

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March, 2020

A. EQUITY SHARE CAPITAL		Movement during 2018-19		As at 31 st March, 2019		Movement during 2019-20		As at 31 st March, 2020	
As at 1 st April, 2018		96.79		96.79		5.21		102.00	
96.79									
B. SHARE WARRANTS		Movement during 2018-19		As at 31 st March, 2019		Movement during 2019-20		As at 31 st March, 2020	
As at 1 st April, 2018		4.80		4.80		(4.80)		-	
4.80									
C. OTHER EQUITY				Reserves and Surplus				Items of other comprehensive income	
Particulars	Securities premium account	Capital Redemption Reserve	Debt Redemption Reserve (DRR)	Share Option Outstanding Account	General Reserve	Retained earnings	Remeasurement of Defined Benefit Obligation/ Plan	Total	
Balance as at 1st April, 2018	1,379.71	72.00	1,338.59	-	1,484.59	18,402.87	13.21	22,690.97	
Profit & Loss for the year	-	-	-	-	-	(262.90)	-	(262.90)	
Other comprehensive income for the year	-	-	-	-	-	-	(13.89)	(13.89)	
Movement during the year	-	-	215.14	32.79	-	(215.14)	-	32.79	
Balance as at 31st March, 2019	1,379.71	72.00	1,553.73	32.79	1,484.59	17,924.83	(0.68)	22,446.97	
Profit & Loss for the year	-	-	-	-	-	617.67	-	617.67	
Other comprehensive income for the year	-	-	-	-	-	-	0.64	0.64	
Movement during the year	574.26	-	(1,007.81)	(32.47)	-	1,007.81	-	541.79	
As at 31st March, 2020	1,953.97	72.00	545.92	0.32	1,484.59	19,550.31	(0.04)	23,607.07	

See accompanying notes to the standalone financial statements
The notes referred to above form an integral part of financial statements

As per our report of even date

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

N.K Lodha
Partner
Membership No. 085155

Place: New Delhi
Dated: 25th May, 2020

For and on behalf of the Board of Directors

Naveen Jindal
Chairman
DIN: 00001523

VR Sharma
Managing Director
DIN: 01724568

Deepak Sogani
Chief Financial Officer

Anoop Singh Juneja
Company Secretary & Compliance Officer

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

5. PROPERTY, PLANT & EQUIPMENT

Particulars	₹ Crore											Total	
	Freehold Land	Lease Hold Land	Building including roads	Plant & Machinery	Electrical Fittings	Furniture fixtures and others	Vehicles	Aircrafts	Office equipment	Right To Use An asset			
Gross Carrying value (Cost/ Deemed cost)													
As at 01st April, 2018	2,727.04	2,633.52	7,274.04	37,358.57	1,472.32	78.63	68.73	21.31	44.25	-	51,678.41		
Additions	3.36	18.53	220.56	911.05	28.53	22.90	0.43	-	3.47	-	1,208.83		
Disposals	-	-	-	(12.37)	-	-	(3.27)	-	(0.02)	-	(15.66)		
Other adjustments	(21.15)	(14.93)	(14.13)	(140.09)	(2.63)	(0.38)	(0.08)	-	(0.42)	-	(193.81)		
As at 31st March, 2019	2,709.25	2,637.12	7,480.47	38,117.16	1,498.22	101.15	65.81	21.31	47.28	-	52,677.77		
Additions	1.12	31.91	81.29	1,576.51	23.07	1.79	0.30	-	2.81	1,209.80	2,928.60		
Disposals	-	-	-	(12.45)	-	(0.00)	(2.72)	-	(0.02)	(613.30)	(628.49)		
Other adjustments	-	-	-	1.72	-	-	-	-	-	12.13	13.85		
As at 31st March, 2020	2,710.37	2,669.03	7,561.76	39,682.94	1,521.29	102.94	63.39	21.31	50.07	608.63	54,991.73		
Accumulated Depreciation													
As at 01 st April, 2018	-	115.59	991.06	4,702.07	201.35	37.29	34.40	5.21	27.39	-	6,114.36		
Charge for the year	-	39.61	306.11	1,813.48	113.99	10.69	8.64	1.76	6.39	-	2,300.67		
Disposals	-	-	-	(2.22)	-	-	(1.64)	-	(0.02)	-	(3.88)		
Adjustments	-	(2.22)	(1.92)	(21.22)	(0.56)	(0.15)	(0.05)	-	(0.30)	-	(26.42)		
As at 31st March, 2019	-	152.98	1,295.25	6,492.11	314.78	47.83	41.35	6.97	33.46	-	8,384.73		
Charge for the year	-	39.44	296.00	1,723.70	115.73	11.29	6.99	1.74	5.46	81.67	2,282.02		
Disposals	-	-	-	(2.18)	-	(0.00)	(1.93)	-	(0.02)	(77.14)	(81.27)		
Adjustments	-	-	-	-	-	-	-	-	-	-	-		
As at 31st March, 2020	-	192.42	1,591.25	8,213.63	430.51	59.12	46.41	8.71	38.90	4.53	10,585.48		
Net Block													
As at 31st March, 2019	2,709.25	2,484.14	6,185.22	31,625.05	1,183.44	53.32	24.46	14.34	13.82	-	44,293.04		
As at 31st March, 2020	2,710.37	2,476.61	5,970.51	31,469.31	1,090.78	43.82	16.98	12.60	11.17	604.10	44,406.25		
Capital work in progress (CWIP)													
As at 31st March, 2019											1,584.10		
As at 31st March, 2020											810.43		

- As per the policy, the Company continues to capitalise foreign currency fluctuation on all long term foreign currency borrowings outstanding on March 31, 2016. Accordingly additions/(adjustments) to plant and machinery/ capital work-in-progress includes addition of ₹ 1.72 crore (March 31, 2019 ₹ 1.10 crore) on account of foreign exchange fluctuation (Gain)/loss.
- Freehold land of ₹ 24.54 Crore (March 31, 2019 ₹ 24.54 Crore) is in the process of registration.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

6. INTANGIBLE ASSETS

₹ crore				
Particulars	Licenses	Design & Drawings	Computer software	Total
Gross carrying value (Cost)				
As at 01st April, 2018	80.56	0.33	20.16	101.05
Additions	-	-	3.69	3.69
Disposals	-	-	-	-
As at 31st March, 2019	80.56	0.33	23.85	104.74
Additions	-	-	0.93	0.93
Disposals	-	-	-	-
As at 31st March, 2020	80.56	0.33	24.78	105.67
Amortisation				
As at 01st April, 2018	19.79	0.33	8.56	28.68
Charge for the year	4.14	-	2.24	6.38
Disposals	-	-	-	-
As at 31st March, 2019	23.93	0.33	10.80	35.06
Charge for the year	2.83	-	2.23	5.06
Disposals	-	-	-	-
As at 31st March, 2020	26.76	0.33	13.03	40.12
Net Carrying Value				
As at 31st March, 2019	56.63	-	13.05	69.68
As at 31st March, 2020	53.80	-	11.75	65.55

7. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

₹ crore			
Particulars	Live stock		Total
Gross carrying value (Cost)			
As at 01st April, 2018	0.14		0.14
Additions	-		-
Disposals	-		-
As at 31st March, 2019	0.14		0.14
Additions	-		-
Disposals	-		-
As at 31st March, 2020	0.14		0.14

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

8. INVESTMENTS (NON CURRENT)

₹ crore

Particulars	Face value ₹ unless otherwise stated	As at 31 st March, 2020		As at 31 st March, 2019	
		No. of units	Amount	No. of units	Amount
Unquoted					
(i) Investment in equity instruments (Fully Paid up unless otherwise stated)					
a) Subsidiary/Step down subsidiary companies (at cost or deemed cost)					
Everbest Steel and Mining Holdings Limited	10	2,69,994	0.11	2,69,994	0.11
Sky High Overseas Limited	US\$1	2,23,50,029	111.03	2,23,50,029	111.03
JB Fabinfra Private Limited	10	20,00,000	2.00	20,00,000	2.00
Jindal Power Limited (Note 1 below)	10	1,30,05,75,000	867.05	1,30,05,75,000	867.05
Jindal Steel Bolivia S.A.	Bs100	33,45,600	227.84	33,45,600	227.84
Jindal Steel & Power (Mauritius) Limited (Note 2 below)	US\$1	8,35,41,278	575.73	8,35,41,278	575.73
Jindal Angul Power Ltd	10	50,000	0.05	50,000	0.05
Attunli Hydro Electric Power Company Limited (₹ 10)	10	1	0.00	1	0.00
Etalin Hydro Electric Power Company Limited (₹ 10)	10	1	0.00	1	0.00
Kamala Hydro Electric Power Company Limited (₹ 10)	10	1	0.00	1	0.00
Trishakti Real Estate Infrastructure and Developers Private Limited	10	3,71,60,000	37.16	3,71,60,000	37.16
Raigarh Pathalgaon Expressway Limited	10	50,000	0.05	50,000	0.05
Sub Total (a)			1,821.04		1,821.04
b) Joint Ventures (at cost or deemed cost)					
Jindal Synfuels Limited	10	7,00,000	0.70	7,00,000	0.70
Shresht Mining and Metals Private Limited	10	76,94,248	7.69	76,94,248	7.69
Urtan North Mining Company Limited	10	1,15,03,618	11.50	1,15,03,618	11.50
Sub Total (b)			19.89		19.89
c) Others (at fair value through profit & loss)					
Angul Sukinda Railway Limited	10	6,00,00,000	60.00	6,00,00,000	60.00
Brahmputra Capital and Financial Service Limited	10	1,92,00,000	19.20	1,92,00,000	19.20
Danta Enterprises Private Limited (₹ 14,470)	10	1,447	0.00	1,447	0.00
Haridaspur Paradip Railway Company Limited	10	50,00,000	5.00	50,00,000	5.00
Jindal Holdings Limited	10	24,14,000	14.48	24,14,000	14.48
Jindal Petroleum Limited	10	49,400	0.05	49,400	0.05
Jindal Rex Exploration Private Limited	10	9,800	0.01	9,800	0.01
OPJ Trading Private Limited (₹ 14,470)	10	1,447	0.00	1,447	0.00
Sahyog Holdings Private limited (formerly known as Sahyog Tradecorp Private Limited) (₹ 14,470)	10	1,447	0.00	1,447	0.00
Stainless Investments Limited	10	12,42,000	6.05	12,42,000	6.05
Virtuous Tradecorp Private Limited (₹ 14,470)	10	1,447	0.00	1,447	0.00
X-Zone SDN BHD	RM 1	36,250	0.04	36,250	0.04
Indusglobe Multiventures Pvt Ltd (₹ 1450)	10	145	0.00	145	0.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

Particulars	Face value ₹ unless otherwise stated	As at 31 st March, 2020		As at 31 st March, 2019	
		No. of units	Amount	No. of units	Amount
Strata Multiventures Pvt Ltd (₹ 1450)	10	145	0.00	145	0.00
Genova Multisolutions Pvt Ltd (₹ 1450)	10	145	0.00	145	0.00
Radius Multiventures Pvt Ltd (₹ 1450)	10	145	0.00	145	0.00
Divino Multiventures Pvt Ltd (₹ 1450)	10	145	0.00	145	0.00
Sub Total (c)			104.84		104.84
Total Investments in equity instruments			1,945.77		1,945.77
(ii) Investments in Convertible Preference Shares (at amoritised cost)					
Indusglobe Multiventures Pvt Ltd	10	14,500	0.00	14,500	0.00
Strata Multiventures Pvt Ltd	10	14,500	0.00	14,500	0.00
Genova Multisolutions Pvt Ltd	10	14,500	0.00	14,500	0.00
Radius Multiventures Pvt Ltd	10	14,500	0.00	14,500	0.00
Divino Multiventures Pvt Ltd	10	14,500	0.00	14,500	0.00
Total (ii)			0.07		0.07
(iii) Investments in government securities (at amoritised cost)					
National Saving Certificates [Pledged with Government departments]			0.12		0.12
Total (iii)			0.12		0.12
(iv) Investments in Debentures/bonds-At Cost					
- Joint Venture					
Jindal Synfuels Limited					
Fully Paid up					
0% Compulsory Convertible debentures	10	7,76,99,440	77.70	7,76,99,440	74.78
0% Compulsory Convertible debentures	100	10,00,000	10.00	10,00,000	9.02
Partly Paid up					
0% Compulsory Convertible debentures(Note-3 below)	100	10,00,000	4.88	10,00,000	4.25
Total (iv)			92.58		88.05
Total Investment (i+ii+iii+iv)			2,038.54		2,034.01
Less: Provision for impairment			(339.69)		(341.09)
Total Non Current Investment			1,698.85		1,692.92
Aggregate book value of unquoted investments			2,038.54		2,034.01
Aggregate provision for impairment in value of investments			339.69		341.09

Notes:-

- 1) Pledged 40,46,40,000 (previous year 47,20,80,000) number of shares in favour of lenders (refer foot note 22).
- 2) During the previous year, the Company has converted its loan to the extent of USD 2.78 crores into equity share capital of face value of USD 1 per share at USD 3.26 per share (including security premium of USD 2.26 per share).
- 3) Partly paid up ₹ 48.80 (Previous year ₹ 48.80) per debenture.
- 4) During the previous year, the Company has Invoked 2,00,00,000 share of Bharat NRE Coke Limited, pledge against advance to one of vendor @ Nil Value.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

9. NON-CURRENT FINANCIAL ASSETS- LOANS

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Unsecured, considered good		
- Security deposits to related party (refer note 54)	1.76	29.40
- Security deposits to others	1.66	74.27
Total	3.42	103.67

10. NON-CURRENT FINANCIAL ASSETS- BANK BALANCES

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Bank balances (other than cash & cash equivalents)		
Fixed deposits with original maturity of more than 12 months (Pledged with government department and others)	1.11	1.10
Total	1.11	1.10

11. OTHER NON-CURRENT ASSETS

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Capital advances	186.73	243.35
Prepaid expenses*	149.83	222.44
	336.56	465.79

* Including amortisation of security deposit (Refer note no. 9)

12. INVENTORIES

(As taken by the management)

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
(Valued at lower of cost and net realisable value)		
Raw Materials		
- Inventories	1,640.74	1,732.65
- Goods In Transit	393.47	296.02
Work-in-progress		
- Work-in-progress	225.27	274.83
Finished Goods		
- Inventories	997.67	749.93
- Stock in trade	0.93	1.05
Stores & Spares		
- Inventories	615.63	813.38
- Goods In Transit	13.16	25.23
Others		
- Scrap	0.09	0.09
Total inventories	3,886.96	3,893.18

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

13. TRADE RECEIVABLES

Particulars	₹ crore	
	As at 31 st March, 2020	As at 31 st March, 2019
- Considered good - Secured	76.66	87.54
- Considered good - Unsecured	886.57	816.06
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	94.18	93.64
Less: Provision for Impairment	(94.18)	(93.64)
Total Trade receivables	963.23	903.60

14. CASH & CASH EQUIVALENTS

Particulars	₹ crore	
	As at 31 st March, 2020	As at 31 st March, 2019
- Balances with banks		
Current accounts	36.49	32.61
On cash credit accounts	343.92	-
Bank deposits with original maturity of less than 3 months*	-	32.93
- Cheques/Drafts in hand	-	0.54
- Cash on hand	0.56	0.46
- Others	0.02	0.02
	380.99	66.56

* Pledged with banks towards margin

15. OTHER BANK BALANCES

Particulars	₹ crore	
	As at 31 st March, 2020	As at 31 st March, 2019
- Fixed deposits*	131.37	29.26
- Earmarked - Unpaid dividend accounts	3.23	4.98
	134.60	34.24

* Pledged with banks towards margin

16. CURRENT FINANCIAL ASSETS-LOANS

Particulars	₹ crore	
	As at 31 st March, 2020	As at 31 st March, 2019
Unsecured, considered good		
- Loans to related parties (refer note 54)	2,346.43	1,538.67
- Loans to others	26.06	26.06
- Security deposits to related party (refer note 54)	48.50	48.50
- Security deposits to others	6.80	6.29
	2,427.79	1,619.52

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

17. CURRENT FINANCIAL ASSETS-OTHERS

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Interest receivable*	358.04	250.29
Forward Contract Receivable	27.79	-
Other Receivable*	102.78	59.77
Advance to employees	9.88	5.75
Total current financial assets	498.49	315.81

*Including recoverable from related parties (Refer note 54)

18. CURRENT TAX ASSETS / LIABILITIES (NET)

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Advance income tax*	3,280.03	3,361.94
Less: Provision for income tax	(2,926.32)	(2,967.95)
Net current tax assets	353.71	393.99

* includes Tax paid under protest ₹ 382.17 Crore (Previous year ₹ 427.03 crore)

19. OTHER CURRENT ASSETS

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Advances other than capital advances		
- Security deposit	68.38	65.66
- Others**	2,501.29	1,843.58
- Others Considered doubtful	48.31	48.31
- Provision for doubtful advances	(48.31)	(48.31)
	2,569.67	1,909.24
Others		
- Prepaid expenses*	58.62	52.03
- Due from Government Authorities & others	199.83	189.31
	258.45	241.34
	2,828.12	2,150.58

* Including amortisation of security deposit (Refer note no. 9)

**Including advance given to related parties (Refer note 54)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

20 SHARE CAPITAL

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Authorised		
200,00,00,000 (31 st March, 2019: 200,00,00,000) Equity shares of ₹ 1 each	200.00	200.00
1,00,00,000 (31 st March 2019: 1,00,00,000) Preference Shares of ₹ 100 each	100.00	100.00
	300.00	300.00
Issued, subscribed & fully paid up		
102,00,15,971 (31 st March, 2019 : 96,79,46,379) Equity shares of ₹ 1 each	102.00	96.79
	102.00	96.79

(a) Reconciliation of the number of shares outstanding at the beginning and end of the year

₹ crore

Equity Shares	As at	
	31 st March, 2020	31 st March, 2019
Shares outstanding at the beginning of the year	96,79,46,379	96,79,46,379
Add: Equity Shares issued during the year	5,20,69,592	-
Shares outstanding at the end of the year	1,02,00,15,971	96,79,46,379

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share. The Company declares dividend in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

In accordance with Section 68 of the Companies Act, 2013 and buy back regulations of SEBI, the Company has not buy back any equity shares during the five years immediately preceding 31st March, 2020,

During the five years immediately preceding 31st March, 2020, the Company has not allotted any equity shares as bonus shares and also not issued any share for consideration other than cash.

In addition the Company allotted 1,50,000 equity shares during the preceding five years under its various Employees Stock Option Schemes / Employee Stock Purchase Scheme

d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 st March 2020		As at 31 st March 2019	
	No. of Shares	% holding	No. of Shares	% holding
Equity Shares of ₹ 1 each fully paid				
Danta Enterprises Private Limited	6,22,38,816	6.10%	6,22,38,816	6.43%
Gagan Infraenergy Limited	4,97,09,952	4.87%	4,97,09,952	5.14%
Opelina Finance and Investment Limited	13,93,00,393	13.66%	9,13,00,393	9.43%
OPJ Trading Private Limited	18,84,13,667	18.47%	18,76,37,898	19.39%
Virtuous Tradecorp Private Limited	6,43,95,867	6.31%	6,43,95,867	6.65%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

e) Employees Stock purchase Scheme

The Board of Directors in its meeting held on 25th January , 2018 approved the JSPL Employee Stock Purchase Scheme 2018 (JSPL ESPL Scheme-2018) and the same was approved by the shareholders in the Annual General Meeting held on 28th September 2018, in accordance with SEBI(Share Based Employee Benefits) Regulations 2014. In accordance with SEBI (Share Based Employees Benefits) Regulations 2014 and pursuant to Jindal Steel & Power Limited Employee Stock Purchase Scheme-2018, the Company has on 23rd March 2019 and on 27th April 2019 granted 20,32,007 nos. and 20,56,704 nos. equity shares of Re. 1 each at an exercise price of ₹ 166.65/- per share and ₹ 175.15/- per share respectively under Jindal Steel & Power Limited Employee Stock Purchase Scheme- 2018 to the employees of the Group (Jindal Steel & Power Limited and its subsidiaries). Subsequently the Company allotted 20,15,597 Equity shares of ₹1/- each on May 13, 2019(out of options granted on 23rd March, 2019) to the eligible employees and allotted 20,53,995 Equity shares of ₹1/- each on July 06, 2019(7677 shares out of options granted on 23rd March, 2019 and 20,46,318 shares out of options granted on 27th April, 2019) to the eligible employees.

Particulars	As at	As at
	31 st March, 2020	31 st March, 2019
	Number of Options	Number of Options
Outstanding shares, beginning of the year	2,30,973	-
Granted during the year	20,56,704	20,32,007
Exercised during the year	22,68,558	18,01,034
Lapse during the year	19,119	-
Outstanding shares, end of the year	-	2,30,973

f) Employees Stock Option Scheme

The Board of Directors in its meeting held on 8th August, 2017 approved the JSPL Employee Stock Option Plan 2017(JSPL ESOP Scheme-2017) and the same was approved by the shareholders in the Annual General Meeting held on 22nd September 2017, in accordance with SEBI(Share Based Employee Benefits) Regulations 2014.

Pursuant to the JSPL ESOP Scheme-2017 , the Company may grant upto 4,50,00,000 options convertible into equal number of equity shares of ₹ 1 each.

The Nomination and Remuneration Committee of the Board in its meeting held on 5th January, 2018 granted 51,21,735 options convertible into equal number of equity shares of the Company, to the eligible employees of the Company and its subsidiaries, at an exercise price of ₹ 244.55 per option. As per JSPL ESOP Scheme-2017 the vesting period shall not be less than one year and maximum period will be three years. The employee shall exercise his options within a period of six months from respective vesting. 49,26,437 options have been surrendered/lapsed and balance outstanding is 1,95,298 options as on 31st March, 2020.

Salient features of the grants are as under:

Vesting Schedule	Options will vest from the date of grant based on the performance conditions mentioned below in the following ratio:			
	Vesting Schedule	5 th January 2019	5 th January 2020	5 th January 2021
Eligibility *		35%	35%	30%
* Maximum percentage of options that can vest				
Performance Conditions	Numbers of options have been granted based on individual performance rating measured on 5 point scale.			

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

21 A. SHARE WARRANTS

As at 1 st April, 2018	Movement during 2018-19	As at 31 st March, 2019	Movement during 2019-20	As at 31 st March, 2020
4.80	-	4.80	(4.80)	-

21 B. OTHER EQUITY

Particulars	Reserves and Surplus				Items of other comprehensive income	Total		
	Securities premium account	Capital Redemption Reserve	Debt Redemption Reserve (DRR)	Share Option Outstanding Account			General Reserve	Retained earnings
Balance as at 1st April, 2018	1,379.71	72.00	1,338.59	-	1,484.59	18,402.87	13.21	22,690.97
Profit & Loss for the year	-	-	-	-	-	(262.90)	-	(262.90)
Other comprehensive income for the year	-	-	-	-	-	-	(13.89)	(13.89)
Movement during the year	-	-	215.14	32.79	-	(215.14)	-	32.79
Balance as at 31st March, 2019	1,379.71	72.00	1,553.73	32.79	1,484.59	17,924.83	(0.68)	22,446.97
Profit & Loss for the year	-	-	-	-	-	617.67	-	617.67
Other comprehensive income for the year	-	-	-	-	-	-	0.64	0.64
Movement during the year	574.26	-	(1,007.81)	(32.47)	-	1,007.81	-	541.79
As at 31st March, 2020	1,953.97	72.00	545.92	0.32	1,484.59	19,550.31	(0.04)	23,607.07

Notes-

- Securities Premium Reserve represents the amount received in excess of par value of securities issued by the company. This reserve is utilised/to be utilised in accordance with provisions of the act.
- The Company is required to create Debt Redemption Reserve out of the profits which is available for the purpose of redemption of debentures.
- Capital Redemption Reserve represents the statutory reserve created on buy back of shares. It is not available for distribution.
- During the current year the Company has allotted 4,80,00,000 nos. fully paid up equity shares of Re. 1/- each at issue price of ₹ 140.31 per share (including premium of ₹ 139.31 per share), on exercise of option (against equal number of warrant held), to a promoter group company on receipt of balance 75% amount of ₹ 505.12 crores. Money received have been fully utilized for the purpose the issue was made.
- Share Option Outstanding Account relate to stock option granted by the company to employee under JSPL employee stock option plan, 2017 of ₹ 0.32 crore (31st March-19 ₹ 2.78 crore). This reserve is transferred to retained earning on cancellation of vested option. The above reserve also includes ₹ NIL (31st March-19 ₹ 30.01 crores) pertaining to JSPL employee stock purchase scheme, 2018 (ESPS) (refer note no. 20(e & f)).
- Other Comprehensive income reserve represents the balance in equity for items to be accounted in classified into i) Items that will not be reclassified to profit & loss ii) Items that will be reclassified to profit & loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

22. NON CURRENT FINANCIAL LIABILITIES- BORROWINGS

₹ crore

Particulars	As at	As at
	31 st March, 2020	31 st March, 2019
1 Secured		
i) Debentures		
5,000 (Previous Year 10,000), 9.80% Secured Redeemable Non Convertible Debentures of ₹10,00,000 each (Privately placed initially with Life Insurance Corporation of India)	500.00	1,000.00
1,600 (Previous Year 4,100), 9.80% Secured Redeemable Non Convertible Debentures of ₹10,00,000 each (Privately placed initially with Life Insurance Corporation of India)	160.00	410.00
248 (Previous Year 372), 9.80% Secured Redeemable Non Convertible Debentures of ₹ 10,00,000 each (Privately placed initially with SBI Life Insurance Company Limited)	24.80	37.20
	684.80	1,447.20
ii) Term Loan		
From Banks	12,778.93	12,478.18
From Other Parties	185.00	187.96
	13,648.73	14,113.34
Less current maturities presented in Note 28 (Refer note No. VIII & XI)	1,619.11	1,785.10
	12,029.62	12,328.24

I Pooled Security

The Company has entered into a pooling agreement with all the Secured Lenders and Security Trustee on 26th February'2020, whereby the following security structure was agreed upon in terms of sanctioned facilities:

- first pari passu charge over the immovable fixed assets (created/to be created) (except immovable properties at Tensa mines and immovable leasehold properties having aggregate area of 551.49 acres at Patratu, Jharkhand) & movable fixed assets (Bank of Baroda has exclusive charge on movable fixed assets of 4.5 MTPA Pellet Plant- II situated at Barbil, Odisha upto 125% of ₹ 81.95 crores Bank Guarantee facility. Other lenders will have pari passu charge on these assets which will be subservient to the charge of Bank of Baroda) and second pari passu charge on the current assets, both present & future, of the Company in favour of the Term Loan Lenders; and
- second pari passu charge over the immovable fixed assets(created/to be created) (except immovable properties at Tensa mines and immovable leasehold land admeasuring 551.49 acres at Patratu, Jharkhand) & movable fixed assets (Bank of Baroda has exclusive charge on movable fixed assets of 4.5 MTPA Pellet Plant- II situated at Barbil, Odisha upto 125% of ₹ 81.95 crores Bank Guarantee facility. Other lenders will have pari passu charge on these assets which will be subservient to the charge of Bank of Baroda) and first pari passu charge on the current assets,

both present & future, of the Company in favour of the Working Capital Lenders.

The above security constitutes as "**Pooled Security**".

II Debentures

Security

- Debentures of ₹ 500 crore (March 31, 2019 ₹ 1000 crore) placed initially with Life Insurance Corporation of India on private placement basis are redeemable at par in 2 equal annual instalments at the end of 9.5 and 10.5 years from the date of respective allotments i.e. ₹ 100 crore (12.10.2009), ₹ 150 crore (22.10.2009), ₹ 150 crore (24.11.2009), ₹ 150 crore (24.12.2009), ₹ 150 crore (25.01.2010), ₹ 150 crore (19.02.2010) and ₹ 150 crore (26.03.2010).
- Debentures of ₹ 160 crore (March 31, 2019 ₹ 410 crore) placed initially with Life Insurance Corporation of India on private placement basis are redeemable at par in 2 equal annual instalments at the end of 9.5 and 10.5 years from the date of respective allotments i.e. ₹ 80 crore (08.10.2009), ₹ 80 crore (09.11.2009), ₹ 80 crore (08.12.2009) and ₹ 80 crore (08.01.2010).
- Balance amount of debentures of ₹ 24.80 crore (March 31, 2019 ₹ 37.20 crore) placed initially with SBI Life Insurance Company Limited on private placement basis are redeemable at par in 2 equal annual instalments and the next instalment is due on 29th Dec., 2020.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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Above debentures are secured by pooled security as described in Note 22(l)(a).

III Term Loans from Banks

- a) Loans of ₹ 11,463.30 crore (March 31, 2019 ₹ 11,122.63 crore) are secured by pooled security as described in Note 22(l)(a). Repayment schedule of these loans is as follows:

Loan of ₹ 966.88 crore is repayable in 65 quarterly instalments and the next instalment is due on 30th Sept, 2020.

Loans of ₹ 5,600.53 crore is repayable in 64 quarterly instalments and the next instalment is due on 30th Sept, 2020.

Loans of ₹ 1,342.76 crore is repayable in 20 quarterly instalments and the next instalment is due on 30th Sept, 2020.

Loans of ₹ 953.37 crore is repayable in 17 quarterly instalments and the next instalment is due on 30th Sept, 2020.

Loan of ₹ 800.00 crore is repayable in 16 quarterly instalments and the next instalment is due on 30th Sept, 2020.

Loan of ₹ 284.84 crore is repayable in 16 quarterly instalments and the next instalment is due on 30th June, 2021.

Loans of ₹ 740.00 crore is repayable in 15 quarterly instalments and the next instalment is due on 15th Oct, 2020.

Loans of ₹ 494.42 crore is repayable in 9 quarterly instalments and the next instalment is due on 30th Sept, 2020.

Loans of ₹ 280.50 crore is repayable in 5 quarterly instalments and the next instalment is due on 30th Sept, 2020.

- b) Loans of ₹ 1,315.63 crore (March 31, 2019 ₹ 1,355.55 crore) are secured by pooled security as described in Note 22(l)(a) with priority over cash flows under TRA agreement and security in case of liquidation. The said loan is further secured by way of pledge over 40,46,40,000 nos. of equity shares of Jindal

Power Limited (subsidiary) held by the company as interim security till the creation and perfection of primary security. Further, Company has given Non Disposal Undertaking over 6,74,40,000 nos. of equity shares of Jindal Power Limited (subsidiary) held by the company under the said facility till creation and perfection of primary security. Loan is repayable in 33 quarterly instalments and the next instalment is due on 30th Sept, 2020.

IV OTHER LOANS

Other loan of ₹ 185.00 crores (March 31, 2019 ₹ 187.96 crore) is secured by pooled security as described in Note 22(l)(a). Loan is repayable in 64 quarterly instalments and the next instalment is due on 30th Sept, 2020.

- V Secured Term Loan Lenders mentioned in Note No 22(1) and Working Capital Lenders mentioned in Note No 26(1) are further secured by way of pledge over 4,31,00,000 nos. equity shares of Jindal Steel & Power Limited held by OPJ Trading Private Limited (The Promoter Company).

- VI The Company has also created Non Disposal Undertaking (NDU) over 9.13 crore equity shares of Jindal Steel & Power Limited (JSPL) held by Opelina Finance & Investment Limited (Promoter Company) in favour of State Bank of India, the Lead Bank for the benefit of all the Secured Term Loan Lenders mentioned in Note No 22(1) and Working Capital Lenders mentioned in Note No 26(1).

- VII Repayments and Interest rates for the above Secured Debentures and Term Loans are as follows:

₹ Crore

Year	2020-21	2021-22	2022-23	2023-24 & Above
Loan	1,619.11	1,389.03	1,383.15	9,257.44

The interest rate for the above term loans from banks and others varies from 9.70% to 12.45% p.a

- VIII Amount of ₹ 224.46 Crores included in current maturities for the year ended March 31, 2019 has been deferred in line with the RBI circular No DOR.No.BP.BC. 47/21.04.048/2019-20 dated March 27, 2020 & Circular No DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23, 2020. [Read with Note No. 22 (X1)]

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

22. NON CURRENT FINANCIAL LIABILITIES- BORROWINGS (Contd...)

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Unsecured		
i) Debentures		
Nil (Previous Year 3,000), 10.48% Unsecured Redeemable Non Convertible Debentures of ₹1,000,000 each (Privately placed initially with ICICI Bank Limited)	-	300.00
	-	300.00
Term Loan		
- From Banks		
ii) External Commercial Borrowings	10.42	29.26
	10.42	329.26
Less current maturities presented in Note 28	10.42	319.50
	-	9.76
	12,029.62	12,338.00

IX Debentures

Debentures of ₹ Nil (March 31, 2019 ₹ 300 crore) placed initially with ICICI Bank Limited on private placement basis have been redeemed on/ or before due date i.e. 10.08.2019.

X External Commercial Borrowings

The balance amount of ECA of ₹ 10.42 crore (March 31, 2019 : ₹ 29.26 crore) is repayable on 09th September, 2020.

The interest rate for the above External Commercial Borrowings is 0.77% p.a

XI The Reserve Bank of India vide its Circular No DOR.No.BP.BC. 47/21.04.048/2019-20 dated March 27, 2020 provided moratorium to the borrowers in payment of principal and interest in respect of all term loan and working capital facilities during the period from March 1, 2020 upto May 31, 2020 ("deferral"). Subsequently, The Reserve Bank of India vide its Circular No DOR.No.BP. BC.71/21.04.048/2019-20 dated May 23, 2020, extended the moratorium for another period of 3 months i.e., from June 1, 2020 to August 31, 2020.

Amid lockdown the Company has also been impacted from pandemic and accordingly availed the benefit of the moratorium in terms of aforesaid RBI circulars. Accordingly, the repayment schedule and all subsequent due dates, as also the tenor for term loans, has been shifted across the board by six months.

23. NON-CURRENT FINANCIAL LIABILITIES-OTHERS

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Security Deposits		
- From related parties	250.00	271.57
- From others	91.34	68.64
Lease Liability (refer note 65)	599.85	-
Others (refer note 60)	21.13	-
	962.32	340.21

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

24. PROVISIONS- NON CURRENT

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Provision for employee benefits		
- Gratuity	71.40	56.90
- Other Defined Benefit Plan	4.55	11.06
	75.95	67.96

25. DEFERRED TAX ASSETS/(LIABILITIES)

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Deferred tax assets		
- Unabsorbed depreciation & Carried forward tax losses	2,599.63	4,856.91
- Difference between book & tax base related to Investments	2.64	2.05
- Disallowance as per Income Tax Act, 1961	86.59	319.18
Total (A)	2,688.86	5,178.14
Deferred tax liabilities		
- Difference between book & tax base related to PPE (including CWIP)	6,349.36	9,327.20
- Difference between book & tax base related to Intangible assets	9.85	12.42
Total (B)	6,359.21	9,339.62
Net liability (A-B)	(3,670.35)	(4,161.48)
MAT credit entitlement	-	795.01
	(3,670.35)	(3,366.47)

Reconciliation of Deferred Tax Asset/ (Liabilities):

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Opening Balance	(4,161.48)	(4,468.46)
Deferred tax income/ (expense) during the period recognised in profit & loss	491.44	306.88
Deferred tax income/ (expense) during the period recognised in Other Comprehensive Income	(0.21)	-
Others adjustment	(0.10)	0.10
Closing Balance	(3,670.35)	(4,161.48)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

26. CURRENT FINANCIAL LIABILITIES-BORROWINGS

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Secured		
i) Loans		
From Banks	-	562.50
ii) Cash credit from banks*	1,641.54	2,461.57
	1,641.54	3,024.07
Unsecured		
- Loans from banks	-	699.37
- Loans from related parties	1,533.93	1,533.93
	1,533.93	2,233.30
	3,175.47	5,257.37

* Including Working Capital Loan

I Loan of ₹ Nil (March 31, 2019 ₹ 562.50 crore) were secured by subservient charge by way of hypothecation of current assets of the Company comprising of book debts and stocks.

II Cash Credit from Bank

The working capital facility of ₹ 1,641.54 crore (March 31, 2019 ₹ 2,461.57 crore) is secured by pooled security as described in Note 22(I)(b)

III Rate of Interest

The Weighted average rate of interest for Cash credit is 10.93% p.a.

The Weighted average rate of interest for loan from related parties is 9.40 % p.a.

27. TRADE PAYABLES

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Total outstanding, dues of micro and small enterprises	109.93	84.39
Total outstanding, dues of creditors other than micro and small enterprises*	4,513.97	3,699.40
Total Trade payables	4,623.90	3,783.79

*Including acceptances ₹ 2,366.42 Crores(31st March 19 ₹ 2,013.37 Crores)

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 :

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Principal amount due outstanding	127.04	91.38
Interest due on above due outstanding and unpaid	4.39	3.33
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 and certified by the management (in previous year the company was in process of compilation of data/ information of MSME) and balances are in process of reconciliation / confirmation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

28. CURRENT FINANCIAL LIABILITIES-OTHERS

Particulars	₹ crore	
	As at 31 st March, 2020	As at 31 st March, 2019
Current maturities of long term debt (Refer note 22(VIII) and 22(XI))	1,629.53	2,104.60
Security Deposits**	36.19	22.78
Interest accrued (Refer note 22(XI)) **	247.62	348.86
Unpaid dividend*	3.23	4.98
Creditors for Capital Expenditure	654.08	867.31
Other Advance (Refer note 60)	240.00	331.13
Lease Liability (Refer note 65)	7.42	-
Others	948.28	743.28
	3,766.35	4,422.94

*There is no amount due and outstanding to be credited to Investor Education and Protection Fund

**Including payable to related parties (Refer note 54)

29. OTHER CURRENT LIABILITIES

Particulars	₹ crore	
	As at 31 st March, 2020	As at 31 st March, 2019
Advance from customers	2,202.04	712.06
Statutory dues	1,757.10	1,937.21
	3,959.14	2,649.27

30. PROVISIONS- CURRENT

Particulars	₹ crore	
	As at 31 st March, 2020	As at 31 st March, 2019
Provision for employee benefits		
- Leave encashment & other defined benefit plans	48.68	43.67
Total	48.68	43.67

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

31. REVENUE FROM OPERATIONS

₹ crore

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
a) Sale of products[@]		
- Finished Goods	26,153.32	27,578.86
- Inter Divisional Transfer	7,363.26	7,446.24
	33,516.58	35,025.10
b) Other operating revenue		
- Scrap sales	18.19	17.50
- Export Incentives	73.21	61.91
- Aviation Income	17.79	16.30
- Provision / Liability/Diminution in investment no longer required written back	20.91	149.40
- Profit on Sale/Transfer of PPE	0.69	1.23
- Others	39.51	38.13
	170.30	284.47
Less : Inter Divisional Transfer	(7,363.26)	(7,446.24)
Sub Total	26,323.62	27,863.33
Add: GST Recovered	3,792.71	4,075.50
Total Revenue from operations	30,116.33	31,938.83

@ Inclusive of captive sale on project of ₹ 95.37 crore (March 31, 2019 ₹ 147.36 crore)

Revenue from Contracts with Customers

Revenue from Contracts with Customers disaggregated based on nature of product or services

₹ crore

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
a) Sale of products		
- Finished Goods		
Iron & Steel	31,778.16	33,320.86
Power	1,385.40	1,368.40
Others	353.02	335.84
	33,516.58	35,025.10
- Other Operating Revenue		
Iron & Steel	144.81	263.72
Power	2.95	0.66
Others	22.53	20.09
	170.29	284.47
Inter Divisional Transfer		
Iron & Steel	6,566.72	6,685.29
Power	750.18	719.40
Others	46.36	41.55
	7,363.26	7,446.24

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

Revenue from Contracts with Customers disaggregated based on geography (Revenue is recognised at a point in time)

₹ crore

Particulars	Year ended	
	31 st March, 2020	31 st March, 2019
- Domestic	22,391.49	24,740.79
- Exports	3,932.13	3,122.54
Total	26,323.62	27,863.33

Reconciliation of Gross Revenue with the Revenue from Contracts with Customers

₹ crore

Particulars	Year ended	
	31 st March, 2020	31 st March, 2019
Gross Revenue	26,467.22	27,951.83
Less: Discounts, Rebate, Commission etc.	143.60	88.50
Net Revenue recognized from Contracts with Customers	26,323.62	27,863.33

Assets and liabilities related to contracts with customers

₹ crore

Particulars	Year ended		Year ended	
	31 st March, 2020		31 st March, 2019	
	Non-current	Current	Non-current	Current
Contract Assets-Trade Receivable	-	963.23	-	903.60
Contract Liabilities-Advance from customers	-	2,202.04	-	712.06

32. OTHER INCOME

₹ crore

Particulars	Year ended	
	31 st March, 2020	31 st March, 2019
- Provision / Liability no longer required written back	-	14.45
Total Other Income	-	14.45

33. COST OF MATERIALS CONSUMED

₹ crore

Particulars	Year ended	
	31 st March, 2020	31 st March, 2019
Raw Material Consumed	10,687.67	11,902.71
Inter Division Transfer	7,363.26	7,446.24
	18,050.93	19,348.95
Less: Inter Division Transfer	(7,363.26)	(7,446.24)
Total Cost of Material Consumed *	10,687.67	11,902.71

* Including material transferred from capital work in progress

34. PURCHASES OF STOCK IN TRADE

₹ crore

Particulars	Year ended	
	31 st March, 2020	31 st March, 2019
Purchases of Stock In trade	882.46	1,124.57
	882.46	1,124.57

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

35. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK -IN- TRADE & WORK -IN- PROGRESS AND SCRAP

₹ crore

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Opening stock		
Finished Goods	749.93	664.57
Work-in-progress	274.83	251.57
Stock in trade	1.05	-
Scrap	0.09	0.05
	1,025.90	916.19
Closing stock		
Finished Goods	997.67	749.93
Stock in trade	0.93	1.05
Work-in-progress	225.27	274.83
Scrap	0.09	0.09
	1,223.96	1,025.90
Total	(198.06)	(109.71)

36. EMPLOYEE BENEFITS EXPENSES

₹ crore

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Salaries & wages *	593.36	538.63
Contribution to provident & other funds	47.19	55.04
Staff welfare expenses	38.12	26.10
Total	678.67	619.77

*Current year expenditure includes ₹ 5.02 crore (P.Y. ₹ 4.06 crore) incurred on research & development activities.

37. FINANCE COSTS (NET)

₹ crore

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Interest on		
- Debentures and other term-loans	1,795.62	1,850.39
- Exchange Difference to the extent considered as an adjustment to borrowing costs	1.82	14.50
- Others	808.27	1,016.69
	2,605.71	2,881.58
Other Financial Expenses	137.84	143.16
	2,743.55	3,024.74
Less: Interest income		
Interest on Intercorporate Deposits	(85.29)	(55.87)
Others	(47.65)	(73.11)
	(132.94)	(128.98)
Net finance cost	2,610.61	2,895.76

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

38. OTHER EXPENSES

₹ crore

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Consumption of stores & spares	2,136.86	2,519.71
Consumption of power & fuel	4,043.73	3,423.24
Other manufacturing expenses	763.23	667.11
Repair and maintenance		
Plant and machinery	166.07	157.51
Building	12.65	8.78
Others	53.38	47.41
Rent*	16.20	213.83
Rate & taxes	61.00	25.82
Insurance	50.68	40.52
Payment to statutory auditor		
Statutory audit fees	1.00	1.00
Certification & other charges	1.37	0.38
Reimbursement of expenses	0.04	0.06
Research and Development Expenses**	0.31	0.42
Loss on sale/discard of PPE	9.46	0.54
Donation	21.45	4.94
Directors' sitting fee	0.26	0.25
Bad debts / provision for doubtful debts & advances	0.54	11.47
Freight handling and other selling expenses	793.71	729.14
Miscellaneous expenses (includes unbilled revenue written off Nil (March 31, 2019 ₹ 86.53 crore)***	441.41	520.60
Foreign exchange fluctuation (net)	(77.78)	(63.71)
Total	8,495.57	8,309.02

* The Company has paid lease rentals of ₹ 195.99 crore in previous year under Non cancellable operating leases

** Expenditure on research & development activities, incurred during the year, is ₹ 3.24 crore (previous year ₹ 0.75 crore)(including capital expenditure of ₹ 2.93 crore(previous year ₹ 0.33 crore)excluding salary & wages of ₹ 5.02 crore(previous year ₹ 4.06 crore)

*** Includes CWIP write-off of ₹ 23.80 crore in previous year

39. TAX EXPENSE

₹ crore

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Current tax	-	-
MAT Credit	795.01	-
Provision for Taxation -Earlier years	(41.62)	-
	753.39	-
Deferred tax	(491.44)	(306.88)
	(491.44)	(306.88)
Total	261.95	(306.88)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

Effective tax Reconciliation :

Numerical reconciliation of tax expense applicable to (profit)/ loss before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

₹ crore

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Net (Profit)/ Loss before taxes	879.62	(569.78)
Enacted tax rate	25.17%	34.94%
Computed tax Income/(expense)	221.40	(199.10)
Increase/(reduction) in taxes on account of:		
Capital receipt (w/off)	-	(112.84)
Allowance/Disallowance Impact(net)	11.46	2.32
New Regime Tax Impact (Lower tax Rate impact , loss on account of additional depreciation disallowance and R&D Expenditure disallowance)	(760.04)	-
Effect of tax pertaining to previous years	(8.40)	(43.38)
Effect of tax due to ICDS	5.79	35.50
Others	(3.27)	10.63
MAT Credit written off	795.01	-
Income tax expense reported	261.95	(306.88)

40 (A) CONTINGENT LIABILITIES AND CLAIMS AGAINST THE COMPANY

(to the extent not provided for & certified by the management)

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Contingent Liabilities		
i) GUARANTEES AND UNDERTAKINGS		
a) Guarantees issued by the Company's Bankers on behalf of the Company*	1,777.06	975.05
b) Corporate guarantees/undertakings issued on behalf of third parties **	6,034.60	5,449.57
ii) DEMAND/LITIGATIONS:		
a) Disputed Statutory and Other demands	2,913.15	2,529.29
b) Income Tax demands where the cases are pending at various stages of appeal with the appellate authorities	1,713.30	1,847.70
c) Bonds executed for machinery imports under EPCG Scheme	42.12	208.15
	12,480.23	11,009.76

OTHERS

It is not possible to predict the outcome of the pending litigations with accuracy, the Company believes, based on legal opinions received and/or internal assessment, that it has meritorious defences to the claims. The management believe the pending actions will not require outflow of resources embodying economic benefits and will not have a material adverse effect upon the results of the operations, cash flows or financial condition of the Company.

Duty saved on import of raw material under Advance License pending fulfillment of export obligation is amounting to ₹ 65.08 crore (previous year ₹ 72.43 crore). The Management is of the view that considering the past export performance and future prospects there is certainty that pending export obligation under advance licenses, will be fulfilled before expiry of the respective advance licenses.

* also refer note 46

** excluding corporate guarantee amount which is pending for execution/ RBI approval.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

40(B) COMMITMENTS

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	445.10	353.46

41. EARNINGS PER SHARE

₹ crore

Particulars	Year ended	
	31 st March, 2020	31 st March, 2019
A Net profit/ (loss) as attributable for equity shareholders(₹ crore)	617.67	(262.90)
B Weighted average number of equity shares in calculating EPS (refer Note 20)		
Basic	1,01,47,57,314	96,79,46,379
Add:- Effect of potential Ordinary Share on share warrant outstanding	-	4,80,00,000
Add:- Effect of potential ordinary shares on employee stock options outstanding	1,95,298	4,88,550
Add:- Effect of potential ordinary shares on employee stock purchase scheme outstanding	-	44,537
Diluted	1,01,49,52,612	1,01,64,79,466
Basic Earnings per Share (₹) (A/B)	6.09	(2.72)
Diluted Earnings per Share (₹) (A/B)	6.09	(2.72)

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity. Effect of Anti-dilutive has been ignored.

42. CSR EXPENSES

In view of the losses in preceding three years the Company is not required to spend amount on corporate social responsibility (CSR) as per the provision of section 135 of the Companies Act, 2013. However company has voluntarily spend following amount on CSR expenses

₹ crore

Particulars	Year ended	
	31 st March, 2020	31 st March, 2019
A. Gross amount required to be spent by the company during the year.	-	-
B. Amount spent during the year on		
i) Construction/acquisition of any assets	-	-
ii) On purchase other than (i) above	16.86	13.72
C. Provision made for CSR Expenditure	10.00	-
Total	26.86	13.72

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

43. MOVEMENT IN EACH CLASS OF PROVISION DURING THE FINANCIAL YEAR ARE PROVIDED BELOW:

Particulars	Employee Benefits	₹ crore
As at April 1, 2018		74.44
Provision during the year		20.50
Contribution made		(0.42)
Remeasurement gain accounted for in OCI		21.24
Payment during the year		(9.41)
Interest charge		5.28
As at March 31, 2019		111.63
Provision during the year		37.70
Contribution made		(21.91)
Remeasurement losses accounted for in OCI		(0.85)
Payment during the year		(10.00)
Interest charge		8.06
As at March 31, 2020		124.63
As at March 31, 2019		
Current		43.67
Non- Current		67.96
As at March 31, 2020		
Current		48.68
Non- Current		75.95

44. 'EMPLOYEE BENEFITS', IN ACCORDANCE WITH ACCOUNTING STANDARD (IND AS-19) :

- A. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service.
- B. The actuary has provided a valuation of Provident Fund Liability and based on the below assumptions Provident Fund Liability of ₹ 4.55 Crore as at 31st March, 2020 (Previous Year ₹ 11.06 Crore).
- C. The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the respective plans.

I. Expense recognised for Defined Contribution Plan*

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019	₹ crore
Company's contribution to provident fund	22.46	25.18	
Company's contribution to ESI	0.30	0.45	
Total	22.76	25.63	

* included under the head employee benefit expenses - refer note 36

Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Balance Sheet as at March 31, 2020 and March 31, 2019, being the respective measurement dates:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

II. Movement in Obligation

₹ crore

Particulars	Gratuity	Leave Encashment	Provident Fund
Present value of obligation - April 01, 2018	57.95	31.36	12.35
Current Service Cost	5.44	6.68	1.55
Interest Cost	4.16	2.11	0.94
Benefits Paid	(6.48)	(7.09)	-
Remeasurement - Actuarial loss/(gain)	20.96	10.61	(3.78)
Present value of obligation - March 31, 2019	82.03	43.67	11.06
Gross Present Value of Obligation- April 01, 2019	82.03	43.67	572.67
Current Service Cost	7.45	9.07	22.25
Interest Cost	5.94	3.10	47.77
Benefits Paid	(7.96)	(6.08)	(76.92)
Others	-	-	34.01
Remeasurement - Actuarial loss/(gain)	6.08	(1.08)	(0.07)
Present value of obligation - March 31, 2020	93.54	48.68	599.71

III. Movement in Plan Assets - Gratuity, Leave encashment & Provident Fund

₹ crore

Particulars	Gratuity		Leave Encashment		Provident Fund	
	Year ended	Year ended	Year ended	Year ended	Year ended	Year ended
	March	March	March	March	March	March
	31,2020	31,2019	31,2020	31,2019	31,2020	31,2019
Fair Value of Plan Assets at the beginning of the year	25.15	27.22			561.62	
Interest Income on plan assets	1.75	1.93			46.97	
Employer contributions	1.02	0.42			20.88	
Employee contributions	-	-			34.01	
Benefits Paid	(5.20)	(4.15)			(75.76)	
Return on plan assets greater/ (lesser) than discount rate	(0.58)	(0.27)			7.44	
Fair Value of Plan Assets at the end of the year	22.14	25.15		-	595.16	-
Present value of obligation	93.54	82.03	48.68	43.67	599.71	11.06
Net funded status of plan	(71.40)	(56.88)	(48.68)	(43.67)	(4.55)	(11.06)
Actual Return on Plan Assets	1.17	1.66	-	-		-

IV. The Major categories of plan assets for gratuity as a percentage of the fair value of total plan assets are as follows

Particulars	2019-20	2018-19
Others (including assets under Scheme of Insurance)	100%	100%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

The Major categories of plan assets for provident fund as a percentage of the fair value of total plan assets are as follows

Particulars	2019-20	2018-19
Government of India Securities (Central and State)	46%	46%
High quality corporate bonds (including Public Sector Bonds)	43%	43%
Equity shares of listed companies	5%	5%
Cash (including Special Deposits)	6%	6%

V. Recognised in Profit and Loss

₹ crore

Particulars	Gratuity	Leave Encashment	Provident Fund
Current Service Cost	5.44	6.68	1.55
Net Interest Cost	2.23	2.11	0.94
Remeasurement - Actuarial loss/(gain)	-	10.61	(3.78)
For the year ended March 31, 2019	7.67	19.40	(1.29)
Actual Return for the year ended March 31,2019	1.66	-	-
Current Service Cost	7.45	9.07	22.25
Net Interest Cost	4.18	3.10	0.80
Remeasurement - Actuarial loss/(gain)	-	(1.08)	-
For the year ended March 31, 2020	11.63	11.09	23.05
Actual Return for the year ended March 31,2020	1.17	-	-

Recognised in Other Comprehensive Income

₹ crore

Particulars	Gratuity	Leave Encashment	Provident Fund
Remeasurement - Actuarial loss/(gain)	21.24	-	-
For the year ended March 31, 2019	21.24	-	-
Remeasurement - Actuarial loss/(gain)	6.66	-	(7.51)
For the year ended March 31, 2020	6.66	-	(7.51)

VI. The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Weighted average actuarial assumptions	Gratuity		Leave Encashment		Provident Fund	
	As at	As at	As at	As at	As at	As at
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Discount Rate	6.70%	7.60%	6.70%	7.60%	6.70%	7.60%
Expected Rate of increase in salary	5.00%	5.00%	5.00%	5.00%	-	-
Mortality Rate	Indian Assured Lives Mortality (2006-2008) (modified) Ult					
Expected Rate of increase on plan assets	6.70%	7.60%	6.70%	7.60%	8.50%	8.55%

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. The overall expected rate of return on asset is determined based on the market price prevailing on that date, applicable to period over which obligation is to be settled. Same assumptions were considered for comparative period

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

VII. Sensitivity Analysis:

Reasonably possible changes at the year end, to one of the relevant actuarial assumptions, Holding other assumptions constant, would have affected the defined benefit obligation as the amount shown below:

Particulars	Change in Assumption	Effect on Gratuity Obligation	Change in Assumption	Effect on Leave Encashment	Change in Assumption	Effect on Provident Fund
For the year ended March 31, 2019						
Discount Rate	+1%	-7.07	+1%	-3.57	+1%	-0.83
	-1%	8.17	-1%	4.12	-1%	0.96
Salary Growth Rate	+1%	7.23	+1%	4.19		
	-1%	-6.71	-1%	-3.68		
For the year ended March 31, 2020						
Discount Rate	+1%	-7.96	+1%	-4.00	+1%	-0.94
	-1%	9.20	-1%	4.62	-1%	1.09
Salary Growth Rate	+1%	8.16	+1%	4.66		
	-1%	-7.55	-1%	-4.09		

The above sensitivity analysis is based on a change in an assumption while holding all other assumption constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

VIII. History of experience adjustments is as follows:

₹ crore

Gratuity Experience history	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Defined benefit obligation at the end of the period	(93.54)	(82.04)	(57.95)	(53.93)	(48.23)
Plan Assets	22.14	25.14	27.22	29.89	32.30
Surplus/(Deficit)	(71.40)	(56.90)	(30.73)	(24.04)	(15.93)
Actuarial gain/(loss) - experience (Plan Liability)	1.13	(8.12)	0.39	(0.92)	(0.19)
Actuarial gain/(loss) - experience (Plan Assets)	(0.58)	-	-	-	0.01
Actuarial gain/(loss) - due to change on assumption	(7.21)	12.83	0.95	(2.86)	0.33

₹ crore

Provident fund Experience history	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Defined benefit obligation at the end of the period	599.71	(11.06)	(12.35)	(13.88)	(11.89)
Plan Assets	595.16	-	-	-	-
Surplus/(Deficit)	(4.55)	(11.06)	(12.35)	(13.88)	(11.89)
Actuarial gain/(loss) - experience (Plan Liability)	0.88	1.62	2.03	1.17	2.24
Actuarial gain/(loss) - experience (Plan Assets)	7.44	-	-		
Actuarial gain/(loss) - due to change on assumption	(0.81)	2.16	2.19	(0.32)	0.35

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

Expected Benefits Payments for the year ending

₹ crore

Particulars	Gratuity	Provident Fund	Leave Encashment
31-Mar-21	4.74	588.69	4.08
31-Mar-22	5.23	588.74	1.71
31-Mar-23	6.48	588.79	1.77
31-Mar-24	7.40	588.83	2.00
31-Mar-25	9.37	588.87	2.51
31-Mar-26 to 31-Mar-30	68.71	2,944.66	12.56
31-Mar-31 to 31-Mar-49	354.78	-	30.72

Due to the restrictions in the type of investment that can be held by the gratuity and the pension fund regulation, it's not possible to explicitly follow on assets-liability matching strategy to manage risk actively.

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors. The above information has been certified by the actuary and has been relied upon by the auditors.

45. As per IND AS 108 Operating Segment, segment information has been provided in notes to consolidated financial statements.

46. Pursuant to the Judgment dated 25.08.2014 read with Order dated 24.09.2014 passed by the Hon'ble Supreme Court the allocation of the coal blocks, Gare Palma IV/1 (operational); Utkal B-1, Amarkonda Murgadangal, Gare Palma IV/6, Ramchandi, Urtan North and Jitpur (non-operational) to the Company/its joint ventures stand de-allocated. Prior to the said de-allocation by the Hon'ble Supreme Court, the Government had invoked bank guarantees provided by the Company to the extent of ₹ 155 crore with respect to Ramchandi, Amarkonda Murhadangal, Urtan north and Jitpur Coal Blocks. These matters were contested by the Company at various levels and the invocation of the said bank guarantees had

been stayed by the respective Hon'ble High Courts. Bank guarantees amounting to ₹ 155.00 crore (previous year ₹ 155 crore) have been provided by the Company for the above mentioned four non- operational coal blocks.

Pursuant to the said de-allocation by the Hon'ble Supreme Court and pending the decision/s of the Ministry of Coal on the show cause notices issued by the Ministry of Coal calling upon the Company to show cause as to why the delay in the development of the non-operational coal blocks should not be held as violation of the terms and conditions of the allocation letters of the said coal blocks, the respective Hon'ble High Courts have required the Company to keep the said Bank Guarantees alive pending the decision of the Government (Ministry of Coal) in individual case. The High Courts have restrained the Ministry of Coal to act in furtherance of its subsequent decision/s, to invoke the bank guarantee/s, for a further period of two weeks' time from the date of the communication of such decision/s in order to enable the Company to challenge such decision/s of the Ministry of Coal. In the meantime, the invocation of the bank guarantees has been stayed by the Hon'ble High Courts.

The Company believes that it has good case in respect to this matter and hence no provision is considered necessary.

47. INTEREST IN JOINT VENTURES:

The Company's interest as a venturer, in jointly controlled entities (Incorporated Joint Ventures) is as under:

S. No.	Particulars	Country of Incorporation	% of ownership interest as at 31 st March, 2020	% of ownership interest as at 31 st March, 2019
1	Jindal Synfuels Limited	India	70	70
2	Shresht Mining and Metals Private Limited	India	50	50
3	Urtan North Mining Company Limited	India	66.67	66.67

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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The Company's interests in the above Joint Ventures is reported as Non-Current Investments {Note-8 (i)(b)} and stated at cost. However, the Company's share of assets, liabilities, income and expenses, etc. (each without elimination of the effect of transactions between the Company and the joint ventures) related to its interest in the Joint Ventures are:

		₹ crore	
Particulars		As at 31 st March, 2020	As at 31 st March, 2019
I. Assets			
1 Non Current Assets			
a)	Property, plant & equipment	1.22	1.27
b)	Intangible Assets Under Development and CWIP	113.26	108.62
c)	Financial Assets - others	1.16	1.16
d)	Other Non current Assets	0.11	0.11
2 Current Assets			
a)	Cash & Cash Equivalents	2.63	2.55
b)	Financial Assets	1.60	1.53
II. Liabilities			
1	Non current Liabilities	0.04	0.03
2	Equity component of compound financial instrument	84.17	79.43
3	Current Liabilities	0.10	0.09
III. Profit/(Loss)		0.00	(0.66)

48A. INFORMATION UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013.

		₹ crore			
Particulars		As at March 2019	Given	Recovered	As at March 2020
a) Loans Given					
i)	To subsidiary	1,538.67	807.76	-	2,346.43
ii)	In the form of unsecured short term inter corporate deposits	26.06	-	-	26.06
TOTAL		1,564.73	807.76	-	2,372.49

* Includes forex restatement of ₹ 177.14 cr.

Notes:

Inter corporate deposits are given as a part of treasury operations of the company on following terms:

- i) All loans are given to unrelated corporate entities at an interest ranging from 7.65% to 13.25% p.a.
- ii) All the loans are provided for general business purpose of respective entities, repayable on demand with repayment option to the borrower

b) Investment:

There are no investment made by the company other than those stated under Note no 8 in the financial statements

c) Guarantees given

		₹ crore	
Particulars		As at 31 st March, 2020	As at 31 st March, 2019
i)	To secure obligations of Wholly Owned Subsidiary-Guarantees to Banks*	5,910.94	5,326.67
ii)	To Banks to secure obligations of other parties:		
-	Guarantees (Refer Note No 40(a) in the Financial Statements)	123.66	122.90
Total		6,034.60	5,449.57

* Includes forex restatement

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

d) Securities given

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
There are no securities given during the year	-	-

48B LOANS AND ADVANCE IN THE NATURE OF LOAN GIVEN TO SUBSIDIARIES AND OTHERS

₹ crore

Name of the Company	Relationship	As at 31.03.2020	As at 31.03.2019
Jindal steel and Power(Mauritius) Limited	Subsidiary		
Amount outstanding		2,318.95*	1,511.19
Maximum balance outstanding		2,318.95	1,711.67
Jagran Developers Private Limited	Subsidiary		
Amount outstanding		27.48	27.48
Maximum balance outstanding		27.48	27.48
Others	Others		
Amount outstanding		26.06	26.06
Maximum balance outstanding		26.06	301.06

* Includes forex restatement.

Notes:

- All the above loans and advance are interest bearing.
- None of the loans have made investments in shares of the company.

49 As at the year end, the Company's current liabilities have exceeded its current assets by ₹ 4062.03 crores. Management is confident of its ability to generate cash inflows from operations to meet its obligations on due date.

50 DERIVATIVE FINANCIAL INSTRUMENTS:

- The Company uses foreign currency forward and Interest rate swap contracts to manage some of its transactions exposure. The details of derivative financial instruments are as follows:

₹ crore

Particulars	2019-20	2018-19
Assets		
Forward Contracts-Export(Past Performance Basis)	Nil	Nil
Liabilities		
Forward Contracts-Import	825.61 (USD 113.21 Million at Original Contracted rate)	Nil

- Foreign Currency Exposure:-The principal component of monetary foreign currency loans/debts and payable amounting to ₹ 2,529.32 crore (March 2019 ₹ 1,886.49 crore) and receivables (including Loans to WOS amounting to ₹ 2,579.09 crore) amounting to ₹ 2,746.53 crore (March 2019 ₹ 1761.75 crore). The net amount of monetary foreign currency loans/debts and payable is ₹ 1,703.71 crores (net of forward contract import of ₹ 825.61 crores).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

51. FAIR VALUE OF FINANCIALS ASSETS AND LIABILITIES

Class wise composition of carrying amount and fair value of financial assets and liabilities that are recognised in the financial statements is given below:

₹ crore

Particulars	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	As at March 31, 2020		As at March 31, 2019	
Financial Assets at amortised cost				
Investment (Non Current)	0.19	0.19	88.24	88.24
Fixed deposits with banks (Non Current)	1.11	1.11	1.10	1.10
Cash and bank balances	515.60	515.60	100.80	100.80
Trade and other receivables	963.23	963.23	903.60	903.60
Loans(Non Current)	3.42	3.42	103.67	103.67
Loans(Current)	2,427.79	2,427.79	1,619.52	1,619.52
Other financial assets (Current)	470.70	470.70	315.81	315.81
Financial Asset at fair value through profit or loss :				
Investment (Non Current)	104.84	104.84	104.84	104.84
Other financial assets (Current) Derivatives	27.79	-	-	-
Financial Liabilities at amortised cost				
Borrowings (Non Current)	12,029.62	12,029.62	12,338.00	12,338.00
Borrowings (Current)	3,175.47	3,175.47	5,257.37	5,257.37
Trade & other payables	4,623.90	4,623.90	4,181.88	4,181.88
Other financial liabilities (Non current)	962.32	962.32	340.21	340.21
Other financial liabilities (Current)	3,766.35	3,766.35	4,024.85	4,024.85

Fair value hierarchy

The Company uses the following hierarchy for fair value measurement of the company's financials assets and liabilities :

Level 1: Quoted prices/NAV (unadjusted) in active markets for identical assets and liabilities at the measurement date.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3:

Particulars	31.03.2020	31.03.2019	Levels	Valuation Techniques and Key Inputs
	Carrying Value	Carrying Value		
Financial Assets at amortised cost :				
Loan (non current)	3.42	103.67	level 3	Discounted cash flow method
Investment	0.19	88.24	level 3	Discounted cash flow method
Financial Asset at fair value through profit or loss :				
Investment (Non Current)	104.84	104.84	level 3	Net Asset Value
Other financial Assets- Derivatives	27.79	-	level 2	Forward foreign currency exchange rates, Interest Rates to discount future cash flow
Financial Liabilities at amortised cost :				
Borrowings (Non Current)	12,029.62	12,338.00	level 3	Discounted cash flow method
Borrowings (Current)	3,175.47	5,257.37	level 3	Discounted cash flow method
Other financial liabilities (Non-Current)	962.32	340.21	level 3	Discounted cash flow method

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

During the year ended March 31, 2020 and March 31, 2019, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

Fair valuation of financial guarantees

Financial guarantees issued by the company on behalf of its overseas subsidiaries have been measured at fair value through profit and loss account. Fair value of said guarantees as at March 31, 2020 and March 31, 2019 have been considered at nil as estimated by the management and an independent professional.

Fair valuation techniques

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 of 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 judgement, 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.

52. FINANCIAL RISK MANAGEMENT

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's financial assets comprise investments, loan and other receivables, trade and other receivables, cash, and deposits that arise directly from its operations.

The Company's activities are exposed to market risk, credit risk and liquidity risk. In order to minimise adverse effects on the financial performance of the Company, derivative financial instruments such as forward contracts are entered into to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not as trading and speculative purpose. Further, this to be read with note no. 67.

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. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31st March 2020 and 31st March 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. The Company uses derivative financial instruments such as foreign exchange forward contracts of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations.

(a) Interest rate risk

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. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, the Company performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio .

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

- (i) the exposure of the Company's borrowings to interest rate changes at the end of reporting period are as follows:

₹ crore

Particulars	As at	
	31 st March, 2020	31 st March, 2019
Variable rate borrowings	16,149.82	16,690.90
Fixed rate borrowings	684.80	3,009.07
Total borrowings	16,834.62	19,699.97

- (ii) Sensitivity

With all other variables held constant the following table demonstrates impact of borrowing cost on floating rate portion of loans and borrowings:

₹ crore

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
INR	+50	+50	(80.70)	(83.31)
	-50	-50	80.70	83.31
EURO	+25	+25	(0.03)	(0.07)
	-25	-25	0.03	0.07

The Assumed movement in basis point for interest rate sensitivity analysis is based on currently observable market environment.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business primarily in Indian Rupees and US dollars. 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 a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk the Company adopts a policy of selective hedging based on risk perception of the management. Foreign exchange contracts are carried at fair value.

The Company hedges its exposure to fluctuations by using foreign currency forwards contracts on the basis of risk perception of the management.

The carrying amounts of the Company's net foreign currency exposure (net of forward contracts) denominated monetary assets and monetary liabilities at the end of the reporting period as follows:

₹ crore

INR pertaining to exposure in specified currencies	As at	
	31 st March, 2020	31 st March, 2019
USD	1,213.99	19.29
Euro	(106.31)	(116.58)
GBP	(18.02)	(18.19)
Others	(46.85)	(9.27)
Total	1,042.81	(124.75)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

Foreign currency sensitivity

5% increase or decrease in foreign exchange rates vis-vis Indian Rupees, with all other variables held constant, will have the following impact on profit before tax and other comprehensive income:

₹ crore

Particulars	2019-20		2018-19	
	5 % increase	5 % decrease	5 % increase	5 % decrease
USD	60.70	(60.70)	0.96	(0.96)
Euro	(5.32)	5.32	(5.83)	5.83
GBP	(0.90)	0.90	(0.91)	0.91
Others	(2.34)	2.34	(0.46)	0.46

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

(c) Commodity Price Risk

Commodity Price Risk is the risk that future cash flow of the Company will fluctuate on account of changes in market price of key raw materials.

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 materials, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts.

II. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the Company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

- (i) Actual or expected significant adverse changes in business.
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation
- (iv) Significant increase in credit risk and other financial instruments of the same counterparty
- (v) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

The Company makes provision against credit impairment of trade receivable based on expected credit loss (ECL) model.

The ageing analysis of the trade receivables (gross) has been considered from the date the invoice falls due:

₹ crore

Ageing	0-6 months	6-12 months	more than 12 months	Total
As at 31-03-2020				
Gross Carrying Amount	408.52	18.54	116.08	543.14
Expected Credit Loss	-	-	(94.18)	(94.18)
Carrying Amount (net of impairment)	408.52	18.54	21.90	448.96
As at 31-03-2019				
Gross Carrying Amount	177.68	10.20	103.97	291.85
Expected Credit Loss	-	-	(93.64)	(93.64)
Carrying Amount (net of impairment)	177.68	10.20	10.33	198.21

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

III. Liquidity Risk

Liquidity risk refers to risk of financial distress or extra ordinary high financing cost arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

₹ crore

As at 31-03-2020	Carrying Amount	Less than 1 year	1-3 years	More than 3 years	Total
Borrowings	16,834.62	4,805.00	2,772.18	9,257.44	16,834.62
Trade payables	4,623.90	4,623.90	-	-	4,623.90
Other financial liabilities	3,099.14	2,136.82	38.52	923.80	3,099.14
Total	24,557.66	11,565.72	2,810.70	10,181.24	24,557.66
As at 31-03-2019					
Borrowings	19,699.97	7,361.97	2,923.91	9,414.09	19,699.97
Trade payables	3,783.79	3,783.79	-	-	3,783.79
Other financial liabilities	2,658.55	2,318.34	21.57	318.64	2,658.55
Total	26,142.31	13,464.10	2,945.48	9,732.73	26,142.31

Unused Borrowing Facilities (i.e. sanctioned but not availed)

₹ crore

Particulars	Fixed		Floating	
	31 st March, 2020	31 st March, 2019	31 st March, 2020	31 st March, 2019
Short term borrowings	-	79.43	288.46	-
Long term borrowings	-	-	165.16	-
	-	79.43	453.62	-

53. CAPITAL RISK MANAGEMENT

The Company manages its capital structures and makes adjustment in light of changes in economic conditions and requirements of financing covenants. To this end the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The primary objective of the Company's Capital Management is to maximize the shareholder value by maintaining an efficient capital structure and healthy ratios and safeguard Company's ability to continue as a going concern. The Company also works towards maintaining optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies, process during the year ended 31st March, 2020.

₹ crore

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Debt	16,834.62	19,699.97
Cash & bank balances	(515.60)	(100.80)
Net Debt	16,319.02	19,599.16
Total Equity	23,709.07	22,548.56
Total Equity and Net Debt	40,028.10	42,147.72
Gearing Ratio	41%	47%

Notes-

- Debt is defined as long-term and short-term borrowings including current maturities
- Equity includes all capital and other Equity including share warrant.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

54. RELATED PARTY DISCLOSURES AS PER IND AS 24

A. List of Related Parties and Relationships

	Country of incorporation	Ownership Interest as at		
		31 st March 2020	31 st March 2019	
a) Subsidiaries , Step down Subsidiaries				
I Subsidiaries				
1	Jindal Power Limited	India	96.43	96.43
2	Jindal Steel Bolivia SA	Bolivia	51.00	51.00
3	Jindal Steel & Power (Mauritius) Limited	Mauritius	100.00	100.00
4	Skyhigh Overseas Limited	Mauritius	100.00	100.00
5	Everbest Power Limited	India	100.00	100.00
6	Jindal Angul Power Limited	India	100.00	100.00
7	JB Fabinfra Limited	India	100.00	100.00
8	Trishakti Real Estate Infrastructure and Developers Limited	India	94.87	94.87
9	Raigarh Pathalgaon Expressway Ltd	India	100.00	100.00
II Subsidiaries of Jindal Power Limited				
1	Attunli Hydro Electric Power Company Limited	India	74.00	74.00
2	Etaln Hydro Electric Power Company Limited	India	74.00	74.00
3	Jindal Hydro Power Limited	India	99.25	99.25
4	Jindal Power Distribution Limited	India	99.96	99.96
5	Ambitious Power Trading company Limited	India	79.34	79.34
6	Jindal Power Transmission Limited	India	99.25	99.25
7	Jindal Power Ventures (Mauritius) Limited	Mauritius	100.00	100.00
8	Kamala Hydro Electric Power Co. Limited	India	74.00	74.00
9	Kineta Power Limited	India	75.01	75.01
10	Uttam Infralogix Limited	India	100.00	100.00
11	Jindal Realty Limited	India	100.00	100.00
III Subsidiary of Skyhigh Overseas Limited				
	Gas to Liquids International S.A	Bolivia	87.56	87.56
IV Subsidiary of Jindal Power Ventures (Mauritius) Limited				
	Jindal Power Senegal SAU	Senegal	100.00	100.00
V Subsidiary of Uttam Infralogix Limited				
	Panther Transfreight Limited	India	100.00	51.00
VI Subsidiary of Jindal Realty Limited				
	Jagran Developers Private Limited	India	100.00	100.00
VII Subsidiaries of Jindal Steel & Power (Mauritius) Limited				
1	Blue Castle Ventures Limited	Mauritius	100.00	100.00
2	Brake Trading (Pty) Limited	Namibia	85.00	85.00
3	Fire Flash Investments (Pty) Limited	Namibia	65.00	65.00
4	Harmony Overseas Limited	Mauritius	100.00	100.00
5	Jin Africa Limited (upto 18.11.2018)	Zambia	-	-
6	Jindal (BVI) Limited	BVI	97.44	97.44
7	Jindal Africa Investments (Pty) Limited	Africa	100.00	100.00
8	Jindal Africa SA	Africa	100.00	100.00
9	Jindal Botswana (Pty) Limited	Botswana	100.00	100.00
10	Jindal Investimentos LDA	Mozambique	100.00	100.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

		Country of incorporation	Ownership Interest as at	
			31 st March 2020	31 st March 2019
11	Jindal Investment Holding Limited.	Mauritius	100.00	100.00
12	Jindal KZN Processing (Pty) Limited	South Africa	85.00	85.00
13	Jindal Madagascar SARL	Madagascar	100.00	100.00
14	Jindal Mining & Exploration Limited	Mauritius	100.00	100.00
15	Jindal Mining Namibia (Pty) Limited	Namibia	100.00	100.00
16	Jindal Steel & Minerals Zimbabwe Limited	Zimbabwe	100.00	100.00
17	Jindal Steel & Power (BC) Limited	British Columbia	100.00	100.00
18	Jindal Steel & Power (Australia) Pty Limited	Australia	100.00	100.00
19	Jindal Tanzania Limited	Tanzania	100.00	100.00
20	Jindal Zambia Limited (upto 18.11.2018)	Zambia	-	-
21	JSPL Mozambique Minerals LDA	Mozambique	97.50	97.50
22	Jubilant Overseas Limited	Mauritius	100.00	100.00
23	Landmark Mineral Resources (Pty) Limited	Namibia	60.00	60.00
24	Osho Madagascar SARL	Madagascar	100.00	100.00
25	PT Jindal Overseas	Indonesia	99.00	99.00
26	Jindal Shadeed Iron & Steel L.L.C	Oman	99.99	99.99
27	Jindal Iron Ore (Pty) Limited (Formerly known as Sungu Sungu Pty limited)	South Africa	74.00	74.00
28	Trans Asia Mining Pty. Limited	Singapore	100.00	100.00
29	Vision Overseas limited	Mauritius	100.00	100.00
30	Wollongong Coal Limited	Australia	60.38	60.38
31	Jindal Steel DMCC	Oman	100.00	100.00
32	Jindal Mauritania SARL (Liquidated as on 02.05.2019)	Mauritania	100.00	100.00
33	Jindal Africa Consulting (Pty) Limited (wef 13.08.2018)	South Africa	100.00	100.00
VIII Others				
1	Belde Empreendimentos Mineiros LDA, a subsidiary of JSPL Mozambique Minerals LDA	Mozambique	100.00	100.00
2	Eastern Solid Fuels (Pty) Limited, a subsidiary of Jindal Mining & Exploration Limited	South Africa	100.00	100.00
3	PT BHI Mining Indonesia, a subsidiary of Jindal Investment Holding Limited	Indonesia	99.00	99.00
4	PT Sumber Surya Gemilang, a subsidiary of PT. BHI Mining Indonesia	Indonesia	99.00	99.00
5	PT Maruwai Bara Abadi, a subsidiary of PT. BHI Mining Indonesia	Indonesia	75.00	75.00
6	Jindal Mining SA (Pty) Limited, a subsidiary of Eastern Solid Fuels (Pty) Limited	South Africa	73.94	73.94
7	Bon-Terra Mining (Pty) Limited, a subsidiary of Jindal Energy SA (Pty) Limited	South Africa	100.00	100.00
8	Jindal (Barbados) Holding Corp, a subsidiary of Jindal (BVI) Limited	Barbados	100.00	100.00
9	Jindal Energy (Bahamas) Limited, a subsidiary of Jindal (BVI) Limited	Bahamas	99.98	99.98
10	Jindal Energy (Botswana) Pty Limited, a subsidiary of Jindal (BVI) Limited	Botswana	100.00	100.00
11	Jindal Energy (SA) Pty Limited, a subsidiary of Jindal Africa Investments (Pty) Limited	South Africa	100.00	100.00
12	Jindal Transafrica (Barbados) Corp, a subsidiary of Jindal (BVI) Limited	Barbados	100.00	100.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

		Country of incorporation	Ownership Interest as at	
			31 st March 2020	31 st March 2019
13	Jindal Resources (Botswana) Pty Limited, a subsidiary of Jindal Transafrica (Barbados) Corp	Botswana	100.00	100.00
14	Trans Africa Rail (Pty) Limited, a subsidiary of Jindal Transafrica (Barbados) Corp	Botswana	100.00	100.00
15	Sad-Elec (Pty) Limited, a subsidiary of Jindal Energy (SA) Pty Limited	South Africa	100.00	100.00
16	Jindal (Barbados) Mining Corp, a subsidiary of Jindal (Barbados) Holding Corp	Barbados	100.00	100.00
17	Jindal (Barbados) Energy Corp, a subsidiary of Jindal (Barbados) Holding Corp	Barbados	100.00	100.00
18	Meepong Resources (Mauritius) (Pty) Limited, a subsidiary of Jindal (Barbados) Mining Corp	Mauritius	100.00	100.00
19	Meepong Resources (Pty) Limited, a subsidiary of Meepong Resources (Mauritius) (Pty) Limited	Botswana	100.00	100.00
20	Meepong Energy (Mauritius) (Pty) Limited, a subsidiary of Jindal (Barbados) Energy Corp	Mauritius	100.00	100.00
21	Meepong Energy (Pty) Limited, a subsidiary of Meepong Energy (Mauritius) (Pty) Limited	Botswana	100.00	100.00
22	Meepong Service (Pty) Limited, a subsidiary of Meepong Energy (Pty) Limited	Botswana	100.00	100.00
23	Meepong Water (Pty) Limited, a subsidiary of Meepong Energy (Pty) Limited	Botswana	100.00	100.00
24	Peerboom Coal (Pty) Limited, a subsidiary of Jindal Africa Investment (Pty) Limited (under winding up)	South Africa	70.00	70.00
25	Shadeed Iron & Steel Company Limited, a subsidiary of Jindal Shadeed Iron & Steel LLC	Oman	100.00	100.00
26	Southbulli Holding Pty Limited, a subsidiary of Wollongong Coal Limited	Australia	100.00	100.00
27	Oceanic Coal Resources NL, a subsidiary of Wollongong Coal Limited	Australia	100.00	100.00
28	Wongawilli Coal Pty Limited, a subsidiary of Oceanic Coal Resources NL	Australia	100.00	100.00
29	Koleka Resources (Pty) Limited, a subsidiary of Jindal Africa Investment (Pty) Limited (under winding up)	South Africa	60.00	60.00
30	Legend Iron Limited, a subsidiary of Jindal Shadeed Iron & Steel L.L.C	BVI	100.00	100.00
31	Cameroon Mining Action SA, a subsidiary of Legend Iron Limited	Cameroon	89.80	89.80
32	Enviro Waste Gas Services Pty Ltd., Subsidiary of Wollongong Coal Limited	Australia	100.00	100.00
b) Associates				
1	Goedehoop Coal (Pty) Limited	South Africa	50.00	50.00
2	Thuthukani Coal (Pty) Limited	South Africa	49.00	49.00
c) Joint Ventures				
1	Jindal Synfuels Limited	India	70.00	70.00
2	Shresht Mining and Metals Private Limited	India	50.00	50.00
3	Urtan North Mining Company Limited	India	66.67	66.67

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

	Country of incorporation	Ownership Interest as at	
		31 st March 2020	31 st March 2019
d) Other Significant influences			
	OPJ Trading Private Limited		
e) Key Managerial person			
1	Shri Naveen Jindal (Chairman-Whole Time Director)		
2	Shri D.K. Saraogi (Wholetime Director)		
3	Shri Rajeev Bhadauria (Wholetime Director) (upto 31.01.2019)		
4	Shri Deepak Sogani (Chief Financial Officer)		
5	Shri Jagdish Patra (Company Secretary) (upto 10.07.2019)		
6	Shri Anoop Singh Juneja (Company Secretary) (w.e.f 18.12.2019)		
7	Shri N. A. Ansari (Whole Time Director- Joint Managing Director) (w.e.f 29.03.2019 and upto 31.08.2019)		
8	Shri Anjan Barua (Nominee Director)		
9	Shri Arun Kumar (Independent Director) (upto 01.04.2019)		
10	Shri Arun Kumar Purwar (Independent Director)		
11	Shri Hardip Singh Wirk (Independent Director)		
12	Shri V.R. Sharma (Managing Director) (w.e.f 14.08.2019)		
13	Shri Ram Vinay Shahi (Independent Director)		
14	Shri Sudershan Kumar Garg (Independent Director)		
15	Smt Shallu Jindal (Non-Executive Director)		
16	Shri Amar Singh (Independent Director) (upto 02.05.2018)		
17	Shri Pradyuman Singh Dubey (Nominee Director) (upto 02.05.2018)		
18	Dr Aruna Sharma (Independent Director) (w.e.f 02.09.2019)		
f) Relative of Key Managerial person			
	Shri Venkatesh Naveen Jindal (Son of Shri Naveen Jindal) (w.e.f 15.07.2018)		
g) Enterprises over which Key Management Personnel and their relatives exercise significant influence and with whom transaction have taken place during the year			
1	Jindal Stainless Limited		
2	Jindal Industries Limited		
3	Bir Plantation Limited		
4	India Flysafe Aviation Limited		
5	Jindal Intellicom limited		
6	Jindal Saw Limited		
7	JSW Steel Limited		
8	Rohit Tower Building Limited		
9	JSW Projects Limited		
10	JSW Energy Limited		
11	Jindal Stainless(Hisar) Ltd.		
12	JSW Severfield Structures Limited		

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

Name of the related party	₹ crore												
	Year	Jindal power limited	Jindal steel & power (Mauritius) limited	Jindal mining SA (pty) Limited	Jindal Shaded iron & steel, oman	Jindal Mozambique Minerals LDA	Uttam imfralogix ltd	Raigarh Pathalgaon Expressway Ltd.	Jindal Power Distribution Limited	Jagran Developers Private Limited	Ambitious Power Trading Company Ltd	Subsidiary	Subsidiary
Relationship	Year	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary
Adv against Share/Debtenture	2019-20	-	-	-	-	-	-	-	-	-	-	-	-
Application Money	2018-19	-	-	-	-	-	-	-	-	-	-	-	-
Other advances given /taken	2019-20	-	-	-	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	102.11	-	-	-	-	-	-	-
Loan given/(taken)	2019-20	-	807.76	-	-	-	-	-	-	-	-	-	-
	2018-19	-	988.61	-	-	-	-	-	-	-	-	-	-
Loans Repaid back	2019-20	-	-	-	-	-	-	-	-	-	-	-	-
	2018-19	-	192.60	-	-	-	-	-	-	-	-	-	-
Other advances repaid back	2019-20	-	-	-	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	98.97	-	-	-	-	-	-	-
Reimbursement of Expenses	2019-20	38.71	-	-	-	-	-	-	-	-	-	-	-
	2018-19	112.67	-	-	-	-	-	-	-	-	-	-	-
Rent & other expenses	2019-20	0.26	-	-	-	-	-	-	0.01	-	-	-	-
	2018-19	0.24	-	-	-	-	-	-	-	-	-	-	-
Interest income	2019-20	-	78.92	-	-	-	-	-	-	3.40	-	-	-
	2018-19	-	44.35	-	-	-	-	-	-	3.59	-	-	-
Interest expenses	2019-20	(425.66)	-	-	-	-	-	-	-	-	-	-	-
	2018-19	(432.10)	-	-	-	-	-	-	-	-	-	-	-
Security deposit received/ (given)	2019-20	-	-	-	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-	-	-	-	-	-
Corporate guarantees given (taken) (extinguished)**	2019-20	-	-	-	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-	-	-	-	-	-
Inter corporate deposit given**	2019-20	-	-	-	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-	-	-	-	-	-
Inter corporate deposit repaid/adjusted	2019-20	-	-	-	-	-	-	-	-	-	-	-	-
	2018-19	208.50	-	-	-	-	-	-	-	-	-	-	-
Advance received for sale of fixed assets	2019-20	-	-	-	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-	-	-	-	-	-

*figures are inclusive of taxes & other expenses reimbursed

** includes foreign currency gain or loss

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

Material transactions with Subsidiaries, Step down Subsidiaries, Joint Ventures and Associates

Name of the related party	JB fabinfra		Urtan north mining company limited	Jindal Reality Limited	Jindal Africa Investments (Pty) Limited	Wongawilli coal Pty Limited	Panther Transfreight	Wollongong Coal Limited	Jindal Steel & Power (Australia) Pty	Total
	Subsidiary	Joint venture								
Relationship	Year	Subsidiary	Joint venture	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary
Purchase of goods/services*	2019-20	0.23	-	-	-	-	24.73	-	-	411.95
	2018-19	0.59	-	-	-	-	13.38	-	52.25	215.35
Sales of goods (incl. capital goods)*	2019-20	0.02	-	3.82	-	-	-	-	-	89.96
	2018-19	0.02	-	5.76	-	-	-	-	-	58.71
Rendering of services	2019-20	-	-	-	-	-	-	-	-	-
	2018-19	0.01	-	-	-	-	5.69	-	-	5.81
Investment in equity shares/preference shares	2019-20	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-	-	192.60
Adv Against Share/Debenture	2019-20	-	-	-	-	-	-	-	-	-
Application Money	2018-19	-	-	-	-	-	-	-	-	-
Other advances given /taken	2019-20	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	34.37	-	34.37	25.03	195.88
Loan given/(taken)	2019-20	-	-	-	-	-	-	-	-	807.76
	2018-19	-	-	-	-	-	-	-	-	988.61
Loan Repaid back	2019-20	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-	-	192.60
Other advances repaid back	2019-20	-	-	-	-	-	-	-	23.85	23.85
	2018-19	-	-	-	-	35.65	-	35.65	-	170.28
Reimbursement of Expenses	2019-20	-	-	-	-	-	-	-	-	38.71
	2018-19	-	-	-	-	-	-	-	-	112.67
Rent & other expenses	2019-20	-	-	-	-	-	-	-	-	0.27
	2018-19	-	-	-	-	-	-	-	-	0.24
Interest income	2019-20	-	-	-	-	-	-	-	-	82.32
	2018-19	-	-	-	-	-	-	-	-	47.94
Interest expenses	2019-20	(0.00)	(0.17)	-	-	-	-	-	-	(425.83)
	2018-19	-	0.03	-	-	-	-	-	-	(432.08)
Security deposit received/ (given)	2019-20	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-	-	-
Corporate guarantees given (taken) (extinguished)**	2019-20	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-	-	-
Inter corporate deposit given**	2019-20	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-	-	-
Inter corporate deposit repaid/adjusted	2019-20	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-	-	208.50
Advance received for sale of fixed assets	2019-20	-	-	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-	-	-

*figures are inclusive of taxes & other expenses reimbursed

** includes foreign currency gain or loss

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

Jindal Steel & Power Limited EPF Trust

₹ crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Provident Fund Contribution	17.67	16.05

Compensation to Key Management Personnels for each of the following categories

₹ crore

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Short term benefits	23.03	20.72
Post employment benefits		
- Defined Contribution Plan	1.34	1.29
- Defined Benefit Plan		
- Other Long Term Benefits		
Share based payments	0.05	0.05
Dividend		
Interest Expense/(Income)	(0.22)	
Director Sitting Fees	0.26	0.25
Total	24.45	22.30

Compensation to Relatives of Key Management Personnels for each of the following categories

₹ crore

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Short term benefits	0.23	0.14
Post employment benefits	-	
- Defined Contribution Plan	0.01	0.01
- Defined Benefit Plan	-	-
- Other Long Term Benefits	-	-
Share based payments	-	-
Dividend	-	-
Director Sitting Fees	-	-
Total	0.24	0.15

Note:

- (a) Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Company as a whole.

55 The Hon'ble Supreme Court of India allowed the company to lift and transport its legally procured, royalty and taxes paid stock of iron ore lump/fines vide order dated 30.01.2020 in CA No. 850 of 2020. This Stock of work in progress (note 12) includes stock of Iron Ore/Fines of 11.11 Million MT (Previous year 12.22 Million MT) lying with a third party amounting to ₹ 133.61 Crores. The estimated realisable value of such stock is ₹ 1,950.15 Crores (Previous Years ₹ 2,141.57 Crores) as per Management, on the basis of valuation report of an independent Valuer. The management expects that entire above stock would be shifted to its plant during financial year 2020-21

56 IMPAIRMENT REVIEW

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') or groups of CGUs 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 value from sale calculations.

During the year, the testing did not result in any impairment in the carrying amount of assets.

The measurement of the cash generating units' value in use is determined based on financial plans that have been

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid term market conditions.

Key assumptions used in value-in-use calculations:

- Operating margins (Earnings before interest and taxes)
- Discount Rate
- Growth Rates
- Capital expenditures

Operating margins: Operating margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from the existing and new customers, though these benefits are partially offset by decline in tariffs in a hyper competitive scenario. Margins will be positively impacted from the efficiencies and initiatives driven by the Company; at the same time, factors like higher churn, increased cost of operations may impact the margins negatively.

Discount rate: Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs.

Growth rates: The growth rates used are in line with the long term average growth rates of the respective industry and country in which the Company operates and are consistent with the forecasts included in the industry reports.

Capital expenditures: The cash flow forecasts of capital expenditure are based on past experience coupled with additional capital expenditure required.

57 ASSETS HELD FOR SALE

The Company has identified certain assets for disposal. The management is in discussions with potential buyers. Based on preliminary discussions with potential buyers/ external valuation, the carrying value of these assets has been considered as fair value :-

Particulars	₹ crore	
	As at 31.03.2020	As at 31.03.2019
Land*	-	6.68
Property, plant & equipment	37.62	37.62
Total	37.62	44.30

* Sold to Chhattisgarh government authority in exchange of a Floor in building.

The management is confident about the recoverable value of the assets stated above.

58 Hon'ble Supreme court by its order dated 24th September, 2014 had cancelled number of mines including mines of the company in the year ended 31st March, 2015. The Company has net book value of investment made in mining assets including land, infrastructure and clearance etc. of ₹ 425 crore and filed claim for the same pursuant to directive vide letter dated 26 December, 2014 given by the Ministry of Coal on such mines. Meanwhile the Ministry of Coal has made interim payment to the Company of Rs 22.72 crore towards the same. Pending final settlement of the aforesaid claim, this amount received has been accounted for as an advance.

59 The Company has filed legal suits /notices or in the process of filing legal case /sending legal notices / making efforts for recovery of debit balances of ₹ 236.36 Crore (P.Y. 2018-19 ₹ 183.38 crores) plus interest, wherever applicable, which are being carried as long term /short term advances, trade receivables and other recoverable. Pending outcome of legal proceedings/Company's efforts for recovery and based on legal advise in certain cases, the Company has considered aforesaid amounts as fully recoverable. Hence, no provision has been made in respect of these balances.

60 The agreement for divestment of 1,000 MW Power unit of Jindal Power Limited (a subsidiary of the Company (JPL)), located in Chhattisgarh into a separate purpose vehicle (SPV), for the purpose of transferring the same to JSW Energy Limited through sale of the entire share capital and other securities of the aforesaid entity in terms of the share purchase agreement for an enterprise value of ₹ 6,500 Crores plus the value of Net Current Assets was terminated on 30th June 2019 mutually by all parties to the agreement. Accordingly, the Advance received of ₹ 331.13 crore has become payable to JSW Energy Limited and the amount outstanding as on 31st March 2020 is ₹ 261.13 crores (payable in monthly instalments of ₹ 20 crores).

61 During the earlier year, the Board of Directors of the Company had approved the sale of certain captive power plants (CPP) to Jindal Power Limited (JPL) subsidiary company situated at Angul, Odisha (6 X 135 MW) and at Raigarh, Chhattisgarh (2 X 55 MW) aggregating to 920 MW at a fair market value determined by independent valuer appointed by the Board of Directors amounting to ₹ 5,275 crore; which is subject to necessary approvals to be arranged by the company. The company had received advance against above of ₹ 2,854 crores (previous year ₹ 2,854 crores) and Interest provided for on stated advance ₹ 276.96 crore (previous period ₹ 276.21 crores).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

62 EXCEPTIONAL ITEMS INCLUDES :-

In Current Year Nil, (Previous Year ₹ 1274.46 crores) being differential royalty (on coal block cancellation) amount paid in earlier year in view of the Hon'ble Supreme Court judgement (levy of ₹ 295 PMT) dated 24th September 2014; Loss on discard of PGP plant and disputed Electricity duty liability of a captive unit of ₹ 71.14 crores and ₹ 308.24 crores respectively; saving of ₹ 472.50 crores by early redemption of 17,500 no. of privately placed debentures and Write off of part of expenses incurred in earlier years of discontinued projects of ₹ 217.04 crores.

63 The company has paid advance to one of the vendor against purchase of Raw Material, who has been allowed

to operate it's mine by virtue of order dated 15.01.2020 passed by the Hon'ble Supreme Court of India in W.P(C) 114 of 2014. The company has now started lifting raw material from the vendor and advance has started adjusting accordingly. The outstanding amount as on 31st March 2020 is ₹ 1252.45 crores (Previous year ₹ 1297.41 Cr). In the opinion of the management, the amount is good and fully recoverable.

64 LEASE

The Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases. This has resulted in recognizing a Right-of-Use Asset and a corresponding Lease liability of ₹ 616.23 crores as at April 1, 2019.

₹ crore

Particulars	Right of Use Assets		
	Plant and Machinery	Building	Amount
Cost/Deemed Cost			
At April 1, 2019	601.17	15.06	616.23
Additions	593.57	-	593.57
Deletions	(613.30)	-	(613.30)
Other Movements*	12.13	-	12.13
At 31st March, 2020	593.57	15.06	608.63
Accumulated Depreciation and impairment			
At April 1, 2019	-	-	-
Charge for the year	81.11	0.56	81.67
Deletions	(77.14)	-	(77.14)
At 31st March, 2020	3.97	0.56	4.53
Net Book Value			
At April 1, 2019	601.17	15.06	616.23
At 31st March, 2020	589.60	14.50	604.10
Lease Liability			
At 1 April 2019	601.17	15.06	616.23
Interest Charged	63.96	1.76	65.72
Lease Payments	(181.35)	(1.59)	(182.94)
Other Movements*	108.26	-	108.26
At 31st March, 2020	592.04	15.23	607.27
Current	7.42	-	7.42
Non-Current	584.62	15.23	599.85

Note: *Other Movements include purchase of lease assets of raigarh oxygen plant, new lease arrangement for angul oxygen plant and change in lease terms.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

65 The Government of India on December 12, 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 31st March 2020 ₹ 491.44 Crores and MAT credit forgone of ₹ 795.01 crores.

66 Impact of COVID-19:- In March 2020, the WHO declared COVID-19 outbreak as a pandemic which continues to spread across the country. On 25th March 2020, the Government of India had declared this pandemic a health emergency and ordered temporary closure of all non-essential business imposed restrictions on movement of goods/materials travel etc. The Company has been allowed to continue its operations due to continuous process industry. However, disruptions to businesses worldwide and economic slowdown may have its eventual impact on the Company. The Company has made initial assessment of likely adverse impact on economic environment in general and financial risk on account of COVID-19. Further, Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal instalments falling due to banks and financial institution till August 2020. This will largely mitigate the stress cash flows of the Company during the period of COVID-19.

In assessing the recoverability of trade receivables measured at amortised cost and inventories at realisable values as stated in the standalone financial statements, the Company has considered internal and external information upto the date of approval of these financial results. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of this pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

On long term basis also, the Company does not anticipate any major challenge in meeting its financial obligations. The management has estimated its future cash flows which indicates no major change in the financial performance as estimated prior to COVID-19 impact.

67 To give additional information, from current year value of sales/ services is shown inclusive of GST . Accordingly previous year figures have also been re-stated. This has no impact on profit / (loss) and EPS.

68 Balances of certain advances,creditors(including MSME) and receivables are in process of confirmation/reconciliation. Management believe that on reconciliation/ confirmation there will not be any material impact on statement of financial statements.

69 The company is in the process of reconciling the data of GSTR 2A with GSTR 3B. In the view of the management, on final reconciliation the impact will not be material.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2020

70 INFORMATION RELATED TO CONSOLIDATED FINANCIAL

The company is listed on stock exchange in India, the Company has prepared consolidated financials as required under IND AS 110, Sections 129 of Companies Act, 2013 and listing requirements. The consolidated financial statement is available on company's web site for public use.

- 71** Previous year figures have been regrouped/ rearranged/recast,, wherever considered necessary to conform to current year's classification. Figures less than 50000 have been shown as absolute number
- 72** Notes 1 to 72 are annexed to and form an integral part of financial statements.

As per our report of even date

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

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

Naveen Jindal
Chairman
DIN: 00001523

V R Sharma
Managing Director
DIN: 01724568

N.K Lodha
Partner
Membership No. 085155

Deepak Sogani
Chief Financial Officer

Anoop Singh Juneja
Company Secretary & Compliance Officer

Place: New Delhi

Dated: 25th May, 2020