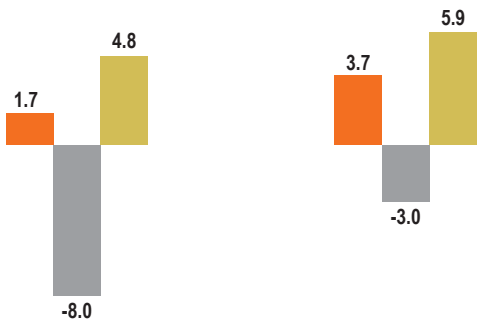
Economic overview & outlook

Global economy

The global economy grew at an estimated 2.9% in 2019, following a slowdown across most advanced and developing nations. Trade policy uncertainty, geopolitical tensions, and stress in key emerging market economies continued to weigh on global economic activity especially manufacturing and trade in the second half of 2019.

Global growth is projected at –4.9% in 2020 owing to the unprecedented Covid-19 pandemic. The pandemic has had a significant impact on all global economies in the first half of 2020, and the recovery is projected to be gradual. In 2021 global growth is projected at 5.4%.

Global GDP Growth, %



Indian economy

During FY20, the Indian economy witnessed series of challenges given the decline in overall innENTdenns, privmats
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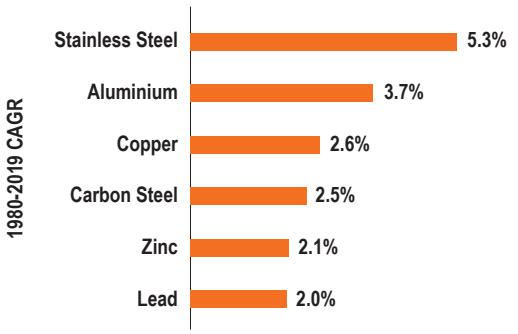
MANAGEMENT DISCUSSION AND ANALYSIS

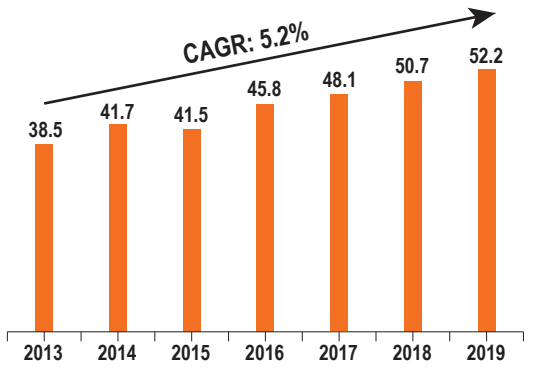
Global Stainless Steel Scenario

The global stainless steel consumption has been on an upward trajectory in the past few years, primarily driven by a strong spurt in demand from the Asia-Pacific region, specifically China and India. According to International Stainless Steel Forum (ISSF), the total Stainless steel melt shop production increased from 38.5 MT million tonnes in CY2013 to 52.2 MT in CY2019, registering a healthy CAGR of 5.2% over the period. In the past two decades, stainless steel consumption has seen the strongest CAGR as against other major metals such as zinc, aluminium and carbon steel.

Stainless Steel emerges as fastest growing metal



Healthy growth in global stainless steel production (mn. tonnes)



Domestic Stainless Steel Scenario

In India, the consumption of stainless steel has undergone a major transformation. Strong demand from end-user segments has led to higher consumption of stainless steel. In the late '90s, Stainless steel was primarily used for kitchenware with some exception for industrial goods. Over the years, there has been increased usage in various industries including automobile, railways, process and nuclear industries, and building and construction.

According to International Stainless Steel Forum (ISSF), India registered a total stainless-steel melt shop production of 3.92 MT in CY2019, witnessing an increase of 5% year-on-year. Total stainless steel flat products consumption grew by 7% in CY2019 in India. Due to the growing pace of stainless-steel adoption across different sectors, India was able to maintain its position as the second largest producer of stainless steel in the world in CY2019. Industry experts believe that India has a very promising stainless steel market; and given the multiple trends from Railways, Auto, Industrial, and Infrastructure usage, the consumption of Stainless steel in the country is expected to rise further.

MANAGEMENT DISCUSSION AND ANALYSIS

Company Overview

Jindal Stainless (Hisar) Limited (JSHL) is one of India's largest stainless steel specialty manufacturer with a diverse portfolio of value added products. Over the years, the Company has gradually grown to become a brand known for exporting quality products to other countries at a premium.

The Company has market leadership in specialty stainless steel products, with variety of its products used in various applications ranging from kitchenware & lifestyle to industrial & process engineering sectors. The dedicated R&D division of the Company has enabled JSHL to foray into the development of innovative high-value specialty products. Today, JSHL is the largest producer of stainless steel strips for razor blades worldwide and is the largest coin blanks producer in India. JSHL is also India's first Company to commercially manufacture high nitrogen steel (HNS) for the defence sector requirements.

The Company operates a stainless steel plant at Hisar, Haryana. The complex has a total stainless steel capacity of 0.8 million tonnes per annum. JSHL creates exclusive stainless steel Lifestyle products with a wide distribution channel and a strong retail presence.

Facilities (Hisar Plant)	Unit	Capacity
SMS Melting	MT	800,000
Hot Rolling – Steckel	MT	720,000
HR – Tandem Strip Mill	MT	300,000
HRAP & Plates Finishing	MT	175,000
Cold Rolling	MT	375,000
Specialty Products Division	MT	30,000
Coin Blanking	MT	10,000

Facilities (Vizag Plant)	Unit	Capacity
Ferro Alloys	MT	40,000

Specialty Value-Added offerings

Leadership in Specialty Products

Over the years, JSHL has built significant expertise in providing stainless steel for various applications like Precision Strips, Blades, Coin blanks, etc. Apart from being world's largest producer of stainless-steel strips for razor blades, the Company is also India's largest producer of coin blanks. As of today, the Company is supplying to major mints of various countries including Finland, Netherlands and Brazil. In India, the Company is currently catering to the requirements of ₹ 5, ₹ 10 and ₹ 20 coins. Going forward, the Company aspires to further expand its presence in the Coin Blanking segment. JSHL is also the first Company in India to commercially manufacture high nitrogen steel (HNS) for application in the defence sector.

JSHL is also present in the B2C segment through its subsidiary, JSL Lifestyle Limited with well-known brands like 'Arttdinox', and 'ARC'. These brands help the Company to cater to the last mile service requests by consumers. JSL Lifestyle Ltd. works as a catalyst amongst designers, architects, fabricators and other professionals to provide a range of technical support services and produces a wide range of stainless steel products available worldwide. JSHL's other subsidiary; Jindal Stainless Steelway Limited offers customized just-in-time services like slitting, cut–to–length, polishing, etc.

JSHL which holds a significant portion of the Specialty products market in India, aspires to further increase its specialty and value-added products revenue share, going ahead. The Company which has remained at the forefront of new-age application development continues to undertake initiatives to further widen its specialty products portfolio.

Strong emphasis on R&D

Over the years, JSHL has demonstrated a keenness to integrate technological innovations into its operations. From investing into cutting-edge equipment and adopting new procedures, JSHL has been the frontrunner in raising the benchmark across the domestic stainless steel landscape. The dedicated R&D division of JSHL helps it to continuously innovate and develop high-value specialty products. The team closely interacts with reputed national and international laboratories/scientific institutions/Universities to avail expert services & knowledge for critical investigations. The strong R&D expertise of the Company has also enabled it to consistently create value addition in its existing products and processes. It has also enabled the Company to build a strong presence in the manufacturing category of specialty steel for Defence segment. JSHL remains confident that its technological competencies will help it to consolidate its strong leadership position in the stainless steel industry.

Strengthened foray into Defense and Aerospace

The Company's manufacturing process has been optimized for industry scale production to cater to stringent and niche requirements of Indian Defence and Paramilitary forces. Today, JSHL has a strong presence in the manufacturing category of specialty steel for Defence segment.

The Company has been continuously strengthening its foray into Defence and Aerospace segment and working to develop and supply special alloys for various strategic applications viz. Submarine Rocket Launchers, Armored Vehicles, Mine Trawls etc. Going ahead, JSHL intends to undertake necessary initiatives to further increase its offerings into the Defence and Aerospace space.

Opportunities

Healthy demand outlook

Over the past few years, increasing awareness on the various benefits of stainless steel has been leading to a substantial increase of its usage in various applications in railways, automobile, process industries, building and construction. Additionally, the various initiatives undertaken by the Indian Government have been giving significant impetus to the domestic stainless steel industry.

Indian Railways has been one of the early adopters of stainless steel and is expected to remain one of the biggest consumers of stainless steel over the next decade. Strong push from the Government on safety and enhanced Life Cycle costing along with increasing passenger trains has been leading to a strong shift towards stainless steel wagons and coaches, instead of the traditionally used carbon steel. Metro rail projects, which extensively use stainless steel for the construction of its light weight coaches and interiors, are coming-up in multiple cities across India. Railways are also taking initiatives to modernize the railway infrastructure, particularly with use of stainless steel in foot-over, rail-over bridges and station infrastructure. These initiatives are only expected to further increase the country's demand for stainless steel. Additionally, an increasing usage of stainless steel in various sectors including automobiles for BSVI exhaust compliance, process industry, white goods construction and infrastructure are expected to further enhance the country's demand for stainless steel going forward. Considering the renewed emphasis on healthcare infrastructure in the country, stainless steel emerges as a natural choice in material selection, owing to its inherently hygienic properties. Hospital beds, isolation chambers, modular toilets and several other applications of stainless steel are expected to get impetus in the coming years.

Diversified range of product applications

In the past couple of decades, the Indian stainless steel consumption has seen a paradigm shift from its use only in household/durables to use in new value-added categories of ABC, ART and process industries. JSHL enjoys a dominant position in the market in the value-added segment. Specialty Product Division of the Company has a diversified product portfolio of precision strips,razor blade and coin blanks. JSHL is the world's largest producer of stainless steel strips for razor blade and is India's largest producer of coin blanks, also serving the need of international mints.

Over the years, JSHL has widened its product offerings to have a diversified product portfolio and insulated itself from any slowdown in a particular product or category to de-risk itself.

Today, JSHL has a broad product portfolio with a wide range of stainless steel products across all product applications. It has cutting-edge technology that enables it to produce various grades of stainless steel with different specifications relating to width, thickness, finish and weight, based on customer's precise specifications. JSHL has a superior product-portfolio which enables itself to leverage its presence across verticals to deliver above industry average growth rates.

Extensive Reach and Scale

JSHL, being a dominant pan-India player in the domestic market, has a wide network with multiple touch points that enable its customers to avail the best of its services. The Company has a well-equipped manufacturing facility at Hisar, Haryana and at Visakhapatnam, Andhra Pradesh. Alongside these, the Company has 10 sales offices spread across the country.

Globally, the Company has extensive reach with 14 International sales/representative offices spread across US, EU, United Arab Emirates, Russia, and Vietnam. JSHL's distribution network of sales offices and service centres drives efficient functioning of its inventory, providing better services to domestic and International customers and in obtaining necessary customer feedback to provide more personalized products.

Trusted and Preferred Customer-centric Brand Portfolio

The "Jindal Stainless" brand has emerged as a trusted and preferred brand in the stainless steel sector in India and in International regions. The Company has been able to garner several tangible and intangible benefits due to its overall positive brand image.

Through its customer centric brand portfolio, JSHL has been able to set new benchmarks in the Indian Stainless Steel Industry. The two well-known brands 'Arttd'inox' and 'ARC' are helping to enhance the overall customer engagement and presence of the Company across product categories. Today, these brands are providing a sustainable competitive advantage by offering wide range of specialty products.

Strong Marketing and Branding initiatives

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

- During financial year 2019-20, the Corporate marketing team executed a co-branding scheme with more than 60 customers in the stainless steel pipe and tube segment. The initiative entails the right to use the 'Jindal Stainless' logo along with the pipe and tube manufacturer logo in order to staunch the counterfeit market and increase the Company and its customer share of wallet. The Company is confident that this initiative will help it to limit the counterfeit market, expand its presence, counter forgery and bring genuine stainless steel products to the consumers.

- As a new business development initiative towards sustainable transportation, the Company is in discussion with manufacturers to facilitate roll out of Stainless steel electric rickshaws. According to the transport sector estimates nearly 6 lakhs e-rickshaws are sold in India annually and this sale is expected to grow to the tune of 16% CAGR in the next 5 years. The Company is keen to tap this huge opportunity and is working with manufacturers to design and produce stainless steel models.
- During the year gone by, JSHL continued with its initiative of increasing the on-ground advocacy of Stainless steel. The Company has created four special Stainless steel showcase vans which have been travelling the length and breadth of the country, highlighting the benefits of stainless steel. Christened as the Stainless Academy, these vans have helped train fabricators. Each van displays a few of the varied applications of stainless steel in a particular sector. This also enables the showcase of stainless steel applications during conferences, industrial displays, road shows and event.
- The Company has trained over 9,000 fabricators across 61 cities in collaboration with the 'Skill India' campaign to up-skill this industry's technical manpower. The Company is also working very closely with National Skill Development Council on this part.
- Additionally, the Company also commenced courses in IIT- Kharagpur in 2019-20 and other premier institutes to train engineers and architects in varied applications of Stainless steel.
- The Company also actively participated in various exhibitions and seminars to pro-actively engage prospective customers and industry veterans.

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

Government Initiatives are supporting demand growth for Stainless steel

The demand of stainless steel is witnessing an increase with the support of Government initiatives like 'Make in India', domestically manufactured iron and steel products policy (DMISP) and is likely to be benefitted from soon to be announced scrap policy. National infrastructure plan of ₹ 102 lakh crore is expected to further aid stainless steel demand across sectors. The Government has also undertaken a number of initiatives to protect the domestic industry from the unwarranted increase in imports and thereby improving performance. The recent decision to opt out of the Regional Comprehensive Economic Partnership (RCEP) agreement is a step taken in the right direction to help maintain a level playing field for the Indian industry. Trade remedial measures are also being considered by the government in view of surge in imports and this is expected to curb unfair trade practices.

In order to monitor imports, the Government has also instituted the Steel Import Monitoring System (SIMS), which is applicable to all steel products. SIMS is a noteworthy step, as the Government will suo moto monitor and act with policy interventions in case any significant patterns in the import quantum of steel products are observed. Lastly, the decision taken by the Indian Government to reduce the corporate tax is expected to go a long way in giving the necessary boost to the domestic stainless steel industry.

Threats

JSHL is committed to recognizing and managing the risks it is exposed to, and has put in place mechanisms to handle the same. The Company's management systems, organizational structures, processes, standards, and code of conduct together form its internal control systems, which govern how it conducts its business and manage all associated risks.

The business of the Company is susceptible to certain risks and uncertainties arising out of the following macroeconomic factors:

Political, legal and regulatory risks

There exists a possibility of a change in the overall duty structure on key raw-materials/finished goods by the Government. Further, the Company has been exporting its products to many countries across the globe which has varying degrees of political and commercial stability. Any instability in such countries could impact the Company and pose challenge to its overall performance.

Disruption Risks

The Company operates in a global environment and can be affected by the general unprecedented crises like the recent outbreak of Covid-19 pandemic. This crisis has severely impacted economic activity across the globe. The manufacturing industry globally has been under stress as the supply chain was disrupted with restrictions on movement of goods and growing market uncertainty. Unprecedented situations like lockdown may also impact business. The pandemic also resulted in sharp volatility in raw material prices and disrupted the domestic and international demand Stainless steel.

Rising Stainless steel imports from FTA countries

Change in the demand-supply scenario can cause disruptions in the global market which could have an adverse effect on the Company's overall performance. Higher production in ASEAN countries including China could pose a threat to the outlook of the domestic industry. The Indian Stainless steel manufacturers are exposed to a threat of increased dumping of irrationally priced imports. This scenario of rising imports under FTAs into the country could force the Indian manufacturers including JSHL to under-utilize its capacities.

Despite having anti-dumping duties in place on certain products from China other countries, goods are getting circumvented through other FTA countries. This scenario could lead to a steep increase in channel inventories which would severely impact the overall pricing in the Indian market and have an adverse impact on the Company's performance.

Volatility in key raw-materials

The Company is exposed to price changes to some of its key raw-materials. This aspect could lead to a scenario of demand deterioration when prices fluctuate. The volatility in these materials could lead to an increase in inventories leading to some impact on the Company's performance.

Financial Risks

The Company's debt servicing capabilities could get affected due to any volatility in financial markets. The Company could face incremental challenges in a changing interest rate scenario. Further, the Company is also exposed to currency risks arising due to a considerable amount of import and export of goods it undertakes.

Risk Mitigation

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

JSHL continues to undertake continuous modernization programs to maintain efficient operations of its products and engineering activities. The Company ensures that a majority of the products are contracted with pass through clauses thereby minimising adverse impact from raw material fluctuation.

Healthy cash flow generation by the Company has gone a long way in reducing the overall debt. JSHL aspires to further deleverage and maintain a healthier balance sheet. Additionally, the management actively benchmarks relevant operational parameters and ensures adequate level of liquidity is maintained for smooth operations.

Lastly, the Company is working closely with the Indian Government and other regulatory authorities on the issue of unabated dumping which has been happening into the country. JSHL is confident that the Indian Government will proactively review all the existing FTAs provision to strengthen and ensure the level-playing field for the domestic industry.

Performance Highlights – FY2020 vs. FY2019

	Standalone			Consolidated		
Particulars (₹ in crore)	**FY 2020**	**FY 2019**	**YoY (%)**	**FY 2020**	**FY 2019**	**YoY (%)**
Net Revenue from operations	8,339.69	8,956.40	(7)%	9,379.00	10,288.86	(9)%
Total Expenditure	7,477.92	8,056.79	(7)%	8,443.83	9,250.12	(9)%
EBITDA	861.77	899.61	(4)%	935.17	1,038.74	(10)%
Other Income	97.88	95.67	2%	132.86	102.11	30%
Finance Cost	303.64	347.56	(13)%	322.77	367.12	(12)%
Depreciation	273.16	275.78	(1)%	294.58	289.29	2%
PBT	401.56	403.75	(1)%	496.69	569.81	(13)%
Tax	81.23	142.10	(43)%	95.91	173.61	(45)%
PAT	320.33	261.65	22%	400.78	396.20	1%
EPS (Diluted) in INR	13.58	11.09	22%	16.65	16.16	3%

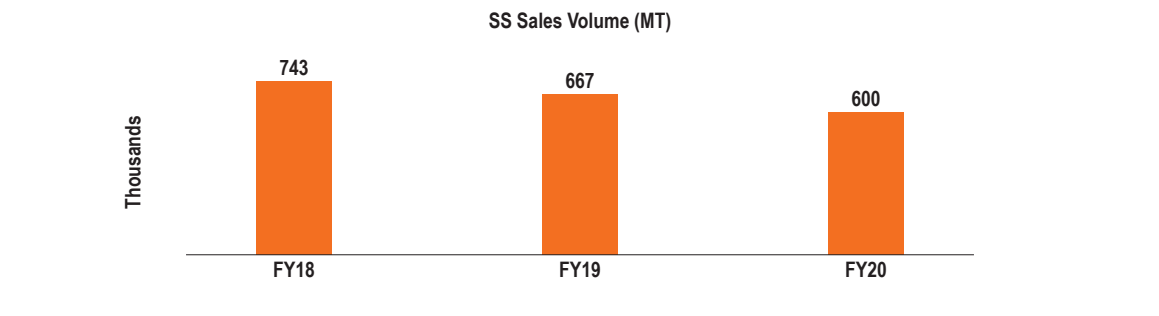
The standalone net revenue from operations stood at ₹ 8,339.69 crore as compared to ₹ 8,956.40 crore during previous year 2018-19. The sales volumes stood at 600,177 metric tonnes, registering a year-on-year decline of 10% on account of global slowdown and trade wars. The demand from auto and utensils segment was also subdued during the period. However, the Company reported 13% year-on-year growth in its Specialty Products division during the year.

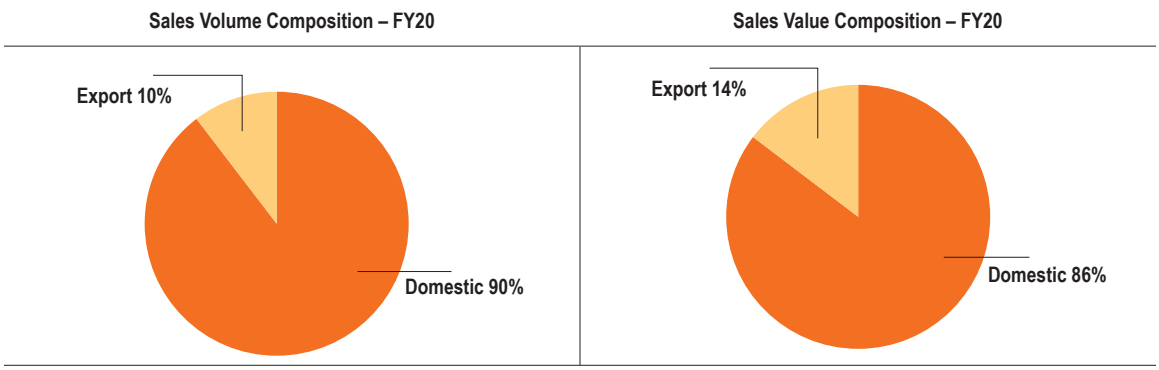
Standalone EBITDA stood at ₹ 861.77 crore as compared to ₹ 899.61 crore during previous year. During FY20, interest costs declined by 13% to ₹ 303.64 crore. The tax reversal of ₹ 22 crore arising from adoption of the new tax regime had a positive impact on JSHL's PAT performance which grew by 22% during the year to ₹ 320 crore. EPS for the year was ₹ 13.58 against ₹ 11.09 for the previous year.

Key Financial Ratios

Key Financial Ratios - Standalone	FY20	FY19	FY18
EBITDA margin (%)	10.3%	10.0%	12.3%
PAT Margin (%)	3.8%	2.9%	4.3%
Net Debt to Equity	1.1	1.4	2.2
Net Debt to EBITDA	2.3	2.4	2.4
Return on Equity (%)	19.1%	18.9%	37.4%
Return on Capital employed (%)	15.6%	16.8%	24.4%
Debtors Turnover	11.5	11.0	9.5
Inventory Turnover	5.7	5.9	5.5
Interest Coverage Ratio	3.2	2.9	3.2
Current Ratio	1.1	1.0	1.0

Notes:
* Net Debt to Equity is calculated as Total Debt less Cash and Bank Balance / Equity
* Net Debt to EBITDA is calculated as Total Debt less Cash and Bank Balance / EBITDA
* ROE (%) is calculated as PAT / Avg. Networth
* ROCE(%) is calculated as Earning before Interest & Tax/Avg. Capital employed
* Inventory Turnover is calculated as COGS including employee cost, manufacturing & Admin Expenses and depreciation /Avg. Inventories
* Debtors Turnover is calculated as Sales /Avg. Account Receivable
* Interest Coverage Ratio is calculated as Earning before Depreciation, Interest, Tax & Exceptional Items / Finance cost
* Current Ratio is calculated as Current Asset /Current Liabilities





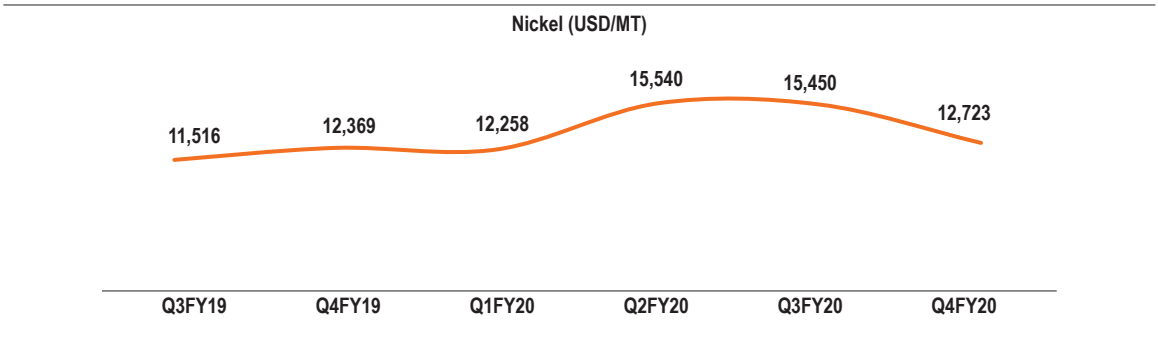
The Company's consolidated revenue from operations stood at ₹ 9,379.00 crore as compared to ₹ 10,288.86. Consolidated EBITDA stood at ₹ 935.17 crore in FY 2020 as compared to ₹ 1,038.74 crore in FY 2019. PAT for the year was reported at ₹ 400.78 crore as compared to ₹ 396.20 crore during previous year. EPS for the year was ₹ 16.65 against ₹ 16.16 for the previous year.

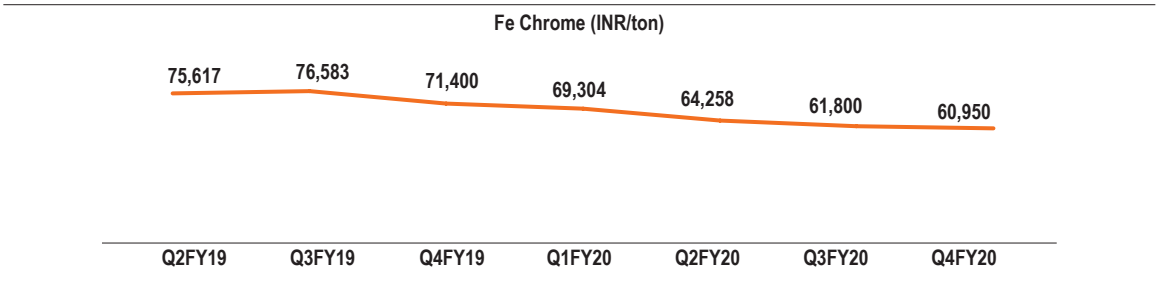
Description – Borrowings (₹ crore)	As on March 2020	As on March 2019	As on March 2018
Long term debt	**1,929**	**2,109**	**2,356**
Short term borrowing (less than 12 months)	90	72	442
Total Debt	**2,019**	**2,181**	**2,799**
Cash & Investments	19	19	7
Net Debt	**2,000**	**2,162**	**2,792**
Long term debt			
Long Term Debt Breakup:			
-INR Debt	1,929	2,109	2,356
-Foreign Currency Debt	-	-	-

Borrowings (Subsidiaries) (₹ crore)	As on March 2020	As on March 2019	As on March 2018
Long term debt	33	52	51
Short term borrowing (less than 12 months)	129	134	75
Total	**162**	**185**	**126**

The Company's total debt stood at ₹ 2,019 crore as of 31st March 2020. This is lower by ₹ 780 crore over the past two years. On the back of healthy cash flows, the Company has been able to strengthen its balance sheet as its Net Debt/Equity ratio has improved from 2.2x in FY18 to 1.1x in FY20.

Key Raw Materials – Price Trends





Awards and Accolades - FY20

- International Safety Award 2020 Merit' from British Safety Council.
- Winner of Golden Peacock Environment Management Award, 2019.
- 8 PAR Excellence & 07 Excellence Award in NCQC at Varanasi.
- 24 Gold 06 Silver medals in CCQC.
- 'Energy efficient Unit' Award in 20th National Awards for "Excellence in
- Energy management" by CII.
- 'Innovation in Energy Efficiency' Award in Large Scale Industries in
- "National Energy Efficiency Circle" awards by CII.

INTEGRATED MANAGEMENT SYSTEMS

Quality & Quality Management Systems

Quality Management System (ISO 9001:2015)

In this highly competitive business environment , where the customer settles for nothing less than excellence, Jindal Stainless (Hisar) Limited is driven to deliver quality - from the way they operate, to the customer service standards they establish and the products they deliver. To achieve this, JSHL has adopted the Internationally recognized quality management system (ISO 9001) that not only ensures that the customer's requirements are fulfilled across each stage of processing but also aids the organizations to compete globally both in product and process quality. As a part of its approach towards manufacturing excellence under the ISO 9001 regime, JSHL has also upgraded its QMS to comply with the requirements of ISO 9001:2015The results range from improved consistency in operations to improved customer satisfaction to international recognition.

Environmental Management System (ISO 14001:2015)

JSHL's commitment towards a sustainable and green environment has been demonstrated by ISO 14001 certification. Through ISO 14001:2015 implementation, JSHL demonstrates its intent of being a better corporate citizen, have reduced wastes, have proper utilization of resources and have improved upon their carbon footprint as well.

Occupation Health and Safety Management System (OHSAS 18001)

JSHL, by being an OHSAS 18001 certified organization, demonstrates its commitment to instigate proper and effective management of health & safety in the workplace, thus minimizing the risks to its workforce and visitors or external contractors on their premises. Cost savings and a reduction in accidents are just two of the many benefits accrued.

PED, AD 2000 W0, CPR, Norsok & Nabl

Besides being an Integrated Management System (ISO 9001, ISO 14001 & OHSAS 18001) organization, the products of Jindal Stainless (Hisar) Limited are also certified for Pressure Equipment Directive (PED-2014/68/EU), AD 2000 W0, Construction Product Regulation (0045-CPD-0896, also known as CE marking and the most recently acquired Norsok M-650 certification for Duplex Stainless Steel. These certifications demonstrate the capability of our product to meet the stringent requirements of the European Union for Pressurized Vessel applications like boilers, pressure vessels, valves etc. and for being used in Architecture, Building and Construction (ABC) Sector and oil & gas sector. Recently, the product portfolio for the PED and AD certifications has been upgraded to include Long Products as well.

Another feather in JSHL's crown is the NABL accreditation for the Chemical and Mechanical labs. NABL accreditation demonstrates JSHL's technical competence in the field of chemical testing, raises customer confidence in the test results issued by the laboratory with universal acceptability in the open market which provides greater access for their products, in both domestic and international markets

Environment

Safety and Fire

We are committed to promoting and protecting the Health, safety and well-being of our people. Our vision is to create a healthy and safest workplace and Zero harm culture. Health, safety and Environment is a key performance indicator and one of the prime drivers of the Company's corporate vision. Relevant stakeholders participates in management of change process. Mental health and wellbeing of employees are monitored periodically.

In an Endeavour to achieve Vision "zero incident" in Health, Environment & Safety several new initiatives were implemented for enhancement of skill and awareness at all level among employees

Monthly Safety Campaigns have been arranged on various topic based on Risk assessment and category of Incident happened earlier. Our training programs and safety initiatives are based on root cause analysis of Incidents as well as anticipated risk associated in job. We have strengthened selection criteria of contractors and their safety performance is kept on top over other criteria of selection. Method of statement is made mandatory for all contractors and critical Jobs to meet our safety standard.

Due to on line safety portal for Near miss and Nodal officer compliances have become more effective resultant in increase in capturing of Near miss & other safety observations. We have assessed all Critical risks, disaster conditions and in line with it we have strengthen our Emergency management system. We are periodically conducting mock drills taking consideration into all potential risk of disaster.

We have focused our safety program on: Inspection and audits, using internal and external benchmarking to drive health and safety improvements; Behavior safety, raising awareness of safety issues and reinforce it consistently with employees via regular communication through EHS leader meeting, safety briefings, Nodal officers, Safety committees etc.

Our powerful approach encompassing leadership, organization and operational components that guide organizations on a journey to zero injuries and incidents are : Strong and visible management commitment, Line management accountability and responsibility, Supportive SHE personnel, High standards of procedures and performance, Continuous training and development, Effective two-way communication, Progressive motivation and awareness, Behavior and observations and audits and thorough investigations and reports and implementations of CAPA.

JSHL reaches world class interdependence state of safety, there is uniform commitment to safety "Safety is a core Value" The Company today has a single safety philosophy: All incidents are preventable and the Goal is Zero. We have achieved significant reduction in overall accidents by 40%, reduction in Fire incident by 20% and significant Improvement in all leading indicators of safety performance.

Environment

In the pursuit of Excellency in sustainable environment, Jindal Stainless (Hisar) Limited (JSHL), Hisar has taken various measures towards environment protection by way of efficient use of all key resources through its effective management, technological advancement and sound environmentally workforce for up-gradation of Integrated Management System (IMS) that includes ISO 9001: 2015 for Quality Management System (QMS), ISO 14001:2015 for Environment Management System (EMS) and OHSAS 18001:2007 for Occupational Health & Safety Management System in line with the requirement.

Environment Surveillance monitoring of Air quality (ambient air and stack), Water quality, and Noise at various locations is being regularly carried out. 8 nos. of PTZ Camera has been installed at various locations inside plant for round the clock supervision of Process emission and 2 nos IP Based PTZ camera has been installed at ETP plants. Various environmental measures has been taken for control of Air Pollution. The fume extraction system is updated for steel melting shops.

As a part of compliance towards Pollution Prevention and sound environmental performance, JSHL has made substantial efforts in last few years. Consent to Establish and consent to operate has been obtained for Induction Furnace Project as well as for CRD expansion project. The Consent to Establish for SPD Expansion Project has been obtained.

To be harmony with nature and green environment, JSHL has undertaken mass plantation programs in and around the Plant. As on 31st March, 2020 JSHL has undertaken tree plantation of more than 1.2 Lakh nos. inside and outside plant.

JSHL is committed towards sustainable clean and green environment with compliance to all statutory obligations.

Human Resource

At Jindal Stainless (Hisar) Limited, the bedrock of our success is the relentless effort put in by our workforce. In turn, we continue to nurture an environment where our employees can continuously work on innovation in processes and products, and skill enhancement for themselves. During the year, the Human Resources (HR) team focused on Competence, Competitiveness, Commitment and Care. Our efforts were reinforced through best-in-class technology and digitisation by adopting Success Factors for all people processes.

As on March 31,2020, the Company comprised total employee strength of 5,694 (including contractual staff). Competence is critical for fostering our business, especially during these challenging times. We have been continuously reinforcing our talent pool from the premier institutions of the country, like IITs, NITs and Government Engineering colleges. To ensure smooth and seamless on-boarding of fresh talent, we introduced ARISE, a 9-months induction program to "Shape Stainless Engineers" of the future. During the year, over 16,000 human-days of training were imparted to all employees, including off-roll employees. We completed the 12 month journey of Masterful Management, a flagship leadership development program for middle managers that focused on leadership capabilities for the changing business landscape. With the world changing dynamically and adapting digital platforms for almost everything, in this year, we explored different platforms for e-Learning, like Datacamp, Udemy, VSkills, Alison, Lynda. Encouraging experiential learning, we also encouraged the presence of our employees in various seminars, conferences and paper presentation seminars, across leading institutes and organisations like IITs, IIMs, CII and UNDP.

The key to business success has been competiveness, which can be achieved by bringing out the best in every employee. In order to align individual's and company's objectives, your company introduced Continuous Performance Management System (CPMs), wherein all managerial employees are encouraged to align their goals with business priorities on a quarterly basis. The system also encourages regular feedback and review, ensuring the highest level of performance. Your company has augmented its Reward & Recognition policy to reinforce a culture of appreciation and last year, over 1500 employees were recognized for special contributions.

Building employee commitment is an intensive and critical process for business sustenance. We believe in connecting with our employees and family members through our multiple communication platforms, like Sampark and Coffee with MD for a direct connect with MD, town hall meetings with the leadership team, and celebration of festivals with family members. Jindal Premier Cricket League, Pro-Kabaddi league and Zonal Level Sports meets were enjoyed by one and all. Further, our engagement with employees continued to strengthen through the Climate Survey, which was launched to solicit their opinions, perceptions and feelings regarding the organisation's environment. An online module on POSH was launched across all management levels to reiterate our commitment towards being a 'zero tolerance organization' against sexual harassment of women at workplace.

Employee care is one of the core values for your company. We address the basic needs of employees in terms of medical care, housing and education. We have ensured quality education to all employees' wards by subsidising school fees. All employees and family members are covered under the medical care scheme. Your company also provides well maintained accommodation to its employees. The HR team continues to be dedicated towards building competent, committed and agile workforce for this world-class organisation.

Way Forward

Several internal and external factors augur well for the Company's future. Today, JSHL enjoys a deep repository of experience of several years, a comprehensive pan-India and global distribution network, a large team of experienced and professionally-run human resource and a well-diversified product portfolio of stainless steel products.

JSHL has undertaken significant steps to shift its production mix towards value-added segments which has been significantly assisting the Company to drive its performance. The philosophy of strongly focussing on value-added segments and expanding the overall customer base in new geographies is expected to provide the necessary resilience to successfully overcome challenges through different parts of the business cycle. On a longer-term basis, the Company remains confident that its strategic initiatives will provide levers for high quality and sustainable growth and profitability.

FORWARD-LOOKING STATEMENT

This Annual Report includes forward-looking statements regarding guidance, industry prospects, or future results of operations or financial position. We use words such as anticipates, believes, expects, future, intends, and similar expressions to identify forward looking statements. Forward looking statements reflect management's current expectations and are inherently uncertain. Actual results could differ materially for a variety of reasons, including, among others, fluctuations in foreign exchange rates, changes in global economic conditions and customer spending, world events and the rate of growth among others. The Company assumes no responsibility to amend, modify or revise any such statements. The Company disclaims any obligation to update these forward-looking statements except as may be required by law.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JINDAL STAINLESS (HISAR) LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of JINDAL STAINLESS (HISAR) LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the standalone 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 the date audited by the branch auditors of the Company's branch located at Kothavalasa in Vizianagaram district, Andhra Pradesh. (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit (including Other comprehensive income), changes in equity and its cash flows 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone 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 Matter
Contingent liabilities The 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.	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; We read the summary of litigation matters provided by management and held discussions with Company's legal department/advisors and read determinations and judgment's 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; For litigation provisions/ contingencies, we tested the calculation, assessed the estimates against historical trends. 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 38 which we considered appropriate.
Revenue Recognition 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. 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. Refer Note 1.12 of the Standalone Financial Statements – Significant Accounting Policies	Our procedures included: ● Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls ● Evaluating the design and implementation of Company's controls in respect of revenue recognition. ● Testing the effectiveness of such controls over revenue cut off at year-end ● 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. ● Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing. ● 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.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position/state of affairs, financial performance (profit and loss including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 Company 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 standalone financial statements 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

Other Matter

(a) We did not audit the financial statements/ information of one branch included in the standalone financial statements of the company whose financial statements/financial information reflect total assets of ₹ 4.58 crore as at March 31, 2020 and the total revenue of ₹ 184.37 crore for the year ended on that date, as considered in the standalone financial statements/information of the branch has been audited by the branch auditor whose report have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the branch, is based solely on the report of such branch auditor.

(b) Note No. 37 (a) of the standalone financial statements, describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and standalone financial statements as assessed by the management. Further, due to Covid-19 related lock down restrictions, management was able to perform year end physical verification of inventory at certain locations, subsequent to the year end. Also, we were not able to physically observe the verification of inventory that was carried out by the management. Consequently, we have performed alternative procedures to audit the existence of Inventory as per the guidance provided in SA-501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence to issue our unmodified opinion on these standalone financial statements.

Our opinion is not modified in respect of these matters.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure 'A' a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report 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.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branch not visited by us.

   (c) The reports on the accounts of the branch office of the company audited under the section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

   (d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Change in Equity dealt with by this Report are in agreement with the books of account and with the returns received from the branch not visited by us.

   (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   (f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

   (g) As required by section 143(3)(i) of the Companies Act, 2013, and based on the checking of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, our separate report with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is as per Annexure 'B'.

(h) With respect to the other matter to be included in the Auditors' report under Section 197(16), as amended: In our opinion and according to the information and explanation given to us, the managerial remuneration paid/provided during the current year by the Company is in accordance with the provisions of Section 197 of the Act.

(i) 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:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts.

iii. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.

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

N.K. LODHA
Partner
Membership No. 085155
UDIN: 20085155AAAACA7671

Place: New Delhi
Date: June 10, 2020

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

AMIT GOEL
Partner
Membership No. 500607
UDIN: 20500607AAAADI8588

Place: New Delhi
Date: June 10, 2020

INDEPENDENT AUDITOR'S REPORT

ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JINDAL STAINLESS (HISAR) LIMITED FOR THE YEAR ENDED MARCH 31, 2020.

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets by which fixed assets have been verified by the management according to the program of periodical physical verification in a phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company read with footnote (#) of Note No. 2 of the standalone financial statements.

ii. The inventories of the Company (except stock lying with the third parties and in transit) have been physically verified by the management at reasonable intervals. Further due to Covid-19 related lock down restrictions, management was able to perform year end physical verification of inventory subsequent to the year end.

In our opinion, the procedures of physical verification of inventory followed by the management are reasonable in relation to the size of the Company and nature of its business. Further, we have performed alternative procedures, for physical verification done subsequent to the year-end due to Covid-19, to audit the existence of Inventory as per the guidance provided in SA-501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient audit evidence and the discrepancies noticed on such physical verification of inventory as compared to book records were not material.

iii. The Company has granted loans, unsecured to Companies covered in the register maintained under section 189 of the Companies Act, 2013 (Read with note no. 36(a) of the standalone financial statements):-

a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that terms and conditions of aforesaid loans so granted are not prejudicial to the interest of the Company.

b) In respect of aforesaid loans, repayment of principal & payment of interest has been stipulated and repayment and receipts have not become due for payment as on March 31, 2020 (read with footnote @ to note no. 47).

c) There were no overdue amounts remaining outstanding as at the year-end.

iv. According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and security, the Company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder.

vi. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of the Company's products and services to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii. (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable as at March 31, 2020 for a period of more than six months from the date they become payable.

(b) According to the records and information & explanations given to us, there are no dues in respect of Income tax and goods and service tax that have not been deposited with the appropriate authorities to the extent applicable on account of any dispute and the dues in respect of duty of customs, duty of excise, service tax, sales tax and labour welfare cess that have not been deposited with the appropriate authorities on account of any dispute and the forum where the dispute is pending are given below:

Name of The Statute	Nature of Dues	Amount (₹ in Crore)	Period to which amount relates to	Forum where dispute is pending
Central Excise Act	Excise Duty	0.47	Jul'05 – Dec'07	High Court of Punjab & Haryana
		2.66	2006-07	High Court of Punjab & Haryana
		1.94	2014-17	Joint Commissioner, Rohtak
		0.02	Apr 95 - Jun 95	High Court, New Delhi
		6.58	Jan 99 - Dec 04	High Court of Punjab & Haryana
		28.50	Jul 05 - Dec 07	Commissioner, Rohtak
		0.08	1994-95	Addl. Commissioner of Central Excise,Rohtak

Name of The Statute	Nature of Dues	Amount (₹ in Crore)	Period to which amount relates to	Forum where dispute is pending
Central Excise Act	Excise Duty	0.05	May 07 - Oct 07	High Court of Punjab &Haryana.
		0.05	Jul 09	High Court of Punjab &Haryana.
		8.83	May 04- Nov 04	High Court Hyderabad
		74.16	July 09- Dec 13	Commissioner Vishakhapatnam
Customs Act, 1956	Custom Duty	15.13	Mar 2014 – May 2018	Deputy Commissioner of Custom, Gurgaon
The Central Sales Tax, 1956	Sales Tax	0.03	1993-94	High Court of Punjab & Haryana
Finance Act 1994	Service Tax	0.94	April 16 - June 17	High Court Orissa
Labour Welfare Fund	Labour Welfare Cess	0.05	2006-2011	High Court AP

viii. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks, government, as applicable. There are no dues to debenture holders.

ix. On the basis of information and explanations given to us, term loan were applied for the purpose for which the loans were obtained. No moneys have been raised during the year by way of initial public offer or further public offer.

x. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the course of the audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii. According to the information and explanations and records made available by the management of the Company and audit procedure performed, for transactions with the related parties during the year, the Company has complied with the provisions of Section 177 and 188 of the Act, where applicable. As explained and as per records, details of related party transactions have been disclosed in the standalone financial statements as per the applicable Indian Accounting Standards (Read with note no. 47).

xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with him.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

N.K. LODHA
Partner
Membership No. 085155

Place: New Delhi
Date: June 10, 2020

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

AMIT GOEL
Partner
Membership No. 500607

Place: New Delhi
Date: June 10, 2020

INDEPENDENT AUDITOR'S REPORT

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE 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")

We have audited the internal financial controls over financial reporting of JINDAL STAINLESS (HISAR) LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date in which are incorporated the Return for the year ended on the date audited by the branch auditor of the Company's branch at Kothavalasa in Vizianagaram district, Andhra Pradesh.

Management's responsibility for internal financial controls

The Company's Board of Directors is 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 Company's 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 standalone 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 auditor of the branch 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 Company's 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 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 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 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.

INDEPENDENT AUDITOR'S REPORT

Opinion

In our opinion and based on the report of the branch auditor furnished to us, the Company has, 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, 2020, 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 matter

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 in so far as it relates to Return audited by the branch auditor of the Company's branch at Kothavalasa in Vizianagaram district, Andhra Pradesh.

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

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

N.K. LODHA
Partner
Membership No. 085155

Place: New Delhi
Date: June 10, 2020

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

AMIT GOEL
Partner
Membership No. 500607

Place: New Delhi
Date: June 10, 2020

Balance sheet as at 31 March 2020

(₹ in Crore)

	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2	1,867.38	1,970.87
Capital work-in-progress		105.50	88.08
Goodwill	3	10.34	10.34
Other intangible assets	3	13.35	7.80
Intangible assets under development		-	2.25
Financial assets			
Investments	4	416.77	416.77
Loans	5	934.86	934.86
Others financial assets	6	29.61	28.60
Other non-current assets	7	28.87	11.03
Total non-current assets		**3,406.68**	**3,470.60**
Current assets			
Inventories	8	1,356.16	1,310.65
Financial assets			
Trade receivables	9	679.82	771.47
Cash and cash equivalents	10	18.52	17.92
Bank balances other than above	11	0.26	1.01
Others financial assets	6	218.26	114.00
Other current assets	7	118.93	85.40
Total current assets		**2,391.95**	**2,300.45**
Total assets		**5,798.63**	**5,771.05**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	47.19	47.19
Other equity	13	1,789.06	1,469.52
Total equity		**1,836.25**	**1,516.71**

Balance sheet as at 31 March 2020

(₹ in Crore)

	Note	As at 31 March 2020	As at 31 March 2019
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	14	1,799.03	1,929.16
Other financial liabilities	19	10.03	-
Provisions	15	15.19	15.79
Deferred tax liabilities (net)	16	34.99	79.04
Total non-current liabilities		**1,859.24**	**2,023.99**
Current liabilities			
Financial liabilities			
Borrowings	17	89.94	71.88
Trade payables			
Total outstanding dues of micro and small enterprises	18	49.33	77.73
Total outstanding dues of creditors other than micro and small enterprises	18	1,285.17	1,396.54
Other financial liabilities	19	439.17	424.06
Other current liabilities	20	233.10	225.88
Provisions	15	2.66	2.44
Current tax liabilities (net)	21	3.77	31.82
Total current liabilities		**2,103.14**	**2,230.35**
Total equity and liabilities		**5,798.63**	**5,771.05**
Significant accounting policies	1		

The accompanying significant accounting policies and notes form an integral part of these 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

JAGMOHAN SOOD
Whole Time Director

RAMNIK GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

PLACE : New Delhi
DATED : 10 June 2020

Statement of profit & loss for the year ended on 31 March 2020

(₹ in Crore)

	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
INCOME			
Revenue from operations	22	8,339.69	8,956.40
Other income	23	97.88	95.67
Total Income		**8,437.57**	**9,052.07**
EXPENSES			
Cost of materials consumed	24	5,312.74	5,783.64
Purchases of stock in trade	25	179.36	125.58
Changes in inventories of finished goods, work in progress and stock in trade	26	(1.50)	(48.31)
Employee benefits expenses	27	184.03	170.49
Finance costs	28	303.64	347.56
Depreciation and amortization expenses	29	273.16	275.78
Other expenses	30	1,803.29	2,025.39
Total Expenses		**8,054.72**	**8,680.13**
Profit before exceptional items and tax		**382.85**	**371.94**
Exceptional items - gain/(loss)	33	18.71	31.81
Profit before tax		**401.56**	**403.75**
Tax expense			
Current tax		125.41	147.90
Deferred tax		(44.24)	(5.53)
Taxes in relation to earlier years		0.06	(0.27)
Net profit for the year		**320.33**	**261.65**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(1.06)	(1.46)
Income tax effect on above		0.27	0.51
Total comprehensive income for the year		**319.54**	**260.70**
Earnings per share (in ₹)	50		
Basic		13.58	11.09
Diluted		13.58	11.09
Significant accounting policies	1		

The accompanying significant accounting policies and notes form an integral part of these 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

PLACE : New Delhi
DATED : 10 June 2020

For and on behalf of the Board of Directors :

ABHYUDAY JINDAL
Managing Director

JAGMOHAN SOOD
Whole Time Director

RAMNIK GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

Statement of changes in equity for the year ended on 31 March 2020

EQUITY SHARE CAPITAL

(₹ in Crore)

As at 01 April 2018	Changes in equity share capital during	As at 01 April 2019	Changes in equity share capital during	As at 31 March 2020

OTHER EQUITY

Statement of cash flows for the year ended 31 March 2020

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
A.	**Cash flow from operating activities**		
	Profit before tax	**401.56**	**403.75**
	Adjustment for :		
	Depreciation and amortisation expenses	273.16	275.78
	Provision for doubtful debts & advance / bad debts (net)	4.69	11.25
	Effect of unrealised foreign exchange (gain)/loss	(3.56)	(1.27)
	Mark to market of derivatives contract (gain)/loss	12.25	(3.72)
	Finance costs	303.64	347.56
	Interest income	(95.78)	(93.06)
	Re-measurements of the net defined benefit Plans	(1.06)	(1.46)
	Loss on sale/discard of property, plant & equipment (net)	0.18	0.45
	Operating profit before working capital changes	**895.08**	**939.28**
	Movement in working capital :		
	(Increase) / decrease in inventories	(45.51)	159.07
	(Increase) / decrease in trade receivables	102.00	78.42
	(Increase) / decrease in loans & advances and other assets	(56.57)	161.06
	Increase / (decrease) in liabilities and provisions	(105.54)	(45.55)
	Cash inflow from operating activities before exceptional items	**789.46**	**1,292.28**
	Income tax paid (net)	(153.06)	(156.72)
	Net cash inflow from operating activities	**636.40**	**1,135.56**
B.	**Cash flow from investing activities**		
	Purchase of property, plant & equipment and intangible assets	(205.35)	(173.57)
	Sales proceeds of property, plant & equipment sold	7.86	6.72
	Interest received	13.64	12.08
	Bank deposits encashed/(made)	0.66	(0.01)
	Net cash outflow from investing activities	**(183.19)**	**(154.78)**
C.	**Cash flow from financing activities**		
	Interest and finance charges paid	(289.92)	(350.18)
	Payment of lease liability	(0.89)	-
	Proceeds from / (repayment of) long term borrowings (net)	(179.86)	(246.68)
	Proceeds from / (repayment of) short term borrowings (net)	18.06	(372.29)
	Net cash outflow from financing activities	**(452.61)**	**(969.15)**
	Net changes in cash & cash equivalents	**0.60**	**11.63**
	Cash & cash equivalents (closing balance) (refer note no 10)	18.52	17.92
	Cash & cash equivalents (opening balance) (refer note no 10)	17.92	6.29
	Net changes in cash & cash equivalents	**0.60**	**11.63**

Statement of cash flows for the year ended 31 March 2020

Reconciliation of liabilities arising from financing activities **(₹ in Crore)**

	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Long term borrowing	Short term borrowing*	Long term borrowing	Short term borrowing*
Opening balance	**2,109.32**	**71.88**	**2,356.45**	**442.39**
Cash flows				
Repayment	(179.86)	18.06	(246.68)	(372.29)
Proceeds	-	-	-	-
Non cash				
Foreign exchange movement	-	-	-	1.78
Fair value changes	(0.43)	-	(0.45)	-
Closing balance	**1,929.03**	**89.94**	**2,109.32**	**71.88**

* Short term borrowings are presented on net basis

The accompanying significant accounting policies and notes form an integral part of these 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

JAGMOHAN SOOD
Whole Time Director

RAMNIK GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

PLACE : New Delhi
DATED : 10 June 2020

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

Corporate and General Information

Jindal Stainless (Hisar) Limited (''the Company'') is domiciled and incorporated in India and its equity shares and GDR are listed at Bombay Stock Exchange/National Stock Exchange/ Luxembourg Stock Exchange respectively. The registered office of the Company is located at O. P. Jindal Marg, District Hisar, 125005, Haryana, India.

The 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 and sheets, cold rolled coils and sheets, specialty products such as razor blade steel, precision strips, coin blanks and long products.

The financial statements of the Company for the year 31 March 2020 were approved and authorized for issue by board of directors in their meeting held on 10 June 2020.

Statement of compliances

The financial statements are a general purpose financial statement which have been prepared in accordance with the Indian Companies Act, Indian Accounting Standards and complies with other requirements of the law. Indian Accounting Standards (IND AS) include equivalent to International Financial Reporting Standards (IFRS). Compliance with the IND AS ensures that the financial statements and notes of the entity comply with International Financial Reporting Standards (IFRS).

Basis of preparation

These financial statements have been prepared complying in all material respects with the Indian Accounting Standards 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 Corporate 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 2020.

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.

Changes in significant accounting policy

Transition to Ind AS 116, Leases

Ministry of Corporate Affairs (MCA) through the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019 has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other pronouncement. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under Ind AS 116 is substantially unchanged in comparison with earlier under Ind AS 17. Lessors will continue to classify leases as either operating or finance lease using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the company is the lessor.

The Company has adopted Ind AS 116, Leases with effect from 01 April 2019 and it is detailed in note no 42 (Refer Note No. 1.16).

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 2020.

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

NOTE NO 1 : SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting Policies

1.1 Basis of Measurement

The standalone financial statements have been prepared on accrual basis and under a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Financial assets and liabilities except certain investments, loans and borrowings carried at amortized cost (refer accounting policy regarding financial instruments),
- Defined benefit plans – plan assets

The standalone financial statements are presented in Indian Rupees ('₹'), which is the Company's functional and presentation currency and all amounts are rounded to the nearest Crore and two decimals thereof, except as otherwise stated.

1.2 Property, plant and equipment

i. Property, plant and equipment are stated cost less accumulated depreciation and impairment losses. Cost comprises of all cost, net of income (if any) incurred to bring the assets to their present location and working condition and other related overheads till such assets are ready for intended use.

ii. Depreciation

Depreciation on property, plant & equipment is provided on straight line method over their useful lives and in the manner specified in Schedule II of the Companies Act, 2013. However, in respect of certain plant & machinery and electric installations, depreciation is provided as per their useful lives assessed on the basis of technical evaluation by the external valuer.

Asset class	Useful life
Property, plant and equipment	
Plant and equipment	1-25 years
Buildings	3-60 years
Furniture and fixtures	1-10 years
Vehicles	1-19 years
Office equipment	1-16 years

- The asset's residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

iii. Component accounting

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes there placed part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

iv. Classification of plant & machinery into continuous and non-continuous is made on the basis of technical assessment and depreciation is provided for accordingly.

v. Expenditure during construction/erection period is included under capital work-in-progress and is allocated to the respective fixed assets on completion of construction/erection.

vi. Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from derecognition are recognized in statement of profit and loss in the year of occurrence.

1.3 Intangible assets

Intangibles assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any and cost includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets with finite useful lives are capitalized at cost and amortized on a straight-line basis normally over a period of 5 to 10 years, depending on their estimated useful lives.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives (like goodwill, brands), if any are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. The change in useful life from indefinite to finite life if any, is made on prospective basis.

1.4 Research and development cost

Research cost

Revenue expenditure on research is expensed under the respective heads of accounts in the period in which it is incurred.

Development cost

Development expenditure on new product is capitalized as intangible asset, if technical and commercial feasibility as per IND AS 38 demonstrated.

1.5 Inventories

Inventories are stated at lower of cost and net realizable value (except scrap/ waste which are valued at net realizable value). However raw materials, components, stores and spares held for use in the production of finished goods are not written down below cost if the finished products are expected to be sold at or above cost. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and selling costs. The cost is computed on weighted average basis. Finished goods and process stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Conversion cost includes direct material, labour and allocable material and manufacturing overhead based on normal operating capacity.

1.6 Cash and cash equivalents

Cash and cash equivalents are financial assets. Cash and cash equivalents consist of cash and short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less at the time of purchase/investment and are carried at cost plus accrued interest, if any.

1.7 Financial instruments

A financial instrument is any contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized as soon as the company becomes a contracting party to the financial instrument. In cases where trade date and settlement date do not coincide, for non-derivative financial instruments the settlement date is used for initial recognition or derecognition, while for derivatives the trade date is used. Financial instruments stated as financial assets or financial liabilities are generally not offset; they are only offset when a legal right to set-off exists at that time and settlement on a net basis is intended.

a) Financial assets

Financial assets include trade receivable, cash and cash equivalents, derivative financial assets and also the equity / debt instruments held. Initially all financial assets are recognized at amortized cost or fair value through other comprehensive income or fair value through Statement of Profit or Loss, depending on its business model for those financial assets and their contractual cash flow characteristics.

Subsequently , based on initial recognition/ classification , where assets are measured at fair value, gain and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income)

i) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less expected credit loss/impairment allowances. Receivables that do not bear interest or bear below market interest rates and have an expected term of more than one year are discounted with the discount subsequently amortized to interest income over the term of the receivable.

Impairment is made on the expected credit losses, which are the present value of the cash deficits over the expected life of receivables. The estimated impairment losses are recognized in the statement of profit and loss. Subsequent changes in assessment of impairment are recognized in the statement of profit and loss as changes in estimates.

The company makes provision for expected credit loss against trade receivables based on the simplified approach (i.e. the loss allowance is measured as the amount equal to lifetime expected credit losses).

ii) Loans & other financial assets

Loans and other financial assets are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and other financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

iii) Investment in equity shares

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss for investments held for trading is recognized through statement of profit & loss. The fair value gains or losses of all other equity securities are recognized in other comprehensive income.

iv) Investment in associates, joint venture and subsidiaries

The Company's investment in subsidiaries, associates and joint ventures are carried at cost except where impairment loss recognized.

b) Financial liabilities

Financial liabilities such as loans and borrowings and other payables are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual terms of the instrument. Financial liabilities other than fair valued through profit and loss are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

The Company derecognizes a financial liability when its contractual obligations are settled or cancelled or expired.

Financial liabilities at fair value through profit or loss

It includes financial liabilities held for trading and are designated as such at initial recognition. Financial liabilities are held for trading if they are incurred for the purpose of repurchasing in near term and also include Derivatives that are not part of an effective hedge accounting in accordance with IND AS 109, classified as "held for trading" and carried at fair value through profit or loss. Financial liabilities at fair value through profit or loss are measured at each reporting date at fair value with all the changes recognized in the statement of profit and loss.

Financial liabilities measured at amortized cost

Post recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method (" EIR"). Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that is probable that some or all of the facility will be drawn down.

Financial guarantee contracts

As per IND AS -109 " Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the original or modified terms of a debt instrument. "

Initial recognition

The date the company becomes a party to the irrevocable commitment is considered to be the date of initial recognition and financial guarantee contracts are recognized as liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. Trade accounts payable and other non-derivative financial liabilities are in general measured at amortized cost using the effective interest method. Finance charges, including premiums payable on redemption or settlement, are periodically accrued using the effective interest method and increase the liabilities' carrying amounts unless they have already been settled in the period in which they were incurred.

Derivative financial instruments

The Company uses derivative financial instruments principally to manage its exposure to fluctuations in interest rates, foreign exchange rates and prices of raw materials arising from operating, financing and investing activities. Derivative financial instruments are classified as current or non-current assets /liabilities based on their maturity dates. Embedded derivatives are separated from the host contract and accounted for separately if they are not closely related to the host contract. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

1.8 Business combinations under common control

Common control business combinations include transactions, such as transfer of subsidiaries or business, between entities within a group.

Business combinations involving entities or business under common control are for using the pooling of interest method.

Under pooling of interest method, the assets and liabilities of the combining entries are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves.

1.9 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.

Or

- In the absence of a principal market , in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.10 Impairment of non-financial assets

At each reporting date, the company assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use: and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of cash generating unit's fair value less cost to sell and the value in use.

Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the company estimates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. If the recoverable amount of a non-financial asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of profit and loss.

Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount.

However, this increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for that non-financial asset or cash generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

1.11 Foreign currency transactions

i. Functional and presentation currency

The functional and reporting currency of company is INR or ₹.

ii. Transaction and balances

Currency transactions denominated in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are retranslated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in the net profit or loss for the period.

Non- monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference.

1.12 Revenue Recognition

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

(i) Identify the contract(s) with customer;

(ii) Identify separate performance obligations in the contract;

(iii) Determine the transaction price;

(iv) Allocate the transaction price to the performance obligations; and

(v) Recognise revenue when a performance obligation is satisfied.

Revenue is measured based on the consideration specified in a contract with a customer. A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle of goods and services) to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as, or when, the performance obligation is satisfied. The Company recognizes revenue when it transfers control of a product or service to a customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments and excludes taxes and duties collected on behalf of the government.

The Company recognizes revenue from the following major sources :

Sale of products:

- Revenue from the sale of goods and services is recognized when the significant risks and rewards of ownership or effective control of promised goods and services have been transferred to the buyer on satisfaction of performance obligations and no significant uncertainty exists regarding the amount of consideration that will be derived.
- Revenue is measured based on transactions price (excluding any taxes or duties collected on behalf of government which are levied on sales) arrived at by determining fair value of consideration received or receivable after adjusting returns, sales incentive, discounts / rebates etc in exchange of goods and services. Export incentives and other benefits are recognised in the year of export.
- Revenue from other activities is recognized based on the nature of activity, when consideration can be reasonably measured. Certain claims like those relating to railways, insurance, electricity, customs, and excise are accounted for on acceptance/when there is a reasonable certainties.

Sale of services:

- Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered.

Dividend income:

- Dividend income is accounted for when the right to receive the same is established,

Interest income:

- For all financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in statement of profit and loss.

1.13 Government grant

- Government grants related to capital nature shall be recognized in the statement of profit and loss on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate.
- A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognized in statement of profit or loss of the period in which it becomes receivable.

1.14 Employees benefits

a) Short term employee benefit

All employees' benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

b) Defined contribution plan

Contributions to the employees' provident fund, national pension scheme and employee's state insurance are recognized as defined contribution plan and charged as expenses in the year in which the employees render the services.

c) Defined benefit plan

The Provident Fund (Funded), Leave Encashment and Gratuity are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment.

Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, gains and losses on curtailments and non-routine settlements
- Net interest income or expense

d) Long term employee benefit

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

e) Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

The Company shall recognize a liability and expense for termination benefits at the earlier of the following dates:

(i) When the entity can no longer withdraw the offer of those benefits; and

(ii) When the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

1.15 Borrowing costs

(a) Borrowing costs that are specifically attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(b) For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

(c) All other borrowing costs are recognized as expense in the period in which they are incurred.

1.16 Leases

The company as a lessee

The company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contain, a lease if the contract conveys the right to control the use of an identified asset for a period of time exchange of consideration.

At the commencement of the lease, the company recognize a right of use asset and corresponding lease liabilities for all lease arrangements except for leases with a terms of twelve months or less (short term leases), variable leases and low value leases, for which lease payments has been recognized as an operating expenses on a straight line basis over the term of lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease terms. Right of use assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The Company recognizes a right-of-use asset, on a lease-by-lease basis, to measure that right-of-use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

The cost of right-of-use assets includes the amount of lease liabilities recognised. Initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment test.They are subsequently measured at cost less accumulated depreciation and impairment losses.

The Company recognised a lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on a lease by lease basis.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The company as lessor

Leases for which the company is a lessor is classified as finance or operating lease. When the terms of the lease transfer substantially all of the risks and benefits incidental to ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of relevant lease.

1.17 Taxes on income

a) Current tax

i) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-Tax Act 1961 and based on the expected outcome of assessments / appeals.

ii) Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

i) Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

ii) Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited to the statement of profit and loss, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

1.18 Provisions, contingent liabilities, contingent assets and commitments

a) General

The Company recognizes provisions for liabilities and probable losses that have been incurred when it has a present legal or constructive obligation as a result of past events and it is probable that the Company will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation:
- A present obligation arising from past events, when no reliable estimate is possible:
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at the end of each reporting period.

b) Other litigation claims

Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

c) Onerous contracts

Provisions for onerous contracts are recorded in the statements of operations when it becomes known that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received.

1.19 Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

1.20 Earnings per share

Basic Earnings per share is calculated by dividing the net profit or loss after tax for the year (without taking impact of OCI) attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the adjusted net profit or loss after tax for the year (without taking impact of OCI) attributable to the equity shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

1.21 Segment reporting

The Company's operating businesses are organized and managed according to the nature of products manufactured and services provided, with segment representing a strategic business unit that offers different products and as reviewed by the chief operating decision maker of the Company. The company's business falls within a primary business segment viz. '' stainless steel".

1.22 Financial statement classification

Certain line items on the balance sheet and in the statement of profit and loss have been combined. These items are disclosed separately in the notes to the financial statements.

b) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

c) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These Includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

d) Contingencies

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

e) Leases

Identification of lease require significant judgement. The company evaluate if a contract qualify to be a lease as per the requirements of Ind AS 116. The company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

2. PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

	Right to use of assets	# Freehold Land	# Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
GROSS CARRYING AMOUNT								
As at 01 April 2018	**-**	**321.06**	**386.53**	**2,408.01**	**6.14**	**21.37**	**2.31**	**3,145.42**
Additions	-	3.59	11.68	142.88	0.05	5.53	0.09	163.82
Disposals/adjustments	-	-	-	33.09	-	0.33	-	33.42
As at 31 March 2019	**-**	**324.65**	**398.21**	**2,517.80**	**6.19**	**26.57**	**2.40**	**3,275.82**
Additions	11.95	-	13.63	141.04	2.36	4.56	1.17	174.71
Disposals/adjustments	-	-	-	26.83	-	0.07	0.08	26.98
As at 31 March 2020	**11.95**	**324.65**	**411.84**	**2,632.01**	**8.55**	**31.06**	**3.49**	**3,423.55**
ACCUMULATED DEPRECIATION								
As at 01 April 2018	**-**	**-**	**93.37**	**951.62**	**2.16**	**9.14**	**0.78**	**1,057.07**
Charge for the year	-	-	24.16	246.49	0.52	2.62	0.34	274.13
Relating to disposals/adjustments	-	-	-	25.96	-	0.29	-	26.25
As at 31 March 2019	**-**	**-**	**117.53**	**1,172.15**	**2.68**	**11.47**	**1.12**	**1,304.95**
Charge for the year	1.47	-	24.34	240.53	0.47	3.06	0.29	270.16
Relating to disposals/adjustments	-	-	-	18.94	-	-	-	18.94
As at 31 March 2020	**1.47**	**-**	**141.87**	**1,393.74**	**3.15**	**14.53**	**1.41**	**1,556.17**
NET CARRYING AMOUNT								
As at 31 March 2019	**-**	**324.65**	**280.68**	**1,345.65**	**3.51**	**15.10**	**1.28**	**1,970.87**
As at 31 March 2020	**10.48**	**324.65**	**269.97**	**1,238.27**	**5.40**	**16.53**	**2.08**	**1,867.38**

Note

The Company has legally valid, clear & marketable title over the freehold land & buildings amounting ₹ 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.

3. GOODWILL AND INTANGIBLE ASSETS

(₹ in Crore)

	Goodwill	* Software	Total
GROSS CARRYING AMOUNT			
As at 01 April 2018	**10.34**	**4.53**	**14.87**
Additions	-	6.16	6.16
Disposals/adjustments	-	-	-
As at 31 March 2019	**10.34**	**10.69**	**21.03**
Additions	-	8.55	8.55
Disposals/adjustments	-	-	-
As at 31 March 2020	**10.34**	**19.24**	**29.58**
ACCUMULATED AMORTIZATION			
As at 01 April 2018	**-**	**1.24**	**1.24**
Charge for the year	-	1.65	1.65
Relating to disposals/adjustments	-	-	-
As at 31 March 2019	**-**	**2.89**	**2.89**
Charge for the year	-	3.00	3.00
Relating to disposals/adjustments	-	-	-
As at 31 March 2020	**-**	**5.89**	**5.89**
NET CARRYING AMOUNT			
As at 31 March 2019	**10.34**	**7.80**	**18.14**
As at 31 March 2020	**10.34**	**13.35**	**23.69**

* Amortised up to 5 years

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

4. INVESTMENTS

(₹ in Crore)

		As at 31 March 2020			As at 31 March 2019		
		Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
	NON - CURRENT INVESTMENTS AT COST LESS PROVISION						
A	**Equity shares fully paid up of subsidiary company - trade unquoted - at cost**						
	Jindal Stainless Steelway Limited @ $ (Wholly owned subsidiary w.e.f. 14 February 2020)	14,061,667	10	25.81	14,061,667	10	25.81
	JSL Lifestyle Limited @	20,911,676	10	24.61	20,911,676	10	24.61
	Green Delhi BQS Limited @	51,000	10	0.05	51,000	10	0.05
	JSL Media Limited	49,970	10	0.05	49,970	10	0.05
	JSL Logistics Limited (Wholly owned subsidiary)	50,000	10	0.05	50,000	10	0.05
	TOTAL (A)			**50.57**			**50.57**
B	**Equity shares fully paid up of associate company - at cost**						
	Jindal Stainless Corporate Management Services Pvt. Limited-Unquoted	5,000	10	0.01	5,000	10	0.01
	Jindal Stainless Limited-Quoted #	168,284,309	2	366.19	168,284,309	2	366.19
	TOTAL (B)			**366.20**			**366.20**
C	**Govt./Semi Govt. securities - non trade - fair value**						
	National Savings Certificate [₹ 1,500 (₹ 1,500)]*			0.00			0.00
	TOTAL (C)			**0.00**			**0.00**
	TOTAL - NON CURRENT INVESTMENT (A+B+C)			**416.77**			**416.77**
	Total non current investments			416.77			416.77
	Aggregate amount of quoted investments			366.19			366.19
	Aggregate market value of quoted investments			405.57			682.39
	Aggregate amount of unquoted investments			50.58			50.58

@ Undertaking for non disposing of investment by way of letter of comfort given to banks against credit facilities/financial assistance availed by subsidiaries.

$ Undertaking for non disposing of investment by way of letter of comfort given to financial institution against operating lease taken by subsidiary.

Pledge of 7,84,15,662 (7,84,15,662) shares in favour of lenders of Jindal Stainless Limited. (read with note no 34(iv))

* Lodged with Government authorities as security.

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
5	**NON CURRENT LOANS** (Unsecured, Considered good unless otherwise stated) (refer note no 36(a) and 47)		
	Loans to related parties*	934.86	934.86
	TOTAL - NON CURRENT LOANS	**934.86**	**934.86**

* carrying interest rate @ 9.05% - 12.5 % p.a.

(₹ in Crore)

		Non Current		Current	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
6	**OTHER FINANCIAL ASSETS**				
	Security deposits [Net of provision of ₹ 0.54 crore (₹ 0.54 crore)]	29.55	28.54	2.77	1.84
	Interest receivable $ (refer note no 47)	-	-	163.72	81.49
	Derivative assets	-	-	-	1.17
	Other receivables #	-	-	51.77	29.50
	Bank deposit with remaining maturity of more than 12 months *	0.06	0.06	-	-
	TOTAL - OTHER FINANCIAL ASSETS	**29.61**	**28.60**	**218.26**	**114.00**

$ includes ₹ 162.00 crore (₹ 81.00 crore) receivable from Jindal Stainless Limited.

Includes export incentives etc.

* under lien with Govt authorities

(₹ in Crore)

		Non Current		Current	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
7	**OTHER ASSETS**				
	Capital advances	28.87	11.03	-	-
	Advances to vendors	-	-	41.04	23.70
	Advances to related parties (refer note no 47)	-	-	-	1.17
	Advance to employees	-	-	0.31	0.28
	Balance with indirect tax authorities	-	-	72.12	53.59
	Unbilled revenues	-	-	0.08	1.49
	Other receivables *	-	-	5.38	5.17
	TOTAL - OTHER ASSETS	**28.87**	**11.03**	**118.93**	**85.40**

* includes prepaid expenses etc.

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
8	**INVENTORIES** (As taken by the management) (valued at lower of cost and net realizable value unless otherwise stated)		
	Raw materials [Including material in transit ₹ 158.99 crore (₹ 194.60 crore)]	398.51	347.12
	Work in progress	411.63	442.99
	Finished goods	441.55	405.74
	Store and spares [Including material in transit ₹ 17.90 crore (₹ 11.60 crore)]	99.16	106.54
	Scrap (at estimated realizable value)	5.31	8.26
	TOTAL - INVENTORIES	**1,356.16**	**1,310.65**

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
9	**TRADE RECEIVABLES**		
	Unsecured		
	Considered good *	679.82	771.47
	Credit Impaired	9.25	4.68
	Less : Allowance for expected credit losses	(9.25)	(4.68)
	TOTAL - TRADE RECEIVABLES	**679.82**	**771.47**

* The above includes trade receivables of ₹ 46.15 crore (₹ 13.26 crore) due for more than 180 days.

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
10	**CASH AND CASH EQUIVALENTS**		
	Balances with banks	5.78	7.23
	Cheques in hand/money in transit	12.62	10.59
	Cash in hand	0.12	0.10
	Puja and silver coins [₹ 17,964 (₹ 16,208)]	0.00	0.00
	TOTAL - CASH AND CASH EQUIVALENTS	**18.52**	**17.92**

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
11	**OTHER BANK BALANCES**		
	Bank deposits with original maturity of more than three months but less than 12 months *	0.26	1.01
	TOTAL - OTHER BANKS BALANCES	**0.26**	**1.01**

* under lien with banks / Govt authorities

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
12	**SHARE CAPITAL**		
	AUTHORISED		
	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
		50.00	**50.00**
	ISSUED, SUBSCRIBED AND PAID UP		
	235,934,685 (235,934,685) equity shares of ₹ 2/- each	47.19	47.19
	TOTAL - SHARE CAPITAL	**47.19**	**47.19**

(a) RECONCILIATION OF THE NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR

		31 March 2020 No. of shares	31 March 2019 No. of Shares
	Shares outstanding at the beginning of the year	235,934,685	235,934,685
	Shares outstanding at the end of the year	235,934,685	235,934,685

(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 Depositary 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 2020, 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 2020		As at 31 March 2019	
		No. of shares	% holding	No. of shares	% holding
	JSL Overseas Holding Limited	30,200,000	12.80%	30,200,000	12.80%
	JSL Overseas Limited	26,560,440	11.26%	26,560,440	11.26%
	ELM Park Fund Limited	19,432,160	8.24%	19,432,160	8.24%
	Hypnos Fund Limited	12,587,711	5.34%	12,587,711	5.34%

Note: JSL Overseas Holding Limited also hold 7,117,492 GDS representing 14,234,984 underlying equity shares of ₹ 2/- each.

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

(₹ in Crore)

		Surplus			Items of other comprehensive income	
		Capital reserve	Securities premium	Retained earnings	Re-measurement of the net defined benefit plans (net of tax)	Total
13	**OTHER EQUITY**					
	Balance as at 01 April 2018	**0.05**	**562.94**	**650.73**	**(4.90)**	**1,208.82**
	Profit for the year 2018-19	-	-	261.65	-	261.65
	Re-measurements of the net defined benefit Plans	-	-	-	(0.95)	(0.95)
	Balance as at 31 March 2019	**0.05**	**562.94**	**912.38**	**(5.85)**	**1,469.52**
	Profit for the year 2019-20	-	-	320.33	-	320.33
	Re-measurements of the net defined benefit Plans	-	-	-	(0.79)	(0.79)
	Balance as at 31 March 2020	**0.05**	**562.94**	**1,232.71**	**(6.64)**	**1,789.06**

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 reserve available. Where security premium reserve 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 reserve.

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.

(₹ in Crore)

		Non Current		Current	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
14	**BORROWINGS**				
	SECURED				
	TERM LOANS FROM BANKS				
	Rupee term loans	1,799.03	1,929.16	130.00	180.16
	Less : Amount disclosed under the head other current financial liabilities	-	-	130.00	180.16
	TOTAL - BORROWINGS	**1,799.03**	**1,929.16**	**-**	**-**

Secured Borrowings

The term loan facility from banks amounting to ₹ 1,929.03 Crore (₹ 2,109.32 Crore) are repayable in quarterly instalments. Pursuant to regulatory measures as announced by Reserve Bank of India on account of COVID-19 pandemic, vide their circulars dated March 27, 2020 & May 23, 2020, the instalments are now payable as under :

₹ 130.00 Crore during 2020-21 (two instalments of ₹ 65.00 Crore each), ₹ 273.00 Crore during 2021-22 (two instalments of ₹ 65.00 Crore each and two instalments of ₹ 71.50 Crore each), ₹ 286.00 Crore during 2022-23 to 2026-27 (instalments of ₹ 71.50 Crore each) and balance amount of ₹ 97.75 Crore in 2027-28.

The term loan facility is 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 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 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.

(₹ in Crore)

		Non Current		Current	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
15	**PROVISIONS**				
	For employee benefits	15.19	15.79	2.66	2.44
	TOTAL - PROVISIONS	**15.19**	**15.79**	**2.66**	**2.44**

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
16	**DEFERRED TAX LIABILITY (NET)**		
	DEFERRED TAX LIABILITY		
	Difference between book & tax depreciable assets	64.08	107.32
	Other temporary differences	2.90	4.89
	Total deferred tax liability	**66.98**	**112.21**
	DEFERRED TAX ASSETS		
	Disallowance under Income Tax Act	31.99	33.17
	Total deferred tax assets	**31.99**	**33.17**
	NET DEFERRED TAX LIABILITY	**34.99**	**79.04**

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
17	**CURRENT BORROWINGS**		
	SECURED		
	Working capital facilities from banks	89.94	71.88
	TOTAL -CURRENT BORROWINGS	**89.94**	**71.88**

Secured Borrowings

Working capital facilities 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 Company. Working capital facility is repayable on demand. (read with note no. 34)

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
18	**TRADE PAYABLES**		
	Micro and small enterprises	49.33	77.73
	Trade payables (including acceptances)(other than micro and small enterprises)	1,285.17	1,396.54
	TOTAL TRADE PAYABLES	**1,334.50**	**1,474.27**

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 * :

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
	Principal amount due outstanding	49.82	78.54
	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 period 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.

(₹ in Crore)

		Non Current		Current	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
19	**OTHER FINANCIAL LIABILITIES**				
	Lease Liability	10.03	-	1.03	-
	Current maturities of non-current borrowings	-	-	130.00	180.16
	Interest accrued	-	-	18.37	4.22
	Capital payables	-	-	38.72	39.75
	Security deposits	-	-	2.92	3.95
	Derivative liabilities	-	-	11.08	-
	Dues to employees	-	-	15.03	13.48
	Other outstanding financial liabilities *	-	-	222.02	182.50
	TOTAL - OTHER FINANCIAL LIABILITIES	**10.03**	**-**	**439.17**	**424.06**

* Includes provision for expenses

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
20	**OTHER CURRENT LIABILITIES**		
	Advance from customers	28.16	22.47
	Other outstanding liabilities *	204.94	203.41
	TOTAL - OTHER CURRENT LIABILITIES	**233.10**	**225.88**

* Includes statutory dues, arbitration liability etc.

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
21	**CURRENT TAX LIABILITIES (NET)**		
	Current tax liabilities [net of prepaid tax of ₹ 431.55 crore (₹ 347.14 crore)]	3.77	31.82
	TOTAL - CURRENT TAX LIABILITIES (NET)	**3.77**	**31.82**

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

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
22	**REVENUE FROM OPERATIONS**		
	SALE OF PRODUCTS		
	Manufactured goods (net of discounts ₹ 152.05 crore (₹ 139.74 crore)]	8,002.93	8,645.68
	Stock in trade	188.35	133.88
	Export benefits	38.98	44.48
		8,230.26	**8,824.04**
	SALE OF SERVICES		
	Job charges received	36.58	73.89
		36.58	**73.89**
	OTHER OPERATING REVENUE		
	Sale of gases / slag	17.50	18.15
	Rent / operating & maintenance services	43.84	27.08
	Provision for doubtful debts/advance reversed	0.43	-
	Miscellaneous income	11.08	13.24
		72.85	**58.47**
	TOTAL - REVENUE FROM OPERATIONS	**8,339.69**	**8,956.40**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
23	**OTHER INCOME**		
	INTEREST INCOME ON		
	Loans & advances [net of written off ₹ 2.40 crore (₹ 2.40 crore)]	94.94	93.06
	Trade receivables	0.84	-
		95.78	93.06
	OTHER NON-OPERATING INCOME (NET)	2.10	2.61
	TOTAL - OTHER INCOME	**97.88**	**95.67**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
24	**COST OF MATERIAL CONSUMED**		
	Raw material consumed	5,312.74	5,783.64
	TOTAL - COST OF MATERIAL CONSUMED	**5,312.74**	**5,783.64**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
25	**PURCHASE OF STOCK IN TRADE**		
	Steel scrap / ferro alloys	179.36	125.58
	TOTAL - PURCHASE OF TRADING GOODS	**179.36**	**125.58**

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

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
26	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**		
	OPENING STOCK		
	Finished goods	405.74	370.47
	Work in progress	442.99	428.34
	Scrap	8.26	9.87
	TOTAL OPENING STOCK	**856.99**	**808.68**
	CLOSING STOCK		
	Finished goods	441.55	405.74
	Work in progress	411.63	442.99
	Scrap	5.31	8.26
	TOTAL CLOSING STOCK	**858.49**	**856.99**
	TOTAL - CHANGES IN INVENTORIES	**(1.50)**	**(48.31)**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
27	**EMPLOYEE BENEFITS EXPENSES** (read with Note no 49)		
	Salaries, wages, bonus and other benefits	167.13	154.24
	Contribution to provident and other funds	9.39	8.45
	Staff welfare expenses	7.51	7.80
	TOTAL - EMPLOYEE BENEFITS EXPENSES	**184.03**	**170.49**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
28	**FINANCE COSTS**		
	Interest expenses	286.18	331.60
	Other borrowing costs	17.46	15.96
	TOTAL - FINANCE COSTS	**303.64**	**347.56**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
29	**DEPRECIATION AND AMORTIZATION EXPENSES**		
	Depreciation on property, plant and equipment	270.16	274.13
	Amortization of intangible assets	3.00	1.65
	TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES	**273.16**	**275.78**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
30	**OTHER EXPENSES**		
	MANUFACTURING EXPENSES		
	Consumption of stores and spares	527.63	638.32
	Power and fuel	761.54	881.69
	Labour processing & transportation charges	140.70	117.14
	Repairs to buildings	3.44	2.96
	Repairs to plant & machinery	27.76	25.61
	Job work expenses	86.11	110.02
	Other manufacturing expenses	10.17	20.84
		1,557.35	**1,796.58**
	ADMINISTRATIVE EXPENSES		
	Insurance	10.96	6.90
	Rent	2.79	3.16
	Rates and taxes	0.59	0.63
	Legal and professional	63.45	65.64
	Postage, telegram, telex and telephone	1.92	1.98
	Printing & stationary	3.04	3.59
	Travelling & conveyance	3.45	3.34
	Managerial commission	11.22	11.45
	Director' meeting fees	0.23	0.27
	Vehicle upkeep and maintenance	7.09	6.82
	Auditor's remuneration	0.47	0.39
	Donation	0.18	0.16
	Loss (net) on sale/discard of property, plant and equipment	0.18	0.45
	Miscellaneous expenses	16.88	13.59
		122.45	**118.37**
	SELLING EXPENSES		
	Freight & forwarding expenses	93.95	77.25
	Commission on sales	15.96	15.36
	Other selling expenses	5.30	5.40
	Allowance for expected credit losses	5.00	1.74
	Bad debts (net of recovery)	0.12	9.51
	Advertisement & publicity	3.16	1.18
		123.49	**110.44**
	TOTAL - OTHER EXPENSES	**1,803.29**	**2,025.39**
	NET (GAIN)/LOSS ON SALE OF PROPERTY, PLANT AND EQUIPMENT INCLUDES :		
	Gain on sale	-	(0.06)
	Loss on sale	-	0.05
	Loss on discard	0.18	0.46
		0.18	**0.45**

31.

(₹ in Crore)

			As at 31 March 2020	As at 31 March 2019
A	Contingent liabilities not provided for in respect of :			
	i)	Sale tax demands against which Company preferred appeals.	0.03	0.03
	ii)	Excise duty/custom/service tax/Cess show cause notices/ demands against which Company has preferred appeals.	151.09	113.30
	iii)	Claims and other liabilities against the Company not acknowledged as debt.	63.24	45.24
B	Guarantee given to custom authorities for import under EPCG Scheme. {Custom duty saved as on 31 March 2020 ₹ 18.68 Crore (₹12.61 Crore)}		118.34	77.98
C	i)	Letter of comfort to banks against credit facilities/ financial assistance availed by subsidiaries.	181.01	153.57
	ii)	Guarantees given by the Company's bankers on behalf of the subsidiary.	97.18	77.65
D	Corporate guarantee given to banks against credit facilities / financial assistance availed by Jindal Stainless Limited.		4,841.62	4,819.79

32. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 133.79 Crore (₹ 113.92 Crore).

33. Exceptional items includes gain/ (loss) (net) of ₹ 26.26 Crore (₹ 25.86 Crore) on translation/settlement of foreign currency monetary items (including borrowing), gain / (loss) of ₹ (12.25 Crore) (₹ 3.72 Crore) upon marked to market of derivatives contracts (net), gain/ (loss) of ₹ 4.70 Crore (₹ 2.23 Crore) on forward cover cancelation.

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. Research and Development expenses for the year amounting to ₹ 10.39 Crore (₹ 17.09 Crore) on account of revenue expenditure charged/debited to respective heads of accounts and ₹ Nil (₹ 0.04 Crore) on account of capital expenditure debited to property, plant and equipment.

36. (a) Pursuant to regulation 34 (3) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, loans and advances in the nature of loans to related parties:

(₹ in Crore)

Name of the Company	Amount Outstanding		Maximum balance outstanding	
	As at 31 March 2020	As at 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
JSL Lifestyle Limited	12.26	12.26	12.26	12.26
Green Delhi BQS Limited	21.39	21.39	21.39	21.39
JSL Media Limited	1.21	1.21	1.21	1.21
Jindal Stainless Limited	900.00	900.00	900.00	900.00

Note : for general business purpose.

(b) Details of Loans given, investment made and guarantees given, covered U/S 186 (4) of the Companies Act ,2013:-

(i) Loans given and investment made are given under respective heads.

(ii) Corporate guarantee given by the Company on behalf of parties covered u/s 186(4), details of which is given in related party transactions. Refer note no 31 D, 34 and 47.

37. (a) Due to outbreak of COVID-19 which has been declared as a Pandemic by World Health Organization and subsequent lock down ordered by the Central and State Government(s) in India, the manufacturing facilities of the Company remained suspended from 25 March 2020 till 6 May 2020. The Company in compliance with the necessary instructions/guidelines, resumed its operations on 7 May 2020 in a phased manner, while ensuring health and safety of all the stakeholders. The Company is gradually ramping up its operations depending upon the market conditions.

This situation has disturbed the economic activity through interruption in manufacturing process, disruption in supply chain, etc.. The management has exercised due care in concluding significant accounting, judgements and estimates after taking into account possible impact of internal and external factors known to the management upto the date of these financial statements, to assess and finalise their carrying amount of assets and liabilities. Accordingly, as on date no material impact is anticipated in these financial statements. Further, the Company believes that this Pandemic may not have significant adverse impact on the long term operations and performance of the Company.

(b) 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.

(c) The Company has given inter corporate deposits to its two subsidiaries namely Green Delhi BQS Limited & JSL Media Limited, amounting to ₹ 22.60 Crore (₹ 22.60 Crore) {also investment of ₹ 0.10 Crore (₹ 0.10 Crore)} where the subsidiary companies has accumulated losses\negative net worth. In view of the long term involvement of the Company and future prospects, in the opinion of the management, these are good and realizable hence no provision has been considered necessary.

(d) The audited GST return for the year ended 31 March 2019 is pending for the filing as competent authority has extended the date of filing till 30 September 2020. The company is in process of reconciling the data of GSTR 2A with GSTR 3B. In view of the management on final reconciliation the impact will not be material.

38. 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.

39. 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 ₹ 8.89 Crore (₹ 6.29 Crore) and details of amount spent towards Corporate Social Responsibility is as under :

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Promoting education & enhancing vocational skills	3.15	3.77
Promoting gender equality & empowering women	0.47	0.61
Ensuring environment sustainability & ecological balance	0.89	0.80
Promoting preventive health care	0.57	0.69
Rural development programme	1.31	0.49
Emergencies and relief work	2.20	-
Administration expenditure	0.33	0.08
Total	**8.92**	**6.44**

40. Financial risk management

40.1 Financial risk factors

The Company'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 Company's operations. The Company has loan, Investment, trade receivables, other receivables, cash and short-term deposits that arise directly from its operations. The Company also enters into derivative transactions. The Company'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 2020 and 31 March 2019.

(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 Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures. The Company 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 Company'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 Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Company 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.

Foreign exchange risk and sensitivity

An exposure can be defined as a contracted cash flow (trade receivables, trade payables, loans, purchase order placed or sales order received) denominated in a currency other than Indian Rupees. The Company 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 Company.

viii) 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 Company.

Derivatives financial instruments

Derivative contracts entered into by the Company and outstanding as on 31 March 2020 for hedging currency risks:

As at 31 March 2020

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

As at 31 March 2019

Nature of derivatives	Type	No. of contracts	Foreign currency (Million)	Amount (₹ In Crore)
Forward covers				
USD/INR	Sale	31	34.709	240.02
EURO/USD	Sale	14	13.690	106.19
USD/INR	Buy	67	22.442	155.21

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.

Foreign Currency exposures that are not hedged by derivative instruments or otherwise outstanding as on 31 March 2020 is as under:

Nature	As at 31 March 2020		As at 31 March 2019	
	Foreign Currency (Millions)	Amount (₹ In Crore)	Foreign Currency (Millions)	Amount (₹ In Crore)
Account receivables				
JPY	-	-	1.648	0.10
GBP	0.107	1.01	-	-
CHF	-	-	0.047	0.33
Account payables				
USD	13.380	101.12	23.850	164.95
EURO	3.644	30.39	0.671	5.21
GBP	0.387	3.63	0.452	4.07
CHF	0.237	1.86	-	-
CAD	0.040	0.22	-	-
Loans				
USD	-	-	1.154	7.98

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 Company'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 2020	31 March 2019
		Effect on profit/ (loss) before tax	Effect on profit/ (loss) before tax
USD	+5% -5%	(5.06) 5.06	(8.65) 8.65
EURO	+5% -5%	(1.52) 1.52	(0.26) 0.26
CAD	+5% -5%	(0.01) 0.01	- -
GBP	+5% -5%	(0.13) 0.13	(0.20) 0.20
JPY	+5% -5%	- -	0.01 (0.01)
CHF	+5% -5%	(0.09) 0.09	0.02 (0.02)

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

The Company transacts business primarily in Indian Rupee, USD, EURO and CAD. The Company 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 Company act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company 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

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

Price risk and sensitivity

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company 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 Company 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 Company 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 Company extends credit to customers in normal course of business. The Company 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 Company 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 Company 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 Company 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 Company 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 Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

iii) Liquidity risk

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company 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 Company 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 Company 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 Company 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.

As at 31 March 2020

(₹ in Crore)

	Carrying amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	2,018.97	219.94	559.00	1,240.03	2,018.97
Other financial liabilities	319.20	309.17	2.53	7.50	319.20
Trade payables	1,334.50	1,334.50	-	-	1,334.50
Total	**3,672.67**	**1,863.61**	**561.53**	**1,247.53**	**3,672.67**

* Including current maturity.

As at 31 March 2019

(₹ in Crore)

	Carrying amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	2,181.20	252.04	546.00	1,383.16	2,181.20
Other financial liabilities	243.90	243.90	-	-	243.90
Trade payables	1,474.27	1,474.27	-	-	1,474.27
Total	**3,899.37**	**1,970.21**	**546.00**	**1,383.16**	**3,899.37**

* Including current maturity.

Unused lines of credit

(₹ in Crore)

	As at 31 March 2020	As at 31 March 2019
Secured	240.66	325.88
Unsecured	-	-
Total	**240.66**	**325.88**

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 Company has taken derivatives for offsetting the foreign currency and interest rate exposure.

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	2,018.97	2,018.97	-	10.52%
USD	-	-	-	-
Total	**2,018.97**	**2,018.97**	**-**	

For the year ended 31 March 2019

	Total borrowings (₹ In Crore)	Floating rate borrowings (₹ In Crore)	Fixed rate borrowings (₹ In Crore)	Weighted average interest rate (%)
INR	2,173.22	2,173.22	-	10.59%
USD	7.98	7.98	-	4.76%
Total	**2,181.20**	**2,181.20**	**-**	

40.2 Competition and price risk

The Company 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.

40.3 Capital risk management

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

For the purpose of the Company's capital management, capital includes issued capital, share premium and other equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents excluding discontinued operations.

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

Gearing ratio

(₹ in Crore)

	As at 31 March 2020	As at 31 March 2019
Loans and borrowings	2,018.97	2,181.20
Less: Cash and cash equivalents	18.52	17.92
Net debt	**2,000.45**	**2,163.28**
Total capital	1,836.25	1,516.71
Capital and net debt	**3,836.70**	**3,679.99**
Gearing ratio	**52%**	**59%**

41. Fair values of financial assets and liabilities and hierarchy

The Company 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.

2. Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company 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 Company 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 Company'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 2020 (₹ In Crore)	As at 31 March 2019 (₹ In Crore)	Valuation Techniques and Key Inputs
Financial assets /liabilities at fair value through amortised cost:						
(a)	**Financial assets**					
	Loans	5	3	934.86	934.86	Discounted cash flows
	Other financial assets	6	3	247.87	141.43	Discounted cash flows
(b)	**Financial liabilities**					
	Borrowings - non current	14	3	1,799.03	1,929.16	Discounted cash flows
	Borrowings - current	17	3	89.94	71.88	Discounted cash flows
	Other financial liabilities	19	3	438.12	424.06	Discounted cash flows
Financial assets / liabilities at fair value through statement of profit or loss:						
	Derivative Forward Contract (assets)	6	2	-	1.17	Forward foreign currency exchange rate
	Derivative Forward Contract (liabilities)	19	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 2019-20.

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. Fair value of said guarantees as at 31 March 2020, and 31 March 2019 have been considered at nil as estimated by the management and an independent professional.

42. Leases

Effective April 1, 2019, 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, 2020.

Right to use Asset Movement

(₹ in Crore)

Building	For the year ended 31 March 2020
Right to use assets as at 01 April 2019	11.95
Addition during the year	-
Depreciation during the year	1.47
Right to use assets as at 31 March 2020	**10.48**

Lease obligation Movement

(₹ in Crore)

Building	For the year ended 31 March 2020
Lease obligation as at 01 April 2019	11.95
Addition to lease obligation	-
Payment of lease	(2.05)
Addition as interest	1.16
Lease obligation as at 31 March 2020	**11.06**

The following is the break-up of current and non-current lease liabilities as at March 31, 2020.

(₹ in Crore)

	As at 31 March 2020	As at 31 March 2019
Current	1.03	0.89
Non Current	10.03	11.06
Lease obligation as at 31 March 2020	**11.06**	**11.95**

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

(₹ in Crore)

Lease Liabilities	Lease Payments	Interest expense	Net Present value
Less than one year	2.09	1.06	1.03
One to five years	7.26	3.14	4.12
More than five years	9.27	3.36	5.91
			11.06

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

(₹ in Crore)

	For the year ended 31 March 2020
Depreciation on Right to use assets	1.47
Interest expense on lease liability (included in finance cost)	1.16
Expense relating to low value leases (included in administrative expenses)	2.79
Total	**5.42**

The Company has adopted Ind AS 116 'Leases' effective 01 April 2019 and applied the Standard to its leases, using modified retrospective method. This has resulted in recognizing a Right-of-Use Asset and a corresponding Lease liability of ₹11.95 crores as at 01 April 2019.

43. Information related to consolidated financials

The Company is listed on stock exchange in India, the Company has prepared consolidated financial statement as required under IND AS 110 Consolidated Financial Statements, Sections 129 of Companies Act, 2013 and listing requirements. The consolidated financial statement is available on Company's web site for public use.

44. Income tax reconciliation

Tax expenses

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax	125.41	147.90
Deferred tax	(44.24)	(5.53)
Income tax change/(credit) for earlier years	0.06	(0.27)
Total	**81.23**	**142.10**

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:

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Net income / (loss) before taxes	401.56	403.75
Enacted tax rates	25.168%	34.944%
Computed tax (income)/expense	101.06	141.09
Increase/(reduction) in taxes on account of:		
Additional allowance for tax purpose	-	(2.99)
Expenses not allowed for tax purpose	2.35	3.48
Effect of change in tax rate	(22.24)	0.79
Deferred tax recognized for earlier years	0.46	3.53
Current tax recognized for earlier years	(0.40)	(3.80)
Income tax expense reported	**81.23**	**142.10**

The Government of India on 12 December 2019 vide The Taxation Laws (Amendment) Act, 2019 inserted a new section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/ conditions defined in the said section. The Company has recognized the tax provision in its books as per Section 115BAA during the year and re-measurement of deferred tax liability (net) which was recognized in earlier tax regime. This has resulted in reversal of tax expenses for the year ended 31 March 2020 by ₹ 22.24 crores.

45. Segment Reporting

As per IND AS 108 Operating Segment, segment information has been provided in notes to consolidated financial statements.

46. 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 Company 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.

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
Sales volume	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
Sales price	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term inflation forecasts for each territory.
Budgeted gross margin	Based on past performance and management's expectations for the future.
Other operating costs	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.
Annual capital	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.
Long-term growth rate	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.
Pre-tax discount rates	Reflect specific risks relating to the relevant segments and the countries in which they operate.

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A List of related parties & relationship (as identified by the Management)

		Country of Incorporation	Ownership Interest	
			31 March 2020	31 March 2019
a)	**Subsidiary companies**			
1	Jindal Stainless Steelway Limited	India	100.00%	81.91%
2	JSL Lifestyle Limited	India	73.37%	73.37%
3	Green Delhi BQS Limited	India	51.00%	51.00%
4	JSL Media Limited	India	99.94%	99.94%
5	JSL Logistics Limited	India	100.00%	100.00%
b)	**Associates**			
1	Jindal Stainless Corporate Management Services Pvt. Ltd.	India	50.00%	50.00%
2	Jindal Stainless Limited	India	34.54%	35.12%
c)	**Subsidiaries, associates and joint ventures of parties listed in a & b above with whom transactions have taken place during the current and previous year**			
1	J S S Steel Italia Limited	India		
2	Jindal Stainless UK Ltd. (Dissolved w.e.f. 11.12.2018)	UK		
3	Jindal Stainless FZE, Dubai	UAE		
4	PT Jindal Stainless Indonesia	Indonesia		
5	Iberjindal S.I.	Spain		
6	Jindal Coke Limited	India		
7	Jindal United Steel Limited	India		
d)	**Trusts**			
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			
e)	**Key Management Personnel with whom transactions have taken place during the current and previous year**			
1	Mr. Ratan Jindal	Chairman		
2	Mr. Abhyuday Jindal	Vice Chairman (upto 25.04.2018) and Managing Director (w.e.f. 26.04.2018)		
3	Mr. Ashok Kumar Gupta	Whole Time Director and Manager (upto 14.05.2018)		
4	Mr. Jagmohan Sood	COO & Unit Head, Hisar Plant (upto 14.05.2018) and Whole Time Director (w.e.f. 15.05.2018)		
5	Mr. Ankur Agrawal	Chief Financial Officer (upto 27.04.2018)		
6	Mr. Ajay Goyal	Chief Financial Officer (from 30.10.2018 to 29.01.2019)		
7	Mr. Ramnik Gupta	Chief Financial Officer (w.e.f. 30.01.2019)		
8	Mr. Bhartendu Harit	Company Secretary		
9	Mr. Kanwaljit Singh Thind	Independent Director*		
10	Mr. Girish Sharma	Independent Director*		
11	Mr. Arunendra Kumar	Independent Director* (upto 03.10.2018)		
12	Mr. Nirmal Chandra Mathur	Independent Director*		
13	Mrs. Arti Luniya	Independent Director (w.e.f. 26.07.2018)		
	*Independent directors are included only for the purpose of compliance with definition of key management personnel given under IND AS 24.			
f)	**Enterprises over which any person described in (e) along with their relatives is able to exercise significant influence with whom transactions have been taken place during the year:**			
1	Jindal Defence Systems Private Limited (previously known as Jindal Defence Systems Limited)			
2	Jindal Advance Materials Private Limited			
3	JSL Global Commodities Pte. Ltd.			
4	Prime Stainless DMCC (w.e.f. 13.11.2019)			

B Transactions:

(₹ in Crore)

Description	For the year ended 31 March 2020			For the year ended 31 March 2019		
	Subsidiary (a)	Associates & Other Parties (b,c,d & f)	Key Management Personnels (e)	Subsidiary (a)	Associates & Other Parties (b,c,d & f)	Key Management Personnels (e)
Purchase of goods	**194.17**	**1,164.22**	**-**	**124.64**	**1,020.90**	**-**
Jindal Stainless Steelway Limited	179.10	-	-	102.37	-	-
JSL Lifestyle Limited	15.07	-	-	22.27	-	-
PT. Jindal Stainless Indonesia	-	-	-	-	16.91	-
J S S Steel Italia Limited	-	-	-	-	0.66	-
Jindal Stainless Limited	-	891.17	-	-	975.95	-
Jindal United Steel Limited	-	221.72	-	-	-	-
Jindal Coke Limited	-	21.90	-	-	27.38	-
Prime Stainless DMCC	-	29.43	-	-	-	-
Sale of goods	**893.13**	**816.91**	**-**	**637.68**	**857.00**	**-**
Jindal Stainless Steelway Limited	759.39	-	-	461.02	-	-
JSL Lifestyle Limited	133.74	-	-	176.65	-	-
PT. Jindal Stainless Indonesia	-	32.22	-	-	48.88	-
Iberjindal S.I.	-	113.64	-	-	136.04	-
Jindal Stainless Limited	-	575.12	-	-	672.09	-
JSL Global Commodities Pte. Ltd.	-	95.93	-	-	-	-
Purchase of fixed assets	**0.03**	**-**	**-**	**1.92**	**-**	**-**
Jindal Stainless Steelway Limited	0.03	-	-	-	-	-
JSL Lifestyle Limited	-	-	-	1.92	-	-
Sale of fixed assets	**0.39**	**-**	**-**	**-**	**-**	**-**
JSL Lifestyle Limited	0.39	-	-	-	-	-
Job charges received	**-**	**44.22**	**-**	**-**	**84.26**	**-**
Jindal Stainless Limited	-	44.22	-	-	84.26	-
Job work charges paid	**37.23**	**0.02**	**-**	**23.33**	**0.01**	**-**
Jindal Stainless Steelway Limited	37.20	-	-	23.29	-	-
JSL Lifestyle Limited	0.03	-	-	0.04	-	-
Jindal Stainless Limited	-	0.02	-	-	-	-
Jindal United Steel Limited	-	-	-	-	0.01	-
Commission on sale/purchase paid	**-**	**12.91**	**-**	**-**	**16.23**	**-**
Jindal Stainless FZE, Dubai	-	9.05	-	-	16.23	-
JSL Global Commodities Pte. Ltd.	-	3.63	-	-	-	-
Prime Stainless DMCC	-	0.23	-	-	-	-

Freight Paid	**-**	**2.94**	**-**	**-**	**10.12**	**-**
Jindal Stainless Limited	-	2.94	-	-	10.12	-
Jindal Coke Limited ₹39,248						

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

(₹ in Crore)

Description	For the year ended 31 March 2020			For the year ended 31 March 2019		
	Subsidiary (a)	Associates & Other Parties (b,c,d & f)	Key Management Personnels (e)	Subsidiary (a)	Associates & Other Parties (b,c,d & f)	Key Management Personnels (e)
Quality claim paid	**-**	**-**	**-**	**0.21**	**-**	**-**
Jindal Stainless Steelway Limited	-	-	-	0.21	-	-
Bad Debts written off	**-**	**0.00**	**-**	**-**	**12.16**	**-**
J S S Steel Italia Limited ₹ 5,723	-	0.00	-	-	12.16	-
Consultancy charges paid	**-**	**60.33**	**-**	**-**	**60.30**	**-**
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	60.33	-	-	60.30	-
Operating & maintenance services charged	**47.97**	**-**	**-**	**26.44**	**-**	**-**
Jindal Stainless Steelway Limited	47.97	-	-	26.44	-	-
Sharing of exp. reimbursed/to be reimbursed	**0.20**	**3.64**	**-**	**-**	**8.12**	**-**
JSL Lifestyle Limited	0.20	-	-	-	-	-
Jindal Stainless Limited	-	3.64	-	-	8.12	-
Sharing of exp. recovered/to be recovered	**-**	**0.01**	**-**	**-**	**0.20**	**-**
Jindal Stainless Limited	-	-	-	-	0.18	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	0.01	-	-	0.02	-
Guarantee/ counter guarantee given	**32.45**	**-**	**-**	**67.20**	**-**	**-**
Jindal Stainless Steelway Limited	14.98	-	-	67.20	-	-
JSL Lifestyle Limited	17.47	-	-	-	-	-
Contribution towards trusts	**-**	**34.34**	**-**	**-**	**29.06**	**-**
Jindal Stainless (Hisar) Limited Group Gratuity Fund	-	5.31	-	-	4.20	-
Jindal Stainless (Hisar) Limited (Ferro alloys) Group Gratuity Scheme	-	0.20	-	-	0.07	-
Jindal Stainless (Hisar) Limited EPF Trust	-	27.97	-	-	24.07	-
Jindal Stainless (Hisar) Welfare Fund	-	0.86	-	-	0.72	-
Outstanding balance						
Letter of comfort given	**181.01**	**-**	**-**	**153.57**	**-**	**-**
Jindal Stainless Steelway Limited	136.50	-	-	124.02	-	-
JSL Lifestyle Limited	44.51	-	-	29.55	-	-
Guarantee/ counter guarantee given	**97.18**	**4,841.62**	**-**	**77.65**	**4,832.90**	**-**
Jindal Stainless Steelway Limited	79.71	-	-	77.65	-	-
JSL Lifestyle Limited	17.47	-	-	-	-	-
Jindal Stainless Limited	-	4,841.62	-	-	4,832.90	-

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

(₹ in Crore)

Description	For the year ended 31 March 2020			For the year ended 31 March 2019		
	Subsidiary (a)	Associates & Other Parties (b,c,d & f)	Key Management Personnels (e)	Subsidiary (a)	Associates & Other Parties (b,c,d & f)	Key Management Personnels (e)
Loans & advances	**35.99**	**1,062.00**	**-**	**36.03**	**981.00**	**-**
JSL Media Limited	1.21	-	-	1.21	-	-
JSL Lifestyle Limited **	13.38	-	-	13.42	-	-
Green Delhi BQS Limited	21.40	-	-	21.40	-	-
Jindal Stainless Limited @	-	1,062.00	-	-	981.00	-
Advance against supplies/services	**3.43**	**8.80**	**-**	**3.44**	**-**	**-**
JSL Media Limited	3.43	-	-	3.44	-	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	8.80	-	-	-	
Receivables	**124.89**	**98.07**	**-**	**54.79**	**72.29**	**-**
Jindal Stainless Steelway Limited	64.21	-	-	18.34	-	-
JSL Lifestyle Limited	60.68	-	-	36.44	-	-
PT. Jindal Stainless Indonesia	-	48.18	-	-	43.12	-
Iberjindal S.I.	-	36.99	-	-	22.21	-
Jindal Stainless Limited	-	-	-	-	6.96	-
Green Delhi BQS Limited	0.01	-	-	0.01	-	-
Jindal Defence Systems Pvt. Limited (₹ 40,415)	-	0.01	-	-	0.00	-
Jindal Advance Materials Pvt. Limited ₹ 6,018 (₹ 29,500)	-	0.00	-	-	0.00	-
JSL Global Commodities Pte. Ltd.	-	12.89	-	-	-	-
Jindal United Steel Limited ₹ 22,584	-	0.00	-	-	-	-
Payables	**4.19**	**45.71**	**-**	**10.35**	**11.00**	**-**
Jindal Stainless Steelway Limited	2.49	-	-	4.87	-	-
JSL Lifestyle Limited	1.70	-	-	5.48	-	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	-	-	-	1.23	-
PT. Jindal Stainless Indonesia	-	0.76	-	-	0.69	-
Jindal Stainless FZE, Dubai	-	2.40	-	-	5.38	-
J S S Steel Italia Limited (₹ 5,723)	-	-	-	-	0.00	-
Jindal Stainless Limited	-	23.28	-	-	-	-
Jindal Coke Limited	-	3.66	-	-	3.69	
Prime Stainless DMCC	-	15.17	-	-	-	-
JSL Global Commodities Pte. Ltd.	-	0.44	-	-	-	-

(₹ in Crore)

Description	For the year ended 31 March 2020			For the year ended 31 March 2019		
	Subsidiary (a)	Associates & Other Parties (b,c,d & f)	Key Management Personnels (e)	Subsidiary (a)	Associates & Other Parties (b,c,d & f)	Key Management Personnels (e)
Remuneration payable	**-**	**-**	**1.35**	**-**	**-**	**2.86**
Mr. Ratan Jindal	-	-	1.19	-	-	2.73
Mr. Jagmohan Sood	-	-	0.09	-	-	0.09
Mr. Ramnik Gupta	-	-	0.05	-	-	0.02
Mr. Bhartendu Harit	-	-	0.02	-	-	0.02

Note :- Above to be read with note no. 31 (D).

* written off

** Includes loan of ₹ 12.26 crore (₹ 12.26 crore)

@ Includes Inter corporate Deposits amounting to ₹ 900.00 crore (₹ 900.00 crore) and interest accure over it during financial years 2018-19 & 2019-20, which is repayable in one or more instalment by 31 March 2023, or such other terms as may be mutually agreed between the company and Jindal Stainless Limited and interest thereon is payable on monthly basis from March 2020 onwards. Further interest servicing for financial years 2018-19 & 2019-20 has been defered till Feb 2021, as mutually agreed.

Compensation to key management personnel

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Short-term employee benefits*	20.11	20.12
Total Compensation to key management personnel	**20.11**	**20.12**

*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.

48 Revenue from Contracts with Customers

Effective 01 April 2018, the company has adopted Indian Accounting Standard (IND AS) 115 'Revenue from contracts with customers' using the cumulative catch-up transition method.

A Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

For the year ended 31 March 2020

(₹ in Crore)

Revenue from operations	Goods*	Services	Other operating revenue	Total
Revenue by geography				
Domestic *	7,142.11	36.58	72.85	7,251.54
Export	1,088.15			1,088.15
Total	**8,230.26**	**36.58**	**72.85**	**8,339.69**
Revenue by time				
Revenue recognised at point in time				8,303.11
Revenue recognised over time				36.58
Total				**8,339.69**

* Export benefit has been included in domestic revenue

For the year ended 31 March 2019

(₹ in Crore)

Revenue from operations	Goods*	Services	Other operating revenue	Total
Revenue by geography				
Domestic *	7,540.38	73.89	58.47	7,672.74
Export	1,283.66	-	-	1,283.66
Total	**8,824.04**	**73.89**	**58.47**	**8,956.40**
Revenue by time				
Revenue recognised at point in time				8,882.51
Revenue recognised over time				73.89
Total				**8,956.40**

* 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 2020	For the year ended 31 March 2019
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	22.47	32.34
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 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Contract liabilities related to sale of goods				
Advance from customers	-	28.16	-	22.47

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

(₹ in Crore)

Description	For the year ended 31 March 2020	For the year ended 31 March 2019
Contract price	8,187.64	8,816.66
Less: Discount, rebates, credits etc.	152.05	139.74
Revenue from operations as per Statement of Profit and Loss	**8,339.69**	**8,956.40**

49 Retirement benefit obligations

Expenses recognised for defined contribution plans

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Company's contribution to provident fund	3.21	3.34
Company's contribution to employee state insurance	0.15	0.38
Company's contribution to national pension scheme	0.77	0.50
Total	**4.13**	**4.22**

Expenses recognised for defined benefit plans

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Company's contribution to provident fund	4.57	3.70
Total	**4.57**	**3.70**

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the standalone balance sheet as at 31 March 2020 and 31 March 2019, being the respective measurement dates.

A. Change in defined benefit obligation

(₹ in Crore)

	Gratuity (Funded)	Leave Encashment (Unfunded)
Defined benefit obligation at 01 April 2018	**36.89**	**8.97**
Service cost		
Current service cost	2.38	0.71
Interest expense	2.70	0.60
Cash flows		
Benefit payments from plan assets	(3.14)	(2.69)
Remeasurements		
Due to change in financial assumptions	(0.32)	(0.03)
Due to experience adjustments	1.64	2.44
Defined benefit obligation at 31 March 2019	**40.15**	**9.99**
Service Cost		
Current service cost	2.62	0.97
Interest expense	3.00	0.68
Cash flows		
Benefit payments from plan assets	(2.38)	(2.53)
Remeasurements		
Due to change in financial assumptions	1.63	0.27
Due to experience adjustments	(0.87)	1.60
Defined benefit obligation at 31 March 2020	**44.15**	**10.98**

B. Change in fair value of plan assets-gratuity

(₹ in Crore)

	As at 31 March 2020	As at 31 March 2019
Fair value of plan assets at end of prior period	**31.92**	**28.75**
Interest income	**2.54**	**2.18**
Cash flows		
Total employer contributions	5.51	4.27
Benefit payments from plan assets	(2.38)	(3.14)
Remeasurements		
Return on assets (excluding interest income)	(0.30)	(0.14)
Fair value of plan assets at end of period	**37.29**	**31.92**

C. Recognized in statement of profit and loss

(₹ in Crore)

	Gratuity	Leave Encashment
Service cost		
Current service cost	2.38	0.71
Total service cost	**2.38**	**0.71**
Net interest cost		
Interest expense on define benefit obligation	2.55	0.60
Interest (income) on plan assets	(2.03)	-
Total net interest cost	**0.52**	**0.60**
Remeasurements of other long term benefits	-	2.41
For the year ended 31 March 2019	**2.90**	**3.71**
Service Cost		
Current service cost	2.62	0.97
Total service cost	**2.62**	**0.97**
Net interest cost		
Interest expense on define benefit obligation	2.84	0.68
Interest (income) on plan assets	(2.40)	-
Total net interest cost	**0.44**	**0.68**
Remeasurements of other long term benefits	-	1.87
For the year ended 31 March 2020	**3.06**	**3.52**

D. Recognized in other comprehensive income (OCI)

(₹ in Crore)

	Gratuity
Due to change in financial assumptions	(0.20)
Due to change in experience adjustments	1.52
Return on assets (excluding interest income)	0.14
For the year ended 31 March 2019	**1.46**
Due to change in demographic assumptions(₹2291)	0.00
Due to change in financial assumptions	1.70
Due to change in experience adjustments	(0.94)
Return on assets (excluding interest income)	0.30
For the year ended 31 March 2020	**1.06**

E. Expected cash flows for following year

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Year 1	2.94	2.62
Year 2	3.24	3.06
Year 3	3.90	3.30
Year 4	4.52	4.01
Year 5	4.73	4.68
Next 5 years	33.95	33.14

F. Current and non-current liability for gratuity and leave encashment

(₹ in Crore)

	Gratuity	Leave Encashment
As on 31 March 2019		
Current liabilities	0.01	2.43
Non current liabilities	8.22	7.57
As on 31 March 2020		
Current liabilities	0.02	2.64
Non current liabilities	6.84	8.35

G. Disaggregation of plan assets into classes

The weighted-average asset allocations at the period end were as follows:

	Unquoted	Unquoted
Insurance Company products	100%	100%

H. Actuarial assumptions

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate	6.70% P.a.	7.70% P.a.
Salary increase rate	5.50% P.a.	6.00% P.a.
Rate of return on plan assets	6.70% P.a.	7.70% P.a.
Mortality table	(IALM) (2006-08) (Modified)Ult.	(IALM) (2006-08) (Modified)Ult.
Disability	5.00% of Mortality Rate	5.00% of Mortality Rate
Withdrawal (rate of employee turnover)	Upto age 30 Years:3%	Upto age 30 Years:3%
	31-44 Years:2%	31-44 Years:2%
	45 and above:1%	45 and above:1%
Retirement Age	58 Years	58 Years
Weighted Average Duration	9 Years	9 Years

The assumption of future salary increases have been set after taking into account aspects relating to inflation, seniority, promotion and other relevant factors

The assumption of attrition rate has been set based on the expected turnover of the company

I. Sensitivity analysis (Effect on Gratuity)

Particulars	As at 31 March 2020	As at 31 March 2019
A. Discount Rate		
Discount Rate - 50 basis points	46.02	41.86
Assumptions	6.20% p.a.	7.20% p.a.
Discount Rate + 50 basis points	42.42	38.57
Assumptions	7.20% p.a.	8.20% p.a.
B. Salary increase rate		
Salary Rate - 50 basis points	42.49	38.45
Assumptions	5.00%p.a.	5.50% p.a.
Salary Rate + 50 basis points	45.93	41.98
Assumptions	6.00%p.a.	6.50% p.a.

The company makes monthly contributions to Provident Fund managed by trust for qualifying employees. Under the scheme, the company is required to contribute a specified percentage of the payroll costs to fund the benefits. Employer established provident fund trusts are treated as Defined Benefit Plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees. Accounting to the actuarial Valuation, the Defined Benefit Obligation of Interest Rate Guarantee on exempted Provident Fund in respect of employees of the company as on 31 March 2020 works out of ₹ Nil (₹ Nil) and hence no provision is required to be provided for in the books of account towards the guarantee for notified interest rates.

Actuarial assumptions

	As at 31 March 2020	As at 31 March 2019
Discount rate	6.70% p.a.	7.70% p.a.
Rate of return on plan assets	8.50% p.a.	8.55% p.a.
Guaranteed Rate of return	8.50% p.a.	8.55% p.a.

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Net Profit/(Loss) after tax as per P & L A/c (₹ in Crore)	320.33	261.65
Weighted average no. of equity shares for basic/diluted EPS (No's)	235,934,685	235,934,685
Basic/Diluted EPS per share (in ₹)	13.58	11.09
Face value per share (in ₹)	2.00	2.00

51 A) Auditors Remuneration includes the following

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
(i)	**Payment to auditors**		
	Audit fee	0.24	0.21
	Certification work	0.02	0.02
	Other services	0.11	0.06
	Out of pocket expenses	0.03	0.01
		0.40	**0.31**
(ii)	**Payment to branch auditors**		
	Audit fee	0.04	0.03
	Tax audit fees	0.01	0.01
	Other capacity ₹ 49,668 (₹ 44,000)	0.00	0.00
	Certification work	0.02	0.03
		0.07	**0.08**
	Total	**0.47**	**0.39**
(B)	**Payment to Cost auditors**		
	Audit fee	0.02	0.02
	Total	**0.02**	**0.02**

52. Capital 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 2020	For the year ended 31 March 2019
Opening balance	**88.08**	**63.08**
Add: Additions during the year	134.42	134.62
Less: Capitalisation during the year	117.00	109.62
Closing balance	**105.50**	**88.08**

53.

A. C.I.F. VALUE OF IMPORTS

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Raw material	988.46	1,262.59
Stores & spares	149.00	159.00
Capital goods	70.55	70.70

B. EXPENDITURE IN FOREIGN CURRENCY

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
i)	Export selling expenses	17.23	17.52
ii)	Interest	10.44	16.50
iii)	Travelling	0.60	0.32
iv)	Legal & professional expenses	0.34	0.48
v)	Quality claim	4.20	3.26
vi)	Others	6.63	4.26

C. EARNINGS IN FOREIGN CURRENCY

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
F.O.B. value of export	1,103.84	1,237.54

D. Remittance of dividend on equity shares NIL NIL

54 No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

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

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

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

JAGMOHAN SOOD
Whole Time Director

RAMNIK GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

PLACE : New Delhi
DATED : 10 June 2020

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 ("the Holding Company & its subsidiaries" together referred as "the Group") and its associates, which comprise of the Consolidated Balance Sheet as at March 31, 2020, 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 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, 2020, 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 the 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 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
Contingent liabilities (Holding Company) 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.	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; We read the summary of litigation matters provided by management and held discussions with Company's legal department/ advisors and read determinations and judgment's 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; For litigation provisions/ contingencies, we tested the calculation, assessed the estimates against historical trends. We considered management's judgment's on the level of provisioning/ contingencies to be appropriate. We also evaluated appropriateness of the disclosures in Note no. 31 which we considered appropriate.

Description of Key Audit Matter	How our audit addressed the key audit matters
Revenue Recognition(Holding Company) 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. 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. Refer Note 1 of the Consolidated Financial Statements – Significant Accounting Policies	Our procedures included: ● Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls ● Evaluating the design and implementation of Company's controls in respect of revenue recognition. ● Testing the effectiveness of such controls over revenue cut off at year-end ● 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. ● Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing. ● 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.
For Key Audit Matters identified by Component Auditors, refer "Annexure I" attached herewith (as stated in respective audit reports).	

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 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 three subsidiaries, namely, JSL Lifestyle Limited, JSL Media Limited and Green Delhi BQS Limited; included in the consolidated financial statements whose financial statements reflect total assets of ₹ 268.75 Crores as at March 31, 2020, total revenues of ₹ 336.74 crores and net cash inflow of ₹ 0.22 Crores for the year ended on that date, as considered in the consolidated financial statements. We did not audit the financial statements of three associates, namely Jindal Stainless Corporate Management Services Pvt. Limited, Jindal Stainless limited and J.S.S. Steelitalia Limited (having negative net worth); in whose financial statements the Company's share of profit is ₹ 25.92 Crores and total Comprehensive Income of ₹ 40.62 Crores for the year ended on March 31, 2020. These financial statements have been audited by other auditor 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 and associates, is based solely on the reports of the other auditors.

(b) Financial statements of two subsidiary companies namely Jindal Stainless Steelway Limited and JSL Logistic Limited; which reflect total assets of ₹ 401.71 crores as at March 31, 2020, total revenue of ₹ 1,743.06 crores and net cash inflow of ₹ 0.16 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 ₹ 4.58 crore as at March 31, 2020 and the total revenue of ₹ 184.37 crore 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.

INDEPENDENT AUDITOR'S REPORT

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.

(d) Note no. 35 (a) to the consolidated financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Holding Company and Group operations and consolidated financial statements are assessed by the management. Further, due to Covid-19 related lock down restrictions, management of Holding Company and other entities included in the Group were able to perform year end physical verification of inventory at certain locations, subsequent to the year end. Also, we were not able to physically observe the verification of inventory that was carried out by the management of Holding Company. Consequently, we have performed alternative procedures to audit the existence of Inventory as per the guidance provided in SA-501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient audit evidence to issue our unmodified opinion on standalone financial statements.

Our opinion on the same is not modified in respect of the above matter.

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, 2020 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies 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, 2020 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) 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 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 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 49 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 companies and Associate Companies incorporated in India.

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

N.K. LODHA
Partner
Membership No. 085155
UDIN: 20085155AAAACB3568

Place: New Delhi
Dated: June 10, 2020

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

AMIT GOEL
Partner
Membership No. 500607
UDIN: 20500607AAAADJ2003

Place: New Delhi
Dated: June 10, 2020

Annexure I

Components	Description of Key Audit Matter	How our audit addressed the key audit matter
Jindal Stainless Limited (an Associate)	**Carrying amount of investment in an associate company and net assets of a subsidiary company** The Group has investment in equity instruments of its associate company, Jindal United Steel Limited amounting to ₹ 168.90 crores and carries net assets amounting to ₹ 42.51 crores in respect of a subsidiary, PT. Jindal Stainless Indonesia in its consolidated financial statements. 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. 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. The application of significant judgment in this matter required substantial involvement of internal valuation experts on the audit engagement. Accordingly, assessment of impairment losses to be recognised, if any, on the carrying amounts of investment in the associate company and net assets of the CGU has been considered as be a key audit matter for current year's audit.	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: 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. 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: ● 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; ● Assessed the appropriateness of valuation methodology used with the help of an auditor's expert, and tested the mathematical accuracy of management's model; ● Reconciled the cash flow projections to the business plans approved by the Group's management; ● 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; ● Tested the discount rate and long-term growth rates used in the forecast including comparison to economic and industry forecasts where appropriate; ● 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 assumptions on the fair value and value in use calculation; ● Engaged internal valuation experts to obtain additional comfort on the valuation technique used by management's valuation expert; ● 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; ● 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.

Components	Description of Key Audit Matter	How our audit addressed the key audit matter
Jindal Stainless Limited (an Associate)	**Recoverability of Minimum Alternate Tax (MAT) Credit** As at 31 March 2020, 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 ₹ 2,352.23 crores and brought forward business losses amounting to ₹ 115.04 crores. 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. Considering the materiality of the amounts involved and inherent subjectivity requiring significant judgment involved in the determination of utilization of MAT credit through estimation of future taxable profits, this area was considered to be of most significance to the audit and determined to be a key audit matter.	Our procedures in relation to assessment of MAT credit recognised as at reporting date included, but were not limited to, the following: ● 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. ● 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. ● Reconciled the business results projections to the future business plans approved by the Holding Company's board of directors; ● 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; ● 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; ● Performed independent sensitivity analysis in respect of the key assumptions such as growth rates to ensure there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the timing of reversal of unabsorbed depreciation and utilisation of MAT credit; ● Tested the computations of future taxable profits, including testing of the adjustments made in such computations with respect to tax-allowed and tax-disallowed items, other tax rebates and deductions available to the Holding Company, and tested the computation of MAT liability in such future years, in accordance with the provisions of the IT Act. ● Evaluated the historical accuracy of the estimates made in the prior periods with respect to business projections and aforesaid tax computations. ● Tested the mathematical accuracy of management's projections and tax computations. ● Based on aforesaid computations, assessed the appropriateness of management's estimate of likelihood of utilization of MAT credit within the time period specified and in accordance with the provisions of the IT Act. ● Engaged the internal tax experts to assess the accuracy of MAT credit recognised in the consolidated financial statements. ● Evaluated the appropriateness and adequacy of the disclosures related to MAT credit in the consolidated financial statements in accordance with the applicable accounting standards.

INDEPENDENT AUDITOR'S REPORT

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, 2020, 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's 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's 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, 2020, 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.

INDEPENDENT AUDITOR'S REPORT

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 5 subsidiary companies (including 2 subsidiary companies audited by one of the joint auditor of the Holding Company) and 3 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
UDIN: 20085155AAAACB3568

Place: New Delhi
Dated: June 10, 2020

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

AMIT GOEL
Partner
Membership No. 500607
UDIN: 20500607AAAADJ2003

Place: New Delhi
Dated: June 10, 2020

Consolidated balance sheet as at 31 March 2020

(₹ in Crore)

	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2	2,006.32	2,093.28
Capital work-in-progress		106.87	92.33
Goodwill (includes goodwill on consolidation)	3	86.25	86.25
Other intangible assets	3	15.77	10.69
Intangible assets under development		-	2.25
Investment in associates - equity method	4	646.57	621.69
Financial assets			
Investments	4	0.00	0.00
Loans	5	900.00	900.00
Other financial assets	6	34.16	32.69
Deferred tax assets (net)	7	0.09	2.02
Other non-current assets	8	31.41	11.53
Total non-current assets		**3,827.44**	**3,852.73**
Current assets			
Inventories	9	1,554.01	1,477.29
Financial assets			
Trade receivables	10	746.81	873.99
Cash and cash equivalents	11	19.60	18.62
Bank balances other than above	12	14.20	7.50
Other financial assets	6	241.88	118.36
Current tax assets (net)	13	0.81	4.95
Other current assets	8	179.12	141.60
Total current assets		**2,756.43**	**2,642.31**
Total Assets		**6,583.87**	**6,495.04**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	47.19	47.19
Other equity	14A	2,223.82	1,805.59
Total equity		**2,271.01**	**1,852.78**
Non-controlling interest	**14A**	**24.84**	**47.49**

Consolidated balance sheet as at 31 March 2020

(₹ in Crore)

	Note	As at 31 March 2020	As at 31 March 2019
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	15	1,828.64	1,971.52
Other financial liabilities	16	18.23	-
Provisions	17	20.87	20.50
Deferred tax liabilities (net)	18	37.71	82.79
Total non-current liabilities		**1,905.45**	**2,074.81**
Current liabilities			
Financial liabilities			
Borrowings	19	218.53	205.55
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	50.43	77.89
Total outstanding dues of creditors other than micro and small enterprises	20	1,383.86	1,500.05
Other financial liabilities	16	469.21	455.24
Other current liabilities	21	252.51	240.94
Provisions	17	3.07	2.75
Current tax liabilities (net)	22	4.96	37.54
Total current liabilities		**2,382.57**	**2,519.96**
Total Equity and Liabilities		**6,583.87**	**6,495.04**
Significant Accounting Policies	1		

The accompanying significant accounting policies and notes form an integral part of these 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

PLACE : New Delhi
DATED : 10 June 2020

For and on behalf of the Board of Directors :

ABHYUDAY JINDAL
Managing Director

JAGMOHAN SOOD
Whole Time Director

RAMNIK GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

Consolidated statement of profit and loss for the year ended on 31 March 2020

(₹ in Crore)

	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
INCOME			
Revenue from operations	23	9,379.00	10,288.86
Other income	24	132.86	102.11
Total Income		**9,511.86**	**10,390.97**
EXPENSES			
Cost of materials consumed	25	5,985.27	6,688.16
Purchases of stock in trade		248.36	193.45
Changes in inventories of finished goods, work in progress and stock in trade	26	51.60	(21.65)
Employee benefits expenses	27	235.21	215.47
Finance costs	28	322.77	367.12
Depreciation and amortization expense	29	294.58	289.29
Other expenses	30	1,923.39	2,174.69
Total Expenses		**9,061.18**	**9,906.53**
Profit before exceptional items and tax		**450.68**	**484.44**
Share of profit from associates - equity method		25.92	51.66
Exceptional items - gain/(loss)	33	20.09	33.71
Profit before tax		**496.69**	**569.81**
Tax expense			
Current tax		138.57	177.14
Deferred tax		(43.25)	(3.65)
Taxes in relation to earlier years		0.59	0.12
Net Profit for the year		**400.78**	**396.20**
Profit for the year attributable to:			
Owners of the parent		392.87	381.35
Non-controlling interest		7.91	14.85
		400.78	**396.20**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(1.40)	(1.50)
Income tax effect on above		0.35	0.52
Share of other comprehensive income from associates		14.70	(0.95)
Other comprehensive income for the year		**13.65**	**(1.93)**
Other comprehensive income for the year attributable to:			
Owners of the parent		13.69	(1.92)
Non-controlling interest		(0.04)	(0.01)
		13.65	**(1.93)**
Total comprehensive income for the year		**414.43**	**394.27**
Total comprehensive income for the year attributable to:			
Owners of the parent		406.56	379.43
Non-controlling interest		7.87	14.84
		414.43	**394.27**

Consolidated statement of profit and loss for the year ended on 31 March 2020

(₹ in Crore)

	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
Earnings per share (in ₹)	46		
Basic		16.65	16.16
Diluted		16.65	16.16
Significant accounting policies	1		

The accompanying significant accounting policies and notes form an integral part of these 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

JAGMOHAN SOOD
Whole Time Director

RAMNIK GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

PLACE : New Delhi
DATED : 10 June 2020

Statement of changes in equity for the year ended on 31 March 2020

EQUITY SHARE CAPITAL

(₹ in Crore)

As at 01 April 2018	Changes in equity share capital during 2018-19	As at 31 March 2019	Changes in equity share capital during 2019-20	As at 31 March 2020
47.19	-	47.19	-	47.19

OTHER EQUITY

(₹ in Crore)

	Surplus				Items of other comprehansive income	Total	Non-Controlling Interest
	Capital reserve	Securities premium	General Reserve	Retained earnings	Re-measurement of the net defined benefit plans (net of tax)		
Balance as at 01 April 2018	**0.05**	**562.94**	**-**	**864.07**	**0.32**	**1,427.38**	**31.46**
Profit for the year 2018-19	-	-	-	381.35	-	381.35	14.85
Re-measurements of the net defined benefit plans	-	-	-	-	(1.92)	(1.92)	(0.01)
Non controlling interests on acquistion of interest by subsidiary	-	-	-	(1.22)	-	(1.22)	1.19
Balance as at 31 March 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)	27.42	(30.53)
Change in associate shareholding	-	-	-	(3.55)	(12.19)	(15.75)	-
Balance as at 31 March 2020	**0.09**	**565.58**	**6.34**	**1,651.94**	**(0.13)**	**2,223.82**	**24.84**

The accompanying significant accounting policies and notes form an integral part of these 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

JAGMOHAN SOOD
Whole Time Director

RAMNIK GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

PLACE : New Delhi
DATED : 10 June 2020

Consolidated statement of cash flows for the year ended 31 March 2020

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
A	**Cash flow from operating activities**		
	Profit before tax	**496.69**	**569.81**
	Adjustment for:		
	Depreciation and amortisation expenses	294.58	289.29
	Allowance for expected credit losses/bad debts (net)	5.81	15.29
	Effect of unrealised foreign exchange gain	(4.14)	(1.31)
	Mark to market of derivatives contract (gain)/loss	12.25	(3.72)
	Share of profit from associates-equity method	(25.92)	(51.66)
	Re-measurements of the net defined benefit Plans	13.30	(2.45)
	Finance costs	322.77	367.12
	Interest income	(99.73)	(93.68)
	Loss on sale/discard of property, plant & equipment (net)	0.97	1.69
	Operating profit before working capital changes	**1,016.58**	**1,090.38**
	Movement in working capital :		
	(Increase) / decrease in inventories	(76.71)	196.41
	(Increase) / decrease in trade receivables	136.81	(45.01)
	(Increase) / decrease in loans & advances and other assets	(81.32)	157.16
	Increase / (decrease) in liabilities and provisions	(118.46)	(88.55)
	Cash inflow from operating activities	**876.90**	**1,310.39**
	Income tax paid (net)	(167.15)	(180.25)
	Net cash inflow from operating activities	**709.75**	**1,130.14**
B.	**Cash flow from investing activities**		
	Bank deposits encashed/(made)	(6.70)	(0.37)
	Purchase of property,plant & equipment and intangible asset	(223.80)	(204.70)
	Sales proceeds of property, plant & equipment	7.62	8.36
	Interest received	17.63	15.88
	Net cash outflow from investing activities	**(205.25)**	**(180.83)**
C.	**Cash flow from financing activities**		
	Interest and finance charges paid	(309.05)	(369.74)
	Repayment of long term borrowings	(198.87)	(255.36)
	Repayment of short term borrowings (net)	13.09	(313.62)
	Buy back of share by subsidiary	(3.11)	-
	Payment of lease liability	(5.58)	-
	Net cash outflow from financing activities	**(503.52)**	**(938.72)**
	Net changes in cash & cash equivalents	**0.98**	**10.59**
	Cash & cash equivalents (closing balance) (refer note no.11)	19.60	18.62
	Cash & cash equivalents (opening balance)(refer note no.11)	18.62	8.03
	Net changes in cash & cash Equivalents	**0.98**	**10.59**

Consolidated statement of cash flows for the year ended 31 March 2020

Reconciliation of liabilities arising from financing activities **(₹ in Crore)**

	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Long term borrowing	Short term borrowing*	Long term borrowing	Short term borrowing*
Opening balance	**2,161.34**	**205.55**	**2,417.15**	**517.43**
Cash flows				
Repayment	(198.87)	13.09	(255.36)	(313.62)
Non cash				
Foreign exchange movement	-	(0.11)	-	1.74
Fair value changes	(0.42)	-	(0.45)	-
Closing balance	**1,962.05**	**218.53**	**2,161.34**	**205.55**

* Short term borrowings are presented on net basis

The accompanying significant accounting policies and notes form an integral part of these 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

JAGMOHAN SOOD
Whole Time Director

RAMNIK GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

PLACE : New Delhi
DATED : 10 June 2020

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

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 Corporate 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 2020.

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

Transition to Ind AS 116, Leases

Ministry of Corporate Affairs (MCA) through the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019 has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other pronouncement. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under Ind AS 116 is substantially unchanged in comparison with earlier under Ind AS 17. Lessors will continue to classify leases as either operating or finance lease using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the company is the lessor.

The Company has adopted Ind AS 116, Leases with effect from 01 April 2019 and it is detailed in note no 48.

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 2020.

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 2020:

Name	Country of Incorporation	% Age Shareholding / Voting Power	
		31 March 2020	31 March 2019
Subsidiaries @			
Jindal Stainless Steelway Limited #	India	100.00%	81.91%
JSL Lifestyle Limited	India	78.70%	77.74%
JSL Logistics Limited	India	100.00%	100.00%
Green Delhi BQS Limited	India	95.09%	94.86%
JSL Media Limited	India	99.94%	99.94%
Associates*			
J.S.S. Steelitalia Limited	India	33.00%	33.00%
Jindal Stainless Limited	India	34.54%	35.12%
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.

Shareholding changed due to buyback of equity shares.

* 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.

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.

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.

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 equipment	Total
GROSS CARRYING AMOUNT									
As at 01 April 2018	**-**	**7.53**	**327.69**	**445.49**	**2,555.69**	**13.64**	**26.75**	**4.70**	**3,381.49**
Additions	-	1.03	3.59	13.81	165.51	0.32	5.87	1.00	191.13
Disposal/adjustments	-	-	-	-	35.41	2.24	0.33	0.06	38.04
As at 31 March 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**
ACCUMULATED DEPRECIATION									
As at 01 April 2018	**-**	**1.33**	**-**	**113.05**	**1,045.09**	**6.91**	**13.35**	**2.51**	**1,182.24**
Charge for the year	-	0.54	-	26.12	256.16	1.06	2.78	0.38	287.04
Relating to Disposal/adjustments	-	-	-	-	26.43	1.20	0.30	0.05	27.98
As at 31 March 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**
NET CARRYING AMOUNT									
As at 31 March 2019	**-**	**6.69**	**331.28**	**320.13**	**1,410.97**	**4.95**	**16.46**	**2.80**	**2,093.28**
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**

Notes

#The Company has legally valid, clear & marketable title over the freehold land & buildings amounting ₹ 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.

3. GOODWILL AND INTANGIBLE ASSETS

(₹ in Crore)

	Goodwill	* Software	Bus Q Shelter Concession Rights	Total
GROSS CARRYING AMOUNT				
As at 01 April 2018	**86.25**	**8.96**	**50.26**	**145.47**
Additions	-	8.48	-	8.48
Disposals/adjustments	-	-	-	-
As at 31 March 2019	**86.25**	**17.44**	**50.26**	**153.95**
Additions	-	8.86	-	8.86
Disposals/adjustments	-	-	-	-
As at 31 March 2020	**86.25**	**26.30**	**50.26**	**162.81**
ACCUMULATED AMORTIZATION				
As at 01 April 2018	**-**	**4.50**	**50.26**	**54.76**
Charge for the year	-	2.25	-	2.25
Relating to disposals/adjustments	-	-	-	-
As at 31 March 2019	**-**	**6.75**	**50.26**	**57.01**
Charge for the year	-	3.78	-	3.78
Relating to disposals/adjustments	-	-	-	-
As at 31 March 2020	**-**	**10.53**	**50.26**	**60.79**
NET CARRYING AMOUNT				
As at 31 March, 2019	**86.25**	**10.69**	**-**	**96.94**
As at 31 March, 2020	**86.25**	**15.77**	**-**	**102.02**

* Amortised upto 5 Years

4. INVESTMENTS

(₹ in Crore)

		As at 31 March 2020			As at 31 March 2019		
		Nos.	Face Value (₹)	Amount	Nos.	Face Value (₹)	Amount
	NON - CURRENT INVESTMENTS AT COST LESS PROVISION						
A	**Equity shares fully paid up of associate company-quoted**						
	Jindal Stainless Limited #	168,284,309	2	366.19	168,284,309	2	366.19
	Share in profit from associate-equity method			276.33			252.71
	TOTAL (A)			**642.52**			**618.90**
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			4.04			2.78
	J.S.S. Steelitalia Limited	7,713,190	10	7.71	7,713,190	10	7.71
	Share in (loss) from associate-equity method $			(7.71)			(7.71)
	TOTAL (B)			**4.05**			**2.79**
C	**Govt./Semi Govt. securities - non trade at fair value**						
	National Savings Certificate [₹ 1,500 (₹ 1,500)]*			0.00			0.00
	TOTAL (C)			**0.00**			**0.00**
	TOTAL - NON CURRENT INVESTMENT (A+B+C)			**646.57**			**621.69**
	Aggregate amount of quoted investments			642.52			618.90
	Aggregate market value of quoted investments			405.57			682.39
	Aggregate amount of unquoted investments			4.05			2.79

\# Pledge of 7,84,15,662 (7,84,15,662) shares in favour of lenders of Jindal Stainless Limited. (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 (₹ 5.19 crore) not recognised till 31 March,2020.

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
5	**NON CURRENT LOAN** (Unsecured, considered good unless otherwise stated) (refer note no.42)		
	Loans to related parties*	900.00	900.00
	TOTAL - NON CURRENT LOANS	**900.00**	**900.00**

* carries interest rate @ 10% p.a.

(₹ in Crore)

		Non Current		Current	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
6	**OTHER FINANCIAL ASSETS**				
	Security deposits [Net of provision of ₹ 0.54 crore (₹ 0.54 crore)]	33.91	32.44	2.95	1.84
	Interest receivable $	-	-	164.18	82.08
	Other receivable #	-	-	74.75	33.27
	Derivative assets	-	-	-	1.17
	Bank deposits with remaining maturity of more than 12 Months*	0.25	0.25	-	-
	TOTAL - OTHER FINANCIAL ASSETS	**34.16**	**32.69**	**241.88**	**118.36**

$ includes ₹ 162.00 crore (₹ 81.00 crore) receivable from Jindal Stainless Limited.(refer note no.42)
# Includes export incentives etc.
* under lien with banks/govt. authorities

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
7	**DEFERRED TAX ASSET (NET)**		
(a)	**DEFERRED TAX LIABILITY**		
	Difference between book & tax depreciable assets	4.14	3.93
	Total deferred tax liability	**4.14**	**3.93**
(b)	**DEFERRED TAX ASSETS**		
	Disallowance under income tax act	0.90	0.80
	Brought forward loss/unabsorbed depreciation	-	0.17
	Total deferred tax assets	**0.90**	**0.97**
	MAT CREDIT ENTITLEMENT	**3.33**	**4.98**
	DEFERRED TAX ASSET (NET)	**0.09**	**2.02**

(₹ in Crore)

		Non Current		Current	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
8	**OTHER ASSETS**				
	Capital advances	30.45	11.51	-	-
	Advance to vendors	-	-	43.32	26.28
	Advance to employees	-	-	0.31	0.28
	Balances with indirect tax authorities	-	-	122.66	101.58
	Unbilled revenue	-	-	0.24	1.49
	Other receivables *	0.96	0.02	12.59	11.97
	TOTAL OTHER ASSETS	**31.41**	**11.53**	**179.12**	**141.60**

* includes prepaid expenses,etc

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
9	**INVENTORIES** (As taken by the management) (valued at lower of cost and net realizable value unless otherwise stated)		
	Raw materials [Including material in Transit ₹ 174.71 crore (₹ 204.96 crore)]	533.98	394.40
	Work in progress	437.26	521.08
	Finished goods	462.30	433.76
	Stock in trade	3.18	-
	Store and spares [Including material in Transit ₹ 17.90 crore (₹ 11.60 crore)]	106.06	117.32
	Scrap (at estimated realizable value)	11.23	10.73
	TOTAL - INVENTORIES	**1,554.01**	**1,477.29**

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
10	**TRADE RECEIVABLES**		
	Unsecured		
	Considered good*	746.81	873.99
	Credit impaired	42.75	42.58
	Less : Allowance for expected credit losses	(42.75)	(42.58)
	TOTAL - TRADE RECEIVABLES	**746.81**	**873.99**

*The above includes trade receivables of ₹ 55.88 crore (₹ 15.45 crore) due for more than 180 days.

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
11	**CASH AND CASH EQUIVALENTS**		
	Balances with banks	6.63	7.92
	Bank Deposits with original maturity of less than three months *	0.23	-
	Cheques in hand/money in transit	12.61	10.59
	Cash in hand	0.13	0.11
	Puja and silver coins [₹ 17,964 (₹ 16,208)]	0.00	0.00
	TOTAL - CASH AND CASH EQUIVALENTS	**19.60**	**18.62**

* under lien with Banks / Govt authorities

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
12	**OTHER BANK BALANCES**		
	Bank Deposits with original maturity of more than three months but less than 12 months *	14.20	7.50
	TOTAL OTHER BANKS BALANCES	**14.20**	**7.50**

* under lien with Banks / Govt authorities

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
13	**CURRENT TAX ASSETS (NET)**		
	Current tax assets [Net of provision of ₹ 44.77 Crore(₹ 33.79 Crore)]	0.81	4.95
	TOTAL - CURRENT TAX ASSETS (NET)	**0.81**	**4.95**

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
14	**SHARE CAPITAL**		
	AUTHORISED		
	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
		50.00	**50.00**
	ISSUED, SUBSCRIBED AND PAID UP		
	235,934,685 (235,934,685) equity shares of ₹ 2/- each	47.19	47.19
	TOTAL - SHARE CAPITAL	**47.19**	**47.19**

(a) RECONCILIATION OF THE NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING YEAR

		31 March 2020 No. of shares	31 March 2019 No. of Shares
	Shares outstanding at the beginning of the year	235,934,685	235,934,685
	Shares outstanding at the end of the year	235,934,685	235,934,685

(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 Depositary 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 2020, 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 2020		As at 31 March 2019	
		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	1,25,87,711	5.34%	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.

(₹ in Crore)

		Surplus				Items of other comprehensive income	Total	Non-Controlling Interest
		Capital reserve	Securities premium	General Reserve	Retained earnings	Re-measurement of the net defined benefit plans (net of tax)		
14A	**OTHER EQUITY**							
	Balance as at 01 April 2018	**0.05**	**562.94**	**-**	**864.07**	**0.32**	**1,427.38**	**31.46**
	Profit for the year 2018-19	-	-		381.35	-	381.35	14.85
	Re-measurements of the net defined benefit plans	-	-		-	(1.92)	(1.92)	(0.01)
	Non controlling interests on acquistion of interest by subsidiary	-	-		(1.22)	-	(1.22)	1.19
	Balance as at 31 March 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)	27.42	(30.53)
	Change in associate shareholding	-	-	-	(3.55)	(12.19)	(15.75)	-
	Balance as at 31 March 2020	**0.09**	**565.58**	**6.34**	**1,651.94**	**(0.13)**	**2,223.82**	**24.84**

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.

(₹ in Crore)

		Non Current		Current	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
15	**LONG-TERM BORROWINGS**				
	SECURED				
(a)	Rupee term loans from banks	1,799.03	1,929.16	130.00	180.16
(b)	Working capital term loans from financial institutions	2.57	14.98	3.36	9.60
(c)	Car loans from banks	0.03	0.08	0.05	0.06
	TOTAL - SECURED	**1,801.63**	**1,944.22**	**133.41**	**189.82**
	UNSECURED				
(d)	Loan from other parties	27.01	27.30	-	-
	TOTAL - UNSECURED	**27.01**	**27.30**	**-**	**-**
	Less : Amount disclosed under the head other current financial liabilities	-	-	133.41	189.82
	TOTAL - LONG TERM BORROWINGS	**1,828.64**	**1,971.52**	**-**	**-**

Secured Borrowings

(a) The term loan facility from banks amounting to ₹ 1,929.03 Crore (₹ 2,109.32 Crore) are repayable in quarterly instalments. Pursuant to regulatory measures as announced by Reserve Bank of India on account of COVID-19 pandemic, vide their circulars dated March 27, 2020 & May 23, 2020, the instalments are now payable as under :

₹ 130.00 Crore during 2020-21 (two instalments of ₹ 65.00 Crore each), ₹ 273.00 Crore during 2021-22 (two instalments of ₹ 65.00 Crore each and two instalments of ₹ 71.50 Crore each), ₹ 286.00 Crore during 2022-23 to 2026-27 (instalments of ₹ 71.50 Crore each) and balance amount of ₹ 97.75 Crore in 2027-28.

The term loan facility is 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 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 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.

(b) In case of Jindal Stainless Steelway Limited, 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 company (both present and future).The loan is repayable by January,2022 in 22 installments and carries interest @11.1% p.a.

(c) In case of Jindal Stainless Steelway Limited,Vehicle loan is secured by way of hyothecation 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

(d) In case of Green Delhi BQS Limited and JSL Lifestyle Limited,unsecured loan shall be repayable by the end of March 2025.

(₹ in Crore)

		Non Current		Current	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
16	**OTHER FINANCIAL LIABILITIES**				
	Lease Liability	18.23	-	5.96	-
	Current maturities of non-current borrowings	-	-	133.41	189.82
	Interest accrued	-	-	18.37	4.22
	Capital payables	-	-	38.72	39.75
	Derivative liabilities	-	-	11.08	-
	Security deposits	-	-	3.02	3.96
	Due to employees	-	-	17.16	15.21
	Other outstanding financial liabilities*	-	-	241.49	202.28
	TOTAL FINANCIAL LIABILITIES	**18.23**	**-**	**469.21**	**455.24**

* Includes provision for expenses

(₹ in Crore)

		Non Current		Current	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
17	**PROVISIONS**				
	For employee benefits	20.87	20.50	3.07	2.75
	TOTAL - PROVISIONS	**20.87**	**20.50**	**3.07**	**2.75**

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
18	**DEFERRED TAX LIABILITY (NET)**		
(a)	**DEFERRED TAX LIABILITY**		
	Difference between book & tax depreciable assets	67.81	112.56
	Other temporary differences	2.90	4.89
	Total deferred tax liability	**70.71**	**117.45**
(b)	**DEFERRED TAX ASSETS**		
	Disallowance under income tax act	32.99	34.65
	Total deferred tax assets	**32.99**	**34.65**
	MAT CREDIT ENTITLEMENT	**0.01**	**0.01**
	DEFERRED TAX LIABILITY (NET)	**37.71**	**82.79**

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
19	**CURRENT BORROWINGS**		
	SECURED		
	Working capital facilities from banks	196.01	181.82
	TOTAL - SECURED	**196.01**	**181.82**
	UNSECURED		
	Loan from other parties	22.52	23.73
	TOTAL - UNSECURED	**22.52**	**23.73**
	TOTAL -CURRENT BORROWINGS	**218.53**	**205.55**

Secured Borrowings

Working capital facilities 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 Company. Working capital facility is repayable on demand. (read with Note no. 34)

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
20	**TRADE PAYABLES**		
	Micro and small enterprises	50.43	77.89
	Trade payables (including acceptances)(other than micro and small enterprises)	1,383.86	1,500.05
	TOTAL TRADE PAYABLES	**1,434.29**	**1,577.94**

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 * :

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
	Principal amount due outstanding	50.91	78.70
	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.

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
21	**OTHER CURRENT LIABILITIES**		
	Advance from customers	45.08	32.85
	Other outstanding liabilities *	207.43	208.09
	TOTAL - OTHER CURRENT LIABILITIES	**252.51**	**240.94**

* Includes statutory dues ,arbitration liability etc.

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
22	**CURRENT TAX LIABILITIES (NET)**		
	Current tax liabilities [Net of prepaid tax ₹ 453.67 Crore (₹ 355.52 crore)]	4.96	37.54
	TOTAL - CURRENT TAX LIABILITIES (NET)	**4.96**	**37.54**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
23	**REVENUE FROM OPERATIONS**		
	SALE OF PRODUCTS		
	Manufactured goods	8,881.24	9,925.77
	Stock in trade	192.42	140.74
	Export benefits	38.98	48.33
		9,112.64	**10,114.84**
	SALE OF SERVICES		
	Job charges received	66.49	114.46
		66.49	**114.46**
	OTHER OPERATING REVENUE		
	Sale of gases / slag	17.49	18.15
	Sale of scrap	156.52	17.78
	Provision for doubtful debts/advances reversed	0.43	7.76
	Miscellaneous income	25.43	15.87
		199.87	**59.56**
	TOTAL - REVENUE FROM OPERATIONS	**9,379.00**	**10,288.86**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
24	**OTHER INCOME**		
	INTEREST INCOME ON		
	Loan & advances	97.01	92.36
	Trade receivables	2.72	1.32
		99.73	**93.68**
	OTHER NON-OPERATING INCOME (NET)	33.13	8.43
	TOTAL - OTHER INCOME	**132.86**	**102.11**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
25	**COST OF MATERIAL CONSUMED**		
	Raw material consumed	5,985.27	6,688.16
	TOTAL - COST OF MATERIAL CONSUMED	**5,985.27**	**6,688.16**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
26	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**		
	OPENING STOCK		
	Finished goods	433.76	413.06
	Work in progress	521.08	516.21
	Scrap	10.73	14.65
	TOTAL OPENING STOCK	**965.57**	**943.92**
	CLOSING STOCK		
	Finished goods	462.30	433.76
	Work in progress	437.26	521.08
	Scrap	11.23	10.73
	Stock in trade	3.18	-
	TOTAL CLOSING STOCK	**913.97**	**965.57**
	TOTAL - CHANGES IN INVENTORIES	**51.60**	**(21.65)**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
27	**EMPLOYEE BENEFITS EXPENSES**		
	Salaries, wages, bonus and other benefits	213.44	195.62
	Contribution to provident and other funds	11.42	10.16
	Staff welfare expenses	10.35	9.69
	TOTAL - EMPLOYEE BENEFITS EXPENSES	**235.21**	**215.47**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
28	**FINANCE COSTS**		
	Interest expenses	289.25	346.99
	Other borrowing costs	33.52	20.13
	TOTAL - FINANCE COSTS	**322.77**	**367.12**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
29	**DEPRECIATION AND AMORTIZATION EXPENSES**		
	Depreciation on property, plant and equipment	290.80	287.04
	Amortization of intangible assets	3.78	2.25
	TOTAL - DEPRECIATION AND AMORTIZATION EXPENSES	**294.58**	**289.29**

(₹ in Crore)

		For the year ended 31 March 2020	For the year ended 31 March 2019
30	**OTHER EXPENSES**		
	MANUFACTURING EXPENSES		
	Consumption of stores and spares	544.64	660.11
	Power and fuel	768.46	888.38
	Labour processing & transportation charges	186.84	163.15
	Repairs to buildings	4.07	4.64
	Repairs to plant & machinery	29.74	27.63
	Job work expenses	70.33	104.47
	Other manufacturing expenses	18.41	38.87
		1,622.49	**1,887.25**
	ADMINISTRATIVE EXPENSES		
	Insurance	12.11	7.82
	Rent	4.84	8.74
	Rates and taxes	2.52	0.99
	Legal and professional	69.17	73.28
	Postage, telegram, telex and telephone	3.17	3.55
	Printing & stationary	3.33	3.93
	Travelling & conveyance	8.08	9.03
	Managerial commission	11.22	11.45
	Director's meeting fees	0.30	0.33
	Vehicle upkeep and maintenance	7.52	7.39
	Auditor's remuneration	0.68	0.57
	Donation	0.19	0.18
	Loss (net) on sale/discard of property, plant and equipment	0.97	1.69
	Miscellaneous expenses	24.06	18.27
		148.16	**147.22**
	SELLING EXPENSES		
	Freight & forwarding expenses	108.71	87.82
	Commission on sales	19.23	20.05
	Other selling expenses	5.97	5.68
	Allowance for expected credit losses	5.22	1.74
	Bad debts (net of recovery)	5.64	18.09
	Advertisement & publicity	7.97	6.84
		152.74	**140.22**
	TOTAL OTHER EXPENSES	**1,923.39**	**2,174.69**
	NET LOSS ON SALE/DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT INCLUDES :		
	Gain on sale	-	(0.06)
	Loss on sale	0.79	1.29
	Loss on discard	0.18	0.46
		0.97	**1.69**

31.

(₹ in Crore)

			As at 31 March 2020	As at 31 March 2019
A	**Contingent liabilities not provided for in respect of :**			
	i)	Sale tax demands against which Company preferred appeals.	0.53	0.32
	ii)	Excise duty/custom/service tax/Cess/ show cause notices/ demands against which Company has preferred appeals.	152.22	116.03
	iii)	Claims and other liabilities against the Company not acknowledged as debt.	63.24	45.24
	iv)	Income tax demands against which company has preferred appeals.	5.60	0.09
B	Guarantee given to custom authorities for import under EPCG Scheme {Custom duty saved as on 31 March 2020 ₹ 26.88 crore(₹ 20.50 crore)}		118.34	77.98
C	Corporate guarantee given to banks against credit facilities / financial assistance availed by Jindal Stainless Limited.		4,841.62	4,819.79

Note: Contingent Liability in respect of Associate (Refer note no. 49)

32. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 149.16 Crore (₹ 120.20 Crore).

33. Exceptional items includes gain/ (loss) (net) of ₹ 27.64 Crore (₹ 27.76 Crore) on translation/settlement of foreign currency monetary items (including borrowing), gain / (loss) of ₹ (12.25) Crore (₹ 3.72 Crore) upon marked to market of derivatives contracts (net), gain/(loss) of ₹ 4.70 Crore (₹ 2.23 Crore) on forward cover cancelation.

34. The term loan facility and working capital facility of the Company are also be 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) Due to outbreak of COVID-19 which has been declared as a Pandemic by World Health Organization and subsequent lock down ordered by the Central and State Government(s) in India, the manufacturing facilities of the Company remained suspended from 25 March 2020 till 6 May 2020. The Company in compliance with the necessary instructions/guidelines, resumed its operations on 7 May 2020 in a phased manner, while ensuring health and safety of all the stakeholders. The Company is gradually ramping up its operations depending upon the market conditions.

This situation has disturbed the economic activity through interruption in manufacturing process, disruption in supply chain, etc. The management has exercised due care in concluding significant accounting, judgements and estimates after taking into account possible impact of internal and external factors known to the management upto the date of these financial statements, to assess and finalise their carrying amount of assets and liabilities. Accordingly, as on date no material impact is anticipated in these financial statements. Further, the Company believes that this Pandemic may not have significant adverse impact on the long term operations and performance of the Company.

b) 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 Court 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.

38. Green Delhi BQS Limited has taken unsecured loan from certain companies, aggregating to ₹ 70,92,51,917/- outstanding as on March 31, 2020. 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 2020 and 31 March 2019.

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.

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 2020 for hedging currency risks:

As at 31 March 2020

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

As at 31 March 2019

Nature of derivatives	Type	No. of contracts	Foreign currency (Million)	Amount (₹ In Crore)
Forward covers				
USD/INR	Sale	31	34.709	240.02
EURO/USD	Sale	14	13.690	106.19
USD/INR	Buy	67	22.442	155.21

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.

Foreign Currency exposures that are not hedged by derivative instruments or otherwise outstanding as on 31 March 2020 is as under:

Nature	As at 31 March 2020		As at 31 March 2019	
	Foreign Currency (Millions)	Amount (₹ In Crore)	Foreign Currency (Millions)	Amount (₹ In Crore)
Account receivables				
USD	2.582	19.52	3.721	25.74
JPY	-	-	1.648	0.10
GBP	0.107	1.01	-	-
CHF	-	-	0.047	0.33
EURO	0.010	0.08	-	-
Account payables				
USD	13.400	101.27	23.850	164.95
EURO	3.644	30.39	0.671	5.21
CHF	0.237	1.86	-	-
GBP	0.387	3.63	0.452	4.07
CAD	0.040	0.22	-	-
Loans				
USD	1.779	12.87	2.554	17.663

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 2020	31 March 2019
		Effect on profit/ (loss) before tax	Effect on profit/ (loss) before tax
USD	+5% -5%	(4.84) 4.84	(7.84) 7.84
EURO	+5% -5%	(1.49) 1.49	(0.26) 0.26
GBP	+5% -5%	(0.13) 0.13	(0.20) 0.20
JPY	+5% -5%	- -	0.01 (0.01)
CAD	+5% -5%	(0.01) 0.01	- -
CHF	+5% -5%	(0.09) 0.09	0.02 (0.02)

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 2020	For the year ended 31 March 2019
Currency Fluctuations		
Net foreign exchange gain shown as exceptional item	20.09	33.71
TOTAL	**20.09**	**33.71**

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:

a) Interest bearing Trade Receivables and Trade Payables;

b) Working capital borrowings;

c) 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 2020	31 March 2019
INR borrowings	+50 -50	(10.51) 10.51	(11.34) 11.34
USD borrowings	+50 -50	(0.06) 0.06	(0.09) 0.09

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

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.

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
Total	**3,968.90**	**2,122.03**	**596.38**	**1,250.49**	**3,968.90**

* Including current maturity.

As at 31 March 2019

(₹ in Crore)

	Carrying amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings*	2,366.89	395.37	588.08	1,383.44	2,366.89
Other financial liabilities	265.42	265.42	-	-	265.42
Trade payables	1,577.94	1,577.94	-	-	1,577.94
Total	**4,210.25**	**2,238.73**	**588.08**	**1,383.44**	**4,210.25**

* Including current maturity.

Unused lines of credit

(₹ in Crore)

	As at 31 March 2020	As at 31 March 2019
Secured	257.10	330.95
Unsecured	-	-
Total	**257.10**	**330.95**

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 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%
Total	**2,180.58**	**2,116.44**	**64.14**	

For the year ended 31 March 2019

	Total borrowings (₹ In Crore)	Floating rate borrowings (₹ In Crore)	Fixed rate borrowings (₹ In Crore)	Weighted average interest rate (%)
INR	2,349.23	2,267.99	81.24	10.40%
USD	17.66	17.66	-	5.26%
Total	**2,366.89**	**2,285.65**	**81.24**	

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.

(₹ in Crore)

	As at 31 March 2020	As at 31 March 2019
Loans and borrowings	2,180.58	2,366.89
Less: Cash and cash equivalents	19.60	18.62
Net debt	**2,160.98**	**2,348.27**
Total capital	2,271.01	1,852.78
Capital and net debt	**4,431.99**	**4,201.05**
Gearing ratio	**49%**	**56%**

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.

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 2020 (₹ In Crore)	As at 31 March 2019 (₹ In Crore)	Valuation Techniques and Key Inputs
Financial assets /liabilities at fair value through amortised cost:						
(a)	**Financial assets**					
	Loans	5	3	900.00	900.00	Discounted cash flows
	Other financial assets	6	3	276.04	149.88	Discounted cash flows
(b)	**Financial liabilities**					
	Borrowings - non current	15	3	1,828.64	1,971.52	Discounted cash flows
	Borrowings - current	19	3	218.53	205.55	Discounted cash flows
	Other financial liabilities	16	3	476.36	455.24	Discounted cash flows
Financial assets / liabilities at fair value through statement of profit or loss:						
	Derivative Forward Contract (assets)	6	2	-	1.17	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 2019-20.

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 2020 and 31 March 2019 have been considered at nil as estimated by the management and an independent professional.

41. 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 Related Party Transactions (as identified by the Management)

A 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 2020	31 March 2019
a)	**Associates**			
1	Jindal Stainless Corporate Management Services Pvt. Limited	INDIA	50.00%	50.00%
2	Jindal Stainless Limited	INDIA	34.54%	35.12%
3	J S S Steelltalia Limited	INDIA	33.00%	33.00%
b)	**Subsidiaries and associates of parties listed in (a) above**			
1	Jindal Stainless UK Ltd. (Dissolved w.e.f. 11.12.2018)	UK		
2	Jindal Stainless FZE, Dubai	UAE		
3	PT Jindal Stainless Indonesia	INDONESIA		
4	Iberjindal S.I.	SPAIN		
5	Jindal Coke Limited	INDIA		
6	Jindal United Steel Limited	INDIA		
c)	**Trusts**			
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			
d)	**Key Management Personnel**			
1	Mr. Ratan Jindal	Chairman-Jindal Stainless (Hisar) Limited		
2	Mr. Abhyuday Jindal	Vice Chairman (upto 25.04.2018) and Managing Director (w.e.f. 26.04.2018) -Jindal Stainless (Hisar) Limited		
3	Ms. Deepika Jindal	Managing Director-JSL Lifestyle Limited		
4	Mr. Ashok Kumar Gupta	Whole Time Director and Manager (upto 14.05.2018)-Jindal Stainless (Hisar) Limited		
5	Mr. Jagmohan Sood	COO & Unit head,Hisar Plant (upto 14.05.2018) and Whole Time Director (w.e.f. 15.05.2018)-Jindal Stainless (Hisar) Limited		
6	Mr. Ankur Agrawal	Chief Financial Officer (upto 27.04.2018)-Jindal Stainless (Hisar) Limited		
7	Mr.Ajay Goyal	Chief Financial Officer (From 30.10.2018 to 29.01.2019)-Jindal Stainless (Hisar) Limited		
8	Mr.Ramnik Gupta	Chief Financial Officer (w.e.f. 30.01.2019)-Jindal Stainless (Hisar) Limited		
9	Mr. Bhartendu Harit	Company Secretary-Jindal Stainless (Hisar) Limited		
10	Mr. Tomy Sebastian	Whole Time Director (resigned wef 04.04.2019)-JSL Lifestyle Limited		
11	Mr. Mandeep Singh	Exceutive Director & CEO (appointed wef 01.04.2019)-JSL Lifestyle Limited		
12	Mr. Bhartendu Harit	Company Secretary-JSL Lifestyle Limited		
13	Mr.Tarun Jain	Chief Financial Officer (resigned wef 30.11.2018)-JSL Lifestyle Limited		
14	Mr. Rajinder Kumar Garg	Chief Financial Officer (from 22.01.2019 to 20.12.2019)-JSL Lifestyle Limited		
15	Mr.Ajay Jain	Chief Financial Officer (appointed wef 29.01.2020)-JSL Lifestyle Limited		
16	Mr. Ashish Aggarwal	Whole Time Director(upto 17.06.2019)-Jindal Stainless Steelway Limited		
17	Mr.Sanjay Kumar Goyal	Whole Time Director(wef 07.08.2019)-Jindal Stainless Steelway Limited		
18	Mr. Vijay Kumar Sharma	Director-Jindal Stainless Steelway Limited		
19	Mr. Sanjeev Sharma	Chief Financial Officer (upto 14.05.2020) -Jindal Stainless Steelway Limited		
20	Mr.Dhirendra Bahadur Singh	Chief Financial Officer (wef 09.06.2020) -Jindal Stainless Steelway Limited		
21	Mr. Rajesh Kumar Pandey	Company Secretary-Jindal Stainless Steelway Limited		
22	Mrs.Arti Luniya	Independent Director -Jindal Stainless(Hisar) Limited (w.e.f. 26.07.2018)*		

23	Mr. Kanwaljit Singh Thind	Independent Director -Jindal Stainless(Hisar) Limited *
24	Mr. Girish Sharma	Independent Director-Jindal Stainless (Hisar) Limited *
25	Mr. Arunendra Kumar	Independent Director-Jindal Stainless (Hisar) Limited (upto 03.10.2018)*
26	Mr. Nirmal Chandra Mathur	Independent Director -Jindal Stainless(Hisar) Limited and Jindal Stainless Steelway Limited*
27	Mrs.Shruti Shrivastava	Independent Director -Jindal Stainless Steelway Limited*
28	Mr.Ashok Kumar Agarwal	Independent Director -JSL Lifestyle Limited*
29	Mr. Abhishek Poddar	Independent Director -JSL Lifestyle 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:**	
1	Jindal Defence Systems Private Limited (previously known as Jindal Defence Systems Limited)	
2	Jindal Advance Materials Private Limited	
3	JSL Global Commodities Pte. Ltd.	
4	Prime Stainless DMCC (w.e.f. 13.11.2019)	

B Transactions:

(₹ in Crore)

Description	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Associates & Other Parties (a,b,c & e)	Key Management Personnels (d)	Associates & Other Parties (a,b,c & e)	Key Management Personnels (d)
Purchase of goods	**2,288.43**	**-**	**2,184.01**	**-**
PT. Jindal Stainless Indonesia	-	-	16.91	-
J S S Steel Italia Limited	0.05	-	26.12	-
Jindal United Steel Limited	221.72	-	-	-
Jindal Coke Limited	21.90	-	27.38	-
Jindal Stainless Limited	2,015.33	-	2,113.60	-
Prime Stainless DMCC	29.43	-	-	-
Sale of goods	**838.39**	**-**	**895.76**	**-**
PT. Jindal Stainless Indonesia	32.22	-	48.88	-
J S S Steel Italia Limited	-	-	17.61	-
Iberjindal S.I.	113.64	-	136.04	-
Jindal Stainless Limited	593.82	-	692.55	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	2.78	-	0.69	-
JSL Global Commodities Pte. Ltd.	95.93	-	-	-
Job charges received	**63.56**	**-**	**119.09**	**-**
Jindal Stainless Limited	63.56	-	119.09	-
J S S Steel Italia Limited ₹Nil (₹23094)	-	-	0.00	-
Job work charges paid	**11.36**	**-**	**4.52**	**-**
Jindal Stainless Limited	0.02	-	-	-
Jindal United Steel Limited	-	-	0.01	-
JSS Steelitalia Limited	11.34	-	4.51	-

(₹ in Crore)

Description	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Associates & Other Parties (a,b,c & e)	Key Management Personnels (d)	Associates & Other Parties (a,b,c & e)	Key Management Personnels (d)
Freight charges Paid	**2.94**	**-**	**10.12**	**-**
Jindal Stainless Limited	2.94	-	10.12	-
Jindal Coke Limited ₹ 39,248	0.00	-	-	-
Freight charges received	**1.43**	**-**	**1.58**	**-**
Jindal Stainless Limited	1.43	-	1.58	-
Rent received	**14.81**	**-**	**6.72**	**-**
Jindal Stainless Limited	14.74	-	6.72	-
Jindal Defence Systems Private Limited (₹ 40,415)	0.06	-	0.00	-
Jindal Advance Materials Pvt. Limited (₹ 29,500)	0.01	-	0.00	-
Rent paid	**1.53**	**-**	**1.43**	**-**
Jindal Stainless Limited	1.53	-	1.43	-
Overheads & maintenance charges received	**1.91**	**-**	**0.31**	**-**
JSS Steelitalia Limited	1.91	-	0.31	-
Overheads & maintenance charges paid	**0.20**	**-**	**9.98**	**-**
Jindal Stainless Limited	0.20	-	9.98	-
Commission on sale paid	**12.91**	**-**	**16.23**	**-**
Jindal Stainless FZE, Dubai	9.05	-	16.23	-
JSL Global Commodities Pte. Ltd.	3.63	-	-	-
Prime Stainless DMCC	0.23	-	-	-
Receiving of services (remuneration paid)	**-**	**27.90**	**-**	**25.26**
Mr. Ratan Jindal (Commission)	-	10.68	-	10.59
Mr. Abhyuday Jindal (Commission and remuneration)	-	6.54	-	6.44
Mr. Ashok Kumar Gupta	-	-	-	1.12
Mr. Jagmohan Sood	-	1.65	-	1.25
Mr. Ankur Agrawal	-	-	-	0.18
Mr. Ajay Goyal	-	-	-	0.10
Mr. Ramnik Gupta	-	0.91	-	0.15
Mr. Bhartendu Harit	-	0.34	-	0.30
Ms. Deepika Jindal	-	4.00	-	2.22
Mr.Mandeep Singh	-	1.82	-	-
Mr.Tomy Sebastian	-	-	-	0.93
Mr. Tarun Jain	-	-	-	0.48
Mr. Rajinder Kumar Garg	-	0.31	-	0.08
Mr.Ajay Jain	-	0.19	-	-
Mr. Ashish Aggarwal	-	0.36	-	0.79
Mr.Sanjay Kumar Goyal	-	0.45	-	-
Mr. Sanjeev Sharma	-	0.48	-	0.49
Mr. Rajesh Kumar Pandey	-	0.16	-	0.15

(₹ in Crore)

Description	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Associates & Other Parties (a,b,c & e)	Key Management Personnels (d)	Associates & Other Parties (a,b,c & e)	Key Management Personnels (d)
Interest income	**92.65**	**-**	**90.00**	**-**
Jindal Stainless Limited	92.65	-	90.00	-
Support Service Charges Paid	**0.42**	**-**	**0.42**	**-**
Jindal Stainless Limited	0.42	-	0.42	-
Consultancy charges paid	**60.33**	**-**	**60.30**	**-**
Jindal Stainless Corporate Management Services Pvt. Ltd.	60.33	-	60.30	-
Bad Debts written off	**0.00**	**-**	**12.16**	**-**
J S S Steel Italia Limited ₹ 5723	0.00	-	12.16	-
Sharing of exp. reimbursed/to be reimbursed	**4.82**	**-**	**11.72**	**-**
Jindal Stainless Limited	4.53	-	9.89	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.29	-	1.83	-
Sharing of exp. recovered/to be recovered	**0.01**	**-**	**0.20**	**-**
Jindal Stainless Limited ₹ 6785	0.00	-	0.18	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.01	-	0.02	-
Contribution towards trusts	**34.34**	**-**	**29.06**	**-**
Jindal Stainless (Hisar) Limited Group Gratuity Fund	5.31	-	4.20	-
Jindal Stainless (Hisar) Limited (Ferro alloys) Group Gratuity Scheme	0.20	-	0.07	
Jindal Stainless (Hisar) Limited EPF Trust	27.97	-	24.07	-
Jindal Stainless (Hisar) Welfare Fund	0.86	-	0.72	-
Outstanding balance				
Guarantee/ counter guarantee given	**4,841.62**	**-**	**4,832.90**	**-**
Jindal Stainless Limited	4,841.62	-	4,832.90	-
Loans & advances	**1,062.00**	**-**	**981.00**	**-**
Jindal Stainless Limited @	1,062.00	-	981.00	-
Advance against services	**8.80**	**-**	**-**	**-**
Jindal Stainless Corporate Management Services Pvt. Ltd.	8.80	-	-	-
Receivables	**98.42**	**-**	**73.65**	**-**
PT. Jindal Stainless Indonesia	48.18	-	43.12	-
Iberjindal S.I.	36.99	-	22.21	-
Jindal Stainless Limited	0.01	-	8.20	-
Jindal Stainless Corporate Management Services Pvt. Ltd.	0.33	-	0.12	-
Jindal Defence Systems Private Limited (₹ 40,415)	0.01	-	0.00	-
Jindal Advance Materials Pvt. Limited ₹ 6,018 (₹ 29,500)	0.00	-	0.00	-
JSL Global Commodities Pte. Ltd.	12.89	-	-	-
Jindal United Steel Limited ₹ 22,584	0.00	-	-	-

(₹ in Crore)

Description	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Associates & Other Parties (a,b,c & e)	Key Management Personnels (d)	Associates & Other Parties (a,b,c & e)	Key Management Personnels (d)
Payables	**78.40**	**-**	**38.50**	**-**
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	-	1.27	-
J S S Steel Italia Limited	0.31	-	0.01	-
PT. Jindal Stainless Indonesia	0.76	-	0.69	-
Jindal Stainless FZE, Dubai	2.40	-	5.38	-
Jindal Stainless Limited	55.66	-	27.46	-
Jindal Coke Limited	3.66	-	3.69	-
Prime Stainless DMCC	15.17	-	-	-
JSL Global Commodities Pte. Ltd.	0.44	-	-	-
Remuneration payable	**-**	**1.35**	**-**	**2.86**
Mr. Ratan Jindal	-	1.19	-	2.73
Mr. Jagmohan Sood	-	0.09	-	0.09
Mr. Ramnik Gupta	-	0.05	-	0.02
Mr. Bhartendu Harit	-	0.02	-	0.02

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

@ Includes Inter corporate Deposits amounting to ₹ 900.00 crore (₹ 900.00 crore) and interest accure over it during financial years 2018-19 & 2019-20, which is repayable in one or more instalment by 31 March 2023, or such other terms as may be mutually agreed between the company and Jindal Stainless Limited and interest thereon is payable on monthly basis from March 2020 onwards. Further interest servicing for financial years 2018-19 & 2019-20 has been defered till Feb 2021, as mutually agreed.

Compensation to key management personnel

(₹ in Crore)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Short-term employee benefits*	27.90	25.26
Total Compensation to key management personnel	**27.90**	**25.26**

*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.

43 Income tax reconciliation

Tax expenses

(₹ in Crore)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax	138.57	177.14
Deferred tax	(43.25)	(3.65)
Taxes in relation to earlier years	0.59	0.12
Total	**95.91**	**173.61**

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:

(₹ in Crore)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Net Profit before taxes and before Share of associate	**470.77**	**518.15**
Enacted Tax Rate	25.168%	34.944%
Computed tax (income)/expense	118.48	181.06
Increase/(reduction) in taxes on account of:		
Additional allowance for tax purpose	(0.98)	(4.36)
Expenses not allowed for tax purpose	4.17	5.13
Deferred Tax recognized for earlier years	0.46	3.53
Current Tax recognized for earlier years	0.13	(3.41)
Effect of change in tax rate	(23.27)	0.79
Non taxable subsidiaries and effect of differential tax rate	(3.08)	(9.13)
Income tax expense reported	**95.91**	**173.61**

The Government of India on 12 December 2019 vide The Taxation Laws (Amendment) Act, 2019 inserted a new section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/ conditions defined in the said section. The Company has recognized the tax provision in its books as per Section 115BAA during the year and re-measurement of deferred tax liability (net) which was recognized in earlier tax regime. This has resulted in reversal of tax expenses for the year ended 31 March 2020 by ₹ 23.27 crores.

44 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
Sales volume	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
Sales price	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term inflation forecasts for each territory.
Budgeted gross margin	Based on past performance and management's expectations for the future.
Other operating costs	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.
Annual capital	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.
Long-term growth rate	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.
Pre-tax discount rates	Reflect specific risks relating to the relevant segments and the countries in which they operate.

45 Segment reporting

i) Information about business segment (for the year 2019-20)

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

ii) Secondary segments (geographical segment)

(₹ in Crore)

		2019-20			2018-19		
		Within India	Outside India	Total	Within India	Outside India	Total
1	Revenue*	7,975.28	1,203.85	9,179.13	8,781.23	1,448.07	10,229.30
2	Non Current Assets**	2,246.62	-	2,246.62	2,296.33	-	2,296.33

* excludes other operating revenue

** The company operating facilities are located in India

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Net Profit after tax attributable to owners of the Parent (₹ in Crore)	392.87	381.35
Weighted average no. of equity shares for basic/diluted EPS (No's)	235,934,685	235,934,685
Basic/Diluted EPS Per Share (in ₹)	16.65	16.16
Face Value Per Share (in ₹)	2.00	2.00

47 Revenue from Contracts with Customers

Effective 01 April 2018, the company has adopted Indian Accounting Standard (IND AS) 115 'Revenue from contracts with customers' using the cumulative catch-up transition method.

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 31 March 2020

(₹ in Crore)

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

* Export benefit has been included in domestic revenue

For the year ended 31 March 2019

(₹ in Crore)

Revenue from operations	Goods*	Services	Other operating revenue	Total
Revenue by geography				
Domestic *	8,715.10	114.46	59.56	8,889.12
Export	1,399.74	-	-	1,399.74
Total	**10,114.84**	**114.46**	**59.56**	**10,288.86**
Revenue by time				
Revenue recognised at point in time				10,174.40
Revenue recognised over time				114.46
Total				**10,288.86**

* 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)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	32.85	45.59
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 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Contract liabilities related to sale of goods				
Advance from customers	-	45.08	-	32.85

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

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Contract price	9,212.46	10,134.11
Less: Discount, rebates, credits etc.	166.54	154.75
Revenue from operations as per Statement of Profit and Loss	**9,379.00**	**10,288.86**

48 Lease related disclosures

Effective April 1, 2019, 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, 2020:

Right to use Asset Movement

(₹ in Crore)

	For the year ended 31 March 2020
Building	
Right to use assets as at 1 April 2019	**20.13**
Addition during the year	9.63
Depreciation during the year	6.51
Right to use assets as at 31 March 2020	**23.25**

Lease obligation Movement

(₹ in Crore)

	For the year ended 31 March 2020
Lease obligation disclosed as at 1 April 2019	**20.13**
Addition to lease obligation	10.16
Payment of lease	(8.80)
Addition as interest	2.70
Lease obligation as at 31 March 2020	**24.19**

The following is the break-up of current and non-current lease liabilities as at March 31, 2020: -

(₹ in Crore)

	As at 31 March 2020	As at 31 March 2019
Lease Liabilities		
Current	5.96	4.47
Non Current	18.23	15.66
	24.19	**20.13**

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

(₹ in Crore)

	As at 31 March 2020		
	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
			24.19

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

(₹ in Crore)

	For the year ended 31 March 2020
Depreciation on Right to use assets	6.51
Interest expense on lease liability (included in finance cost)	2.70
Expense relating to low value leases (included in administrative expenses)	4.84
Total	**14.05**

The Company has adopted Ind AS 116 'Leases' effective 01 April 2019 and applied the Standard to its leases, using modified retrospective method. This has resulted in recognizing a Right-of-Use Asset and a corresponding Lease liability of ₹ 20.13 crore as at 01 April 2019.

49 Interest in subsidiaries and associates

49.1 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 2020	As at 31 March 2019
Assets		
Non current assets	70.18	65.60
Current assets	192.63	156.01
Sub total	**262.81**	**221.61**
Liabilities		
Non-current liabilities	20.39	27.46
Current liabilities	135.25	93.88
Sub total	**155.64**	**121.34**
Equity attributable to owner's of the company {% of holding: 78.70%(77.738%)}	**84.35**	**77.95**
Equity attributable to non controlling interest {% of non controlling interest :21.30%(22.262%)}	**22.83**	**22.32**

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue	311.95	453.61
Net profit for the year	6.96	48.03
Other comprehensive income	(0.05)	(0.06)
Total comprehensive income	6.91	47.97
Total comprehensive income attributable to non controlling Interests	**1.47**	**10.68**

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Net cash inflow/(outflow) from operating activities	16.61	10.91
Net cash inflow/(outflow) from investing activities	(11.37)	(20.08)
Net cash inflow/(outflow) from financing activities	(5.15)	9.08
Net cash inflow/(outflow)	**0.09**	**(0.09)**

49.2 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)

	As at 31 March 2020	As at 31 March 2019
Assets		
Non current assets	-	79.81
Current assets	-	245.33
Sub total	**-**	**325.14**
Liabilities		
Non-current liabilities	-	20.91
Current liabilities	-	160.32
Sub total	**-**	**181.23**
Equity attributable to owner's of the company {% of holding: 100% (81.911%)}	**-**	**117.88**
Equity attributable to non controlling interest {% of non controlling interest :Nil (18.089%)}	**-**	**26.03**

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue	1,740.93	1,567.63
Net profit for the year	33.49	20.22
Other comprehensive income	(0.20)	0.03
Total comprehensive income	33.29	20.25
Total comprehensive income attributable to non controlling interests (upto 14.02.2020)	**5.28**	**3.66**

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Net cash inflow/(outflow) from operating activities	51.09	(22.16)
Net cash inflow/(outflow) from investing activities	(2.84)	(7.62)
Net cash inflow/(outflow) from financing activities	(48.33)	28.79
Net cash inflow/(outflow)	**(0.08)**	**(0.99)**

49.3 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 2020	As at 31 March 2019
% of Ownership Interest	34.54%	35.12%

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

(₹ in Crore)

	As at 31 March 2020	As at 31 March 2019
Non current assets	6,851.34	6,934.02
Current assets	3,826.30	3,780.60
Non-current liabilities	3,349.21	3,662.22
Current liabilities	4,598.17	4,449.86

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue	12,990.76	13,589.94
Net profit for the year attributable to owners of the Parent	71.32	142.38
Other comprehensive income attributable to owners of the Parent	7.34	(2.44)
Total comprehensive income attributable to owners of the Parent	**78.66**	**139.94**

Reconciliation of Summarised financial Information to the carrying amount of the interest in the associates recognised in the consolidated financial statements:

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Net assets of the associate	2,717.24	2,590.82
% of share in associate	34.54%	35.12%
Share in net assets of associate (net of ₹ 296.02 Crores being fair value adjustment at the time of acquisition)	642.52	613.88
Other adjustments	-	5.02
Carrying amount of interest in associates	**642.52**	**618.90**

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

(₹ in Crore)

		As at 31 March 2020	As at 31 March 2019
A.	**Contingent liabilities not provided for in respect of**		
i)	a) Sale tax/entry tax demands against which company preferred appeals.	38.27	40.58
	b) Excise duty/custom/service tax show cause notices/ demands against which company has preferred appeals.	5.90	13.75
	c) Income tax demands against which company has preferred appeals.	34.65	20.59
ii)	Demand made by Dy. Director of Mines, Jajpur Road Circle, Orissa against which company has preferred appeal / disputed by the Company.	26.78	29.24
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 2020 ₹ 3,378.11 Crores (₹ 3,744.86 Crores).	1,166.80	1,315.19

49.4 Immaterial Interest in Associates:

Country of incorporation & operation : India

		% of Ownership interest	
		As at 31 March 2020	As at 31 March 2019
1	Jindal Stainless Corporate Management Services Private Limited	50%	50%
2	J.S.S. Steelitalia Limited	33%	33%

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

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Carrying amount	4.04	2.79
Ne3d[95it for the year	2.57	1.66
Other comprehensive income	(0.06)	(0.09)
Total comprehensive income	**2.51**	**1.57**

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

	Net assets (total assets minus total liabilities)		Share in profit /(loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolid-ated net assets	Amount (₹ in Crore)	As % of consolid ated profit/ (loss)	Amount (₹ in Crore)	As % of consolidat ed OCI	Amount (₹ in Crore)	As % of consolida ted total comprehen sive income	Amount (₹ in Crore)
Parent Company								
Jindal Stainless (Hisar)Limited	80.86	1,836.24	81.54	320.33	(5.79)	(0.79)	78.60	319.54
Subsidiaries: Indian								
Jindal Stainless Steelway Limited	7.67	174.09	8.52	33.49	(1.47)	(0.20)	8.19	33.29
JSL Lifestyle Limited	4.72	107.17	1.77	6.96	(0.39)	(0.05)	1.70	6.91
Green Delhi BQS Limited	(3.07)	(69.73)	5.52	21.70	-	-	5.34	21.70
JSL Media Limited	(1.43)	(32.46)	0.26	1.01	-	-	0.25	1.01
JSL Logistics Limited	0.02	0.51	(0.01)	(0.04)	-	-	(0.01)	(0.04)
Minority Interest in all subsidiaries	**(1.09)**	**(24.84)**	**(2.01)**	**(7.91)**	**0.32**	**0.04**	**(1.94)**	**(7.87)**
Associates (Investment as per equity method)								
J.S.S.Steelitalia Limited	-	-	-	-	-	-	-	-
Jindal Stainless Corporate Management Services Private Limited	0.18	4.04	0.33	1.28	(0.21)	(0.03)	0.31	1.25
Jindal Stainless Limited	28.29	642.52	6.27	24.63	107.59	14.73	9.68	39.36
Consolidation Adjustments/ Elimination	(16.15)	(366.53)	(2.19)	(8.58)	(0.05)	(0.01)	(2.12)	(8.59)
Total	**100.00**	**2,271.01**	**100.00**	**392.87**	**100.00**	**13.69**	**100.00**	**406.56**

51 Capital 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 2020	For the year ended 31 March 2019
Opening balance	**92.33**	**66.21**
Add: Additions during the year	136.23	171.33
Less: Capitalisation during the year	121.69	145.21
Closing balance	**106.87**	**92.33**

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

52 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 ₹10.23 Crore (₹ 7.00 Crore) and details of amount spent towards Corporate Social Responsibility is as under :

(₹ in Crore)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Promoting education & enhancing vocational skills	4.29	3.78
Promoting gender equality & empowering women	0.47	0.61
Ensuring environment sustainability & ecological balance	0.89	0.80
Eradicating Hunger, Poverty and Malnutrition	-	0.27
Promoting preventive health care	0.57	0.69
Rural development programme	1.31	0.71
Emergencies and relief work	2.20	-
Administration expenditure	0.58	0.41
Total	**10.31**	**7.27**

53 No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

54 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.

55 Note 1 to 55 are annexed to and form integral part of the balance sheet and statement of profit & loss.

The accompanying significant accounting policies and notes form an integral part of these 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

JAGMOHAN SOOD
Whole Time Director

RAMNIK GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

PLACE : New Delhi
DATED : 10 June 2020

FORM AOC-1 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

FORM AOC-1 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

(₹ in Crore)

Name of the subsidiary (read with note no.1 (i))	Reporting period	Reporting currency and exchange rate	Share capital	Reserve & surplus	Total assets	Total liabilities	Investment	Turnover	Profit/(loss) before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of share holding
Jindal Stainless Steelway Limited	31-Mar-20	INR	14.06	160.03	400.62	226.53	9.71	1,728.97	43.51	10.02	33.49	-	100.000%
JSL Lifestyle Limited	31-Mar-20	INR	28.50	78.67	262.81	155.64	0.02	310.19	11.62	4.66	6.96	-	78.700%
Green Delhi BQS Limited	31-Mar-20	INR	0.10	(69.83)	1.29	71.02	-	-	21.70	-	21.70	-	95.090%
JSL Media Limited	31-Mar-20	INR	0.05	(32.51)	4.65	37.11	0.03	-	1.01	-	1.01	-	99.940%
JSL Logistics Limited	31-Mar-20	INR	0.05	0.46	1.09	0.58	-	2.13	(0.03)	0.00	(0.04)	-	100.000%

		Shares of associate held by the company on the year end				Share in total comprehensive income			
Name of associate	Latest audited balance sheet date	No.	Amount of investment in associate (₹ in Crore)	Extend of holding%	Net worth attributable to shareholding as per latest audited balance sheet (₹ in Crore)	Considered in consolidation (₹ in Crore)	Not considered in consolidation (₹ in Crore)	Description of how there is significant influence	Reason why the associate is not consolidated
J.S.S.Steelitalia Limited	31-Mar-20	7713190	7.71	33.00%	-	-	(0.48)	% Holding	NA
Jindal Stainless Corporate Management Services Private Limited	31-Mar-20	5000	0.01	50.00%	4.03	1.26	1.26	% Holding	NA
Jindal Stainless Limited	31-Mar-20	168284309	366.19	34.54%	938.53	39.36	51.49	% Holding	NA

ABHYUDAY JINDAL
Managing Director

JAGMOHAN SOOD
Whole Time Director

RAMNIK GUPTA
Chief Financial Officer

BHARTENDU HARIT
Company Secretary

PLACE : New Delhi
DATED : 10th June 2020

JINDAL STAINLESS (HISAR) LIMITED
(CIN: L27205HR2013PLC049963)
Regd. Office: O.P. Jindal Marg, Hisar — 125 005 (Haryana), India
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Email Id. for Investors: investorcare.jshl@jindalstainless.com
Website: www.jshlstainless.com
Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi — 110 066.

E-COMMUNICATION REGISTRATION FORM

To,

Link Intime India Private Limited
[Unit: Jindal Stainless (Hisar) Limited]
Noble Heights, 1st Floor, Plot NH2,
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Email : delhi@linkintime.co.in

Green initiative on Corporate Governance

I/we hereby exercise my/our option to receive all communications from the Company such as Notice of General Meeting, Explanatory Statement, Audited Financial Statements, Balance Sheet, Profit & Loss Account, Directors' Report, Auditor's Report etc. in electronic mode pursuant to the "Green Initiative in Corporate Governance" taken by the Ministry of Corporate Affairs vide circular no. 17/2011 dated 21st April, 2011. Please register my e-mail ID as given below, in your records, for sending the communications:

Folio No./ DP ID & Client ID No.:……

Name of 1st Registered Holder:……

Name of Joint Holder(s), if any :……

Registered Address of the Sole/1st Registered Holder:……

No. of Shares held:……

E-mail ID (to be registered):……

Date: …….. Signature :……

Notes:

1) On registration, all communications will be sent to the e-mail ID registered.
2) Shareholders are requested to keep the Company's Registrar - Link Intime India Pvt. Ltd. informed as and when there is any change in the e-mail address.

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