CIN: L65923UP2012PLC051433

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE NO. 1

1(A) Corporate Information

Jindal Poly Investment and Finance Company Limited is a company limited by shares, incorporated and domiciled in India & the equity shares of the company are listed on Indian Stock Exchanges (National Stock Exchange & Bombay Stock Exchange).

The Company is engaged in the business of investment and holding investment mainly in its group Companies.

1(B) Statement on Significant Accounting Policies

1.1 Basis of Preparation and Measurement

Statement of Compliance

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and as amended time to time.

These standalone financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

These financial statements were authorised for issue by the Board of Directors on their meeting held on June 30, 2020.

Historical Cost Conventions and Fair Value

These financial statements have been prepared on a historical cost basis, except for some assets and liabilities which have been measured at fair value, as specifically disclosed.

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, regardless of whether that price is directly observable or estimated using another valuation technique.

Reporting Presentation Currency

All amounts in the standalone financial statements and notes thereon have been presented in Indian Rupees (INR) (reporting and primarily functional currency of the company) and rounded off to the nearest Lacs with two decimals, unless otherwise stated.

1.2 All assets and liabilities are classified as Financial & Non financial as per the Company's normal operating cycle and other criteria set out in the Division III of Schedule III to the Companies Act, 2013 and Ind-AS 1 notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended time to time. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, twelve months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities. However certain liabilities such as trade payables and some accruals for employee and other operating costs are part of the working capital used in the Company's normal operating cycle, accordingly classified as current liabilities even if they are due to be settled more than twelve months after the reporting period.

1.3 Accounting Estimates & Judgements and key sources of estimation uncertainty

Due to the nature of the Company's operations, critical accounting estimates and judgements principally relate to the:

- Tangible fixed assets (estimate useful life);
- Intangible fixed assets (estimate useful life)
- Impairment testing (if and when applicable)
- Provision inventories (obsoleteness / lower net realizable value)
- Provision for doubtful debts

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

- Provision for employees' post-employment benefits (actuarial assumptions)

In preparing the financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

Furthermore, the management believe that the net carrying amount of trade receivables is recoverable based on their past experience in the market and their assessment of the credit worthiness of debtors at 31st March 2020. Such estimates are inherently imprecise and there may be additional information about one or more debtors that the management are not aware of, which could significantly affect their estimations.

The provisions for defined benefit plans have been calculated by actuarial expert. The basic assumptions are related to the mortality, discount rate and expected developments with regards to the salaries. Management believes that the mortality tables used are general acceptable mortality tables in the countries involved. The discount rate have been determined by reference to market yields at the end of the reporting period based on the expected duration of the obligation. The future salary increases have been estimated by using the expected inflation plus an additional mark-up based on historical experience and management expectations.

1.4 Investments and other financial assets

Financial assets are initially measured on trade date at fair value, plus transaction costs. All recognised financial assets are subsequently measured in their entirety at either amortized cost or at fair value.

a) **Classification:** The Investments and other financial assets has been classified as per Company's business model for managing the financial assets and the contractual terms of the cash flows.

b) **Measurement:** For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(b.1) Debt Instruments: Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company's classifies its debt instruments:

Amortised Cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in profit and loss using the effective interest rate method.

Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in profit and loss using the effective interest rate method.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

(b.2) Equity instruments: The Company subsequently measures all equity investments at FVTPL or FVTOCI. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss when the Company's right to receive payments is established.

(b.3) Trade Receivables: Trade receivables are amounts due from customers for goods sold in the ordinary course of business. If collection is expect to be collected within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component. Loss allowance for expected life time credit loss is recognized on initial recognition.

(c) Offsetting financial instruments: Financial assets and liabilities are being offset and the net amount reported in the Financial Statements when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

1.5 Financial Liabilities

Initial recognition and measurement : Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

Subsequent measurement : Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition: A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

1.6 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value.

For the purposes of the Statement of Cash Flow, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

1.7 Provisions. Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Provisions in the nature of long term are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

1.8 Employee Benefits

(i) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus, exgratia, incentives are recognized in the period during which the employee renders the related service.

(ii) Post-Employment Benefits

(a) Defined Contribution Plans

State Government Provident Fund Scheme is a defined contribution plan. The contribution paid/payable under the scheme is recognized in the profit & loss account during the period during which the employee renders the related service.

(b) Defined Benefit Plans: The employee Gratuity Fund Scheme managed by a trust is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation under the projected unit credit method which recognizes each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government securities as at balance sheet date, having maturity periods approximated to the returns of related obligations. In case of funded plans the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis.

(c) The obligation for leave encashment is provided for and paid on yearly basis.

(d) Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

1.9 Revenue Recognition

1.9.1. Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Company has elected to present gains or losses arising from fair value adjustments of financial instruments, gains or losses on disposal of property, plant and equipment, gain or losses from disposal/redemption of investments, amortisation of deferred government grants and regular foreign currency transactions/translations as a separate line item "other gains/(losses) - net" on the face of the statement of profit and loss as permitted in para 85 of Ind AS 1.

1.10 Income Taxes

The income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

1.11 Earnings Per Share: Earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

1.12 Cash Flow Statement: Cash Flows are reported using the Indirect Method, whereby profit/ (loss) before tax is adjusted for the effects of transaction of non-cash nature and deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

1.13 Contingent Liability: Contingent Liabilities, if material, are disclosed by way of notes.

1.14 Other accounting policies are in accordance with generally accepted accounting principles.

(Rs. In Lakhs)

	As at 31st March, 2020	**As at 31st March, 2019**
2 CASH AND CASH EQUIVALENTS		
Cash in Hand	-	0.05
Balance with schedule Banks		
In Current Accounts	21.94	0.39
	21.94	**0.45**

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NOTE 3: INVESTMENTS

(Rs. In Lakhs)

Investments (In India)	As at 31st March, 2020					As at 31st March, 2019				
		At Fair Value					At Fair Value			
	At Amortised cost	Through Profit & Loss	Designated at fair value through Profit & Loss	Subtotal	Total	At Amortised cost	Through Profit & Loss	Designated at fair value through Profit & Loss	Subtotal	Total
	(1)	(2)	(3)	(4)= (2)+(3)	(5)= (1)+ (4)	(6)	(7)	(8)	(9)=(7)+(8)	(10)=(6)+(9)
1. Mutual funds										
UTI Treasury Advantage Fund-Direct Plan-Growth No. of Units Nil (PY 4092.00)		(0.00)	-	-0.00	-0.00	-	98.86	7.71	106.57	106.57
Reliance Money Manager Fund-Direct Plan-Growth No. of Units 4952.953 (PY 11229.69)		130.81	9.10	139.91	139.91	-	273.71	22.67	296.38	296.38
2. Other approved securities										
Jindal India Powertech Limited										
(Zero Percent Reedemable Preference Shares) No. of Units 372,100,000 (PY 372,100,000)	37,220.15	-	-	-	37,220.15	37,220.15	-	-	-	37,220.15
3. Equity Instruments										
3.1. Subsidiaries	-									
Jindal India Powertech Limited No. of Units 161,100,000 (PY 161,100,000)	15,770.35	-	-	-	15,770.35	15,770.35	-	-	-	15,770.35
3.2. Others										
Consolidated Finvest & Holdings Limited No. of Units 1,186,246 (PY 1,186,246)	-	561.69	(295.97)	265.72	265.72	-	759.79	(198.10)	561.69	561.69
Jindal Photo Investment Limited* No. of Units 409,860 (PY 409,860)	-	8,665.00	(7,382.14)	1,282.86	1,282.86	-	8,665.00	-	8,665.00	8,665.00
Total (A)	52,990.50	9,357.50	(7,669.01)	1,688.49	54,678.99	52,990.50	9,797.35	(167.72)	9,629.63	62,620.13
(i) Investments outside India	-	-	-	-	-					
(ii) Investments in India	52,990.50	9,357.50	(7,669.01)	1,688.49	54,678.99	52,990.50	9,797.35	(167.72)	9,629.63	62,620.13
Total (B)	**52,990.50**	**9,357.50**	**(7,669.01)**	**1,688.49**	**54,678.99**	**52,990.50**	**9,797.35**	**(167.72)**	**9,629.63**	**62,620.13**
Less: Allowance for Impairment loss (C)	-	-	-	-	52,990.50	-	-	-	-	52,990.50
Total- Net (D=A-C)	**52,990.50**	**9,357.50**	**(7,669.01)**	**1,688.49**	**1,688.49**	**52,990.50**	**9,797.35**	**(167.72)**	**9,629.63**	**9,629.63**

* The erstwhile wholly owned subsidiary of the Company i.e, Jindal Poly Films Investment Limited has been merged with Jindal Photo Investments Limited due to effectiveness of the scheme of amalgamation approved by Hon'ble High Court, New Delhi dated 20th December, 2016. Pursuant to which shares of Jindal Poly Films Investment Limited has been cancelled and in consideration whereof 409860 equity shares of Jindal Photo Investments Limited has been allotted on 15th June,2017.

* The investment in Jindal Photo Investment Limited has been measured at fair value as carried out by the independent valuer and accordingly impairment loss has been recognised.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Rs. In Lakhs)

		As at 31st March, 2020	As at 31st March, 2019
4	**OTHER FINANCIAL ASSETS**		
	(Unsecured, Considered Good)		
	Loans and advances*	210.00	-
	Other recoverable	0.89	0.89
		210.89	**0.89**

* This includes security deposit of Rs. 210 lakhs provided to IFCI on behalf of Jindal India Powertech Limited (a Subsidiary Company)

5	**DEFERRED TAX ASSETS (NET)**		
	Opening Balance*	331.58	331.58
	Creation (Deletion) during the year	-	-
		331.58	**331.58**

*This includes Mat credit entitlement of Rs. 331.58 lakhs.

6	**OTHER FINANCIAL LIABILITIES**		
	Trade Payable	-	3.14
		-	**3.14**
7	**OTHER FINANCIAL LIABILITIES**		
	Staff securities	-	2.28
	Employees payable	1.44	2.22
	Others	1.99	1.12
		3.44	**5.63**
8	**NON-FINANCIAL LIABILITIES**		
	Statutory dues	0.14	0.16
		0.14	**0.16**
9	**NON-FINANCIAL LIABILITIES**		
	Employee Benefit (Gratuity)	0.05	0.13
		0.05	**0.13**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	As at 31st March, 2020	As at 31st March, 2019
10 EQUITY SHARE CAPITAL		(Rs. In Lakhs)
Authorised Share Capital		
27000000 (Previous year: 27000000) Equity shares of Rs.10 each	2,700.00	2,700.00
	2,700.00	**2,700.00**
Subscribed, issued and paid up Equity Share capital		
10511929 (Previous year: 10511929) Equity shares of Rs.10 each	1,051.19	1,051.19
	1,051.19	**1,051.19**

(A) Reconciliation of the number of shares

Name of Shares	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	Amount (in lakhs)	Number of Shares	Amount (in lakhs)
Balance as at the beginning of the year	**10,511,929**	**1,051.19**	10,511,929	1,051.19
Add: Issued during the year	**-**	**-**	-	-
Balance as at the end of the year	**10,511,929**	**1,051.19**	10,511,929	1,051.19

(B) Share holders holding more than 5 percent Equity shares of the Company

Name of Shares	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	% holding	Number of Shares	% holding
Soyuz Trading Company Limited	**2,962,066**	**28.18**	2,962,066	28.18
Jindal Photo Investment Limited	**2,862,575**	**27.23**	2,862,575	27.23
Rishi Trading Company Limited	**1,630,189**	**15.51**	1,630,189	15.51

(C) Shares allotted pursuant to a contract without consideration being received in cash under the scheme of demerger.

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Number of shares	10,511,929	10,511,929

(D) Terms/rights attached to Equity Shares

Each holder of euity shares is entitles to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend. However, same except interim dividend is subject to the approval of the shareholders in the Annual general Meeting.

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(Rs. In Lakhs)

		Year ended 31st March, 2020	Year ended 31st March, 2019
11	**OTHER INCOME**		
	Gain on sale of mutual fund units	2.15	1.45
	Misc income	-	1.18
		2.15	2.63
12	**NET LOSS ON FAIR VALUE CHANGES**		
	Fair value loss/(gain) in investments	286.87	167.72
		286.87	167.72
13	**IMPAIRMENT ON FINANCIAL INSTRUMENTS**		
	Impairment on financial instruments	7,382.14	-
		7,382.14	-
14	**EMPLOYEE BENEFITS EXPENSES**		
	Salaries and wages	13.07	33.73
	Contribution to provident and other funds	0.77	0.68
		13.84	34.41
15	**OTHER EXPENDITURE**		
	Rent	0.96	0.96
	Custodial Fees and Listing Fees	8.92	10.69
	Communication Costs	-	0.12
	Advertisement and publicity	1.32	1.23
	Director's fees, allowances and expenses	0.62	1.03
	Auditor's Remuneration (Refer Note 15.1)	1.28	1.30
	Legal and Professional charges	5.90	5.30
	Fees and Subscription	0.11	0.11
	Rates and taxes	0.02	-
	Interest to others	0.00	0.13
	Prior period expenses		0.73
	Bank Charges	0.65	0.50
	Other expenditure	0.56	0.05
	Annual General Meeting Expense	3.44	2.65
	Conveyance	0.07	1.29
	Boarding & Lodging-Domestic	0.01	0.06
		23.85	26.15
15.1	**Remuneration to Auditors comprise**		
	- as Audit fee	0.80	0.80
	- for other certification	0.48	0.75
	Total	**1.28**	**1.95**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Rs. In Lakhs)

		Year ended 31st March, 2020	Year ended 31st March, 2019
16	**EARNING PER SHARE**		
	Earnings Per Share - Basic		
	Loss attributable to the Equity Shareholders (Rs. In Lakhs)	(7,704.21)	(39,385.80)
	Weighted Average Number of Equity Shares outstanding (Nominal Value of Equity Shares - Rs 10/- each)	1,05,11,929	1,05,11,929
	Basic Earnings per Share (in Rs.)	**(73.29)**	**(374.68)**
	Earnings Per Share - Diluted		
	Loss attributable to the Equity Shareholders (Rs. In Lakhs)	(7,704.21)	(39,385.80)
	Weighted Average Number of Equity Shares outstanding (Nominal Value of Equity Shares - Rs 10/- each)	1,05,11,929	1,05,11,929
	Diluted Earnings per Share (in Rs.)	**(73.29)**	**(374.68)**

17 DISCLOSURE UNDER REGULATION 34(3) OF "SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015"

Loans and advances outstanding at the year end and maximum amount outstanding during the year, as required to be disclosed under Schedule V and Regulation 34(3) of "Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015" are Nil.

Further there was no transaction with any person or belonging to promoter/promoters Group which holds 10% or more shareholding in the Company.

18 DISCLOSURE RELATING TO LOANS/SECURITY/GUARANTEE/INVESTMENT GIVEN BY THE COMPANY AS PER THE REQUIREMENTS OF SECTION 186(4) OF THE COMPANIES ACT 2013 AS ON 31ST MARCH' 2020

(Rs. In Lakhs)

Particulars	Categories	Loan Given/ Security Provided/ Investment made during the year	Balance of Loan Given/Security Provided/Investment made as on 31st March 2020	Term of Repayment	Purpose
Jindal India Powertech Ltd.	Equity Shares	Nil	15,770.35	-	Business
Jindal India Powertech Ltd.	0% Redeemble Preference Shares-Series I	Nil	24,720.15	Within 15 Years	Business
Jindal India Powertech Ltd.	0% Redeemble Preference Shares-Series II	Nil	12,500.00	Within 15 Years	Business
Jindal India Powertech Ltd.	0	210.00	210.00		Business

* The above Closing balance has been stated at cost, please refer note no. 3 for the fair vair value.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

19 FAIR VALUE MEASUREMENTS

19.1 Financial instruments by category **Rs in Lakhs**

	As at March 31, 2020			As at March 31, 2019		
	FVTPL	Amortised Cost	Cost	FVTPL	Amortised Cost	Cost
Financial assets						
Cash and cash equivalents	-	21.94	-	-	0.45	-
Investments						
Mutual Funds	139.91	-	-	402.94	-	-
Equity Intruments	1,548.58	-	-	9,226.69	-	-
Other Financial Assets	-	-	-	-	-	-
	1,688.49	**21.94**	**-**	**9,629.63**	**0.45**	**-**
Financial liabilities						
Payables						
Trade Payables	-	-	-	-	3.14	-
Others Financial Liabilities	-	3.44	-	-	5.63	-
	-	**3.44**	**-**	**-**	**8.76**	**-**

19.2Fair Value Hierarchy

(a) This section explains the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets and liabilities measured at fair value **(Rs. In Lakhs)**

	As at March 31, 2020			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVTPL				
Investments				
Mutual Fund Units		139.91	-	139.91
Equity Instruments	265.72	-	1,282.86	1,548.58
Other Securities	-	-	-	-
Total	**265.72**	**139.91**	**1,282.86**	**1,688.49**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year.

(b) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 or level 3, where the fair values have been determined

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

based on present values and the discount rates used were adjusted for counterparty or own credit risk.

(c) Fair value estimation

Estimated fair value disclosures of financial instruments are made in accordance with the requirements of Ind AS 107 "Financial Instruments: Disclosure". Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in forced or liquidation sale. As no readily available market exists for a large part of the Company's financial instruments, judgment is necessary in arriving at fair value, based on current economic conditions and specific risks attributable to the instrument. The estimates presented herein are not necessarily indicative of the amounts the Company could realize in a market exchange from the sale of its full holdings of a particular instrument.

The following summarizes the major methods and assumptions used in estimating the fair values of financial instruments.

Trade and other receivables / payables

Receivables / payables typically have a remaining life of less than one year and receivables are adjusted for impairment losses. Therefore, the carrying amounts for these assets and liabilities are deemed to approximate their fair values, as the allowance for estimated irrecoverable amounts is considered a reasonable estimate of the discount required to reflect the impact of credit risk.

Other long term receivables

These receivables are regularly reviewed and adjusted for impairment losses. Therefore, management considers the carrying amount of these receivables to approximate fair value.

(d) Valuation process

Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the Company's quarterly reporting periods.The main level 3 inputs for unlisted equity securities, contingent considerations and indemnification asset used by the Company are derived and evaluated by CFO and AC and the valuation is got prepared as required.

20 Financial risk management

(a) Risk management framework

The risk management policies of the Company are established to identify and analyse the risk faced by Company to set appropriate risk limit and controls to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the Company activities. The management has overall responsibility for the establishment and oversight of the Company risk management framework. In performing its operating, investing and financing activities, the Company is exposed to credit risk, liquidity risk and market risk.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in financial instruments.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.

Trade and other receivables

Credit risk is the risk that a customer may default or not meet its obligations to the company on a timely basis, leading to financial losses by the Company. Credit evaluations are performed on all receivables requiring credit. The Company reviews for any required allowance for impairment that represents its expected credit losses in respect of receivables. Investments are reviewed for any fair valuation loss on periodically basis and necessary provision/fair valuation adjustments has been made based on the valuation carried by the management to the extent available sources, the management does not expect any investment counterparty to fail to meet its obligations.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due. The Company's liquidity position is carefully monitored and managed. The Company has in place a detailed budgeting and cash forecasting process to help ensure that it has adequate cash available to meet its payment obligations.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

The following table provides details of the remaining contractual maturity of the Company's financial Liabilities. It has been drawn up based on the undiscounted cash flows and the earliest date on which the Company can be required to pay. The table includes only principal cash flows.

(Rs. in Lakhs)

	Carrying Amounts March 31, 2020	Contractual cash flows				
		Total	0 to 1 years	1 to 2 years	2 to 5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	-	-	-	-	-	-
Other financial liabilities	3.44	3.44	3.44	-	-	-
Total non-derivative liabilities	**3.44**	**3.44**	**3.44**	**-**	**-**	**-**

(Rs. in Lakhs)

	Carrying Amounts March 31, 2019	Contractual cash flows				
		Total	0 to 1 years	1 to 2 years	2 to 5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	3.14	3.14	3.14	-	-	-
Other financial liabilities	5.63	5.63	5.63	-	-	-
Total non-derivative liabilities	**8.77**	**8.77**	**8.77**	**-**	**-**	**-**

(d) 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 mainly comprise three types of risk: currency rate risk, interest rate risk and other price risks. 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 March 31, 2020 and March 31, 2019. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. However, the Company has no such items regarding cuurency risk or interest rate risk.

21 RELATED PARTY DISCLOSURE

As required by Ind AS-24 "Related party disclosure" issued by the Institute of Chartered Accountants of India are as follows:-

I <u>List of Related Parties</u>

a) **Entities with joint control of, or significant influence over the entity**

1 Soyuz Trading Company Limited
2 Jindal Photo Investments Limited

b) **Subsidiaries**

1 Jindal India Powertech Limited (Subsidiary)
2 Xeta Properties Private Limited (Step Down Subsidiary)

c) **Key Managerial Personnel**

1 Ghanshyam Dass Singal, Managing Director
2 Pramod Kumar, Company Secretary (till Nov 30, 2018)
3 Rupesh Kumar, Company Secretary (till March 12, 2020)
4 Nidhi Bhaskar, Company Secretary (w.e.f. May 05, 2020)
5 Shakshi Gupta, CFO (till Apr 02, 2018)
6 Anuj Kumar, CFO (w.e.f. May 01, 2018)

d) **Other related parties (where transaction took place)**

1 Jindal Poly Films Limited
2 Jindal Photo Limited
3 Consolidated Photo & Finvest Limited

*Related parties are as determined by management, and has been relied upon by auditor.

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NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

II The details of related party transactions entered into by the Company for the year ended March 31, 2020 and March 31, 2019 is as follows :

(Rs. in lakhs)

	Transactions	Year Ended 31.03.2020	Year Ended 31.03.2019
1	Directors Sitting Fee- (c-1)	**0.15**	0.21
2	Remuneration to KMP's (c-2, c-3 and c-6)	**12.64**	30.10
3	Payment of Rent (d-3)	**0.96**	0.96
4	Reimbursement of Expenses (d-1)	**1.48**	1.27
5	Balances Outstanding		
	Remuneration to KMP's (c-2, c-3 and c-6)	**0.76**	1.02
	Reimbursement of Expenses (d-1)	**-**	3.14
	Loans and advances**	**210.00**	-

Note: The transactions with the Related Parties have been entered in the ordinary course of business and are at arm's length.

** this includes security deposit of Rupees 210 lakhs provided to IFCI on behalf of Jindal India Powertech Limited.

22 RETIREMENT BENEFIT OBLIGATION

Below tables entails the changes in the projected benefit obligation & plan assets and amount recognised in the standalone Balance Sheet as at March 31,2020 being the respective measurement date:

Defined Plan - Gratuity Scheme

22.1 Movement in obligation **(Rs. In lakhs)**

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of obligation as at the beginning of the period	0.13	2.03
Acquisitions / Transfer in/ Transfer out -	-	-
Interest cost	0.01	-
Current service cost	0.25	-
Benefits paid	-	(0.82)
Remeasurements - actuarial loss/ (gain)	(0.34)	(1.08)
Present value of obligation as at the end of the period	0.05	0.13

22.2 Recognised in Statement of Profit & Loss and Other Comprehensive Income (OCI) **(Rs. In lakhs)**

Particulars	As at March 31, 2020	As at March 31, 2019
Current Service Costs	0.25	-
Interest Costs	0.01	-
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	(0.34)	(1.08)
Expenses/(Income) recognised in statement of profit & Loss and OCI	(0.08)	(1.08)

22.3 The principle actuarial assumptions used for estimating the company's defined benefit obligations are set out below:

(Rs. In lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Discount Rate	6.70%	7.50%
Expected Rate of increase in salary	8.00%	8.00%

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

22.4 Sensitivity Analysis:

a) Impact of change in discount rate	**As at March 31, 2020**
Present value of obligation at the end of the period	0.05
a) Impact due to Increase of 0.50%	-0.01
b) Impact due to decrease of 0.50%	0.01

b) Impact of change in Salary Increase	**As at March 31, 2020**
Present value of obligation at the end of the period	0.05
a) Impact due to Increase of 0.50%	0.01
b) Impact due to decrease of 0.50%	0.01

Sensitivity due to mortality and withdrawals are not material, hence impact of change not disclosed.

Sensitivity as to rate of inflation, rate of increase of pensions in payment, rate of increase of pension before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

23 As per Ind AS - 108, information reported to the chief operating decision maker, which is the Board of the Company, for the purpose of resource allocation and assessment of segment performance is founded its only reportable business segment of holding investments and investing of its surplus fund in the share capital of other company and mutual fund which are governed by the same set of risk and returns. Hence, the Company does not qualify for separate segment reporting.

24 Commitment and contingent liabilities - Nil (Previous year - Nil)

25 The Company pledged 15,41,00,000 Equity Shares of Rs 10/- each and 24,71,00,000 Zero Percent Redeemable Preference Shares Series I and 9,88,00,000 Zero Percent Redeemable Preference Shares Series II of Rs 10/- each, both fully paid up of Jindal India Powertech Limited “JIPL, an Subsidiary Company to IFCI Limited as security for 14% OCD issued by JIPL and subscribed by IFCI Ltd in terms of the Debenture subscription agreement between JIPL and IFCI Limited for the sum of Rs 30,000 lakhs.

In the abovementioned matter, IFCI has filed an application with Debt Recovery Tribunal – I, Delhi for recovery of outstanding dues of Rs. 27,184.26 lakhs from JIPL due to non-redemption of 14% OCDs issued to IFCI and has made the Company as Defendant No. 2 as the Company has provided security to IFCI for the said 14% OCDs by way of pledge of its investment in equity and preference share capital amounting to Rs. 50,000 lakhs in JIPL although the Company had not provided any Corporate Guarantee in this regard. The Company has filed the reply with DRT-I Delhi in this regard and the matter is pending for adjudication.

26 In earlier years, the Company has invested in zero Percent Redeemable Preference Shares (RPS) of Jindal India Powertech Limited (JIPL) having carrying value of Rs. 37,220.14 Lakh as at April 01, 2017. JIPL was the holding company of Jindal India Thermal Power Limited (JITPL) which operates thermal power plant (1200 MW) located at village Derang, Distt. Angul, Orissa. In previous year, the lenders of JITPL have invoked the pledged equity shares to the extent of 66% equity share capital and consequent thereof, JITPL no longer remains a subsidiary of JIPL.

These RPS has been initially measured at amortised cost being investment in Subsidiary Company, as required under Ind AS 109 (Financial Instruments). However, during the previous financial year, based on independent valuers report and considering substantial negative net worth and continuous cash losses of JIPL, impairment loss of Rs 37,220.14 Lakhs has been recognised and shown under exceptional item.

27 In the earlier years Jindal Poly Films Limited has given Rs. 2,290 lakhs to Jindal Photo Limited towards purchase of shares. Pursuant to scheme of demerger approved by Hon’ble Allahabad High Court vide its order dated May 16, 2013 this outstanding has been transferred to the Company as a part of demerged undertaking. Company has continuously taken steps to square off/recover the same by from Jindal Photo Limited and the outstanding as on date is Rs.1,940 lakhs. The Company has made the impairment of the same as per Ind AS 36 during the financial Year 2018-19 and accordingly the impairment loss of Rs.1,940 lakhs has been shown under exceptional item.

28 In earlier years, due to the merger of Jindal Poly Films Investment Limited and Jindal Photo Investment Limited, scheme of amalgamation as approved by Hon'ble High Court, New Delhi dated 20th December, 2016, 409,860 shares has been alloted to the Company by Jindal Photo Investment Limited.

During the year the Company has assesed the fair value of the investment in the Company and impaired its investment by Rs.7,382.14 lakhs.

29 **CORE INVESTMENT COMPANY**

The Company is a core Investment Company Holding more than 90% of its assets in investments in shares or debt in group Companies. In view of the interpretation of the extent regulatory framework applicable to core investment companies, certificate of Registration under sub section (2) section 45-IA of the Reserve Bank of India Act, 1934 is not required to be obtained from Reserve Bank of India as Company has not raised any public funds.

30 In line with "SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020" COVID - 19 pandemic has caused serious disruption on the global economic and business environment. There is a huge uncertainty with regard to its impact which cannot be reasonably determined at this stage. However, the Company has evaluated and considered to the extent possible the likely impact that may arise from COVID-19 Pandemic as well as all event and circumstances upto the date of approval of these Financial results on the carrying value of its assets and liabilities as on 31.3.2020. These estimates are subject to uncertainty and may be affected by the severity and duration of the pandemic. However, the Company will continue to monitor developments in future periods to identify the significant uncertainities and its impact on the carrying value of the assets and liabilities, if any.

31 **CORPORATE SOCIAL RESPONSIBILITY:**

The Company is not required to spend any amount on CSR activities in the current financial year and in the financial year 2017-18. However, amount need to be spent on CSR for preceeding financial years from 2014-15 to 2016-17 is Rs. 45.00 lakhs. Due to Continuously losses, the company is unable to spent prescribed amount on CSR. Amount spent by the company during the year is Nil.

32 There is no amount required to be transferred to Investor education and protection fund.

33 Figure for the previous year have been regrouped / rearranged where ever required, to make them comparable.

34 Figures have been rounded off to nearest lakhs.

As per our report of even date attached

For APT & CO LLP
Chartered Accountants
Firm Registration No.: 014621C/N500088

(Sanjeev Agarwal)
Partner
Membership No. 501114

Place: New Delhi
Date : 30/06/2020

For and on behalf of the Board of Directors

(Ghanshyam Dass Singal)
Managing Director
DIN-00708019

(Vinumon K.G)
Director
DIN-07558990

(Nidhi Bhaskar)
Company Secretary
Membership No.- A48649

(Anuj Kumar)
Chief Financial Officer