JINDAL STAINLESS STEELWAY LIMITED

CIN - U27109HR2004PLC082454

Registered Office: Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana-122413, India.

Phone No. 0124 4494128/ +91 9818810884

Email: rajesh.pandey@jindalsteelway.com **Website:** https://www.jindalsteelway.com/

NOTICE OF HON'BLE NATIONAL COMPANY LAW TRIBUNAL CONVENED MEETING OF THE SECURED CREDITORS OF JINDAL STAINLESS STEELWAY LIMITED

(Being convened pursuant to order dated February 25, 2022 passed by National Company Law Tribunal, Chandigarh Bench, in CA (CAA)- NO. 13/Chd/ Hry/2021)

MEETING:

Day	:	**Saturday**
Date	:	April 16, 2022
Time	:	**10:00 a.m** (Indian Standard Time)
Venue		The deemed venue for the aforesaid meeting shall be the Registered Office of the Company, i.e. - Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana-122413, India
Mode*	:	In view of the ongoing COVID-19 pandemic and related social distancing norms, as per the directions of the Hon'ble National Company Law Tribunal, Chandigarh Bench, the meeting shall be conducted through video conferencing / other audio visual means.

***Please note that there shall be no meeting requiring physical presence at a common venue in view of the present circumstances on account of COVID-19 pandemic.*

REMOTE E-VOTING:

Start Date and Time	:	**March 16,** 2022 at **10:00 AM** (Indian Standard Time)
End Date and Time	:	**April 15,** 2022 at **5:00 PM** (Indian Standard Time)

INDEX OF DOCUMENTS ENCLOSED

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH, AT CHANDIGARH
COMPANY APPLICATION NO. (CAA)- NO. 13/Chd/ Hry/2021

IN THE MATTER OF THE COMPANIES ACT, 2013
and

IN THE MATTER OF
SECTIONS 230-232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

and

IN THE MATTER OF SCHEME OF AMALGAMATION
between

JINDAL STAINLESS STEELWAY LIMITED ("JSSL")
A company incorporated under the Companies Act, 1956 having its registered office at Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana-122413, India through its authorized representative, Mr. Rajesh Kumar Pandey, mobile no.: +91 9818810884, e-mail address: rajesh.pandey@jindalsteelway.com

.... **"Transferee Company"** or **"Amalgamated Company"**

AND

J.S.S. STEELITALIA LIMITED ("JSIL")
A company incorporated under the Companies Act, 1956 having its registered office at Village Pathrari, Bhora Kalan & PO Pathredi, Bilaspur-Tauru Road, Gurgaon (Haryana)-122 413, India through its authorized representative, Mr. Yogesh Pareek, mobile no.:- +91 7737586939, e-mail address: yogesh.pareek@jsssteelitalia.com.

.... **"Transferor Company"** or **"Amalgamating Company"**

and

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

FORM NO. CAA 2

[Pursuant to Section 230 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

NOTICE OF HON'BLE NATIONAL COMPANY LAW TRIBUNAL CONVENED MEETING OF THE SECURED CREDITORS OF JINDAL STAINLESS STEELWAY LIMITED (AMALGAMATED COMPANY)

To,
The Secured Creditors of
Jindal Stainless Steelway Limited
(Amalgamated Company or Transferee Company or JSSL)

1. Notice is hereby given that by an order dated February 25, 2022 in CA (CAA)- NO. 13/Chd/Hry/2021, the Chandigarh Bench of the Hon'ble National Company Law Tribunal (**"Tribunal" or "NCLT"**) (**"Order"**) has directed a meeting to be convened for the secured creditors (**"Secured Creditors"**) of the Company for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Amalgamation between Jindal Stainless Steelway Limited (the **"Transferee Company"** or **"Amalgamated Company"** or **"Company"**), and J.S.S. Steelitalia Limited (the **"Transferor Company"** or **"Amalgamating Company"**) and their respective shareholders and creditors (**"Scheme"**) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (**"Act"**).

2. In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the Secured Creditors of the Company will be held on April 16, 2022 at **10:00 a.m** (**"Meeting"**) at which time the Secured Creditors are requested to attend through Video Conferencing or Other Audio Visual Means (**"VC/OAVM"**) as per the details provided herein in "Notes" below. Accordingly, you are requested to attend the Meeting. Further, pursuant to the General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No.22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021 and General Circular No. 20/2021 dated December 8, 2021 issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as **"MCA Circulars"**) and the Order of the Tribunal, there shall be no meeting requiring physical presence at a common venue in view of the outbreak of COVID-19 pandemic and the relaxations provided by the Tribunal, pursuant to the same.

3. The Secured Creditors entitled to attend, and vote may vote through remote e-voting facility made available prior to the Meeting as well as during the Meeting through VC/OAVM. The facility of appointment of proxies by the Secured Creditors will not be available for such Meeting. A body corporate which is a Secured Creditor is entitled to appoint a representative for the purposes of participating and / or vote through remote e-voting or vote during the Meeting.

4. Further, in pursuance of the said Order and as directed therein, the meeting of the Equity Shareholders of the Company has been dispensed with by the NCLT, in view of the Affidavits dated 18.03.2021 in support of the Company's application as filed with the NCLT in CA (CAA)- NO. 13/Chd/ Hry/2021, *inter alia* stating therein that there is only one shareholder along with its six nominees holding equity shares in the Company and the Company having procured the written consent to the proposed Scheme by way of affidavits from all its Equity Shareholders including all such nominees.

5. Copy of the Notice in relation to the Meeting, together with the documents accompanying the same, including the Explanatory Statement, under Sections 230(3), 232(1) and 232(2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**"Explanatory Statement"**) along with the Scheme can be obtained free of charge at the registered office of the Company at Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana-122413, India, between 10.00 A.M. and 12.00 Noon on all days (except Saturdays, Sundays and public holidays) prior to the date of the Meeting. The Company is required to furnish a copy of Scheme within one day of any requisition of the Scheme made by any Secured Creditor entitled to attend the meeting.

6. The Tribunal has appointed **Mr. Akshay Bhan**, Senior Advocate, as the Chairperson; **Mr. Sham Sunder**, as alternate Chairperson; and **Ms. Niharika Sohal**, as the Scrutinizer for the Meeting including any adjournment or adjournments thereof. The Scheme, if approved in the aforesaid Meeting, will be subject to the subsequent approval of the Tribunal, and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

7. **TAKE NOTICE** that the following resolution is proposed under Sections 230(3) of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the Memorandum of Association and Articles of Association of the Company, for the purpose of considering, and if thought fit, approving with the requisite majority, the Scheme of Amalgamation between Jindal Stainless Steelway Limited, J.S.S. Steelitalia Limited and their respective shareholders and creditors:

   *"**RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Chandigarh Bench ("Tribunal" or "NCLT") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the Scheme of Amalgamation between Jindal Stainless Steelway Limited and J.S.S. Steelitalia Limited and their respective shareholders and creditors ("Scheme"), as circulated along with the notice of the meeting, be and is hereby approved.*

__RESOLVED FURTHER THAT__ the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme and to make or accept such modifications, amendments, limitations and/or conditions, if any, (including withdrawal of the Scheme), which may be required and/or imposed by the NCLT while sanctioning the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

8. **TAKE FURTHER NOTICE** that pursuant to the provisions of Section 230(4) read with Section 110 of the Companies Act 2013; Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof); and other relevant laws and regulations, as may be applicable, Company has provided the facility of voting by remote e-voting (prior to the Meeting) so as to enable the Secured Creditors to consider and approve the Scheme by way of the aforesaid resolution. In addition, e-voting facility shall also be made available during the Meeting, as stated below. Accordingly, voting by Secured Creditors on the proposed resolution shall be carried out through e-voting facility made available both prior to as well as during the Meeting. The Company has appointed Link Intime (India) Private Limited (**"LIIPL"**) for the purposes of providing for the VC/OAVM facility and for purpose of providing e-voting facility both prior to as well as during the Meeting.

9. A copy of the Explanatory Statement, under Sections 230(3), 232(1) and 232(2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

Mr. Rajesh Kumar Pandey
Jindal Stainless Steelway Limited

Date: March 14, 2022
Place: Gurgaon

Registered Office:
JINDAL STAINLESS STEELWAY LIMITED,
Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana-122413,
CIN - U27109HR2004PLC082454

Notes:

(1) Please note that pursuant to provisions of Section 230(4) read with Section 110 of the Companies Act 2013; Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof); and General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 22/2020 dated 15th June, 2020, General Circular No. 33/2020 dated 28th September, 2020, General Circular No. 39/2020 dated 31st December 2020, General Circular No. 10/2021 dated June 23, 2021 and General Circular No. 20/2021 dated December 8, 2021 issued by the Ministry of Corporate Affairs ("**MCA Circulars**") and other relevant laws and regulations, as may be applicable, the Company has provided the facility of voting by remote e-voting (prior to the Meeting) so as to enable the Secured Creditors to consider and approve the Scheme by way of the aforesaid resolution. In addition, e-voting facility shall also be made available during the Meeting, as stated below. Accordingly, voting by the Secured Creditors on the proposed resolution shall be carried out through e-voting facility made available both prior to as well as during the Meeting. Company has appointed Link Intime (India) Private Limited for the purposes of providing for the VC/OAVM facility and for purpose of providing e-voting facility both prior to as well as during the Meeting.

(2) A copy of the Explanatory Statement, under Sections 230(3), 232(1) and 232(2) and Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

(3) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide MCA Circulars permitted the holding of the Meeting through VC / OAVM Facility, without the physical presence of the Secured Creditors at a common venue. In compliance with the provisions of the Companies Act, 2013 and the Order of the Tribunal. The detailed procedure for participating in the meeting though VC/OAVM is mentioned hereunder in this notice. The deemed venue for the aforesaid Meeting shall be the Registered Office of the Company.

(4) The Secured Creditors of the Company are entitled to vote through remote e-voting facility made available prior to the Meeting or e-voting facility made available during the Meeting which will be held through VC/OAVM as described below.

(5) Institution / Body Corporate etc., which is a Secured Creditor of Company and intending to appoint an authorised representative for the purpose of participating and / or vote through remote e-voting or vote during the Meeting held through VC/OAVM are requested to send a duly certified copy of the resolution of the Board of Directors or other governing body of such Institution/ Body Corporate to the scrutinizer at niharikasohal@gmail.com - registered email address of the scrutinizer, with a copy marked to rajesh.pandey@jindalsteelway.com – registered email address of the Company, authorising such representative to participate and vote on their behalf not less than 48 hours before the time fixed for the aforesaid Meeting.

(6) Authorized representative of the Institution / Body Corporate etc., which is a Secured Creditor should additionally e-mail copy of their valid and legible identity proof issued by a statutory authority (i.e., PAN card/ Aadhaar card/ Passport/ Driving License/ Voter Id Card) to the

scrutinizer at niharikasohal@gmail.com registered email address of the scrutinizer, with a copy marked to delhi@linkintime.co.in and rajesh.pandey@jindalsteelway.com – registered email address of the Company, no later than 48 hours before the scheduled time of the Meeting.

(7) The quorum of the Meeting of the Secured Creditors shall be 2 (two) in number or 40% in value of the Secured Creditors. It is also directed that if the required quorum is not present at the commencement of meeting, then the meeting will be adjourned for 30 (thirty) minutes, and thereafter the persons present and voting in the Meeting would be treated as deemed to constitute proper quorum.

(8) The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the Secured Creditors at the registered office of the Company between 10.00 A.M. and 12.00 Noon on all days (except Saturdays, Sundays and public holidays) upto the date of the Meeting. However, the same shall be open for inspection during the aforesaid Meeting.

(9) In compliance with the aforesaid MCA Circulars and the Order of the Tribunal, the Notice in relation to the Meeting, together with the documents accompanying the same, is being sent to all the Secured Creditors as on 28.02.2021 and 25.02.2022, through courier/ electronic mode (e-mail) whose addresses/ e-mail IDs are registered with the Company/ Company's Registrar for communication purposes. The notice may also be accessed on the website of the Company *viz* https://jindalsteelway.com/.

(10) Secured Creditors who have not registered their email addresses with the Company's Registrar, and who wish to receive the Notice of the Meeting of the Company and all other communication sent by the Company, from time to time, can now register for the same by submitting a duly filled-in request form mentioning their complete address, email address to be registered along with scanned self- attested copy of the PAN Card and any document (such as Driving License, Passport, Bank Statement, Aadhar Card) supporting the registered address of the Secured Creditor, by email to the Company / Registrar of the Company.

(11) A person/ entity who is not a Secured Creditor as on the Cut-off Date (i.e. 25.02.2022 – the date of Order of the Tribunal) should treat this notice for information purposes only and will not be entitled to vote.

(12) In terms of directions contained in the Order, the notice convening the Meeting will be published through advertisement in (i) Financial Express, Delhi NCR Edition, in the English language; and (ii) in Jan Satta, Delhi NCR Edition, in Hindi language.

(13) In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if the resolution mentioned above in the notice has been approved by the majority in number of persons present in the Meeting representing three fourths in value of the Secured Creditors of the Company, voting through e-voting facility made available both prior to as well as during the Meeting through VC/ OAVM.

(14) The Secured Creditors desiring to attend the Meeting through VC/OAVM and exercise their vote by remote e-voting made available during the Meeting, are requested to carefully follow the instructions set out in the notes below under the heading "Online Meeting Process" or "Voting through Remote E-voting", as the case may be.

(15) Since this Meeting is being held through VC / OAVM, physical attendance of the Secured Creditors has been dispensed with.

(16) It is clarified that casting of votes by remote e-voting (prior to the Meeting) does not disentitle a Secured Creditor from attending the Meeting. However, a Secured Creditor who has voted through remote e-voting prior to the Meeting cannot vote through e-voting during the Meeting. The Secured Creditors of Company attending the Meeting through VC/ OAVM who have not cast their vote through remote e-voting prior to the Meeting shall be entitled to exercise their vote using the e-voting facility made available during the Meeting through VC/ OAVM.

(17) As directed by the Tribunal, Ms. Niharika Sohal, address: #3158, Ground Floor, Sector 23-D, Chandigarh- 160023, Mobile No. 9888023441, email id: niharikasohal@gmail.com, has been appointed as scrutinizer for the said Meeting of the Secured Creditors to scrutinize the voting during the Meeting in a fair and transparent manner.

(18) Post the Meeting, the Scrutinizer will submit the combined report to the Chairperson after completion of scrutiny of the votes cast by the Secured Creditors, of the Company through (i) remote e-voting process and (ii) electronic voting system at the venue of the meeting within two working days from the conclusion of the Meeting. The Scrutinizer's decision on the validity of the e-votes shall be final.

(19) As per Order of Hon'ble Tribunal, the Chairperson shall report the result of the NCLT convened Meeting to Hon'ble Tribunal within 7 (seven) days from the date of the conclusion of the Meeting with regard to proposed Scheme. The results along with the report of the scrutinizer shall be displayed at the registered office of Company situated at Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana-122413 and its website *viz* https://www.jindalsteelway.com/

(20) **Voting through Remote E-voting**

The instructions for Secured Creditors voting electronically are as under:

The remote e-voting period will commence on March 16, 2022 at 10.00 A.M. and ends on April 15, 2022 at 5.00 P.M. During this period, Secured Creditors' of the Company, may cast their vote electronically. The remote e-voting module shall be disabled by Link Intime (India) Private Limited for voting thereafter.

Once the vote on the resolution is cast by a Secured Creditor, whether partially or otherwise, it shall not be allowed to change subsequently. In case you do not desire to cast your vote, it will be treated as "ABSTAINED".

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

(21) **Remote e-Voting Instructions for Secured Creditors:**

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

Those who are first time users of LIIPL e-voting platform have to mandatorily generate their own Password, as under:

- Click on "**Sign Up**" under '**SHAREHOLDER**' tab and register with your following details: -

  A. **User ID**: Enter your User ID

     Secured Creditors shall provide Event No + ID shared to you on your registered email address.

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

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

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

     - Secured Creditors who have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

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

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

2. Click on 'Login' under 'SHAREHOLDER' tab.

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

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

5. E-voting page will appear.

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

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

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

If you have forgotten the password:

- Click on 'Login' under 'SHAREHOLDER' tab and further Click 'forgot password?'

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

    - In case the Secured Creditor is having valid email address, Password will be sent to his / her registered e-mail address.

    - Secured Creditors can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

    - The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

    - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

General Guidelines for the Secured Creditors:

During the voting period, Secured Creditors can login any number of time till they have voted on the resolution(s) for a particular "Event".

In case Secured Creditors have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

(22) **Online Meeting Process:**

1. Secured Creditors are entitled to attend and participate in the Meeting through VC/OAVM Facility being provided by Link Intime by following the below mentioned process:

    a. Facility for joining the Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the meeting and shall be kept open till the expiry of 15 minutes after the schedule time on first come first basis.

    b. Secured Creditors will be provided with InstaMeet facility wherein the Secured Creditors shall register their details and attend the meeting as under:

A. <u>Process and manner for attending the Meeting through InstaMeet:</u>

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

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

A. User ID: Enter your ID shared to you on your registered email address.

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

C. Mobile No.: Enter your mobile number.

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

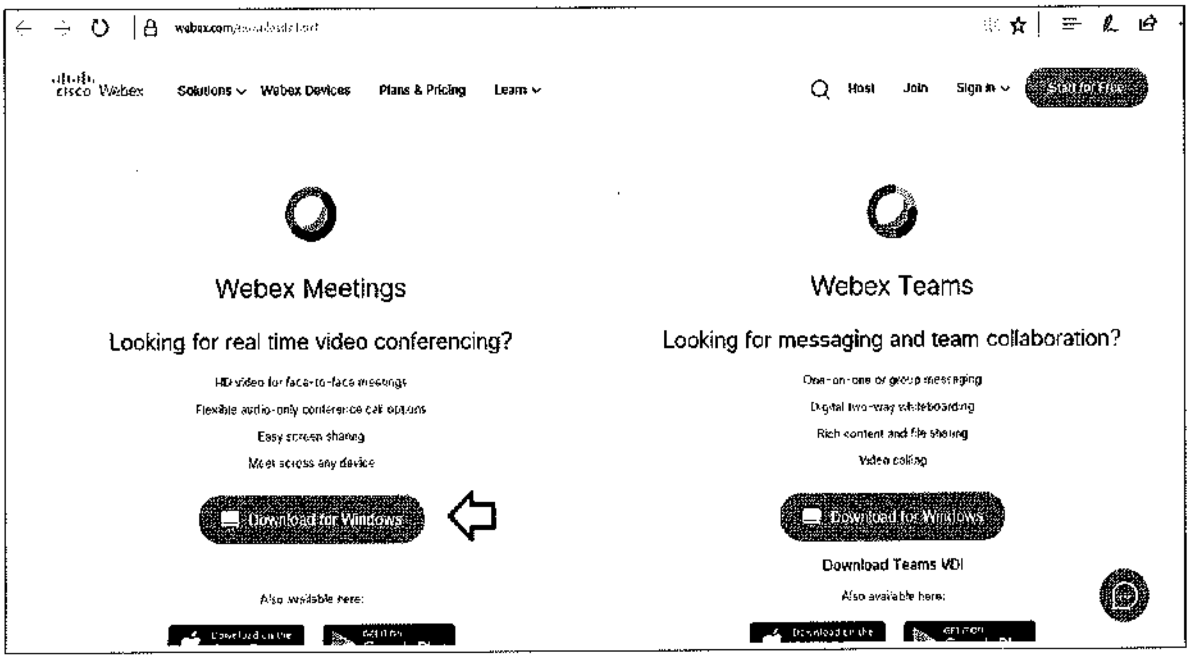
Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

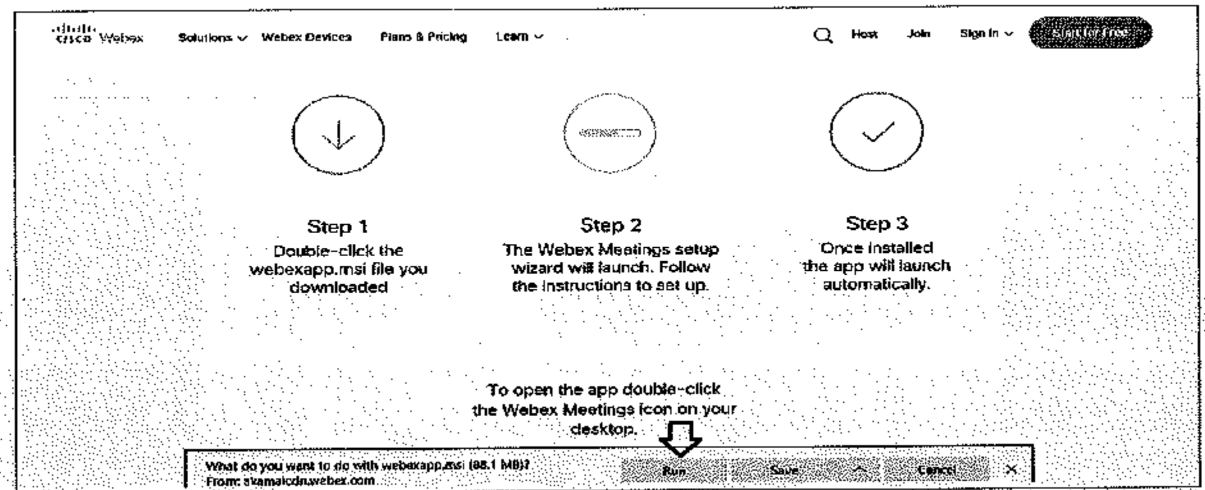
<u>Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the Meeting. Please read the instructions carefully and participate in the Meeting. You may also call upon the InstaMeet Support Desk for any support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

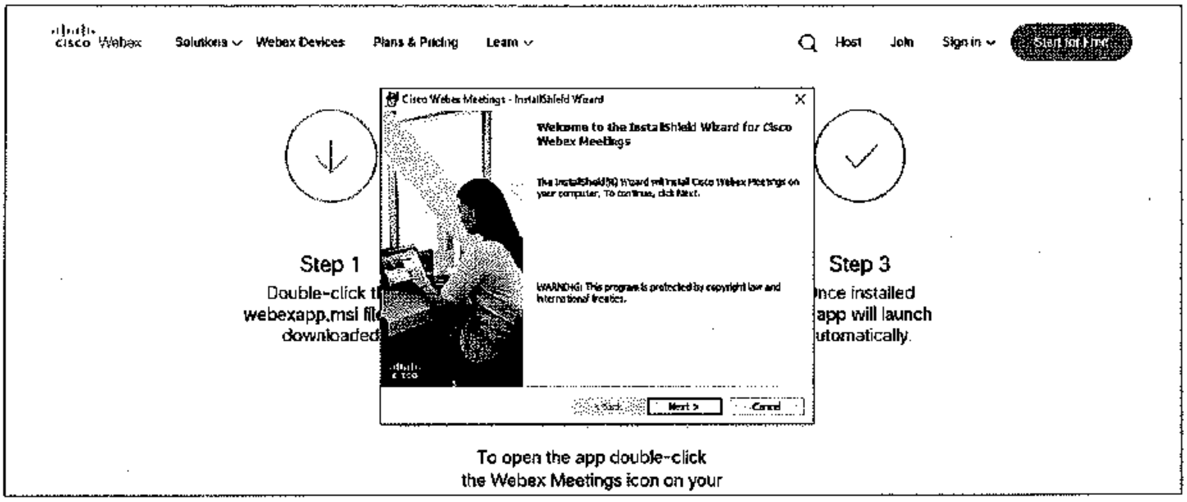
B. <u>Guidelines to attend the Meeting proceedings of Link Intime India Pvt. Ltd.: InstaMEET</u>

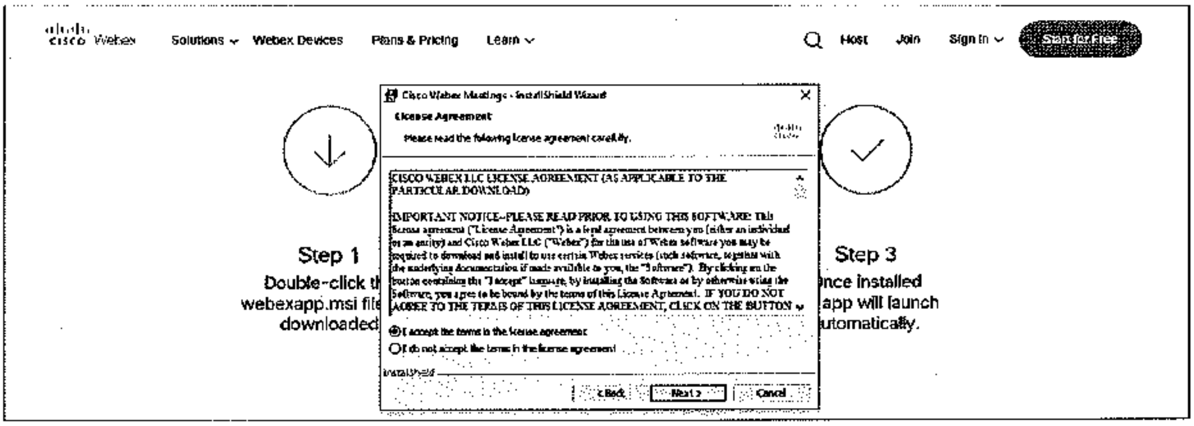
For a smooth experience of viewing the Meeting proceedings of Link Intime India Pvt. Ltd. InstaMEET, Secured Creditors who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

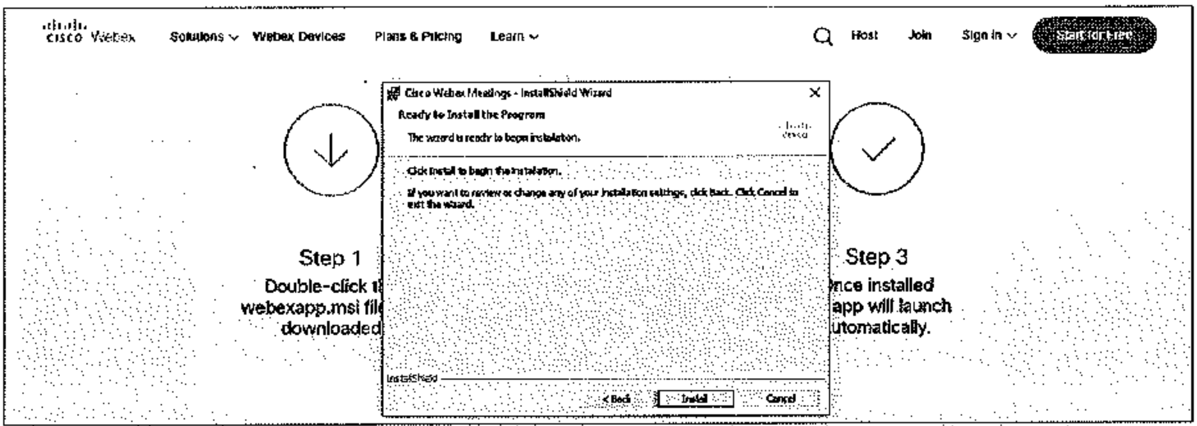
a. Please download and install the Webex application by clicking on the link https://www.webex.com/downloads.html/











OR

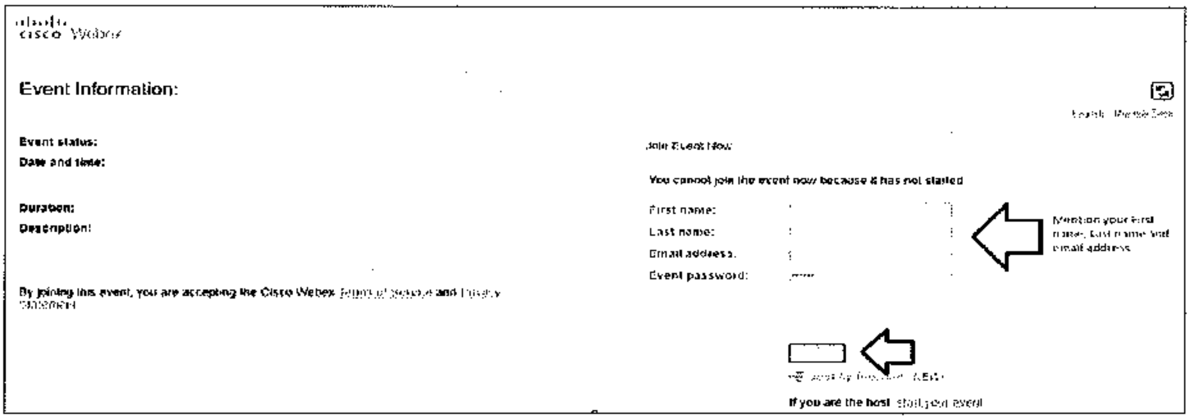
b. If you do not want to download and install the Webex application, you may join the Meeting by following the process mentioned as under:

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

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

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

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



C. Instructions for the Secured Creditors to Speak during the Meeting through InstaMeet:

1. Secured Creditors who would like to speak during the Meeting must register their request 3 days in advance with the company on the on the Email Id: rajesh.pandey@jindalsteelway.com.
2. Secured Creditors who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
3. Secured Creditors will get confirmation on first cum first basis depending upon the provision made by the client.
4. Secured Creditors will receive "speaking serial number" once they mark attendance for the meeting.
5. Secured Creditors may also ask questions to the panellist, via active chat-board during the meeting.
6. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

<u>Secured Creditors are requested to speak only when moderator of the Meeting/ management will announce the name and serial number for speaking.</u>

D. Instructions for the Secured Creditors to Vote during the Meeting through InstaMeet:

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

1. On the Secured Creditors VC page, click on the link for e-Voting "Cast your vote"

2. Enter your 16-digit Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.

3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

4. Cast your vote by selecting appropriate option i.e., "Favour/Against" as desired. Enter the amount payable by the Company (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

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

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

Secured Creditors are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the Meeting.

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

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

❖ **General Guidelines for the Secured Creditors:**

- Institutional Secured Creditors (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIIPL: https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

  They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

- Those Secured Creditors, who have not registered their email address with the Company and who wish to participate in the Meeting or cast their vote through remote e-Voting or through the e-Voting system during the meeting, may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning the name, folio number and complete address; and (ii) self-attested scanned copy of the PAN Card and any document (such as Driving Licence, Bank Statement, Election Card, Passport, Aadhar Card) in support of the address of the Secured Creditor as registered with the Company, to the email address of the Company – rajesh.pandey@jindalsteelway.com;

- During the voting period, Secured Creditors can login any number of time till they have voted on the resolution(s) for a particular "Event".

- The Secured Creditors can join the Meeting 15 minutes before and after the scheduled time of commencement of the Meeting by following the procedure mentioned in this Notice.

In case the Secured Creditors have any queries or issues regarding e-voting, please mail at instameet@linkintime.co.in or you may refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at instavote.linkintime.co.in, under Help section or write an email to insta.vote@linkintime.co.in or Call us :- Tel : 022 - 49186000.

Ms. Niharika Sohal, address: #3158, Ground Floor, Sector 23-D, Chandigarh- 160023, Mobile No. 9888023441, email id: niharikasohal@gmail.com has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.jindalsteelway.com within two working days from the conclusion of the Meeting.

Encl.: As above

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,
CHANDIGARH BENCH, AT CHANDIGARH
COMPANY APPLICATION NO. (CAA)- NO. 13/Chd/ Hry/2021

IN THE MATTER OF THE COMPANIES ACT, 2013
and

IN THE MATTER OF
SECTIONS 230-232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

and

IN THE MATTER OF SCHEME OF AMALGAMATION OF

JINDAL STAINLESS STEELWAY LIMITED
A company incorporated under the Companies Act, 1956 having its registered office at Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana-122413, India through its authorized representative, Mr. Rajesh Kumar Pandey, mobile no.: +91 9818810884, e-mail address: rajesh.pandey@jindalsteelway.com

.... **"Transferee Company"** or **"Amalgamated Company"**

AND

J.S.S. STEELITALIA LIMITED
A company incorporated under the Companies Act, 1956 having its registered office at Village Pathrari, Bhora Kalan & PO Pathredi, Bilaspur-Tauru Road, Gurgaon (Haryana)-122 413, India through its authorized representative, Mr. Yogesh Pareek, mobile no.: +91 7737586939, e-mail address: yogesh.pareek@jsssteelitalia.com.

....**"Transferor Company"** or **"Amalgamating Company"**

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1), 232(2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. This statement is being furnished as required under Sections 230(3), 232(1) and 232(2) and 102 of the Companies Act, 2013 (the "Act") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**"Rules"**).

2. Pursuant to the order dated **February 25, 2022** passed by the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), in the Company Application Number **CA (CAA) NO.**

13/Chd/ Hry/2021 (**"Order"**), a meeting of the secured creditors (**"Secured Creditors"**) of Jindal Stainless Steelway Limited (hereinafter referred to as the **"Amalgamated Company" or "JSSL" or "Transferee Company"** as the context may admit) (**"Meeting"**) is being convened and held through video conferencing or other audio visual means (**"VC / OAVM"**) on **April 16, 2022** at 10:00 a.m, for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation between Jindal Stainless Steelway Limited (the **"Amalgamated Company"**) and J.S.S. Steelitalia Limited (the **"Amalgamating Company"** or **"Transferor Company"**) and their respective shareholders and creditors under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 (the **"Scheme"**).

3. In terms of the said Order, the quorum for the said Meeting shall be **2 (two) in number** or 40% in value of the Secured Creditors. It is also directed that if the required Quorum is not present at the commencement of Meeting, then the Meeting will be adjourned for **30 (thirty)** minutes, and thereafter the person present in the Meeting, would be treated as proper quorum.

4. For the purposes of computing the quorum, the authorized representatives of institution/ body corporate etc., shall also be considered, subject to requisite documents being submitted in the manner described above.

5. In terms of the said Order, NCLT, has appointed **Mr. Akshay Bhan**, Senior Advocate, as the Chairperson; **Mr. Sham Sunder**, as Alternate Chairperson; and **Ms. Niharika Sohal**, as the Scrutinizer for the Meeting of Secured Creditors of JSSL including for any adjournment or adjournments thereof.

6. In accordance with the provisions of Sections 230-232 of the Act, the Scheme shall be considered approved by the Secured Creditors and acted upon only if resolution mentioned above in the notice has been approved by a majority of persons representing three fourths in value of the Secured Creditors of the Company, voting through remote e-voting made available both prior to and during the Meeting through VC/OAVM.

Particulars of JINDAL STAINLESS STEELWAY LIMITED (JSSL):

7. **JINDAL STAINLESS STEELWAY LIMITED** (hereinafter referred as **"Amalgamated Company"** or **"Transferee Company"** as the context may require) is a public limited company, incorporated under the Companies Act, 1956 and currently has its registered office at Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana- 122413, India. Its Corporate Identity Number (CIN) is U27109HR2004PLC082454 and Permanent Account Number (PAN) is AABCJ4346C Amalgamated Company was incorporated on 6th August, 2004. The registered office of Amalgamated Company was moved from Jindal Center, 12, Bhikaji Cama Place, New Delhi - 110066 to Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana-122413, India on May 13, 2019. The Income Tax Ward / Circle is Circle 13(1), DCIT, New Delhi. The Amalgamated Company is the holding company of the Amalgamating Company. The memorandum of association of Amalgamated Company was modified pursuant to resolution passed at the extra-general meeting on May 13, 2019 wherein certain incidental / ancillary objects were amended / modified. The Amalgamated Company is primarily involved in processing and finishing of stainless steel coils and sheets including on job work basis. The Amalgamated Company also does the job work for processing of stainless steel coils / sheets. The Amalgamated Company has not changed its name in the past 5 years.

8. **The main objects of JSSL as set out currently in its Memorandum of Association are provided below:**

"1. *To carry on the business of manufacturer, processor, producer, seller, purchaser, assemblers, titters, engineers, erectors, founders, smelters, refiner, makers, drawers, sinkers, miners, workers, repairers, hire-purchaser, dealers, representatives, contractors, importer, exporter, innovator, creator, developers, whole-seller, dealer, stockist, distributor, agent, trader, exchanger, fabricator, service-center and jobber of and in forging, casting of steel, stainless and special steels, alloys and ferrous and non-ferrous metals and other allied sectors.*

2. *To carry on the business of stamping and pressing of sheet metals in different shapes and sizes.*

3. *To carry on the business of cutting, bending, shering, special finishes and new applications of stainless steel sheet, aluminum sheet and other metal/alloys sheet according to the customer's requirement.*

4. *To import education and training to entrepreneurs, professionals and technicians for innovation design, production and marketing of products out of stainless steel sheet, aluminum sheet and other metal sheets, through its own training centre or through a network of franchises in India or any other country of the world.*

5. *To take & execute the tender and contract for design, application, development, production, erection, promotion, marketing and use of products out of stainless steel sheet, aluminum sheet and other metal/alloy sheet and auto-parts, scotch brite finish, material for white goods industry, auto-industry, architectural finish, precision strip market, retail market (Small tonnages) and other allied sectors.*

6. *To Manufacture, deal, import and export pig iron, sponge iron, ferro silicon, ferro chrome and other ferrous substances and metals of every description and grades and manufacture, deal, import and export all kinds and varieties of non-ferrous raw metals such as aluminum, copper, tin, lead, silica-manganese etc. and the by-products obtained in the processing and manufacturing these raw metals."*

9. **Sub Clause 5 of Object Clause B of the Memorandum of Association of JSSL authorizes the Company to amalgamate with other company:**

"5. *To acquire and undertake all or any part of the business property and liabilities of any person or company carrying on any business which this company is authorized to carry on, or possessed of property suitable for the purposes of the Company. To amalgamate with any other company having objects altogether or in part similar to those of this company and to expand the company's activities by opening branches and/or by appointing agents in India, and in any foreign country to start agencies, shops in different parts of India and elsewhere as the Board of Directors may decide for the expansion of the business of the company and to control the business of any other company or companies having objects similar to this company".*

10. **The authorized, issued, subscribed and paid up share capital of the Amalgamated Company as on February 25, 2022 is as follows:**

Particulars	**Amount (in INR)**

Authorized:	
3,00,00,000 equity shares of Rs. 10/- each	30,00,00,000
Total	**30,00,00,000**
Issued, Subscribed and Paid-up:	
1,40,61,667 Equity Shares of Rs. 10/- each	14,06,16,670
Total	**14,06,16,670**

11. **The following are currently the Directors/ Promoters of Amalgamated Company as on February 25, 2022 along with their respective addresses:**

Directors of Amalgamated Company:

Name of Director	Address
Sh. Vijay Kumar Sharma	H. No.1057, Sector 28, Faridabad, Haryana- 122002
Sh. Sanjay Kumar Goyal	G-32, Ground Floor, South City –II, Gurgaon - 122018 Haryana
Sh. Nirmal Chandra Mathur	C-2/9,VASANT VIHAR, New Delhi, 110057
Sh. Tarun Kumar Khulbe	H no. 1401, T10, The Close South Nirvana Country, Sector 50, South City -2, Gurgaon, 122018
Ms. Shruti Shrivastava	C 53 DLF Pinnacle, DLF Phase-5 Golf Course Road, Galleria Phase-IV Gurgaon 122009

Promoters/ Promoter Group of Amalgamated Company:

Name of Promoter	Address
Jindal Stainless (Hisar) Limited	O.P. Jindal Marg Hisar Haryana 125005

12. **The extracts of the provisional Balance Sheet of the Amalgamated Company as on December 31, 2021 is as follows:**

PARTICULARS	AMOUNT (Rs. in Crores)
EQUITY & LIABILITIES	
Shareholders' Funds	
Share Capital	14.06
Reserves & Surplus	313.51

PARTICULARS	AMOUNT (Rs. in Crores)
Non-Current Liabilities	9.51
Current Liabilities	327.96
Other Current Liabilities	17.23
Short term Provisions	0.48
TOTAL	**682.75**
ASSETS	
Non-Current Assets	**104.59**
Investments	**15.71**
Current Assets	**534.85**
Cash & Bank Balances	**4.72**
Loans	
Other Current Assets	**22.88**
TOTAL	**682.75**

Particulars of J.S.S. Steelitalia Limited ("JSIL"):

13. **J.S.S. STEELITALIA LIMITED** (hereinafter referred as "**Amalgamating Company**" or "**Transferor Company**") is a public limited company incorporated under the Companies Act, 1956, having its registered office currently at Village Pathrari, Bhora Kalan & PO Pathredi, Bilaspur-Tauru Road, Gurgaon (Haryana)-122 413. The registered of Amalgamating Company was changed from Plot no 64, Second Floor, Udyog Vihar, Phase IV, Gurgaon, Haryana to 301, 3rd Floor, Welldone Techpark, Sohna Road, Gurgaon, Haryana on February 15, 2016 and eventually to Village Pathrari, Bhora Kalan & P.O. Pathredi, Bilaspur, Tauru Road, Gurgaon, Haryana on December 7, 2016. Its Corporate Identity Number ('CIN') is U27310HR2007PLC036578 and Permanent Account Number ('PAN') is AABCJ8018M. Amalgamating Company was incorporated on 02nd February 2007. The Amalgamating Company has not changed its name or memorandum of association in the past 5 years. The Amalgamating Company is engaged in the business of manufacturing of stainless steel pipe, tube, section and trading of stainless steel coil & sheets. The Income Tax Ward/ Circle is Circle 2(1), Gurgaon.

14. **The main objects of JSIL as set out currently in its Memorandum of Association are provided below:**

"1. *To manufacture high quality stainless steel tubes/pipes. To setup high productivity high quality stainless tubes/pipes manufacturing plants employing state of art high frequency welding technology to manufacture tubular products and flats bars in stainless steel and other steel grades mainly in round, square, rectangular, cross sections with various size range.*

2. *To carry on the business of manufacturers, importers, exporters, distributors, traders, dealers, selling agents and processors as drawing, forging, polishing, buffing and or for manufacture of different sizes of stainless steel tubes and sections from different qualities and grades of stainless steel stripes, cons and from stainless steel mother tubes.*

3. *To carry on the business of manufacturing, producing, casting, procuring, mastering, buying selling, converting, and in other ways dealing in all types of iron and steel tubes,*

steel castings, Pig iron, iron steel, alloy, ingots, billets, stabs, sheets, strips, rounds, bars, flats, sections and shapes, brass, copper, aluminum, stainless steel, and other non ferrous metals.

4. *To carry on the business of manufacturing, producing, casting, procuring, buying, selling, converting, and in any other way dealing in iron and steel tubes and to manufacture, buy, sell, import, export, steel tubes, steel casting, pig iron, steel alloys, ingots, billets, slabs, sheets, strips, round, bar, flat sections and shapes, brass, copper, aluminum, stainless steel tubes and other nonferrous metals and to carry on business as dealers selling agents, marketing and distribution agents of ferrous and non-ferrous agents, process materials, steel products like M.S. Rounds, ingots, billets, steel castings and to deal in all scraps i.e. mild steel, carbon steel, stainless and other alloy steel scarps.*

5. *To take & execute the tender and contract for design, application, development, Production, erection, promotion, marketing ana use of products out of stainless steel tubes, sheet, aluminum sheet and other metal / alloy sheet and auto-parts, scotch brite finish, material for white goods industry, auto-industry, architectural finish, precision strip market, retail market (small tonnages) and other allied sectors."*

15. **Sub Clause 14 of Object Clause B of the Memorandum of Association of JSIL authorizes the Company to amalgamate with other company:**

"14. Subject to the provisions of section 391 to 394 and 394A of the Companies Act 1956 to amalgamate or merge or to enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture or reciprocal concession with any person or persons, partnership firm / firms, or company or companies carrying on or engaged in any business or transaction which the company is authorized to carry on or engaged in."

16. **The authorized, issued, subscribed and paid up share capital JSIL as on February 25, 2022 is as follows:**

Particulars	Amount (in INR)
Authorized:	
25,000,000 Equity Shares of Rs. 10/- each	25,00,00,000
10,000,000 compulsorily convertible Preference Shares of Rs. 10/- each	10,00,00,000
Total	**35,00,00,000**
Issued, Subscribed and Paid-up:	
23,374,818 Equity Shares of Rs. 10/- each fully paid up	233,748,180
9,783,518 compulsorily convertible Preference Shares of Rs. 10/- each	97,835,180
Total	**33,15,83,360**

Particulars	**Amount (in INR)**
Fully Convertible Debentures:	
13,40,000 Fully Convertible Debentures of Rs. 100/- each fully paid up	**13,40,00,000**

17. **The following are currently the Directors/ Promoters of Amalgamating Company as on February 25, 2022 along with their respective addresses:**

Directors of Amalgamating Company:

Name of Director	Address
Nirmal Chandra Mathur	C-2/9,Vasant Vihar, New Delhi - 110057
Vishal Chaturvedi	C-1/1134,Vasant Kunj, New Delhi – 110070
Tarun Kumar Khulbe	H no. 1401, T10, The Close South Nirvana Country, Sector 50, South City -2 Gurgaon, Haryana -122018
Vivek Kumar Garg	E-55, Second Floor, Ardee City, Sector 52, Gurgaon, Haryana – 122003

Promoters/ Promoter Group of Amalgamating Company:

Name of Promoter	Address
Jindal Stainless Steelway Limited	Village & Po. Pathredi, Bilaspur, Taurur Road, Gurgaon, Haryana – 122413

18. **The extracts of the provisional Balance Sheet of Amalgamating Company as on December 31, 2021 is as follows: -**

PARTICULARS	AMOUNT (Rs. in Crores)
EQUITY & LIABILITIES	
Shareholders' Funds	
Share Capital	23.37
Reserves & Surplus	(9.17)
Non-current Liabilities	5.25
Current Liabilities	5.37
Other Current Liabilities	7.40
Provisions	0.02
TOTAL	**32.24**
ASSETS	
Non-Current Assets	21.66
Investments	

Current Assets	8.44
Cash & Bank Balances	0.15
Loans	
Other Current Assets	1.99
TOTAL	**32.24**

19. **Board Meeting approving the Scheme of Amalgamation**

At the meeting held on 03.02.2021, the Board of Directors of the Company present in the meeting, had unanimously approved the proposed Scheme of Amalgamation.

The said Scheme of Amalgamation was also unanimously approved by the Board of Directors of Amalgamating Company vide resolution passed at their Board Meetings held on 03.02.2021.

20. **Names of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolutions:**

A. JINDAL STAINLESS STEELWAY LIMITED (JSSL):

Name of the Directors of JSSL present in the Meeting	Voted in Favour/ Against/ Abstain from voting
Sh. Vijay Kumar Sharma	Favour
Sh. Sanjay Kumar Goyal	Favour
Sh. Nirmal Chandra Mathur	Favour
Sh. Tarun Kumar Khulbe	Favour
Ms. Shruti Shrivastava	Favour

B. J.S.S. STEELITALIA LIMITED (JSIL)

Name of the Directors of JSSL present in the Meeting	Voted in Favour/ Against/ Abstain from voting
Sh. Nirmal Chandra Mathur	Favour
Sh. Vishal Chaturvedi	Favour
Sh. Tarun Kumar Khulbe	Favour
Sh. Vivek Kumar Garg	Favour

21. **Brief details of the Scheme**

S.No.	Particulars	Particulars
i.	Parties involved in the Scheme	• Jindal Stainless Steelway Limited ("JSSL") • J.S.S. Steelitalia Limited ("JSIL")
ii.	Relationship between the Companies	The Amalgamating Company is the wholly owned subsidiary of the Amalgamated Company.
iii.	Scheme of Arrangement	The Scheme *inter alia* provides for: a. Amalgamation of Amalgamating Company into and with the Amalgamated Company, in the manner set out in the Scheme; and b. Various other matters consequential or otherwise integrally connected herewith.
iv.	Appointed Date	Clause 1.5.1(v) of Part I of the Scheme defines the **Appointed Date** of the Scheme as *"the opening of business hours on March 1, 2021 or such other date as may be approved by the Hon'ble NCLT (Chandigarh Bench)."*
v.	Effective Date	Clause 1.5.1 (ix) of the Part I of the Scheme defines Effective Date as *"the last of the date on which the certified copy of the Order of the Hon'ble NCLT of Chandigarh is filed with the Registrar of Companies, by the Transferee Company and Transferor Company."*
vi.	Rationale of the Scheme or the benefits of the Scheme as perceived by the Board of Directors of the Company to the Company, Shareholders, Creditors and Others	*"1.3 (i) The Amalgamating Company and the Amalgamated Company are engaged in manufacturing of different stainless steel products and the proposed amalgamation will enable forward integration for the Amalgamated Company.* *(ii) The Amalgamating Company is the wholly owned subsidiary of the Amalgamated Company. The proposed amalgamation is of the wholly owned subsidiary into and with its holding company. The amalgamation will result in simplification of the group and business structure and will reduce compliance costs and help in better utilization of the resources.* *(iii) The management of the Amalgamating Company and the Amalgamated Company believes that this Scheme would be in the best interest of the respective shareholders, creditors, employees and all other stakeholders of the Amalgamating Company and the Amalgamated Company. The Scheme shall not in any manner be prejudicial to the interests of concerned shareholders, creditors, and / or any other stakeholder."*

22. **Key salient features of the Scheme**

(i) **Clause 1.5.1(iii)** of Part I of the Scheme defines Amalgamating Company as "*JSIL as mentioned in Clause 1.2.1 hereof, and shall include:*

(a) all of its assets, movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, continuing rights, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold, machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

(b) all of its investments (including shares and other securities), loans and advances, including dividends declared or interest accrued thereon;

(c) all of its licences, including the licences granted by any governmental, statutory or regulatory bodies, permissions, approvals, consents, exemptions, subsidies, registrations, no-objection certificates, quotas, rights, entitlements, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, applications for trade names, copyrights, patents and applications for patents, all indirect and direct tax credits including but not limited to Service Tax credit, CENVAT credit, Goods and Services Tax credit, VAT credit, Income-Tax carry forward losses/depreciation, TDS, MAT credit entitlement etc., privileges and benefits of all contracts, agreements and all other rights including lease rights, powers and facilities of every kind and description whatsoever;

(d) all of its debts, borrowings and liabilities, present or future, whether secured or unsecured;

(e) all of its employees, who are on its payrolls, including those employed at its offices and branches; and

(f) all of the advance monies, earnest monies and / or security deposits, payment against warrants or other entitlements, as may be lying with them."

(ii) **Clause 1.5.1 (v)** of Part I of the Scheme defines Appointed Date as "*the opening of business hours on March 1, 2021 or such other date as may be approved by the Hon'ble NCLT (Chandigarh Bench).*"

(iii) **Clause 1.5.1 (ix)** of Part I of the Scheme defines Effective Date as "*the last of the date on which the certified copy of the Order of the Hon'ble NCLT of Chandigarh is filed with the Registrar of Companies, by the Transferor Company and Transferee Company. Any references in the Scheme to "**upon the Scheme becoming effective**" or "**effectiveness of the Scheme**" shall mean and refer to the Effective Date.*"

(iv) **Clause 3.1** of Part III of the Scheme provides that "*Subject to the provisions of Part III, Part IV and Part V of this Scheme in relation to modalities of the amalgamation, upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, the Amalgamating Company along with all its assets and liabilities and its entire business together with all its properties, rights, benefits and interests therein, shall by virtue of this Part III of the Scheme stand amalgamated with, transferred to and vested in the Amalgamated Company, and shall become the assets, liabilities, rights, obligations, business and undertakings of the Amalgamated Company, subject to the existing encumbrances thereon in favour of banks and financial institutions, if any (unless* *otherwise agreed to by such encumbrance holders) without any further act, instrument or deed being required from the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party, in accordance with Sections 230 to 232 of the Act read with Section 2(1B) of the IT Act and all other applicable provisions of law if any, in accordance with the provisions contained herein."*

(v) **Clause 11** of Part IV of the Scheme provides that "*Upon this Scheme becoming effective on the Effective Date, the Amalgamating Company shall stand automatically dissolved as an integral part of this Scheme, without being liquidated or wound-up and without requiring any further act, instrument or deed from the Amalgamating Company and / or the Amalgamated Company.*"

YOU ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME TO GET FULLY ACQUAINTED WITH THE PROVISIONS THEREOF. THE AFORESAID ARE ONLY SOME OF THE SALIENT EXTRACTS THEREOF.

23. **Details of the Directors and Key Managerial Personnel (KMP) and their respective equity and preference shareholding as on February 25, 2022 are as follows:**

Equity Share Capital:

(i) **Jindal Stainless Steelway Limited**

S.No.	Name of Directors/ KMP	Shares (%) held in JSIL
1.	Sh. Vijay Kumar Sharma	NIL
2.	Sh. Sanjay Kumar Goyal	NIL
3.	Sh. Nirmal Chandra Mathur	NIL
4.	Sh. Tarun Kumar Khulbe	NIL
5.	Ms. Shruti Shrivastava	NIL

(ii) **J.S.S. Steelitalia Limited**

S.No.	Name of Directors/ KMP	Shares (%) held in JSIL
1.	Sh. Vishal Chaturvedi	NIL
2.	Sh. Tarun Kumar Khulbe	NIL
3.	Sh. Vivek Kumar Garg	NIL
4.	Sh. Nirmal Chandra Mathur	NIL

24. **Statement disclosing details of Arrangement as per sub-section 3 of Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016:**

S.No.	Particulars	Details
i.	Details of capital or debt restructuring if any	There is no debt restructuring envisaged in the Scheme.
ii.	Benefits of the Arrangement as perceived by the Board of	Refer Para 20 (vi) of the Explanatory Statement.

	directors to the company, members, creditors and others (as applicable)	
iii.	Amounts due to unsecured creditors as on 25.02.2022	**JSSL** INR 177,43,75,874.12 **JSIL** INR 23,66,49186.11
iv.	Amounts due to Secured Creditor as on 25.02.2022	**JSSL** INR 98,49,37,656 **JSIL** Nil
v.	If the scheme of Arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or Arrangement, including holding, subsidiary or associate companies	Refer Para 20 (ii) of the Explanatory Statement.
vi.	Disclosure about effect of the compromise or Arrangement on:	
a.	Key Managerial Personnel	The effect of the Scheme on the Key Managerial Personnel, promoter and non-promoter shareholders of the Company and the Amalgamating Company is given in the reports adopted by the Board of Directors of the Company and the Amalgamating Company at their respective meetings held on February 03, 2021 pursuant to the provisions of Section 232(2)(c) of the Companies Act 2013 which are attached as Annexure 2 and Annexure 3 respectively.
b.	Promoters	
c.	Non-Promoters members	
d.	Creditors	Pursuant to the Scheme, all the liabilities and dues payable pertaining to Amalgamating Company shall become the liabilities and dues payable of the Amalgamated Company. None of the companies have any depositors, debenture holders, deposit trustee and debenture trustees.
e.	Depositors	
f.	Debenture Holders	
g.	Deposit trustee and debenture trustee	
h.	Employees of the Company	There will be no impact on the employees and workmen of the Amalgamated Company. Upon the Scheme becoming effective, all the staff, workmen and other employees pertaining to the Amalgamating Company shall become the staff, workmen and employees of the Amalgamated Company as per the details mentioned in Clause 3.2 of the Scheme.
vii.	Disclosure about effect of compromise or Arrangement on material interest of Directors, Key Managerial Personnel, their Relatives and Debenture Trustee	
a.	Directors	None of the Directors, KMPs (as defined under the Companies Act 2013 and rules framed thereunder) of the Company and their respective relatives (as defined under the Act and rules framed thereunder)
b.	Key Managerial Personnel	

		has any interest in the Scheme except to the extent of their shareholding in the companies involved in the Scheme, if any.
c.	Debenture Trustee	Nil
viii.	Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed scheme of compromise or Arrangement	The Scheme is subject to approval from jurisdictional NCLT. Further, notice under Section 230(5) of Companies Act, 2013 is being submitted with the Central Government through the regional director (Northern Region), Ministry of Corporate Affairs, Registrar of Companies and Income Tax Authorities in respect of all companies.
ix.	A statement to the effect that the persons to whom the notice is sent may vote in the Meeting either in person or by proxies, or where applicable, by voting through electronic means.	The Secured Creditors to whom the Notice is sent may vote through remote e-voting made available prior to or during the Meeting through VC/OAVM.

General:

25. The copy of draft scheme has been filed with the Registrar of Companies.

26. The National Company Law Tribunal, Chandigarh Bench by its Order dated February 25, 2022 has dispensed the requirement for convening the meeting of the equity shareholders of the Amalgamated Company keeping in view the shareholding and ownership pattern of the Amalgamated Company and the fact that the consent to the proposed Scheme by way of affidavits had been received of such equity shareholders.

27. The National Company Law Tribunal, Chandigarh Bench by its Order dated February 25, 2022 has directed for convening of the meeting(s) of the Secured Creditors of the Amalgamated Company, by Video-Conferencing with facility of remote e-voting, subject to the notice of the meeting being issued.

28. The National Company Law Tribunal, Chandigarh Bench by its Order dated February 25, 2022 has directed for convening of the meeting(s) of the unsecured creditors of the Amalgamated Company, by Video-Conferencing with facility of remote e-voting, subject to the notice of the meeting being issued.

29. The National Company Law Tribunal, Chandigarh Bench by its Order dated February 25, 2022 has dispensed the requirement for convening the meeting of the equity shareholders of the Amalgamating Company keeping in view the shareholding and ownership pattern of the Amalgamating Company and the fact that the consent to the proposed Scheme by way of affidavits had been received of such equity shareholders.

30. The National Company Law Tribunal, Chandigarh Bench by its Order dated February 25, 2022 has dispensed the requirement for convening the meeting of the preference shareholders of the Amalgamating Company keeping in view the shareholding and ownership pattern of the Amalgamating Company and the fact that the consent to the proposed Scheme by way of affidavits had been received of the preference shareholders.

31. The National Company Law Tribunal, Chandigarh Bench by its Order dated February 25, 2022 has dispensed the requirement for convening the meeting of the secured creditors of the

Amalgamating Company since there are NIL secured creditors of Amalgamating Company and there is no scope for any meeting.

32. The National Company Law Tribunal, Chandigarh Bench by its Order dated February 25, 2022 has issued directions for convening the meeting of the unsecured creditors of the Amalgamating Company by Video-Conferencing with facility of remote e-voting, subject to the notice of the meeting being issued.

33. The National Company Law Tribunal, Chandigarh Bench by its Order dated February 25, 2022 has issued directions for publication of notices of such meeting in the Financial Express, Delhi NCR edition and in Jan Satta, Delhi NCR Edition, and on the website of the Amalgamated Company and the Amalgamating Company (if any), not less than thirty days before the date fixed for the meeting.

34. No investigation or proceedings are pending under applicable provisions of Companies Act, 2013 or erstwhile provisions of Companies Act, 1956 against any Companies.

35. No winding up petition has been admitted against any Companies.

36. The following documents will be open for obtaining extracts from or for making or obtaining copies or inspection by the Secured Creditors of JSSL at Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana-122413, India between 10:00 AM to 12:00 Noon on all working days, except Saturdays, Sundays and Public Holidays:

    a) Copy of the Order dated February 25, 2022 of the NCLT passed in Company Application No. CA (CAA) No 13/ Chd/Hry/2021 directing the convening of the meeting of the Secured Creditors of JSSL;

    b) Copy of the Company Application No. CA (CAA) No 13/ Chd/Hry/2021 and other ancillary Applications/ Affidavits filed with the Hon'ble NCLT;

    c) Copy of Scheme of Amalgamation;

    d) Memorandum and Articles of Association including certificate of incorporation of all the Companies;

    e) Provisional Accounting Statement of the Amalgamated Company for the period ended 31.12.2021;

    f) Provisional Accounting Statement of the Amalgamating Company for the period ended 31.12.2021;

    g) List of Secured Creditors as on 25.02.2022;

    h) Other documents as the Board/Management may deem fit.

37. A copy of the Scheme and Explanatory Statement shall be furnished to the Secured Creditors, free of charge, within 1 (one) day (except Saturdays, Sundays and public holidays) on requisition being made for the same by such Secured Creditor.

Mr. Rajesh Kumar Pandey
of Jindal Stainless Steelway Limited

Date: March 14, 2022

Place: Gurgaon

Registered Office:
JINDAL STAINLESS STEELWAY LIMITED,
Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana-122413
CIN – U27109HR2004PLC082454

ANNEXURE-1

ANNEXURE - A 1
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SCHEME OF AMALGAMATION

BETWEEN

JINDAL STAINLESS STEELWAY LIMITED
(AMALGAMATED COMPANY)

AND

J.S.S. STEELITALIA LIMITED
(AMALGAMATING COMPANY)

(UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013)

JINDAL STAINLESS STEELWAY LIMITED

J.S.S. Steelitalia Limited

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J.S.S. Steelitalia Limited

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PART I

1. INTRODUCTION

1.1 PREAMBLE

1.1.1 This Scheme of Amalgamation (**"Scheme"**) is presented pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, and the rules and regulations issued thereunder, as may be applicable, and also read with Sections 2(1B) and other relevant sections of the Income Tax Act, 1961, as amended from time to time and as may be applicable, for:

(i) Amalgamation of **J.S.S. Steelitalia Limited** (**"Transferor Company"** or **"Amalgamating Company"**) into and with **Jindal Stainless Steelway Limited** (**"Transferee Company"** or **"Amalgamated Company"**); and

(ii) Various other matters consequential or otherwise integrally connected herewith.

1.2 BACKGROUND AND DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THIS SCHEME

1.2.1 **Jindal Stainless Steelway Limited ("JSSL"):**

(i) JSSL (**"Transferee Company"** or **"Amalgamated Company"**) is a public limited company incorporated on August 6, 2004 under the provisions of the Companies Act, 1956 (as amended) and having its registered office at Village Pathredi, Bilaspur, Tauru Road Gurgaon, Haryana-122413, India. Permanent Account Number (**"PAN"**) of Amalgamated Company is AABCJ4346C and Corporate Identity Number (**"CIN"**) is U27109HR2004PLC082454. The registered office was moved from Delhi to Haryana on 14.08.2019. The Amalgamated Company is the holding company of the Amalgamating Company.

(ii) The Amalgamated Company is primarily involved in processing and finishing of stainless steel coils and sheets including on job work basis.

1.2.2 **J.S.S. Steelitalia Limited ("JSIL"):**

(i) JSIL (**"Transferor Company"** or **"Amalgamating Company"**) is a public limited company incorporated on February 2, 2007 under the provisions of the Companies Act, 1956 and having its registered office at Village Pathrari, Bhora Kalan & PO Pathredi, Bilaspur-Tauru Road, Gurgaon (Haryana)-122 413. PAN of Amalgamating Company is AABCJ8018M and CIN is U27310HR2007PLC036578. The Amalgamating Company is the wholly owned subsidiary of the Amalgamated Company (*as defined hereinafter*).

(ii) The Amalgamating Company is primarily involved in manufacturing of stainless steel pipes, tubes, sections and trading of stainless steel coil and sheets.

1.3 RATIONALE FOR THIS SCHEME

i. The Amalgamating Company and the Amalgamated Company are engaged in manufacturing of different stainless steel products and the proposed amalgamation will enable forward integration for the Amalgamated Company.

ii. The Amalgamating Company is the wholly owned subsidiary of the Amalgamated Company. The proposed amalgamation is of the wholly owned subsidiary into and with its holding company. The amalgamation will result in simplification of the group and business structure and will reduce compliance costs and help in better utilization of the resources.

iii. The management of the Amalgamating Company and the Amalgamated Company believes that this Scheme would be in the best interest of the respective shareholders, creditors, employees and all other stakeholders of the Amalgamating Company and the Amalgamated Company. The Scheme shall not in any manner be prejudicial to the interests of concerned shareholders, creditors, and / or any other stakeholder.

Accordingly, to achieve the above objectives, the Board of Directors (**"Board"**) of the Companies have decided to make requisite joint applications and / or petitions before the Court/Tribunal thereafter defined) under Sections 230 to 232 of the Act (*defined hereinafter*) and other applicable provisions for the sanction of this Scheme.

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1.4 **OVERVIEW OF THIS SCHEME**

1.4.1 This Scheme is divided into the following parts:

PART I	-	Introduction, Rationale for the Scheme, Definitions and Compliance with Tax Laws
PART II	-	Capital Structure
PART III	-	Amalgamation of Amalgamating Company into and with Amalgamated Company, Discharge of Consideration and other related matters
PART IV	-	Reorganisation of Capital, Accounting Treatment, dissolution of Amalgamating Company and other related matters
PART V	-	General Terms and Conditions applicable to the Scheme

1.5 **Definitions**

1.5.1 In this Scheme, unless repugnant to the subject, context or meaning thereof, the following initially and / or fully capitalised words and expressions shall have the meanings as set out hereinbelow:

(i) "**Act**" means the Companies Act, 2013 and the rules made thereunder, as amended or substituted by any statutory modification / re-enactment thereof;

(ii) "**Amalgamated Company**" means Jindal Stainless Steelway Limited, as mentioned in Para 1.2.2 of this Scheme.

(iii) "**Amalgamating Company**" shall mean JSIL as mentioned in Clause 1.2.1 hereof, and shall include:

(a) all of its assets, movable or immovable, whether present or future, whether tangible or intangible,all rights, title, interests, covenants, undertakings, continuing rights, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold, machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

(b) all of its investments (including shares and other securities), loans and advances, including dividends declared or interest accrued thereon;

(c) all of its licences, including the licences granted by any governmental, statutory or regulatory bodies, permissions, approvals, consents, exemptions, subsidies, registrations, no-objection certificates, quotas, rights, entitlements, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, applications for trade names, copyrights, patents and applications for patents, all indirect and direct tax credits including but not limited to Service Tax credit, CENVAT credit, Goods and Services Tax credit, VAT credit, Income-Tax carry forward losses/depreciation, TDS, MAT credit entitlement etc., privileges and benefits of all contracts, agreements and all other rights including lease rights, powers and facilities of every kind and description whatsoever;

(d) all of its debts, borrowings and liabilities, present or future, whether secured or unsecured;

(e) all of its employees, who are on its payrolls, including those employed at its offices and branches; and

(f) all of the advance monies, earnest monies and / or security deposits, payment against warrants or other entitlements, as may be lying with them;

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(iv) **"Applicable Law(s)"** means any statute, notification, by-laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, directives, notices, orders or instructions enacted or issued or sanctioned by any appropriate authority, including any modification or re-enactment thereof for the time being in force;

(v) **"Appointed Date"** means the opening of business hours on March 1, 2021 or such other date as may be approved by the Hon'ble NCLT (Chandigarh Bench);

(vi) **"Board"** or **"Board of Directors"** in relation to the Transferor Company and/or the Transferee Company, as the case may be, shall mean their respective board of directors, and unless it be repugnant to the context or otherwise, shall include any committee of directors or any person authorized by the board of directors or by such committee of directors;

(vii) **"Companies"** means collectively, the Transferor Company and the Transferee Company;

(viii) **"Court"** means Chandigarh Bench of Hon'ble National Company Law Tribunal (**"NCLT"**) or such other court, forum or authority as may be vested with any of the powers of the NCLT under the Act;

(ix) **"Effective Date"** means the last of the date on which the certified copy of the Order of the Hon'ble NCLT of Chandigarh is filed with the Registrar of Companies, by the Transferor Company and Transferee Company. Any references in the Scheme to **"upon the Scheme becoming effective"** or **"effectiveness of the Scheme"** shall mean and refer to the Effective Date;

(x) **"Government"** or **"Governmental Authority"** means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof.

(xi) **"GST"** means goods and services tax.

(xii) **"IT Act"** means the Indian Income Tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;

(xiii) **"Registrar of Companies"** or **"RoC"** means the Registrar of Companies, NCT of Delhi and Haryana at New Delhi and/or such other Registrar of Companies having jurisdiction over any of the Companies;

(xiv) **"Scheme of Amalgamation"** or **"Scheme"** shall mean this Scheme of Amalgamation in its present form (along with any annexures, schedules, etc, attached hereto), with such modifications and amendments as may be made from time to time with appropriate approvals and sanctions from the Court and the regulatory authorities as may be required under the Act and under all Applicable Laws;

(xv) **"TCS"** means Tax Collected at Source.

(xvi) **"TDS"** means Tax Deducted at Source.

1.5.2 The expressions, which are used in the Scheme and not defined therein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income Tax Act, 1961 and other applicable laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the NCLT / Court in the Scheme, the reference would include, if appropriate, reference to the NCLT or such other forum or authority, as may be vested with any of the powers of a relevant NCLT under Sections 230 to 232 of the Act and / or any other applicable provisions of the Act.

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1.6 COMPLIANCE WITH TAX LAWS

(i) This Scheme is presented and drawn up to comply with the provisions / requirements of Sections 230 to 232 and other applicable provisions of the Act, for the purpose of amalgamation of the Amalgamating Company into and with the Amalgamated Company; and other actions incidental or connected therewith, amongst the Companies and / or their respective shareholders and creditors.

(ii) This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under the tax laws including Section 2(1B) of the IT Act, which include the following:

a) all the properties of the Amalgamating Company immediately before the amalgamation shall become the property of the Amalgamated Company by virtue of the amalgamation;

b) all the liabilities of the Amalgamating Company immediately before the amalgamation shall become the liabilities of the Amalgamated Company by virtue of the amalgamation;

otherwise than as a result of the acquisition of the property of one company by another company pursuant to the purchase of such property by the other company or as a result of the distribution of such property to the other company after the winding up of the first-mentioned company;

and shall also comply with the other relevant sections (including Sections 47 and 72A) of the IT Act.

(iii) If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date whether as a result of a new enactment or any amendment to any existing enactment or the coming into force of any provision of the IT Act or any other law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail and this Scheme (including any parts hereof) may be modified to comply with such laws or may be withdrawn at the discretion of the Board of Directors of the affected Companies. Further, such modification/withdrawal will not affect other Parts of the Scheme which have not been so modified or withdrawn.

(iv) The Companies undertake to comply with all Applicable Laws, including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the Central Government, or any other statutory or regulatory authority, which by Applicable Law may be required for the implementation of this Scheme.

PART II

2. CAPITAL STRUCTURE

2.1. AMALGAMATED COMPANY

The capital structure of the Amalgamated Company, as of February 28, 2021, is as under:

Particulars	Amount in Rupees
Authorised:	
3,00,00,000 equity shares of Rs. 10/- each	30,00,00,000
Total	30,00,00,000
Issued, Subscribed and Paid-up:	
1,40,61,667 equity shares of Rs. 10/- each fully paid up	14,06,16,670
Total	14,06,16,670

Post February 28, 2021 and till the date of the Scheme being approved by the Board of Directors of the Amalgamated Company, the Amalgamated Company has not issued any fresh equity or preference shares or other convertible securities and hence as on the date

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of this Scheme being approved by the Board, there is no change in the authorized, issued, subscribed and paid up share capital of the Amalgamated Company.

2.2. **AMALGAMATING COMPANY**

2.2.1. The Capital structure of the Amalgamating Company, as of February 28, 2021, is as under:

Particulars	Amount in Rupees
Authorised:	
2,50,00,000 equity shares of Rs. 10/- each	25,00,00,000
1,00,00,000 preference shares of Rs. 10/- each	10,00,00,000
Total	**35,00,00,000**
Issued, Subscribed and Paid-up:	
2,33,74,818 equity shares of Rs. 10/- each fully paid up	23,37,48,180
97,83,518 preference shares of Rs. 10/- each	9,78,35,180
Total	**33,15,83,360**

2.2.2. The Amalgamating Company, as of February 28, 2021 also has outstanding fully convertible debentures, as provided under:

Particulars	Amount in Rupees
Fully Convertible Debentures:	
13,40,000 fully convertible debentures of Rs. 100/- each fully paid up	13,40,00,000

2.2.3. Post February 28, 2021 and till the date of the Scheme being approved by the Board of Directors of the Amalgamating Company, the Amalgamating Company has not issued any fresh equity or preference shares or any other convertible security and hence as on the date of this Scheme being approved by the Board, there is no change in the authorized, issued, subscribed and paid up share capital of the Amalgamating Company.

PART III

AMALGAMATION OF AMALGAMATING COMPANY INTO AND WITH THE AMALGAMATED COMPANY

3. **TRANSFER AND VESTING OF AMALGAMATING COMPANY**

3.1. Subject to the provisions of Part III, Part IV and Part V of this Scheme in relation to modalities of the amalgamation, upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, the Amalgamating Company along with all its assets and liabilities and its entire business together with all its properties, rights, benefits and interests therein, shall by virtue of this Part III of the Scheme stand amalgamated with, transferred to and vested in the Amalgamated Company, and shall become the assets, liabilities, rights, obligations, business and undertakings of the Amalgamated Company, subject to the existing encumbrances thereon in favour of banks and financial institutions, if any (unless otherwise agreed to by such encumbrance holders) without any further act, instrument or deed being required from the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party, in accordance with Sections 230 to 232 of the Act read with Section 2(1B) of the IT Act and all other applicable provisions of law if any, in accordance with the provisions contained herein.

3.2. Without prejudice to the generality of the above and to the extent applicable, the Amalgamating Company shall stand amalgamated with the Amalgamated Company in the manner described in the sub-paragraphs below, subject to the existing encumbrances in favour of banks and financial institutions, if any (unless otherwise agreed to by such encumbrance holders or otherwise stated herein), upon this Scheme becoming effective on the Effective Date, and with effect from the Appointed Date:

(i) All assets (including investments) of the Amalgamating Company, that are movable in nature or incorporeal or intangible in nature or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by transfer or by delivery instructions in relation to dematerialized shares or by vesting and recordal pursuant to the Scheme, including plant,

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machinery and equipment, shall stand transferred to and vested in and / or be deemed to be transferred to and vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company, without any further act, instrument or deed required from the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party. The transfer and vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by delivery instructions in relation to dematerialized shares or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being transferred and vested and the title to such property shall be deemed to have been transferred and vested accordingly.

(ii) All other movable properties of the Amalgamating Company (except those specified elsewhere in this Clause), including cash and cash equivalents, investments in shares and any other securities, sundry debts and receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any person or body including without limitation, any government, semi-Government, local and other authorities and bodies corporate, customers and other persons, shall without any further act, instrument or deed required from the Amalgamating Company and/ or the Amalgamated Company and without any approval or acknowledgement of any third party, become the property of the Amalgamated Company, [and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. No stamp duty is payable on the transfer of such movable properties, being vested in the Amalgamated Company].

(iii) All immovable properties (as detailed in ***Schedule 1 (Details of the Immovable Properties)*** of this Scheme), including all land together with all the buildings and structures standing thereon and all rights and interests in immovable properties of the Amalgamating Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred and be vested in and transferred to and / or be deemed to have been transferred to and vested in the Amalgamated Company, without any further act, instrument or deed done or being required to be done by the Amalgamating Company and / or the Amalgamated Company and without any approval or acknowledgement of any third party. Upon the Scheme becoming effective on the Effective Date, the Amalgamated Company shall be entitled to and exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay all rent and taxes and fulfill all obligations in relation to or applicable to such immovable properties of the Amalgamating Company. The Amalgamated Company shall be entitled to seek mutation / substitution of title in its name in such immovable properties, for the purposes of information and record and such mutation / substitution of the title to and interest in such immovable properties shall be made and duly recorded in the name of the Amalgamated Company, by the appropriate authorities pursuant to the sanction of the Scheme by the Court and the Scheme becoming effective on the Effective Date in accordance with the terms hereof. However, it is hereby clarified that the absence of any such mutation / substitution shall not adversely affect the rights, title or interest of the Amalgamated Company in such immovable properties which shall be deemed to have been transferred to the Amalgamated Company automatically upon the Scheme becoming effective on the Effective Date. Further, all incorporeal or intangible property of or in relation to the Amalgamating Company shall stand transferred to and vested in the Amalgamated Company, and shall become the property and an integral part of the Amalgamated Company without any further act, instrument or deed required from the Amalgamating Company and/ or the Amalgamated Company and without any approval or acknowledgement of any third party.

(iv) All investments of the Amalgamated Company in the Amalgamating Company shall stand cancelled upon the Scheme becoming effective on the Effective Date as the Amalgamating Company shall stand dissolved without being wound up upon the Scheme becoming effective.

(v) All debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts of the Amalgamating Company or disclosed in the balance sheets of the Amalgamating

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Company shall become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company without any further act, instrument or deed being required from the Amalgamating Company and / or the Amalgamated Company and without any approval or acknowledgement of any third party. The Amalgamated Company undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause. However, the Amalgamated Company shall, if required, file appropriate forms with the RoC accompanied by the sanction order of the Court or a certified copy thereof and execute necessary deeds or documents in relation to creation / satisfaction / modification of charges to the satisfaction of the lenders, pursuant to this Scheme becoming effective in accordance with the terms hereof. The Amalgamated Company shall be entitled to take the benefit of all duties and charges already paid by the Amalgamating Company for the creation / modification of any such security interest. Where any of the loans, liabilities and obligations have been discharged by the Amalgamating Company after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been done by the Amalgamating Company for and on behalf of the Amalgamated Company.

However, any loans, advances, trade receivables and other obligations due from, or any guarantees or similar obligations undertaken on behalf of the Amalgamating Company to and/ or by the Amalgamated Company or *vice versa*, if any, and all contracts between the Amalgamating Company with the Amalgamated Company shall stand automatically cancelled and terminated and shall be of no effect, without any further act, instrument or deed being required from the Amalgamating Company and/ or the Amalgamated Company and without any approval or acknowledgement of any third party. No further taxes, fees, duties or charges shall be required to be paid by the Amalgamated Company on account of such cancellation or termination.

(vi) All statutory or regulatory licenses and permits including without limitation, all such licenses and permits, grants, allotments, recommendations, no-objection certificates, permissions, registrations, approvals, certificates, consents, quotas, exemptions, clearances, tenancies, privileges, powers, offices, facilities, entitlements or rights (including licenses issued by the DGFT under EPCG Scheme, Advance Authorization Scheme, Focused Products Scheme, Focused Marketing Scheme, Duty Drawback Scheme and other schemes or approvals of a like nature issued by the DGFT, including those set out in **Schedule 2**) granted / available / renewed / applied for, to or by the Amalgamating Company shall stand transferred to and vested in the Amalgamated Company, without any further act, instrument or deed being required by the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party. Upon the Scheme coming into effect on the Effective Date, the Amalgamated Company shall be entitled to all the benefits thereof, and shall be liable for all the obligations thereunder. In relation to the same, any procedural requirements required to be fulfilled solely by the Amalgamating Company (and not by any of their successors), shall be fulfilled by the Amalgamated Company as if it is the duly constituted attorney of the Amalgamating Company. It is hereby clarified that if the consent or approval (by whatever name called) of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall duly record provide such consent or approval and shall make the necessary substitution / endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the Court, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company may file appropriate applications / documents with relevant authorities concerned for information and record purposes. However, it is hereby clarified that the absence of any such substitution / endorsement shall not adversely affect the rights, benefits or interest of the Amalgamated Company which shall be deemed to have been transferred to the Amalgamated Company automatically upon the Scheme becoming effective on the Effective Date.

(vii) All letters of intent, memoranda of understanding, memoranda of agreements, tenders, bids, letters of award, expressions of interest, experience and/or performance statements, contracts, deeds, bonds, agreements, guarantees and

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indemnities, schemes, arrangements, undertakings and other instruments of every nature and description including without limitation, those relating to tenancies, privileges, powers and facilities of every kind and description, to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible or under which the Amalgamating Company is an obligor (except to the extent provided in this Clause) and which are subsisting or having effect immediately prior to the Scheme coming into effect on the Effective Date, shall be and shall remain in full force and effect against or in favour of the Amalgamated Company and may be enforced by or against it as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee or obligor thereto, without any further act, instrument or deed being required from the Amalgamating Company and / or the Amalgamated Company and without any approval or acknowledgement of any third party

(viii) All workmen and employees of the Amalgamating Company, who are on its payrolls and all respective other personnel employed by the Amalgamating Company shall become employed by the Amalgamated Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company,, without any interruption of service as a result of this Amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company, upon the Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to the funds maintained by the Amalgamating Company, in accordance with the provisions of applicable laws and in terms of the Scheme. It is hereby clarified that upon the Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Amalgamating Company for such purpose shall be treated as having been continuous. Further, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Amalgamating Company in relation to such schemes or funds shall become those of the Amalgamated Company. It is clarified that the services of all personnel employed by the Amalgamating Company who are entitled to the benefits under such schemes and funds, will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds.

(ix) The Amalgamated Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any labour unions/employees by the Amalgamating Company. The Amalgamated Company agrees that for the purpose of payment of any future retrenchment compensation, gratuity and other terminal benefits, the past services of such employees, if any, with the Amalgamating Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable. Further, upon the Scheme coming into effect on the Effective Date, any prosecution or disciplinary action initiated, pending or contemplated against and any penalty imposed in this regard on any employee by the Amalgamating Company shall be continued or shall continue to operate against the relevant employee and shall be enforced effectively by the Amalgamated Company.

(x) All rights, entitlements, licenses, applications and registrations relating to trademarks (including trademark having application / registration number 1775027 dated January 16, 2019), service marks, copyrights, domain names, brand name, logos, patents and other intellectual property rights of every kind and description, including without limitations, all rights whether registered, unregistered or pending registration, and the goodwill arising therefrom, if any, to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible or entitled, shall stand transferred to and vested in the Amalgamated Company, and shall become the rights, entitlement or property of the Amalgamated Company and shall be enforceable by or against the Amalgamated Company, as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto or the holder or owner thereof, without any further act, instrument or deed required by either of the Amalgamating Company or the

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Amalgamated Company and without any approval or acknowledgement of any third party.

(xi) All taxes and duties of whatsoever description (including but not limited all carry forward tax losses comprising of unabsorbed depreciation, advance tax payments, TDS, TCS, MAT, securities transaction tax, taxes withheld/paid in a foreign country, customs duty, entry tax, value added tax, GST, sales tax, service tax etc.) payable by or refundable to the Amalgamating Company, including all or any refunds or claims shall be treated as the tax liability or refunds / claims, as the case may be, of the Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Amalgamating Company, shall pursuant to this Scheme becoming effective, be available to the Amalgamated Company without any further act, instrument or deed required by either of the Amalgamating Company or the Amalgamated Company and without any approval or acknowledgement of any third party but in the manner more particularly set out herein below. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all existing and future incentives, un-availed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT), excise (including Modvat / Cenvat), customs, value added tax, sales tax, service tax to which the Amalgamating Company is entitled shall be available to and shall stand transferred and vested in the Amalgamated Company without any further act, instrument or deed required by either the Amalgamated Company or the Amalgamating Company and without any approval or acknowledgement of any third party. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, any tax deducted at source deducted by or on behalf of the Amalgamating Company until the Effective Date shall be deemed to have been deducted on behalf of the Amalgamated Company.

(xii) Benefits of any and all corporate approvals as may have already been taken by the Amalgamating Company, whether being in the nature of compliances or otherwise, including without limitation, approvals under Sections 179, 180, 181, 185 and 186 or any other sections of the Act as and to the extent applicable and any other applicable provisions of the Act, read with the rules and regulations made thereunder, shall stand transferred to the Amalgamated Company, as the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Amalgamated Company.

(xiii) All estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Company shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 230 to 232 of the Act and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Amalgamated Company.

(xiv) All books, record files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, designs, catalogues, quotations, websites, cloud storage, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records whether in physical form or electronic form or in any other form in connection with or relating to the Amalgamating Company shall be deemed to have been transferred to or acquired for and on behalf of the Amalgamated Company and shall, upon this Scheme coming into effect, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Amalgamated Company.

(xv) The Amalgamated Company shall be entitled to the benefit of all insurance policies (if any) which have been issued in respect of the Amalgamating Company and / or any of its assets or employees and the name of the Amalgamated Company shall stand substituted as the "Insured" in all such policies as if the Amalgamated Company was originally a party thereto without any further act, instrument or deed required by either of the Amalgamating Company or the Amalgamated Company and without any approval or

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acknowledgement of any third party. Further, the Amalgamated Company shall be entitled to the benefit of all claims filed, prosecuted, proposed to be filed, pending and / or adjudicated in relation to all insurance policies issued in respect of Amalgamating Company and/or any of its assets or employees.

(xvi) The Amalgamated Company shall bear the burden and the benefits of any legal, tax, quasi-judicial, administrative, regulatory or other proceedings initiated by or against the Amalgamating Company. If any suit, appeal or other proceeding of whatsoever nature by or against the Amalgamated Company shall be pending as on the Effective Date, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the merger of such Amalgamating Company and transfer and vesting of the same in the Amalgamated Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Amalgamated Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Amalgamating Company as if this Scheme had not been made effective. Upon the Scheme becoming effective, the Amalgamated Company undertakes to have such legal or other proceedings initiated by or against the Amalgamating Company transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company to the exclusion of the Amalgamating Company. The Amalgamated Company also undertakes to handle all legal or other proceedings which may be initiated against the Amalgamating Company after the Effective Date in its own name and account and further undertakes to pay all amounts including interest, penalties, damages etc., pursuant to such legal / other proceedings.

3.4. Upon the Scheme coming into effect on the Effective Date with effect from the Appointed Date, the Amalgamated Company shall be entitled to the benefit of the past experience, accreditation and / or performance of the Amalgamating Company for all purposes without any further act, instrument or deed required by either of the Amalgamating Company or the Amalgamated Company and without any approval or acknowledgement being required from any third party. If any instrument or deed or document is required or deemed necessary or expedient to give effect to the provisions of this clause by the Amalgamated Company, the Amalgamated Company shall, under the provisions of the Scheme, be deemed to be duly authorized to execute all such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on behalf of the Amalgamating Company.

4. <u>CONDUCT OF AFFAIRS UNTIL THE EFFECTIVE DATE</u>

4.1 With effect from the Appointed Date and upto and including the Effective Date:

(i) the Amalgamating Company undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Amalgamated Company;

(ii) all profits or income accruing or arising to the Amalgamating Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, tax collected at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld / paid in a foreign country, customs duty, entry tax, value added tax, goods and services tax, sales tax, service tax etc.) or losses arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Amalgamated Company;

(iii) The Amalgamating Company shall carry on its business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties / assets, except—

(a) when the same is expressly provided in the Scheme; or

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(b) when the same is in the ordinary course of business as carried on by Amalgamating Company, as on the date of filing of the Scheme in the Court; or

(c) when written consent of the Amalgamated Company has been obtained in this regard or the transaction is with the Amalgamated Company itself,

(iv) all profits accruing to the Amalgamating Company and all taxes thereon or losses arising in or incurred by them with respect to its businesses shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company;

(v) For the purpose of giving effect to the Amalgamation order passed under Sections 230 to 232 of the Act and other applicable provisions of the Act in respect of the Scheme by the Court, the Amalgamated Company shall, at any time pursuant to the orders on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the Amalgamation of the Amalgamating Company, in accordance with the provisions of Sections 230 to 232 of the Act and / or any other applicable provisions of the Act. The Amalgamated Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of the Scheme; and

(vi) Upon the Scheme becoming effective the Amalgamated Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Amalgamating Company with effect from the Appointed Date, in order to give effect to the foregoing provisions.

4.2 The Amalgamated Company shall also be entitled, pending the sanction of this Scheme, to apply to the Central Government, State Government, and all other agencies, departments, statutory authorities and other Governmental Authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Amalgamated Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required / granted under any Applicable Laws for time being in force for carrying on business of the Amalgamating Company.

5. TREATMENT OF TAXES

5.1. Upon this Scheme becoming effective from the Effective Date, any surplus in the provision for taxation / duties / levies account including but not limited to the advance tax, TCS, TDS, and MAT credit, CENVAT credit, GST, as on the date immediately preceding the Appointed Date will also be transferred from the Amalgamating Company to the Amalgamated Company. Any refund under the IT Act or other Applicable Laws dealing with taxes / duties / levies, including GST, allocable or related to the business of Amalgamating Company or due to the Amalgamating Company, consequent to the assessment made in respect of the Amalgamating Company, for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by Amalgamated Company and shall be deemed to have been on account of or paid by the Amalgamated Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the passing of the orders on this Scheme by the Court upon relevant proof and documents being provided to the said authorities.

5.2. Upon this Scheme becoming effective from the Effective Date, and with effect from the Appointed Dated, without prejudice to the generality of the above, deductions, benefits, right to carry forward and set off accumulated losses and unabsorbed depreciation, and credits (including but not limited to MAT / CENVAT credits etc.) under the IT Act, Goods and Service Tax, Service Tax, any Central Government / State Government incentive schemes etc., to which the Amalgamating Company are / would be entitled to in terms of the Applicable Laws of the Union and State Government as well as any foreign jurisdictions, shall be available to and vest in the Amalgamated Company.

5.3. Upon this Scheme becoming effective from the Effective Date, the tax payments (including without limitation income tax, Goods and Services Tax, tax on distribution of dividends, excise duty, central sales tax, applicable state value added tax or any other taxes as may be applicable from time to time) whether by way of tax deducted at source by the customers, advance tax or otherwise howsoever, by the Amalgamating Company

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after the Appointed Date, shall be deemed to be paid by the Amalgamated Company and the Amalgamated Company shall be entitled to claim credit for such taxes / duties paid against its tax / duty liabilities, notwithstanding that the certificates / challans or other documents for payment of such taxes/duties are in the name of Amalgamating Company, as the case may be.

5.4. Upon the Scheme becoming effective from the Effective Date, with effect from the Appointed Date, the Amalgamating Company and the Amalgamated Company are expressly permitted to prepare and/or revise, as the case may be, their financial statements and statutory / tax returns along with the prescribed forms, filings and annexures under the IT Act, central sales tax, applicable state value added tax, GST and other tax laws, if required, to give effect to provisions of the Scheme.

5.5. Upon the Scheme becoming effective from the Effective Date, with effect from the Appointed Date, all inter-party transactions between Amalgamating Company and the Amalgamated Company shall be considered as intra-party transactions for all purposes (including for tax compliances, credits/refunds as the case may be).

5.6. Obligation for deduction of tax at source on any payment made by or to be made by the Amalgamating Company shall be made or deemed to have been made and duly complied, with by the Amalgamated Company. Further, any TDS by the Amalgamating Company / Amalgamated Company on transactions with the Amalgamating Company / Amalgamated Company, if any (from the Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Amalgamated Company and shall, in all proceedings be dealt with accordingly.

5.7. With effect from the Effective Date of this Scheme, all tax compliances under any tax laws by the Amalgamating Company on or after the Appointed Date shall be deemed to be made by the Amalgamated Company.

5.8. All tax assessment proceedings and appeals of whatsoever nature by or against the Amalgamating Company, pending or arising as at the Effective Date, shall be continued and/enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way discontinued nor be in any way prejudicially affected by the reason of the amalgamation of the Amalgamating Company with the Amalgamated Company or anything contained in this scheme.

5.9. All the expenses incurred by the Amalgamating Company and the Amalgamated Company in relation to the amalgamation of the Amalgamating Company with the Amalgamated Company as per this Scheme, including stamp duty expenses and / or transfer charges, if any, shall be allowed as deduction to Amalgamated Company in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which the Scheme becomes effective.

5.10. With effect from the Appointed Date, all the deduction otherwise admissible to Amalgamating Company including payment admissible on actual payment or on deduction of appropriate taxes or on payment of TDS (like Section 43B, Section 40, Section 40A etc. of the IT Act, 1961) will be eligible for deduction to Amalgamated Company upon fulfilment of required conditions under the IT Act, 1961

5.11. The amalgamation under this Scheme is in compliance with the IT Act, specifically Section 2(1B) and other relevant provisions. If any of the terms of this Scheme are inconsistent with the provisions of Sections 2(1B) of the IT Act, the provisions of Sections2(1B) of the IT Act shall to the extent of such inconsistency, prevail and the Scheme shall, stand and be deemed to be modified to that extent to comply with the said provisions and such modifications shall not affect the other parts of the Scheme.

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6. CONDUCT OF AFFAIRS AFTER THE EFFECTIVE DATE

6.1. The Amalgamated Company, shall, at any time after this Scheme becomes effective on the Effective Date, in accordance with the provisions hereof, if so required under any law, contract or otherwise, be entitled to do and take all such actions as may be required to give full effect to the provisions of this Scheme and for this purpose the Amalgamated Company shall, under the provisions hereof, be deemed to be authorised on behalf of the Amalgamating Company. Without prejudice to the generality of the above, the Amalgamating Company shall be entitled and deemed to be authorised to:-

(i) execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement (including without limitation any bank guarantee, performance guarantee, fixed deposit, letters of credit, bill of entry etc.) in relation to which the Amalgamating Company have been a party or to the benefit of which the Amalgamating Company may have been entitled, and to make any filings with the regulatory authorities, in order to give formal effect to the provisions of the Scheme;

(ii) do all such acts or things as may be necessary to effectually transfer / obtain the approvals, consents, bids, awards, tenders, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates etc which were held or enjoyed by the Amalgamated Company including without limitation, execute all necessary or desirable writings and confirmations on behalf of the Amalgamated Company and to carry out and perform all such acts, formalities and compliances as may be required in this regard.

6.2. The provisions of this clause shall operate notwithstanding anything to the contrary contained in any deed or writing or certificate or license or the terms of sanction or issue or any security, all of which instruments and documents shall stand modified and/or superseded by the foregoing provisions.

7. SAVING OF CONCLUDED TRANSACTIONS

Except as expressly provided hereunder including in Clause 5.4 and Clause 5.5, the transfer of properties and liabilities to, and the continuance of proceedings by or against, the Amalgamated Company as envisaged in this Scheme shall not affect any transaction or proceedings already concluded by the Amalgamated Company on or before the Appointed Date and after the Appointed Date and until the Effective Date, and to such end and intent the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company in respect thereto as done and executed on behalf of itself.

8. DISCHARGE OF CONSIDERATION

8.1. Since, the Amalgamating Company is wholly owned subsidiary of the Amalgamated Company i.e., the entire paid up share capital of the Amalgamating Company is being beneficially held by the Amalgamated Company, no new shares of the Amalgamated Company shall be issued and allotted in respect of shares held by the Amalgamated Company in the Amalgamating Company. Upon the Scheme becoming effective, the entire paid up share capital of the Amalgamating Company shall be cancelled and extinguished without any further act, deed or instrument as an integral part of this Scheme.

8.2. The Board of Directors (including any committee thereof) of Amalgamated Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme.

PART IV

REORGANISATION OF CAPITAL, ACCOUNTING TREATMENT, DISSOLUTION OF AMALGAMATING COMPANY

9. CHANGE IN AUTHORISED CAPITAL

9.1. Upon the Scheme becoming effective on the Effective Date, the authorized share capital of the Amalgamating Company shall stand transferred to and be merged with the

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authorized share capital of the Amalgamated Company, without any liability for payment of any additional fees or stamp duty.

9.2. Upon the Scheme coming into effect on the Effective Date, (and consequent to consolidation of the existing authorized share capital of the Amalgamating Company in accordance with Clause 9.1 above), the authorized share capital of the Amalgamating Company of Rs. 30,00,00,000 (Rupees Thirty Crores Only) (divided into 3,00,00,000 equity shares of Rs. 10 each), (2,50,00,000 equity shares of Rs. 10 each and 1,00,00,000 preference shares of Rs. 10 each), shall merge into and with the authorized share capital of the Amalgamated Company and the authorized share capital of the Amalgamated Company shall be reclassified and divided into 6,50,00,000 equity shares of Rs. 10 each aggregating to Rs. 65,00,00,000 (Rupees Sixty Five Crores). Accordingly, Clause V of the memorandum of association of the Amalgamated Company shall stand modified and be substituted by the following:

"The Authorised share capital of the Company is Rs. 65,00,00,000 (Rupees Sixty Five Crores only) divided into 6,50,00,000 (Six Crore Fifty Lakh) equity shares of Rs. 10 each."

9.3. It is hereby clarified that for the purposes of this clause, the consent of the shareholders of the Amalgamating Company and the Amalgamated Company to the Scheme shall be deemed to be sufficient for purposes of effecting this amendment and that no further resolution under Sections 13, Section 61, Section 62 of the Act or any other applicable provisions of the Act, would be required to be separately passed, nor any additional registration fee, stamp duty, etc, shall be payable by the Amalgamated Company.

10. ACCOUNTING TREATMENT

10.1. The Amalgamated Company, subject to the provisions of this Scheme, shall follow the method of accounting as prescribed for the "Pooling of Interest Method" under the Indian Accounting Standard 103 – 'Business Combination' notified under Section 133 of the Act read with relevant rules issued thereunder and other applicable accounting standards prescribed under the Act.

10.2. The Amalgamated Company shall, upon the Scheme becoming effective record the assets and liabilities (including reserves) of the Amalgamating Company at their respective carrying values and in the same form as appearing in its books of accounts on the Appointed Date.

10.3. The balance of the earnings in the books of Amalgamating Company as on the Appointed Date shall be aggregated with the corresponding balance of earnings of the Amalgamated Company. The identity of the reserves shall be preserved and shall appear in the financial statements of the Amalgamated Company in the same form in which they appeared in the financial statements of the Amalgamating Company. As a result of preserving the identity, reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend after the business combination.

10.4. As stated in Clause 8.1 above, no new shares will be issued or allotted by the Amalgamated Company pursuant to this Scheme and the investment in the shares of the Amalgamating Company appearing, inter-alia, in the books of account of the Amalgamated Company shall stand cancelled.

10.5. All inter-company balances between the Amalgamating Company and Amalgamated Company, if any, shall stand cancelled.

10.6. Upon this Scheme becoming effective, all the inter-company investments between the Amalgamating Company and Amalgamated Company shall stand cancelled without any further application, act, instrument or deed.

10.7. The difference between the amount of investment in the equity shares, preference shares and/ or the fully convertible debentures of the Amalgamating Company appearing in the books of account of the Amalgamated Company and the amount of issued, subscribed and paid-up share capital standing credited in the book of account of the Amalgamating Company shall, subject to provisions contained in applicable Accounting Standards prescribed under the Act, be transferred to capital reserve in the books of account of the Amalgamated Company. In case of excess of difference between investment in equity shares of the Amalgamating Company and paid-up share capital of the Amalgamating

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Company, the difference shall be adjusted against general reserves of the Amalgamated Company.

10.8. In case of any differences in accounting policies between the Amalgamated Company and the Amalgamating Company, the accounting policies followed by the Amalgamated Company will prevail and impact of the same till the Appointed Date will be quantified and the same shall be appropriately adjusted and reported in accordance with applicable accounting rules and principles, so as to ensure that the financial statements of Amalgamated Company reflect the financial position on the basis of consistent accounting policies.

10.9. Notwithstanding the above, the Amalgamated Company through its Board of Directors (in consultation with the Auditors), if so required, shall make relevant accounting treatment as may be permissible under applicable laws.

11. **DISSOLUTION OF AMALGAMATING COMPANY**

Upon this Scheme becoming effective on the Effective Date, the Amalgamating Company shall stand automatically dissolved as an integral part of this Scheme, without being liquidated or wound-up and without requiring any further act, instrument or deed. from the Amalgamating Company and / or the Amalgamated Company.

PART V

12. **GENERAL TERMS AND CONDITIONS**

12.1. Upon this Scheme becoming effective on the Effective Date, the accounts of the Amalgamated Company as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.

12.2. Upon the sanction of the Scheme and after the Scheme has become effective on the Effective Date, with effect from the Appointed Date, the Amalgamation of the Amalgamating Company with the Amalgamated Company shall be deemed to have occurred in compliance with Section 2(1B) of the IT Act, in accordance with the Scheme.

12.3. The Amalgamated Company shall be entitled to revise its income tax returns, TDS Certificates, TDS returns, and other statutory returns as may be required under respective statutes pertaining to indirect taxes, such as goods and services tax, sales-tax, value added tax, excise duties, etc, and shall have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the IT Act, credit of tax deducted at source, credit of foreign taxes paid / withheld etc, if any, as may be required consequent to implementation of the Scheme.

12.4. **APPLICATIONS TO THE COURT**

(a) The Amalgamated Company and the Amalgamating Company, with all reasonable dispatch, shall make a joint application to the Court, under Sections 230 to 232 of the Act and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and / or conducting of the meetings of the classes of their respective members and / or creditors and for sanctioning the Scheme with such modifications, as may be approved/ required by the Court.

(b) Upon the Scheme being approved by the requisite majority of the shareholders and creditors (wherever required) of the Amalgamated Company and by the shareholders and creditors (wherever required) of the Amalgamating Company, the Amalgamated Company and the Amalgamating Company shall, with all reasonable dispatch, file a joint petition before the Court for sanction of the Scheme under Sections 230 to 232 of the Act and other applicable provisions of the Act, and for such other order or orders, as the Court may deem fit for bringing this Scheme into effect. Upon the Scheme becoming effective, the members of both the Amalgamated Company and the Amalgamating Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in the Scheme.

12.5. The Scheme is conditional upon and subject to the following:

(a) the Scheme being approved by the requisite majorities of the various classes of members and creditors of the Amalgamated Company and Amalgamating

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Company as required under Applicable Laws and as may be directed by the Court or any other authority as may be prescribed or notified;

(b) the sanction of the Scheme by Court;

(c) such other sanctions and approvals including sanctions of any Governmental Authority or regulatory authority as may be required by law or contract for effectiveness of the Scheme, being obtained; and

(d) the certified copies of the orders of the Court referred to in this Scheme being filed with the RoC by the Amalgamated Company and the Amalgamating Company. The Scheme shall become effective on last of the dates on which Amalgamated Company and the Amalgamating Company file a certified copy of the order of the Court sanctioning the Scheme with the relevant RoC. Such date shall be known as the "Effective Date".

12.6. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

(a) The Amalgamated Company and the Amalgamating Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to the Scheme, which the Court and / or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and / or carrying out the Scheme. The Amalgamated Company and the Amalgamating Company (acting through its respective Boards of Directors) be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to the Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the Court or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of the Scheme and/or any matters concerning or connected therewith.

(b) The Amalgamated Company and the Amalgamating Company, (acting through their respective Boards of Directors) shall be at liberty to withdraw from the Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them or otherwise.

(c) If any part of the Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part. Requisite powers to decide could be given to the Board of the Amalgamated Company, or the Board of the Amalgamating Company.

12.7. CANCELLATION OF INTER-SE TRANSACTIONS

Upon this Scheme becoming effective on the Effective Date, all loans, advances, trade receivables and other obligations or liabilities due from the Amalgamating Company to the Amalgamated Company or *vice versa*, if any, and all contracts, arrangements and transactions, of any nature whatsoever, between the Amalgamating Company and the Amalgamated Company (other than this Scheme) shall stand automatically cancelled and terminated and shall be of no effect, without any further act, instrument or deed being required from the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party. No further taxes, fees, duties or charges shall be required to be paid by the Amalgamated Company on account of such cancellation or termination.

12.8. COSTS

All costs, charges, taxes including stamp duty, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Company arising out of or incurred in connection with implementing this Scheme and matters incidental thereto shall be borne by the Amalgamated Company. The Amalgamated Company shall be solely responsible for the payment of any stamp duty payable on this Scheme.

JINDAL STAINLESS STEELWAY LTD.

Steelitalia

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12.9. In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Company, and / or their respective shareholders and/or creditors, and the terms and conditions of the Scheme, the latter shall prevail.

12.10. **SAVING OF CONCLUDED TRANSACTIONS**

The transfer of properties and liabilities to, and the continuance of proceedings by or against the Amalgamated Company shall not affect any transaction or proceedings already concluded by the Amalgamating Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company in respect thereto as done and executed on behalf of itself.

JINDAL STAINLESS STEELWAY LIMITED

J.S.S. Steelitalia Limited

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SCHEDULE 1

DETAILS OF IMMOVABLE PROPERTIES OF THE AMALGAMATING COMPANY TO BE TRANSFERRED TO THE AMALGAMATED COMPANY

S. No.	Location	Description of Property	Leasehold or Freehold
1.	Gurgaon	Sale Deed, No.22098 dated 21.01.2009, registered with Sub Registrar, Gurgaon. Property situated at in the revenue estate village Pathredi, Tehsil & District Gurgaon, Haryana (India). Land admeasuring 20 Kanal 7 Marla. bearing Khewat/Khata No.12/21, Rectangle No.40 Killa No.25 (4-7), Rectangle No.53 Killa No.5/1/1(2-9), Khewat/Khata No.13/22, Rectangle No.53 Killa No.5/1/2(3-2), Khewat/Khata No.95/125, Rectangle No.53 Killa No.6(8-0), & Khewat/Khata No.121/160, Rectangle No.53 Killa No.5/2 (2-9)	Freehold
2.	Chennai	Land admeasuring 4.48 Acre vide Sale Deed Document No. 1973 dated 6 April 2010 at Survey No. 2 Part of No. 19 Chinna Puliyur Village, Gummidipondi Taluk, Thiruvallur District, Chennai, Tamil Nadu (India)	Freehold

JINDAL STAINLESS STEELWAY LIMITED

J.S.S. Steelitalia Limited

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SCHEDULE 2
DETAILS OF EPCG LICENSES OF THE AMALGAMATING COMPANY

The following licenses have been issued in favour of the Amalgamating Company:

1. License No. 0530145944 dated April 07, 2008 from File No. 05/34/021/01397/AM08 dated March 26, 2008 issued by the Additional Director General of Foreign Trade, Ministry of Commerce and Industry, New Delhi.

2. License No. 0530159482 dated October 12, 2012 from File No. 05/34/021/00870/AM13 dated October 12, 2012 issued by the Additional Director General of Foreign Trade, Ministry of Commerce and Industry, New Delhi.

3. License No. 0530160707 dated April 15, 2013 from File No. 05/34/021/00034/AM14 dated April 11, 2013 issued by Additional Director General of Foreign Trade, Ministry of Commerces and Industry, New Delhi.

JINDAL STAINLESS STEELWAY LIMITED

J.S.S. Steelitalia Limited

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JINDAL STAINLESS STEELWAY

Jindal Stainless Steelway Limited
First Floor, Plot No. 50, Sector 32,
Gurgaon - 122001 Haryana, India
Fax : 0124 - 4494192
Web : www.jindalsteelway.com

JSL JINDAL STAINLESS

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF JINDAL STAINLESS STEELWAY LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON 03RD FEBRUARY, 2021

1. The Scheme of Amalgamation (**"Scheme"**) between Jindal Stainless Steelway Limited (the "**Amalgamated Company**") and J.S.S. Steelitalia Limited (the "**Amalgamating Company**") (together referred to as the "**Applicant Companies**") and their respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "**Act**") and all other applicable provisions of the Act, and also read with Section 2(1B) and other relevant sections of the Income Tax Act, 1961, as amended from time to time and as may be applicable, for (i) Amalgamation of **J.S.S. Steelitalia Limited** (**"Transferor Company"** or "**Amalgamating Company**") into and with **Jindal Stainless Steelway Limited** (**"Transferee Company"** or "**Amalgamated Company**"); in accordance with the terms of the Scheme of Amalgamation, various other matters incidental, consequential or otherwise integrally connected therewith. (**"Scheme"**)

2. The Board of Directors of the Amalgamated Company (**"Board"**) at its meeting held on 3rd February, 2021 had approved the Scheme.

3. The Scheme is subject to the approval of:
   a. Approval of the shareholders, secured and unsecured creditors of each of the Applicant Companies, which are a part of the Scheme, and such other persons/ authorities as may be required under Applicable Laws and/or as directed by the National Company Law Tribunal (**"NCLT"**);
   b. Approval from the Chandigarh bench of NCLT approving the Scheme.

4. As per Section 232(2)(c) of the Act, a report is required to be adopted by the Directors of the merging companies, explaining effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and Key Managerial Personnel (**"KMP"**) laying out in particular the share exchange ratio, specifying any special valuation difficulties, as may be applicable.

JINDAL STAINLESS STEELWAY LIMITED

CIN : U27109HR2004PLC082454

Registered Office & Works : Village & P.O.- Pathredi, Bilaspur - Tauru Road, Gurgaon-122413 (Haryana), India
Mumbai : Plot No.13, Additional Patalganga Industrial Area, Taluka Khalapur, Distt. Raigad, Maharastra-410220, India
Chennai : Survey No. 2 of No. 19, Chinna Puliyar Village, Gummidipoondi Taluk, Thiruvallur Distt, Chennai-601201, India
Vadodara : Plot No. 629/B, GIDC, Savli, at Manjusar, PO-Alindra, Taluka Savli, Distt - Vadodara- 391775, Gujrat, India

5. A copy of the Scheme duly initialled by the Chairman was tabled before the Board.

6. **The Rationale for the Scheme:**

(i) The Amalgamating Company and the Amalgamated Company are engaged in manufacturing of different stainless steel products and the proposed amalgamation will enable forward integration for the Amalgamated Company.

(ii) The Amalgamating Company is the wholly owned subsidiary of the Amalgamated Company. The proposed amalgamation is of the wholly owned subsidiary into and with its holding company. The amalgamation will result in simplification of the group and business structure and will reduce compliance costs and help in better utilization of the resources.

(iii) The management of the Amalgamating Company and the Amalgamated Company believe that this Scheme would be in the best interest of the respective shareholders, creditors, employees and all other stakeholders of the Amalgamating Company and the Amalgamated Company. The Scheme shall not in any manner be prejudicial to the interests of concerned shareholders, creditors, and / or any other stakeholder.

7. **Share Entitlement Ratio Report:**

(i) Since, the Amalgamating Company is wholly owned subsidiary of the Amalgamated Company i.e., the entire paid up share capital of the Amalgamating Company is being beneficially held by the Amalgamated Company, no new shares of the Amalgamated Company shall be issued and allotted in respect of shares held by the Amalgamated Company in the Amalgamating Company.

No special valuation difficulties were reported since not applicable.

JINDAL STAINLESS STEELWAY LIMITED

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8. **Key salient features of the Scheme**

(i) **Clause 1.5.1 (iii)** of Part I of the Scheme defines Amalgamating Company as "*JSIL as mentioned in Clause 1.2.1 hereof, and shall include:*

a. all of its assets, movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, continuing rights, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold, machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

b. all of its investments (including shares and other securities), loans and advances, including dividends declared or interest accrued thereon;

c. all of its licences, including the licences granted by any governmental, statutory or regulatory bodies, permissions, approvals, consents, exemptions, subsidies, registrations, no-objection certificates, quotas, rights, entitlements, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, applications for trade names, copyrights, patents and applications for patents, all indirect and direct tax credits including but not limited to Service Tax credit, CENVAT credit, Goods and Services Tax credit, VAT credit, Income-Tax carry forward losses/depreciation, TDS, MAT credit entitlement etc., privileges and benefits of all contracts, agreements and all other rights including lease rights, powers and facilities of every kind and description whatsoever;

d. all of its debts, borrowings and liabilities, present or future, whether secured or unsecured;

e. all of its employees, who are on its payrolls, including those employed at its offices and branches; and

f. all of the advance monies, earnest monies and / or security deposits, payment against warrants or other entitlements, as may be lying with them."

JINDAL STAINLESS STEELWAY LIMITED

(ii) **Clause 1.5.1 (v)** of Part I of the Scheme defines Appointed Date as "*the opening of* **business** *hours on March 1, 2021 or such other date as may be approved by the Hon'ble NCLT (Chandigarh Bench).*"

(iii) **Clause 1.5.1 (ix)** of Part I of the Scheme defines Effective Date as "*the last of the date on which the certified copy of the Order of the Hon'ble NCLT of Chandigarh is filed with the Registrar of Companies, by the Transferor Company and Transferee Company. Any references in the Scheme to "**upon the Scheme becoming effective**" or "**effectiveness of the Scheme**" shall mean and refer to the Effective Date.*"

(iv) **Clause 3.1** of Part III of the Scheme provides that "*Subject to the provisions of Part III, Part IV and Part V of this Scheme in relation to modalities of the amalgamation, upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, the Amalgamating Company along with all its assets and liabilities and its entire business together with all its properties, rights, benefits and interests therein, shall by virtue of this Part III of the Scheme stand amalgamated with, transferred to and vested in the Amalgamated Company, and shall become the assets, liabilities, rights, obligations, business and undertakings of the Amalgamated Company, subject to the existing encumbrances thereon in favour of banks and financial institutions, if any (unless otherwise agreed to by such encumbrance holders) without any further act, instrument or deed being required from the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party, in accordance with Sections 230 to 232 of the Act read with Section 2(1B) of the IT Act and all other applicable provisions of law if any, in accordance with the provisions contained herein.*"

(v) **Clause 11** of Part IV of the Scheme provides that "*Upon this Scheme becoming effective on the Effective Date, the Amalgamating Company shall stand automatically dissolved as an integral part of this Scheme, without being* *liquidated or wound-up and without requiring any further act, instrument or deed from the Amalgamating Company and / or the Amalgamated Company.*"

9. **Effect of the Scheme on the equity shareholders of the Amalgamated Company:**

The Board is of the informed opinion, that the proposed Scheme is in the best interests of the Amalgamated Company and its shareholders and creditors. The impact of the Scheme on the shareholders would be the same in all respects and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner.

10. **Effect of the Scheme on the KMPs of the Amalgamated Company:**

There is no impact of the Scheme on the KMPs of the Amalgamated Company. Further, none of the KMPs have any interest in the Scheme except to the extent of shares held by them, if any, in the Amalgamated Company.

Adoption of the Report by the Directors:

The Directors of the Company have adopted this Report after noting and considering the information set forth in this Report.

For and Behalf of the Board

For **Jindal Stainless Steelway Limited**

JINDAL STAINLESS STEELWAY LIMITED

Sanjay Kumar Goyal
Whole Time Director
DIN: 07733620
Address: G-32, Ground Floor, South City –II,
Gurgaon - 122018 Haryana

Place: New Delhi
Date: February 03, 2021

J.S.S.
Steelitalia Ltd.

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF J.S.S. STEELITALIA LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON 03RD FEBRUARY, 2021

1. The Scheme of Amalgamation ("**Scheme**") between Jindal Stainless Steelway Limited (the "**Amalgamated Company**") and J.S.S. Steelitalia Limited (the "**Amalgamating Company**") (together referred to as the "**Applicant Companies**") and their respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "**Act**") and all other applicable provisions of the Act, and also read with Section 2(1B) and other relevant sections of the Income Tax Act, 1961, as amended from time to time and as may be applicable, for (i) Amalgamation of **J.S.S. Steelitalia Limited** ("**Transferor Company**" or "**Amalgamating Company**") into and with **Jindal Stainless Steelway Limited** ("**Transferee Company**" or "**Amalgamated Company**"); in accordance with the terms of the Scheme of Amalgamation, various other matters incidental, consequential or otherwise integrally connected therewith. ("**Scheme**")

2. The Board of Directors of the Amalgamating Company ("**Board**") at its meeting held on 3rd February, 2021 had approved the Scheme.

3. The Scheme is subject to the approval of:
   a. Approval of the shareholders, secured and unsecured creditors of each of the Applicant Companies, which are a part of the Scheme, and such other persons/ authorities as may be required under Applicable Laws and/or as directed by the National Company Law Tribunal ("**NCLT**");

   b. Approval from the Chandigarh bench of NCLT approving the Scheme.

4. As per Section 232(2)(c) of the Act, a report is required to be adopted by the Directors of each of the applicant companies, explaining effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and Key Managerial Personnel ("**KMP**") laying out in particular the share exchange ratio, specifying any special valuation difficulties, as may be applicable.

J.S.S. Steelitalia Limited

Regd. Off. & Works:Village & P.O. - Pathredi, Bilaspur-Tauru Road, Gurugram- 122413(Haryana). INDIA
E-mail: info@jsssteelitalia.com **Website:** www.jsssteelitalia.com
CIN No.- U27310HR2007PLC036578

5. A copy of the Scheme duly initialled by the Chairman was tabled before the Board.

6. **The Rationale for the Scheme:**

(i) The Amalgamating Company and the Amalgamated Company are engaged in manufacturing of different stainless steel products and the proposed amalgamation will enable forward integration for the Amalgamated Company.

(ii) The Amalgamating Company is the wholly owned subsidiary of the Amalgamated Company. The proposed amalgamation is of the wholly owned subsidiary into and with its holding company. The amalgamation will result in simplification of the group and business structure and will reduce compliance costs and help in better utilization of the resources.

(iii) The management of the Amalgamating Company and the Amalgamated Company believe that this Scheme would be in the best interest of the respective shareholders, creditors, employees and all other stakeholders of the Amalgamating Company and the Amalgamated Company. The Scheme shall not in any manner be prejudicial to the interests of concerned shareholders, creditors, and / or any other stakeholder.

7. **Share Entitlement Ratio Report:**

(i) Since, the Amalgamating Company is wholly owned subsidiary of the Amalgamated Company i.e., the entire paid up share capital of the Amalgamating Company is being beneficially held by the Amalgamated Company, no new shares of the Amalgamated Company shall be issued and allotted in respect of shares held by the Amalgamated Company in the Amalgamating Company.

No special valuation difficulties were reported since not applicable.

8. **Key salient features of the Scheme**

J.S.S. Steelitalia Limited

Regd. Off. & Works:Village & P.O. - Pathredi, Bilaspur-Tauru Road, Gurugram- 122413(Haryana). INDIA
E-mail: info@jsssteelitalia.com Website: www.jsssteelitalia.com
CIN No.- U27310HR2007PLC036578

(i) **Clause 1.5.1 (iii)** of Part I of the Scheme defines Amalgamating Company as "*JSIL as mentioned in Clause 1.2.1 hereof, and shall include:*

a. all of its assets, movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, continuing rights, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold, machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

b. all of its investments (including shares and other securities), loans and advances, including dividends declared or interest accrued thereon;

c. all of its licences, including the licences granted by any governmental, statutory or regulatory bodies, permissions, approvals, consents, exemptions, subsidies, registrations, no-objection certificates, quotas, rights, entitlements, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, applications for trade names, copyrights, patents and applications for patents, all indirect and direct tax credits including but not limited to Service Tax credit, CENVAT credit, Goods and Services Tax credit, VAT credit, Income-Tax carry forward losses/depreciation, TDS, MAT credit entitlement etc., privileges and benefits of all contracts, agreements and all other rights including lease rights, powers and facilities of every kind and description whatsoever;

d. all of its debts, borrowings and liabilities, present or future, whether secured or unsecured;

e. all of its employees, who are on its payrolls, including those employed at its offices and branches; and

f. all of the advance monies, earnest monies and / or security deposits, payment against warrants or other entitlements, as may be lying with them."

(ii) **Clause 1.5.1 (v)** of Part I of the Scheme defines Appointed Date as "*the opening of* **business** *hours on March 1, 2021 or such other date as may be approved by the Hon'ble NCLT (Chandigarh Bench).*"

J.S.S. Steelitalia Limited

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(iii) **Clause 1.5.1 (ix)** of Part I of the Scheme defines Effective Date as "*the last of the date on which the certified copy of the Order of the Hon'ble NCLT of Chandigarh is filed with the Registrar of Companies, by the Transferor Company and Transferee Company. Any references in the Scheme to "**upon the Scheme becoming effective**" or "**effectiveness of the Scheme**" shall mean and refer to the Effective Date.*"

(iv) **Clause 3.1** of Part III of the Scheme provides that "*Subject to the provisions of Part III, Part IV and Part V of this Scheme in relation to modalities of the amalgamation, upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, the Amalgamating Company along with all its assets and liabilities and its entire business together with all its properties, rights, benefits and interests therein, shall by virtue of this Part III of the Scheme stand amalgamated with, transferred to and vested in the Amalgamated Company, and shall become the assets, liabilities, rights, obligations, business and undertakings of the Amalgamated Company, subject to the existing encumbrances thereon in favour of banks and financial institutions, if any (unless otherwise agreed to by such encumbrance holders) without any further act, instrument or deed being required from the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party, in accordance with Sections 230 to 232 of the Act read with Section 2(1B) of the IT Act and all other applicable provisions of law if any, in accordance with the provisions contained herein.*"

(v) **Clause 11** of Part IV of the Scheme provides that "*Upon this Scheme becoming effective on the Effective Date, the Amalgamating Company shall stand automatically dissolved as an integral part of this Scheme, without being liquidated or wound-up and without requiring any further act, instrument or deed from the Amalgamating Company and / or the Amalgamated Company.*"

J.S. Steelitalia Limited

9. **Effect of the Scheme on the equity shareholders of the Amalgamating Company:**

The Board is of the informed opinion, that the proposed Scheme is in the best interests of the Amalgamating Company and its shareholders and creditors. The impact of the Scheme on the shareholders would be the same in all respects and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner.

10. **Effect of the Scheme on the KMPs of the Amalgamating Company:**

There is no impact of the Scheme on the KMPs of the Amalgamating Company. Further, none of the KMPs have any interest in the Scheme except to the extent of shares held by them, if any, in the Amalgamating Company.

Adoption of the Report by the Directors:

The Directors of the Amalgamating Company have adopted this Report after noting and considering the information set forth in this Report.

For and Behalf of the Board

For **J.S.S Steelitalia Limited**

J.S.S. Steelitalia Limited

Vivek Kumar Garg
DIN: 07441478
Address: E-55, Second Floor,
Ardee City, Sector 52, Gurgaon – HR 122018
Place: New Delhi
Date: Feb 03, 2021

ANNEXURE-4

S S KOTHARI MEHTA & COMPANY
CHARTERED ACCOUNTANTS

Independent Auditor's Report

To the Members of Jindal Stainless Steelway Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Jindal Stainless Steelway Limited** ("the Company"), which comprise the balance sheet as at March 31, 2021, the statement of profit and loss (including other comprehensive income), cash flow statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March, 2021, its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs), specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include in the Standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant Rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies act, 2013, we are also responsible for expressing our opinion on whether the

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other matters

We draw attention to Note No. 31 to the standalone financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. The impact of these uncertainties on the Company's operations is dependent on future developments.

Our opinion is not modified in respect of above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

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

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

c) The balance sheet, the statement of profit and loss (including other comprehensive income), the cash flows statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) In our opinion, and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigation on its financial position in its standalone financial statements-Refer note 31 of the standalone Financial statements;

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

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

For S. S. KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

Amit Goel

AMIT GOEL
Partner
Membership No. 500607

Place: New Delhi
Date: May 17, 2021
UDIN: 21500607AAAAGC8732

Annexure A to the Independent Auditor's Report to the Members of Jindal Stainless Steelway Limited dated May 17, 2021 on its standalone financial statements

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order') issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

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

(b) The fixed assets have been physically verified by the management at reasonable intervals, the frequency of which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the original title deeds in respect of immovable properties have been deposited with the lenders, we have been produced the copy of title deeds of these leasehold immovable properties. Based on such documents, the title deeds are held in the name of the Company.

ii. According to the information and explanations given to us, inventories has been physically verified during the year by the management except the stock lying with third parties and goods in transit. In our opinion, the frequency of verification is reasonable. Discrepancies noticed on such physical verification were not material having regard to size of operations of the Company and the same has been properly dealt with.

iii. The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, clauses 3(iii) (a) to (c) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and guarantees, and securities given have been complied with by the company.

v. The Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act, and the Rules framed thereunder.

vi. We have broadly reviewed the cost accounting records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We are, however, not required to make a detailed examination of such books and records.

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI
CHARTERED ACCOUNTANTS

vii. a. According to the records of the Company examined by us and the information and explanations given to us, the Company is generally regular in depositing its undisputed statutory dues including Employees' Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income Tax, Custom Duty, Goods & Service Tax (GST), Cess and any other material statutory dues, as applicable, with the appropriate authorities during the year and there are no such undisputed amounts payable which have remained outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us and as per the books and records examined by us, there are no dues in respect of income tax, goods & service tax, duty of custom and cess which have not been deposited on account of any dispute except as mentioned below:

Name of the statute	Nature of dues	Amount in Rs Crores	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.09	AY 2013-14	ITAT

viii. According to the information and explanations given to us and as per the books and records examined by us, the Company has not defaulted on repayment of loans to banks and financial institutions. The Company does not have any borrowings from the Government nor has it outstanding debentures as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer. Term loan obtained by the Company has been utilized for the purpose for which it was obtained.

x. In our opinion, and according to the information and explanations given to us, we report that no fraud by the company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

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

xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with sections 177 and 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and on an overall examination of the books of account, the Company has not made any preferential allotment or private

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

placement of shares or fully or partial convertible debentures during the year under audit and hence not commented upon.

xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to Section 192 of the Act.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S. S. KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI
CHARTERED ACCOUNTANTS

Amit Goel

AMIT GOEL
Partner
Membership No. 500607

Place: New Delhi
Date: May 17, 2021
UDIN: 21500607AAAAGC8732

Annexure B to the Independent Auditor's Report to the Members of Jindal Stainless Steelway Limited dated May 17, 2021 on its standalone financial statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of **Jindal Stainless Steelway Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI
CHARTERED ACCOUNTANTS

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI
CHARTERED ACCOUNTANTS

S S KOTHARI MEHTA
& COMPANY
CHARTERED ACCOUNTANTS

Opinion

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

For S. S. KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

Amit Goel

AMIT GOEL
Partner
Membership No. 500607

Place: New Delhi
Date: May 17, 2021
UDIN: 21500607AAAAGC8732

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JINDAL STAINLESS STEELWAY LIMITED
Balance Sheet as at 31st March,2021

(Amount in Crores)

Particulars			Note No	As at 31st March,2021	As at 31st March,2020
A.	**Assets**				
(1)	**Non Current Assets**				
	(a)	Property, Plant and Equipment	5	74.97	63.91
	(b)	Right To Use Assets	5	6.25	8.18
	(c)	Other Intangible Assets	5	1.48	1.97
	(d)	Capital work-in-progress		0.03	1.00
	(e)	Financial Assets	6		
		(i) Investments	6.1	15.71	9.71
		(ii) Others Financial Assets	6.2	2.57	1.98
	(f)	Other Non Current Assets	7	0.79	2.26
				101.80	89.01
(2)	**Current Assets**				
	(a)	Inventories	8	163.93	150.48
	(b)	Financial Assets	9		
		(i) Trade Receivables	9.1	167.09	111.91
		(ii) Cash and Cash Equivalents	9.2	0.26	0.24
		(iii) Bank Balances other than above	9.3	7.20	6.44
		(iv) Others Financial Assets	9.4	24.94	24.46
	(c)	Current Tax Assets (Net)	10	-	0.58
	(d)	Other Current Assets	11	10.93	17.51
				374.35	311.62
	Total Assets			476.15	400.63
B.	**Equity and Liabilities**				
	Equity				
	(a)	Equity Share Capital	12	14.06	14.06
	(b)	Other Equity		224.30	160.03
				238.36	174.09
	Liabilities				
(1)	**Non Current Liabilities**				
	(a)	Financial Liabilities			
		(i) Borrowings	13	-	2.59
		(ii) Others	14	4.80	6.87
	(b)	Provisions	15	2.45	2.78
	(c)	Deferred Tax Liabilities (Net)	16	2.36	2.69
				9.61	14.93
(2)	**Current Liabilities**				
	(a)	Financial Liabilities	17		
		(i) Borrowings	17.1	14.16	78.67
		(ii) Trade Payables:	17.2		
		Due to Micro, Small and Medium Enterprises		0.31	0.27
		Due to other than Micro, Small and Medium Enterprises		168.29	101.12
		(iii) Other Financial Liabilities	17.3	28.95	16.59
	(b)	Current Tax Liability (Net)	10	6.39	-
	(c)	Other Current Liabilities	18	9.60	14.73
	(d)	Provisions	19	0.48	0.23
				228.18	211.61
	Total Equity and Liabilities			476.15	400.63

Significant Accounting Policies 3

The accompanying notes form an integral part of these financial statements

As per our report of even date

For and on behalf of
S.S.Kothari Mehta & Company
Chartered Accountants
Firm Regn. No. 000756N

For and on behalf of the Board
Jindal Stainless Steelway Limited

Amit Goel
Amit Goel
Partner
Membership No: 500607

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

Sanjay Kumar Goyal
Director
DIN - 07733620

Vijay Kumar Sharma
Director
DIN-01468701

Dhirendra Bahadur Singh
Chief Financial Officer

Rajesh Kumar Pandey
Company Secretary

Place: New Delhi
Date: 17.05.2021

JINDAL STAINLESS STEELWAY LIMITED
Statement of Profit and Loss the Year Ended 31st March,2021.

(Amount in Crores)

Particulars	Note No.	Year Ended 31st March,2021	Year Ended 31st March,2020
Revenue from Operations	20	1,859.44	1,728.97
Other Income	21	12.43	11.96
Total Income		1,871.87	1,740.93
Expenses:			
Cost of Materials Consumed	22	1,596.95	1,498.97
Purchase of Stock-in-trade	23	69.85	63.62
Changes in inventory of finished goods, stock-in-trade and work-in-progress	24	2.23	(1.90)
Employee Benefits Expenses	25	16.60	18.72
Finance Costs	26	12.16	18.00
Depreciation and Amortization Expenses	27	11.00	8.84
Other expenses	28	74.50	91.17
Total Expenses		1,783.29	1,697.42
Profit for the Year Before Tax		88.58	43.51
Tax Expense:			
(1) Current Tax		22.80	10.98
(2) Previous Year Tax Adjustment		1.94	-
(3) Deferred Tax		(0.35)	(0.96)
Total Tax Expense		24.39	10.02
Profit for the year after tax		64.19	33.49
Other comprehensive income:			
A (i) Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		0.10	(0.27)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.02)	0.07
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other comprehensive income		0.08	(0.20)
Total Comprehensive Income for the year		64.27	33.29
Earning per equity share (basic & diluted) (In Rs.)	38	45.65	19.96
Significant Accounting Policies	3		

The accompanying notes form an integral part of these financial statements

As per our report of even date

For and on behalf of
S.S.Kothari Mehta & Company
Chartered Accountants
Firm Regn. No. 000756N

S.S. KOTHARI MEHTA & COMPANY * NEW DELHI * CHARTERED ACCOUNTANTS

Amit Goel
Partner
Membership No: 500607

For and on behalf of the Board of Directors of
Jindal Stainless Steelway Limited

Sanjay Kumar Goyal
Director
DIN - 07733620

Vijay Kumar Sharma
Director
DIN-01468701

Dhirendra Bahadur Singh
Chief Financial Officer

Rajesh Kumar Pandey
Company Secretary

Place: New Delhi
Date: 17.05.2021

Jindal Stainless Steelway Limited.

Cash Flow Statement for the year ended 31st March, 2021

(Amount in Crores)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
A. CASH INFLOW (OUTFLOW) FROM THE OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND ORDINARY ACTIVITY	88.58	43.51
Adjustments for:		
Depreciation / Amortisation	11.00	8.84
Interest Expenses	12.15	18.00
Loss on Sale of Assets	0.00	0.00
Provision for Doubtful Debts	(0.06)	0.22
Interest Income	(5.89)	(6.95)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	105.78	63.62
Adjustments for change in working capital:		
Inventories	(13.45)	(28.17)
Trade Receivables	(55.11)	(19.97)
Loans and advances and Other assets	5.73	(19.16)
Trade and other payables	75.71	63.92
CASH FLOW FROM OPERATIONS	118.66	60.24
Inome Tax Paid (Net of Refund)	(17.76)	(9.14)
NET CASH INFLOW / (OUT FLOW) FROM OPERATING ACTIVITIES	100.90	51.10
B. CASH INFLOW / (OUTFLOW) FROM INVESTMENT ACTIVITIES		
Amount Paid for Purchase of Property,Plant and Equipment	(17.38)	(7.85)
Proceeds from sales of Fixed Assets	0.01	0.03
Movement in Fixed Deposits (Net)	(0.76)	(2.01)
Interest Received	5.82	6.99
NET CASH used in INVESTING ACTIVITIES	(12.31)	(2.84)
C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		
Interest Paid	(12.15)	(18.00)
Amount Paid for Buyback of Equity Shares	0.00	(3.11)
Investment in Subsidiary Company in J.S.S.Steelitalia Ltd.	(6.00)	0.00
Repayments of/ (Proceeds from) Working Capital Loan	(64.52)	(6.60)
Repayments of Secured Loan	(3.15)	(18.72)
Payment of Lease Liability	(2.75)	(1.91)
NET CASH USED IN FINANCING ACTIVITIES	(88.57)	(48.34)
NET CHANGES IN CASH & CASH EQUIVALENT	0.02	(0.08)
Cash and cash equivalents at the beginning of the year	0.24	0.32
Cash and cash equivalents at the end of the year	0.26	0.24
Cash and Cash Equivalent includes:		
Cash in Hand	0.01	0.00
Deposit with maturity of not more than three months	0.24	0.23
Current Account	0.01	0.01
	0.26	0.24

NOTE:

1. Figures in bracket indicates cash out flow.
2. The above cash flow statement has been prepared under the indirect method as set out in IND AS - 7 'Statment of Cash Flows'
3. The accompanying notes forms an integral part of these financial statements.
4. Changes in liabilities arising from financial activities are as under :

	Balance as at beginning of the year	Cash inflows/ (outflow) during the year	Fair value adjustment	Closing balance at the year end
Financial Year 2020-21				
Current Borrowings	82.08	(65.07)	-	17.01
Non Current Borrowings	2.59	(2.59)	-	0.00
Financial Year 2019-20				
Current Borrowings	94.93	(12.85)	-	82.08
Non Current Borrowings	15.06	(12.47)	-	2.59

As per our report even date

For and on behalf of
S.S.Kothari Mehta & Company
Chartered Accountants
Firm Regn. No. 000756N

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

Amit Goel

Amit Goel
Partner
Membership No: 500607

For and on behalf of the Board
Jindal Stainless Steelway Limited

Sanjay Kumar Goyal
Director
DIN - 07733620

Vijay Kumar Sharma
Director
DIN-01468701

Rajesh Kumar Pandey
Company Secretary

Dhirendra Bahadur Singh
Chief Financial Officer

PLACE : New Delhi
Date: 17.05.2021

JINDAL STAINLESS STEELWAY LIMITED
Statement of Changes in Equity for the year ended March 31, 2021

(Amount in Crores)

A. Equity Share Capital

Balance as at April 1, 2019	Changes in equity share capital during 2019-20	Balance as at March 31, 2020	Changes in equity share capital during 2020-21	Balance as at March 31, 2021
17.17	(3.11)	14.06	-	14.06

B. Other Equity

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	General Reserve	Securities Premium Reserve	Retained Earnings	Other Comprehensive Income Re-measurement of the net defined benefit plans	
Balance as at April 1, 2019	**35.00**	**14.35**	**77.27**	**0.12**	**126.74**
Additions during the year 2019-20	-	-	33.49	(0.27)	33.22
Impact of taxes	-	-	-	0.07	0.07
Balance as at March 31, 2020	**35.00**	**14.35**	**110.76**	**(0.08)**	**160.03**
Additions during the year 2020-21	-	-	64.19	0.10	64.29
Impact of taxes	-	-	-	(0.02)	(0.02)
Balance as at March 31, 2021	**35.00**	**14.35**	**174.95**	**0.00**	**224.30**

As per our report of even date attached

For and on behalf of
S.S.Kothari Mehta & Company
Chartered Accountants
Firm Regn. No. 000756N

S.S. KOTHARI MEHTA & COMPANY
NEW DELHI
CHARTERED ACCOUNTANTS

Amit Goel
Partner
Membership No: 500607

For and on behalf of the Board
Jindal Stainless Steelway Limited

Sanjay Kumar Goyal
Director
DIN - 07733620

Vijay Kumar Sharma
Director
DIN-01468701

Rajesh Kumar Pandey
Company Secretary

Dhirendra Bahadur Singh
Chief Financial Officer

PLACE : New Delhi
Date: 17.05.2021

1 **Corporate and General Information**

Jindal Stainless Steelway Limited ("JSSL)" or ("the Company") is domiciled and incorporated in India. The Company is engaged in manufacturing business of cutting/ slitting of HR/CR Coils/ Sheets made of Stainless Steel. The Company is having manufacturing facilities in Gurgaon, Vadodara, Mumbai & Chennai and registered office at Village Pathredi, Bilaspur, Tauru Road, Gurgaon-122 413, Haryana. The Company is a subsidiary of Jindal Stainless (Hisar) Limited (JSHL), a listed company, which holds 100% equity shares & controlling stake.

The financial statements of the Company for the year ended March 31, 2021 were approved and authorised for issue by Board of Directors in their meeting held on May 17, 2021.

Statement of compliance
The financial statements have been prepared in accordance with Indian Accounting Standards (Ind ASs) including the Companies (Indian Accounting Standards) Rules, 2015 as notified under relevant provisions of Companies Act, 2013.

2 **Basis of preparation**
These financial statements have been prepared complying in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended from time to time. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation of financial statements of all the periods presented.

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

3 **Significant Accounting Policies**

3.1 **Basis of Measurement**
The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain financial assets and liabilities except borrowings carried at amortised cost,
- defined benefit plans – plan assets measured at fair value,

3.2 **Changes in significant accounting policies**

The Ministry of Corporate Affairs (MCA) has amended the Companies (Corporate Social Responsibility Policy) Rules, 2014 through a notification dated 22 January 2021, These amendments have introduced some significant changes that require better understanding to ensure compliance. The amendments, amongst others, mandatorily require utilisation of the unspent amount earmarked for CSR activities, failing which it would be transferred to a fund specified in Schedule VII of the Companies Act, 2013. Resultantly, the Company will have to make a provision towards unspent CSR spent, if any, at the end of the year, after deducting the provision created for the CSR activity completed, if applicable and as provided.

The amendments also permit a Company which spends an amount in excess of the prescribed CSR amount of 2%, to set-off excess amount against the requirement to spend up to immediately succeeding three financial years subject to the fulfilment of certain conditions. As per the guidance issued by the ICAI, in case the Company, decides to adjust excess amount spent against future obligation, then an asset would have to be recognised to the extent of such excess amount spent.

3.3 **Recent pronouncements**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relates to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

(I) **Balance sheet:-**

(a) Lease liabilities should be separately disclosed under the head 'Financial liabilities' duly distinguished as current and non-current.
(b) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
(c) Specified format for disclosure of shareholding of promoters.
(d) Specified format for ageing schedule of trade receivables, trade payables, capital work in progress and intangible assets under development.
(e) If a Company has not used the funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
(f) Specific disclosure under 'additional regulatory requirement' such as compliance with the approved scheme of arrangements, compliance with the number of layers of Companies, title deeds of immovable property not held in the name of the Company, loans and advances to promoters, directors, key managerial personnel(KMP) and related parties, details of benami property held etc

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(II) Statement of profit or loss:-

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the hea 'additional information' in the notes forming part of standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law

3.4 Recent Indian Accounting standards (Ind AS)

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

3.5 Property, Plant and Equipment

Depreciation on fixed assets has been provided as per guidance set out in Schedule II of the Act on straight line method using the under mentioned indicative lives.

Category of Assets -	Years
Leasehold Land -	Lease Period
-Building	30
-Plant and Machinery	15
-Electric Installation	10
-Furniture and Fixtures	10
-Computer equipment	3
-Office furniture and equipment	5
-Vehicles	8

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

3.6 Intangible Assets

Identifiable intangible assets are recognised :

a) when the Company controls the asset,
b) it is probable that future economic benefits attributed to the asset will flow to the Company and
c) the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.7 Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.8 Cash and cash equivalents

Cash and cash equivalents includes Cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

3.9 Inventories

Inventories are valued at the lower of cost and net realizable value except scrap, which is valued at net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the weighted average basis.

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3.10 **Employee benefits**

a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Leave encashment being a short term benefit is accounted for using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by actuary at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

d) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date.Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in statement of profit and loss.

3.11 **Foreign currency reinstatement and translation**

(a) Functional and presentation currency

The financial statements have been presented in Indian Rupees which is the Company's functional and presentation currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction .Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

3.12 **Financial instruments – initial recognition, subsequent measurement and impairment**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets or financial liabilities (Other than financial assets and financial liabilities at fair value through profit and loss account) are added to or deducted from fair value measured initial recognition of financial asset or financial liability.

Financial Assets and liabilities are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and liabilities and the assets and liabilities contractual cash flow characteristics.

Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest amount outstanding.

Financial Assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liability at fair value thorough profit or loss are immediately recognised in profit or loss.

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Financial Liabilities

Financial liabilitiesincluding interest bearing loans and borrowings and trade payables are subsequentlymeasured at amortised cost using the effective interest rate method (EIR) except those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

3.13 Borrowing costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets .Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

3.14 Taxation

Income tax expense represents the sum of current and deferred tax . Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates.Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

3.15 Revenue recognition and Other income.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.
-Identify the contract(s) with customer(s);
-Identify the performance obligations under the contract(s)
-Determine the transaction price
-Allocate the transaction price to the performance obligations in the contract(s)
-Recognise revenue, when or as the entity satisfies a performance obligation.

Sale of Goods

Revenue is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Material returned/ rejected is accounted for in the year of return/ rejection.

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Sale of Services-Job work
Revenue from job work charges is accounted for on the basis of work performed and rendering of service as per the terms of the specific contract.

Interest
Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

3.16 Earnings per share
Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

3.17 Provisions and contingencies
Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.18 Leases
The company as a lessee

The company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contain, a lease if the contract conveys the right to control the use of an identified asset for a period of time exchange of consideration.
At the commencement of the lease, the company recognize a right of use asset and corresponding lease liabilities for all lease arrangements except for leases with a terms of twelve months or less (short term leases), variable leases and low value leases, for which lease payments has been recognized as an operating expenses on a straight line basis over the term of lease Certain lease arrangements include the options to extend or terminate the lease before the end of the lease terms. Right to use assets and lease liabilities include these options when it is reasonably certain that they will be exercised.
The Company recognizes a right-to-use asset, on a lease-by-lease basis, to measure that right-of-use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.
The cost of right-of-use assets includes the amount of lease liabilities recognised.,Initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment test. They are subsequently measured at cost less accumulated depreciation and impairment losses.
The Company recognises a lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate.
The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on a lease by lease basis.
In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The company as lessor
Leases for which the company is a lessor is classified as finance or operating lease. When the terms of the lease transfer substantially all of the risks and benefits incidental to ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of relevant lease.

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3.19 Current /non-current classification
The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:
a) It is expected to be settled in normal operating cycle,
b) It is held primarily for the purpose of trading,
c) It is due to be settled within twelve months after the reporting period, or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

4 Critical accounting estimates, assumptions and judgements
In the process of applying the Company's accounting policies, management has made the following estimates,assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(a) Property, plant and equipment
The Company has taken the carrying value of Previous GAAP as deemed cost under IND AS and the assets are not fair valued under IND AS.

(b) Income taxes
Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

(c) Contingencies
Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

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JINDAL STAINLESS STEELWAY LIMITED
Notes to the fianancial statements for the year ended March 31, 2021.
Note-5
PROPERTY, PLANT AND EQUIPMENT

(Amount in Crores) ₹ in Crores)

Particulars	Land	Leasehold Land	Factory Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Electric Installation	Computer	Total	Right to Use Assets	Software	CWIP
Gross Block													
As at April 1,2019	**4.46**	**3.23**	**40.78**	**94.11**	**0.71**	**0.72**	**0.82**	**4.24**	**1.24**	**150.31**	-	**4.19**	**3.63**
Reclassification of Assets	-	-	0.04	(0.04)	0.00	-	(0.00)	-	-	-	-	-	-
Additions	-	-	2.36	5.93	0.03	(0.00)	0.05	-	0.08	8.44	9.62	0.26	1.00
(Sale/ Deduction)	-	-	-	(0.03)	(0.02)	(0.12)	-	-	(0.02)	(0.19)	-	-	(3.63)
As at March 31, 2020	**4.46**	**3.23**	**43.17**	**99.98**	**0.72**	**0.59**	**0.87**	**4.24**	**1.31**	**158.56**	**9.62**	**4.46**	**1.00**
Reclassification of Assets	-	-	0.10	0.72	0.00	-	(0.01)	-	0.14	0.94	-	0.06	-
Additions	-	-	-	18.30	0.01	0.08	0.11	-	0.16	18.65	-	-	0.03
(Sale/ Deduction)	-	-	-	(0.06)	-	-	(0.04)	-	(0.03)	(0.12)	-	-	(1.00)
As at March 31, 2021	**4.46**	**3.23**	**43.27**	**118.93**	**0.73**	**0.67**	**0.93**	**4.24**	**1.58**	**178.03**	**9.62**	**4.51**	**0.03**
Accumulated Depreciation													
As at April 1,2019	-	**0.35**	**15.13**	**67.54**	**0.56**	**0.35**	**0.68**	**2.39**	**0.98**	**87.98**	-	**1.93**	-
Reclassification of Assets	-	-	0.04	(0.04)	0.00	-	(0.00)	-	-	-	-	-	-
Charge for the year	-	0.03	1.32	5.06	0.04	0.06	0.06	0.18	0.10	6.84	1.45	0.56	-
(Sale/ Deduction)	-	-	-	(0.02)	(0.02)	(0.12)	-	-	(0.01)	(0.16)	-	-	-
As at March 31, 2020	-	**0.39**	**16.48**	**72.54**	**0.58**	**0.30**	**0.73**	**2.57**	**1.08**	**94.66**	**1.45**	**2.49**	-
Reclassification of Assets	-	-	-	0.09	(0.00)	-	0.01	-	(0.10)	0.00	-	-	-
Charge for the year	-	0.03	1.25	5.54	0.03	0.06	0.05	1.45	0.12	8.53	1.92	0.54	-
(Sale/ Deduction)	-	-	-	(0.06)	-	-	(0.03)	-	(0.03)	(0.12)	-	-	-
As at March 31, 2021	-	**0.42**	**17.73**	**78.11**	**0.61**	**0.35**	**0.76**	**4.02**	**1.07**	**103.07**	**3.37**	**3.04**	-
Net Carrying Amount													
As at March 31, 2020	4.46	2.84	26.69	27.44	0.14	0.30	0.14	1.67	0.23	63.91	8.18	1.97	1.00
As at March 31, 2021	4.46	2.81	25.54	40.82	0.12	0.32	0.17	0.21	0.51	74.97	6.25	1.48	0.03

Note: All the above assets are hypothecated/mortgaged as secuirty with the banks/financial institutions against borrowings, as per lenders terms of sanction of facility. (Refer Note No 13)

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JINDAL STAINLESS STEELWAY LIMITED
Notes to the financial statements for the year ended March 31, 2021

(Amount in Crores)

	Particulars	As at 31st March,2021	As at 31st March,2020
6	**Financial Assets : Non Current**		
6.1	**Investments**		
	Unquoted Investment (at cost)		
	Investment in Subsidiary Company in J.S.S.Steelitalia Ltd. (wef. January16, 2021)		
	Equity shares of Rs.10 each 2,33,74,818 (March 31,2020: 77,13,190)	10.13	7.71
	4% Compulsory Convertible Preference shares of Rs.10 each 97,83,518 (March 31,2020 : Nil)	1.51	-
	5% Fully & Mandatory Convertible Debentures of Rs.100 each 13,40,000 (March 31,2020 : Nil)	2.07	-
	# Subsidiary w.e.f January 16, 2021, Associate till January 15, 2021		
	Investment in Equity Shares of Fellow Subsidiary Company		
	15,20,000 (March 31,2020: 15,20,000) Equity shares of Rs.10 each fully paid up in JSL Lifestyle Ltd.	2.00	2.00
	Total	**15.71**	**9.71**
6.2	**Other Financial Assets**		
	Unsecured, Considered good, unless otherwise stated"		
	Security Deposits, Unsecured, Considered Good	**2.42**	1.83
	Fixed Deposits (having remaining maturity of more than 12 months)*	**0.15**	0.15
	Total	**2.57**	1.98
	Security Deposits from related parties included in above:		
	Jindal Stainless (Hisar) Limited	**0.04**	0.04
	Jindal Stainless Consultancy Services Limited.	**0.10**	0.10
	Total	**0.14**	0.14
	*** Pledged with bank for letter of credit and bank guarantee**		
7	**Other Non current Assets**		
	Unsecured, Considered good, unless otherwise stated		
	Capital Advance	**0.27**	1.58
	Prepaid Security Deposits	**0.52**	0.68
	Total	**0.79**	2.26
8	**Inventories**		
	Raw Materials	**69.95**	85.83
	Raw Material in Transit	**46.50**	14.65
	Work in Progress	**35.08**	28.55
	Finished Goods	**8.74**	17.50
	Store and Spares	**3.66**	3.95
	Total	**163.93**	150.48

* Inventories are hypothecated against the secured borrowing of the Company diclosed in note no. 13

	Particulars	As at 31st March,2021	As at 31st March,2020
9	**Financial Assets : Current**		
9.1	**Trade Receivables**		
	Trade receivable considered good-secured	-	-
	Trade receivable considered good-unsecured (Refer Note 36)	**167.09**	**111.91**
	Trade receivable which have significant increase in credit risk	**0.90**	0.97
	Trade receivable-credit impaired	-	-
	Less:-Provision for ECL	**(0.90)**	(0.97)
	Total	**167.09**	111.91
	Amount receivable from related parties included in above:		
	JSL Lifestyle Limited	**0.53**	1.01
	Jindal United Steel Limited	**0.44**	-
	Jindal Advance Material Pvt Ltd.	**0.04**	-
	Jindal Stainless Corporate Management Services Pvt. Ltd.	-	0.01
	Total	**1.01**	1.02

* No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0-90 days

* Trade receivable are hypothecated against the secured borrowing of the Company disclosed in note no. 13

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

(Amount in Crores)

	Particulars	As at 31st March,2021	As at 31st March,2020
9.2	**Cash and Cash Equivalents**		
	Balances with Banks		
	In Current Accounts	0.01	0.01
	In Fixed deposit with maturity of upto 3 months	0.24	0.23
	Cash on Hand	0.01	-
	Total	0.26	0.24
9.3	**Bank Balance othe than above**		
	Deposits with remaining maturity of more than three months but less than twelve months*	7.20	6.44
	Total	7.20	6.44
	*** Pledged with bank for letter of credit and bank guarantee.**		
9.4	**Other Financial Assets**		
	Unsecured, Considered good, unless otherwise stated		
	Interest Receivable on Fixed Deposits	0.18	0.18
	Loan & Advances to Employees	0.01	0.03
	Interest Receivable, Unsecured, Considered Good	0.35	0.28
	Other Receivable	24.40	23.97
	Total	24.94	24.46
10	**Current Tax Assets(Liability) (Net)**		
	Advance Payment of Tax (Net of Provision)	(6.39)	0.58
	Total	(6.39)	0.58
11	**Other Current Assets**		
	Unsecured, Considered good, unless otherwise stated		
	Other Advances	2.17	0.87
	Prepaid Expenses	0.39	0.32
	Balance with Statutory Authorities	8.37	16.32
	Total	10.93	17.51
	Other Advances from related parties included in above:		
	JSL Lifestyle Limited	1.24	-
	Total	1.24	-

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

(Amount in Crores)

	Particulars		As at 31st March,2021	As at 31st March,2020
12	**Equity Share Capital**			
A		Authorized Share Capital 30,000,000 (PY: 30,000,000) Equity Shares of Rs. 10/- Each	30.00	30.00
			30.00	30.00
		Issued, Subscribed and fully paid up 14,061,667 (PY: 14,061,667) Equity Shares of Rs. 10/- Each	14.06	14.06
			14.06	14.06

		No. of Shares	Amount in cr.
(i)	Reconciliation of number and amount of equity shares outstanding:		
	As at March 31,2019	1,71,66,924	17.17
	Movement during the year (Buyback of Shares)	(31,05,257)	(3.11)
	As at March 31,2020	1,40,61,667	14.06
	Movement during the year	-	-
	As at March 31,2021	1,40,61,667	14.06

(ii) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March,2021	As at 31st March,2020	As at 31st March,2021	As at 31st March,2020
	% of Holding	% of Holding	No. of Shares Held	
Equity shares of Rs. 10/- each fully paid Jindal Stainless (Hisar) Limited *	100.00	100.00	1,40,61,667	1,40,61,667

* Including 6 shares held by nominee of Jindal Stainless (Hisar) Ltd.

S.N.	Particulars	No. of Shares
1	Sh. Sanjay Kumar Goyal	1
2	Sh. Gobind Jaiswal	1
3	Sh. Dhriendra Bahudar Singh	1
4	Sh. Sanjay Gulyani	1
5	Sh. Ved Vashisth	1
6	Sh. Rajesh Kumar Pandey	1

(iii) **Rights, preferences and restrictions attached to equity shares**

The Company has only one type of equity share having par value of ₹ 10/- each per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entiled to one vote per share except, in respect of any shares on which any calls or other sums payable have not been paid.

The Company pays and declares dividends in Indian Rupees. Whenever divident is proposed by the Board of Directors, the same is subject to approval of shareholders in the ensuing Annua General Meeting, except in case of interim dividend, if any.

The repayment of equity share capital. In the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, a proportion to their shareholding.

(iv) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date : Nil

(v) The Company has bought back 31,05,257 equity shares during the Previous. year.

B **Nature of Reserves:**

(i) Securities Premium Account represents a sum of aggregate amount of premium received on the shares as reduced by the utilization of securities premium in accordance with the Companies Act, 2013

(ii) Retained earnings represents undistributed profits of the Company which can be distributed to its equity shareholders in accordance with the requirement of the Companies Act, 2013.

(iii) General Reserve represents undistributed profits of the Company which can be distributed to its equity shareholders in accordance with the requirement of the Companies Act, 2013.

(iv) Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into (i) items that will not be reclassified to statement of profit and loss, and (ii) items that will be reclassified to statement of profit and loss.

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JINDAL STAINLESS STEELWAY LIMITED
Notes to the financial statements for the year ended March 31, 2021

(Amount in Crores)

	Particulars	As at 31st March,2021	As at 31st March,2020
13	**Long Term Borrowings**		
	Term Loan:		
	From Bank: (refer note a):		
	Vehicle Loan from Toyota Financial Services India Ltd.	0.05	0.08
	From Others - Working Capital Term Loan (refer note b and c):		
	TATA Capital Financial Services Ltd.	2.80	6.15
	Loan Processing Fees Amortization IND AS	-	(0.23)
	Total Borrowings	2.85	6.00
	Less : Current Maturities of Long Term Borrowings	2.85	3.41
	Total	-	2.59

a. Vehicle loan from banks are secured against hypothecation of respentive vehicle. Loan from Toyota is repayable in 36 EMI till September 20, 2021 and carries interest rate of 9.20 %

b. Working Capital Term Loan Facility are secured by way of

(i) First pari-passu charge (with Term Lenders) on the Existing Fixed Assets

(ii) Second pari-passu charge (with Term Lenders) on the Current Assets

c. The TATA Capital loan is repayable by January 2022 in 22 installments and carries floating interest rate which ranges from 9.95% to 11.10% p.a.

	Particulars	As at 31st March,2021	As at 31st March,2020
14	**Other Non Current Financial Liabilities**		
	Lease Payable	6.65	8.52
	Less : Current Maturity of Lease	(1.85)	(1.65)
	Total	4.80	6.87
15	**Non Current Provision**		
	Provision for Employee Benefits (Refer Note 37)		
	Gratuity	1.53	1.62
	Leave Encashment	0.92	1.16
	Total	2.45	2.78
16	**Deferred Tax Liability/ (Asset) on account of :**		
	Deferred Tax Liabilities (Net)	2.36	2.69
		2.36	2.69

Movement in deferred tax items
FY 20-21

		Movement during the year		
	Balance as at April 1, 2020	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing balance as at March 31, 2021
Deferred tax liability / (asset) on account of				
Property, plant & equipment	3.69	(0.36)	-	3.33
Employee Benefits	(0.76)	-	0.02	(0.74)
Provision of doubtful debts	(0.24)	0.01	-	(0.23)
Net Deferred tax liability / (asset)	2.69	(0.35)	0.02	2.36
Net increase/ (decrease) during the year in statement of profit & loss account.			(0.33)	(1.03)

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(Amount In Crores)

	Particulars	As at 31st March,2021	As at 31st March,2020
17	**Financial Liability: Current**		
17.1	Short Term Borrowings		
	Secured - at amortized cost		
	Bank		
	Working Capital Facility from Bank*	14.16	78.67
	Total	14.16	78.67
a.	The company has availed cash credit facility from consortium of banks. The details of securities are as follows: a) First pari-passu charge (with Working Capital Consortium Lenders) on the Current Assets of the Company (both present and future) b) Second pari-passu charge (with Working Capital Consortium Lenders) on the Fixed Assets of the Company (both present and future) c) Letter of Comfort from Jindal Stainless (Hisar) Limited.		
b.	The Cash Credit is repayable on demand and carries floating interest rate which range from 10.05% to 11.20% p.a.		
17.2	**Trade Payables**		
	Dues to Micro, Small and Medium Enterprises	0.31	0.27
	Dues to other than Micro, Small and Medium Enterprises	168.29	101.12
	Total	168.60	101.39
a.	**Amount payable to related party included in above:**		
	Jindal Stainless Limited	94.54	29.41
	Jindal Stainless (Hisar) Limited	59.13	61.72
	JSS Steelitalia Limited	4.13	0.31
	Jindal Stainless Consultancy Services Limited.	0.05	0.04
	Jindal Stainless Corporate Management Services Pvt Ltd.	-	-
		157.85	91.48
b.	Based on the intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 the required disclosure is given below #		
	Principal amount due outstanding	0.31	0.27
	Interest due on above and unpaid	-	-
	Interest paid to the Suppliers	-	-
	Payment made to the suppliers 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	0.31	0.27
17.3	**Other Financial Liabilities**		
a)	Current Maturities of Long term Debt.		
	Toyota Financial Services India Ltd. (Car Loan)	0.05	0.05
	TATA Capital Financial Services Ltd.	2.80	3.36
b)	Current Maturities of Lease Payable	1.85	1.65
c)	Security Deposits - Refundable	0.05	0.11
d)	Other Payable	24.20	11.42
	Total	28.95	16.59
18	**Other Current Liability**		
	Advance from Customer	8.68	13.85
	Statutory Dues	0.57	0.58
	Other Liabilities	0.35	0.30
	Total	9.60	14.73
19	**Provision: Current**		
	Provision for Employee Benefits (Refer Note 38)		
	Gratuity	0.35	0.14
	Leave Encashment	0.13	0.09
	Total	0.48	0.23

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NEW DELHI
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(Amount in Crores)

	Particulars	Year Ended 31st March,2021	Year Ended 31st March,2020
20	**Revenue from Operation**		
	Revenue from Contracts with Customers		
(i)	**Disaggregated revenue information**		
	Set out below is the disaggregation of the Company's revenue from Contracts with Customers		
	Segment		
(a)	**Type of Goods or Services**		
	Sale of Products (Finished Goods):		
	HR Coils, Sheet & CR Strips	1,651.82	1,500.93
	Packing Material	16.83	21.30
	Scrap	141.06	145.41
	Sale of Services:		
	Job Work	35.70	49.99
	Rent of Plant & Machinery	14.03	11.34
	Total Revenue from Contracts with Customers	1,859.44	1,728.97
(b)	**Location**		
	India	1,771.65	1,721.58
	Outside India	87.79	7.39
	Total Revenue from Contracts with Customers	1,859.44	1,728.97
(c)	**Timing of Revenue Recognition:**		
	Goods transferred at a point in time	1,809.71	1,667.64
	Service provided at a point in time	49.73	61.33
	Total	1,859.44	1,728.97
(ii)	**Contract balances**		
	The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:		
	Trade Receivables	167.09	111.91
	Contract Liabilities:		
	Advance from Customers	8.68	13.85
(iii)	**Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**		
	Revenue as per Contracted Price	1,859.44	1,728.97
	Revenue from Contracts with Customers	1,859.44	1,728.97
(iv)	**The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2021 are, as follows:**		
	Advance from customers (Refer note 18)	8.68	13.85
	Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.		
21	**Other Income**		
	Interest Income on		
	Fixed Deposits with Bank	0.41	0.37
	Loan & Advances	4.29	4.70
	Debtors	1.20	1.88
	Other non-operating Income		
	Lease Rent	0.74	0.79
	O&M / Support Services	2.76	1.67
	Miscellaneous Sales/ Receipts	1.17	1.22
	Insurance Claims	0.51	1.01
	Foreign Exchange Fluctuation	1.29	0.17
	Provision for Doubtful Debts	0.06	-
	Excess Provision for Doubtful Debts written back	-	0.15
	Total	12.43	11.96

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JINDAL STAINLESS STEELWAY LIMITED

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

(Amount in Crores)

	Particulars	Year Ended 31st March,2021	Year Ended 31st March,2020
22	**Cost of Material Consumed**		
	Raw Material (HR Coils, Sheet & CR Strips)	1576.17	1472.92
	Packing Material	20.78	26.05
	Total	1596.95	1498.97
23	**Purchases of stock in trade**		
	H.R. Coils, Sheets & Cold Rolled Strips	69.85	63.62
	Purchases during the year	69.85	63.62
24	**Changes in inventories of finished goods, stock-in-trade & work in progress:**		
	Inventories at the beginning of the year		
	Finished Goods- Manufactured - S.S. Coils/Sheets	17.50	22.37
	Work in Progress	28.55	21.78
		46.05	44.15
	Less: Inventories at the end of the year		
	Finished Goods- Manufactured - S.S. Coils/Sheets	8.74	17.50
	Work in Progress	35.08	28.55
		43.82	46.05
	Changes in inventories of finished goods, stock-in-trade & work in progress:	2.23	(1.90)
25	**Employee Benefits Expenses**		
	Salaries and Wages	14.83	17.04
	Contribution to Provident and other funds	0.73	0.71
	Staff Welfare Expenses	0.94	1.24
	Total	16.50	18.99
	Re-measurement gains (losses) on defined benefit plans	0.10	(0.27)
	Grand Total	16.60	18.72
26	**Finance Cost**		
	Interest on		
	Working Capital Loan	6.98	9.08
	Term Loan	0.53	1.82
	Other Borrowing Cost		
	Processing Cost	0.71	1.32
	On Lease Liabilities	0.89	0.79
	Bank and Finance Charges	3.05	4.99
	Total	12.16	18.00
27	**Depreciation and Amortisation Expenses**		
	Depreciation on Property, Plant & Equipment	8.53	6.83
	Amortization of Intangible assets	0.54	0.56
	Depreciation on Right to Use Assets	1.93	1.45
	Total	11.00	8.84

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JINDAL STAINLESS STEELWAY LIMITED
Notes to the financial statements for the year ended March 31, 2021

(Amount in Crores)

	Particulars	Year Ended 31st March,2021	Year Ended 31st March,2020
28	**Other Expenses**		
A	**Manufacturing Expenses**		
	Consumption of Stores and Spare Parts	4.17	4.72
	Power and Fuel Consumption	3.18	3.51
	Repairs and Maintenance:		
	Machinery	0.62	0.57
	Buildings	0.16	0.38
	Others	0.19	0.35
	Job work	9.91	12.17
	Contractual Labour Cost	8.46	10.51
	Safety & Security Expenses	1.25	1.22
	Crane & Hydra Charges	0.65	1.00
	Rent for Plant & Machinery	0.79	0.82
	Operating & Maintenance Charges	27.54	40.65
	Other Manufacturing Expenses	-	0.01
		56.92	75.91
B	**Office & Administration Expenses**		
	Rent	0.69	0.67
	Insurance	0.84	0.57
	Rates & Taxes	0.12	0.84
	Travelling & Conveyance	0.35	0.89
	Legal and Professional	0.78	2.22
	Donation	-	-
	Director's Sitting Fees	0.01	0.02
	Payment to Auditor (Refer Note 28.1)	0.09	0.08
	-Out of Pocket Expenses	-	-
	Internal Audit Fees	0.13	0.13
	Cost Audit Fees	0.01	0.01
	CSR Expenditure	0.83	0.71
	Loss on Sale of Property, Plant & Equipment - Net	-	-
	Vehicle Upkeep and Maintenance	0.28	0.34
	Postage, Telephone, Mobile, Internet & Computer	1.03	0.84
	Printing & Stationery	0.22	0.24
		5.38	7.56
C	**Selling and Distribution Expenses**		
	Selling Expenses	3.43	0.28
	Provision for Doubtful Debts	-	0.22
	Bad Debts and Advances Written Off	-	1.28
	Provision for Doubtful Debts Written Back	-	(1.28)
	Freight & Forwarding	8.23	6.46
		11.66	6.96
D	**Miscellaneous Expenses**		
	Miscellaneous Expenses	0.54	0.74
		0.54	0.74
	Grand Total	74.50	91.17
28.1	**Auditors Remuneration**		
	Audit Fees	0.07	0.06
	Limited Review Fees	0.02	0.02
	Out of Pocket Expenses	-	-
		0.09	0.08

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JINDAL STAINLESS STEELWAY LIMITED
Notes to the financial statements for the year ended March 31, 2021

29 Contingent liabilities

i) Guarantees

(Amount in Crores)

Particulars	As at 31st March,2021	As at 31st March,2020
Bank Guarantees outstanding	14.23	12.69

ii) Other contingent liabilities (Not provided for)

Particulars	As at 31st March,2021	As at 31st March,2020
Liability for Duty Saved for Import under EPCG Scheme	7.80	8.20
Bill discounted by bank	10.79	10.37
Sale Tax /GST	1.13	-
Income Tax demand against which company has preferred appeal	0.09	0.50
Total	19.81	19.08

30 Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances)

a)

Particulars	As at 31st March,2021	As at 31st March,2020
Property, Plant and Equipment	0.89	14.50

b) **Other Commitments**

Particulars	As at 31st March,2021	As at 31st March,2020
	Nil	Nil

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

B) On 3 February 2021, the Board of Directors of the Company had approved a Scheme of Amalgamation (the 'Scheme') under Section 230 to 232 (read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable laws)) of Companies Act, 2013 for the Amalgamation of JSS Steelitalia Limited into and with the Company. The Scheme having appointed date of 01 March 2021 is subject to the approval of shareholders, regulatory and other necessary approvals including approval of National Company Law Tribunal (NCLT).
The First Motion Application was filed before the NCLT, Chandigarh bench on 22 March 2021.

	Year Ended 31st March 2021	Year Ended 31st March 2020
32 Corporate Social Responsibility (CSR) Expenditure:		
Gross amount required to be spent by the Company during the year	0.79	0.66

Particulars	Paid in Cash	Yet to be paid in cash	Total
Contruction / Acquisition of any assets	-	-	-
Purposes other than above	0.83	-	0.83
2020-21	0.83	-	0.83
Contruction / Acquisition of any assets	-	-	-
Purposes other than above	0.71	-	0.71
2019-20	0.71	-	0.71

Details of amount spent towards CSR

Payment made to Jindal Stainless Foundation, Hisar - **"Implementing Agency"** 0.83

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Company, through "Implementing agency", has transferred the unspent amount of Rs.0.83 Crore to separate bank account subsequent to the balance sheet date.

33 Financial risk management

Financial risk factors

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has Non-current investments only.
The Company's activities expose it to a variety of financial risks:

i) Market risk

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

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

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

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Market Risk
The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. However, such effect is not material.

(a) Foreign exchange risk and sensitivity
The Company transacts business primarily in Indian Rupee, USD and Euro. The Company has foreign currency trade payables and is therefore, exposed to foreign exchange risk, though not material. The following table demonstrates the sensitivity in the USD, Euro to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below:

Particulars	For the year ended March 31, 2021			For the year ended March 31, 2020		
	Net monetary items in respective currency outstanding on reporting date	Change in currency exchange rate	Effect on (profit)/ loss before tax	Net monetary items in respective currency outstanding on reporting date	Change in currency exchange rate	Effect on (profit)/ loss before tax
USD	0.03	5%	0.10	(0.02)	5%	(0.07)
		-5%	-0.10		-5%	0.07
EURO	(0.00)	5%	-0.00	0.01	5%	0.03
		-5%	0.00		-5%	(0.03)

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.
Summary of exchange difference accounted in Statement of Profit and Loss:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Currency fluctuations		
Net foreign exchange gain/(losses) shown as operating expenses	1.29	0.17

(b) Interest rate risk and sensitivity
The Company's exposure to the risk of changes in market interest rates relates primarily to short term debt. Interest rate on long term debt is generally fixed. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of borrowings

Interest rate sensitivity	Year ended 31.03.2021		Year ended 31.03.2020	
	Increase/ Decrease in basis points	Effect on profit before tax	Increase/ Decrease in basis points	Effect on profit before tax
INR borrowings	50	(0.08)	50	(0.42)
	-50	0.08	-50	0.42

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

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Unused lines of credit

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Sanctioned limit - Working Capital	90.00	90.00
Loan outstanding at the year end	14.16	78.67
Unused lines of credit	75.84	11.33

*Excluding non fund based facilities.

Interest rate & currency of borrowings

The below table demonstrate the borrowing of fixed and floating rate of interest

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Average Rate (%)
INR as at 31.03.2021	17.01	16.96	0.05	10.14%
INR as at 31.03.2020	84.90	84.82	0.08	11.01%

Credit risk

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

Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored .The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The ageing of trade receivable is as below:

Particulars	Neither due nor impaired	Past due			Total
		Upto 6 months	6 to12 months	Above 12 months	
As at 31.03.2021					
Trade receivable					
Unsecured	141.49	23.73	0.67	2.10	167.99
Gross Total	141.49	23.73	0.67	2.10	167.99
Provision for doubtful				0.90	0.90
Net Total	141.49	23.73	0.67	1.20	167.09
As at 31.03.2020					
Trade receivable					
Unsecured	67.19	41.31	2.42	1.96	112.88
Gross Total	67.19	41.31	2.42	1.96	112.88
Provision for doubtful	-	0.04	0.00	0.93	0.97
Net Total	67.19	41.27	2.42	1.03	111.91

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Liquidity risk
The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall , the company uses mix of capital infusion and borrowing from its holding company. However, the company envisage that such short fall is temporary and the company would generate sufficient cash flows as per approved projections.

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

Particulars	Carrying Amount	Ageing as on 31st March 2021			
		Less than 1 Year	1 to 3 Years	More than 3 Years	Total
Borrowings (Including current maturities)	17.01	17.01	-	-	17.01
TATA Lease Payable (Including current maturities)	6.65	1.85	4.39	0.41	6.65
Trade Payable	168.60	168.60	-	-	168.60
Other Liabilities	24.25	24.25	-	-	24.25
Total	**216.51**	**211.71**	**4.39**	**0.41**	**216.51**

Particulars	Carrying Amount	Ageing as on 31st March 2020			
		Less than 1 Year	1 to 3 Years	More than 3 Years	Total
Borrowings (Including current maturities)	84.67	82.08	2.59	-	84.67
TATA Lease Payable (Including current maturities)	8.52	1.65	3.92	2.95	8.52
Trade Payable	101.39	101.39	-	-	101.39
Other Liabilities	11.53	11.53	-	-	11.53
Total	**206.11**	**196.65**	**6.51**	**2.95**	**206.11**

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

Capital risk management
The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2020-21 and 2019-20 is an under -

Particulars		As of 31.03.2021	As of 31.03.2020
Loans and borrowings*	A	17.01	84.90
Less: Cash and cash equivalents	B	0.26	0.24
Net Debt	C=A-B	16.75	84.66
Total Equity	D	238.36	174.09
Gearing ratio	C/D	0.07	0.49

*Borrowings include long term and short term borrowings

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34 Fair value of financial assets and liabilities and Hierarchy

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:
(1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

Fair Value Hierarchy
The following table provides the fair value measurement hierarchy of Company's financial asset and financial liabilities, grouped into Level 1 to Level 3 as described below:
Level 1- Quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2- Inputs other than quoted prices include within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3- Unobservable inputs for the asset or liability.

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements

Particulars	As at March 31, 2021		As at March 31, 2020		Level
	Carrying amount	Fair Value	Carrying amount	Fair Value	
Financial assets designated at amortised cost					
Other financial assets	27.51	27.51	26.44	26.44	3
	27.51	**27.51**	**26.44**	**26.44**	
Financial liabilities designated at amortised cost					
Borrowings- fixed rate	0.05	0.05	0.08	0.08	1
Borrowings- floating rate	16.96	16.96	84.59	84.59	1
Trade payables	168.60	168.60	101.39	101.39	3
TATA Lease Payable	6.65	6.65	8.52	8.52	3
Other financial liabilities	24.25	24.25	11.53	11.53	3
	216.51	**216.51**	**206.11**	**206.11**	

There have been no transfer between level 1 and level 2 during the year"
Valuation Technique - Discounted Cash Flow
Inputs Used - Prevailing interest rates in market

S.S. KOTHARI MEHTA & COMPANY
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35 Income tax reconciliation

Tax Expense

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Current tax	22.80	10.98
Deferred tax	(0.33)	(1.03)
Previous Years Adjustment	1.94	-
Total Tax expense	24.41	9.95

Effective Tax Reconciliation
A reconciliation of the theoretical income tax expense / (benefit) applicable to the profit / (loss) before income tax at the statutory tax rate in India to the income tax expense / (benefit) at the Company's effective tax rate is as follows:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Net Profit before taxes	88.67	43.24
Enacted tax rates for company	25.168%	25.168%
Computed tax Income (expense)	22.32	10.88
Increase/(reduction) in taxes on account of:		
Amount not allowable	0.81	0.41
Previous Years Adjustment	1.94	
Effect of previous years	(0.47)	(0.32)
Effect of Change in Tax rate	(0.19)	(1.02)
Income tax expense reported	24.41	9.95

36 **Segment information**
Information about primary segment
The Company operates in a Single Primary Segment (Business Segment) i.e. Slitting/Cutting to Length / Polishing products in coil form of steel/Sheet form of Stainless Steel.

Information about Geographical Segment – Secondary
The Company's operations are located in India. The Management has not identified any geographical segment.

37 **Related party transactions**
In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during the year, are:

Related party name and relationship
a) Holding Company
Jindal Stainless (Hisar) Limited

b) Fellow Subsidiary Companies
a. JSL Lifestyle Limited
b. Green Delhi BQS Pvt. Limited
c. JSL Logistics Limited
d. JSL Media Limited

c) 100% Subsidiary Company w.e.f 15th January 2021
J.S.S. Steelitalia Ltd.

d) Associate Company till 15th January 2021
J.S.S. Steelitalia Ltd. (33% Ownership interest)

e) Key Management Personnel
Sanjay Kumar Goyal (Whole Time Director)
Sanjeev Sharma (Chief Financial Officer) upto 14.05.2020.
Dhirendra Bahadur Singh (Chief Financial Officer) w.e.f. 09.06.2020.
Rajesh Kumar Pandey (Company Secretary)

f) Enterprises Where in Company/Holding Company Having Substantial Interest
Jindal Stainless Limited
Jindal Stainless Consultancy Services Limited
Jindal Stainless Corporate Management Services Pvt Ltd.
Jindal United Steel Limited
Jindal Advance Materials Private Limited

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

JINDAL STAINLESS STEELWAY LIMITED
Notes to the financial statements for the year ended March 31, 2021

A. Related party transactions (Including indirect taxes, wherever applicable):-

	Nature of transactions	Year ended 31.03.2021			Year ended 31.03.2020		
		Holding Company	Fellow Subsidiary Company & Associates	Entities where KMP/relative of holding company Having Substantial Interest/Enterprises Where in Company/Holding Company Having Substantial Interest	Holding Company	Fellow Subsidiary Company & Associates	Entities where KMP/relative of holding company Having Substantial Interest/Enterprises Where in Company/Holding Company Having Substantial
I	**Sales of Goods**	167.09	1.41	19.39	179.10	6.47	18.12
	Jindal Stainless Limited	-	-	19.22	-	-	18.12
	Jindal Stainless (Hisar) Limited	167.99	-	-	179.10	-	-
	Jindal Stainless Corporate Management Services Pvt Ltd.	-	-	0.03	-	-	-
	Jindal United Steel Limited	-	-	0.10	-	-	-
	Jindal Advance Material Pvt Ltd.	-	-	0.04	-	-	-
	JSL Lifestyle Limited	-	1.41	-	-	6.47	-
	JSS Steelitalia Limited	-	-	-	-	-	-
II	**Purchase of Goods**	1,026.37	2.27	922.01	759.39	0.07	1,120.12
	Jindal Stainless Limited	-	-	922.01	-	-	1,120.12
	Jindal Stainless (Hisar) Limited	1,026.37	-	-	759.39	-	-
	JSL Lifestyle Limited	-	2.09	-	-	0.02	-
	JSS Steelitalia Limited	-	0.18	-	-	0.05	-
III	**Overheads & Maintenance Charges Received**	-	3.09	-	-	1.91	-
	Jindal Stainless Limited	-	-	-	-	-	-
	JSS Steelitalia Limited	-	3.09	-	-	1.91	-
IV	**Lease Rent Received**	0.30	-	17.13	0.28	-	14.03
	Jindal Stainless Limited	-	-	14.65	-	-	14.03
	Jindal Stainless (Hisar) Limited	0.30	-	-	0.28	-	-
	Jindal United Steel Limited	-	-	2.48	-	-	-
V	**Lease Rent Paid**	1.47	0.08	-	1.49	0.08	-
	Jindal Stainless (Hisar) Limited	1.47	-	-	1.49	-	-
	JSL Lifestyle Limited	-	0.08	-	-	0.08	-
VI	**Overheads & Maintenance Charges Paid**	32.50	-	-	47.97	-	0.20
	Jindal Stainless Limited	-	-	-	-	-	0.20
	Jindal Stainless (Hisar) Limited	32.50	-	-	47.97	-	-
VII	**Jobwork Charges Received**	18.77	0.18	20.15	37.20	0.39	19.34
	Jindal Stainless Limited	-	-	20.15	-	-	19.34
	Jindal Stainless (Hisar) Limited	18.77	-	-	37.20	-	-
	JSL Lifestyle Limited	-	0.18	-	-	0.39	-
	JSS Steelitalia Limited	-	0.00	-	-	-	-
VIII	**Jobwork Charges Paid**	0.01	7.72	-	-	11.37	-
	Jindal Stainless (Hisar) Limited	0.01	-	-	-	-	-
	JSL Lifestyle Limited	-	0.00	-	-	0.02	-
	JSS Steelitalia Limited	-	7.72	-	-	11.34	-
IX	**Net Interest on Early Payment Received**	0.06	-	3.18	2.01	-	2.65
	Jindal Stainless Limited	-	-	3.18	-	-	2.65
	Jindal Stainless (Hisar) Limited	0.96	-	-	2.01	-	-
X	**Sharing of Expenses Recovered**	-	0.02	0.01	-	0.02	0.00
	Jindal Stainless Limited	-	-	-	-	-	0.00
	JSL Lifestyle Limited	-	0.02	-	-	0.02	-
	JSS Steelitalia Limited	-	-	-	-	-	-
	Jindal Stainless Corporate Management Services Pvt Ltd.	-	-	0.01	-	-	0.00

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

JINDAL STAINLESS STEELWAY LIMITED

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

	Nature of transactions	Year ended 31.03.2021			Year ended 31.03.2020		
		Holding Company	Fellow Subsidiary Company & Associates	Entities where KMP/relative of holding company Having Substantial Interest/Enterprises Where In Company/Holding Company Having Substantial Interest	Holding Company	Fellow Subsidiary Company & Associates	Entities where KMP/relative of holding company Having Substantial Interest/Enterprises Where In Company/Holding Company Having Substantial
XI	**Sharing of Expenses Reimbursed**	-	0.05	1.25	-	0.05	1.15
	Jindal Stainless Limited	-	-	0.84	-	-	0.46
	Jindal Stainless (Hisar) Limited	-	-	-	-	-	-
	Jindal Stainless Consultancy Services Limited.	-	-	0.35	-	-	0.40
	Jindal Stainless Corporate Management Services Pvt Ltd.	-	-	0.06	-	-	0.29
	JSL Lifestyle Limited	-	0.05	-	-	0.05	-

B. Related Party Balances ;

I	**Amount Receivables**	-	1.77	0.48	-	1.01	0.01
	JSL Lifestyle Limited (Trade Receivable)	-	0.53	-	-	1.01	-
	JSL Lifestyle Limited (Other Advances)		1.24				
	JSS Steelitalia Limited	-	-	-	-	-	-
	Jindal United Steel Limited	-	-	0.44	-	-	-
	Jindal Advance Material Pvt Ltd.	-	-	0.04	-	-	-
	Jindal Stainless Corporate Management Services Pvt Ltd.	-	-	0.00	-	-	0.01
II	**Amount Payable**	59.13	4.13	94.59	61.72	0.31	29.45
	Jindal Stainless Limited	-	-	94.54	-	-	29.41
	Jindal Stainless (Hisar) Limited	59.13	-	-	61.72	-	-
	JSL Lifestyle Limited	-	-	-	-	-	-
	JSS Steelitalia Limited	-	4.13	-	-	0.31	-
	Jindal Stainless Consultancy Services Limited.	-	-	0.05	-	-	0.04
	Jindal Stainless Corporate Management Services Pvt Ltd.	-	-	-	-	-	-
III	**Refundable Security Given**	0.04	-	0.10	0.04	-	0.10
	Jindal Stainless (Hisar) Limited	0.04	-	-	0.04	-	-
	Jindal Stainless Consultancy Services Limited.	-	-	0.10	-	-	0.10

C. Remuneration to Key Management Personnel (KMP)

Name of Directors	Period	Salary	P.F	Others	Total
Mr. Sanjay Kumar Goyal	April-2020 to Mar-2021	0.56	0.02	0.17	0.75
Total-A		0.56	0.02	0.17	0.75

Name of Key Management	Period	Salary	P.F	Others	Total
Mr. Sanjeev Sharma	April-2020 to 14th May 2020	0.05	0.00	0.14	0.19
Mr. Rajesh Pandey	April-2020 to March-2021	0.14	0.01	0.02	0.17
Mr. D.D. Singh	July-2020 to March-2021	0.39	0.02	0.09	0.50
Total-B		0.58	0.03	0.25	0.86
Total (A+B)		1.14	0.05	0.42	1.61

*Salary Including bonus and commission on accrual basis and value of perquisites

P.F. Including PF and any other benefit

Others including leave encashment, gratuity and any other benefit

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38 Retirement benefit obligations

a) Expense recognised for Defined Contribution plan

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Company's contribution to provident fund	0.72	0.71
Company's contribution to ESI	0.01	0.01
Total	0.73	0.72

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of March 31, 2021 and March 31, 2020 being the respective measurement dates:

b). Movement in obligation (Unfunded)

Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of obligation at the beginning	1.76	1.25	1.24	1.01
Current service cost	0.21	0.19	0.21	0.30
Interest cost	0.12	0.09	0.09	0.07
Benefits paid	(0.11)	(0.22)	(0.05)	(0.23)
Remeasurements - actuarial loss/ (gain)	(0.10)	(0.26)	0.27	0.09
Present value of obligation at the end	1.89	1.05	1.76	1.25

c). Movement in Plan Assets

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Fair value of plan assets at beginning of year	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Actuarial gain / (loss)	-	-
Fair value of plan assets at end of year	-	-
Present value of obligation	1.89	1.76
Net funded status of plan	(1.89)	(1.76)
Actual return on plan assets	-	-

The components of the gratuity & leave encashment cost are as follows:

d). Recognised in profit and loss

Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current Service cost	0.21	0.19	0.21	0.30
Interest cost	0.12	0.09	0.09	0.07
Expected return on plan assets	-	-	-	-
Remeasurement - Actuarial loss/(gain)	-	-	-	-
Total	0.33	0.28	0.30	0.37

e). Recognised in other comprehensive income

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
	Gratuity	
Remeasurement - Actuarial gain(loss)	0.10	(0.27)

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JINDAL STAINLESS STEELWAY LIMITED
Notes to the financial statements for the year ended March 31, 2021

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

Actuarial assumptions	Year ended 31.03.2021	Year ended 31.03.2020
Attrition rate	-	-
Discount Rate	7.00%PA	7.00%PA
Expected Rate of Increase in salary	8%PA	8%PA
Expected Rate of Return on Plan Assets	-	-
Mortality rate	IALM 2012-14	IALM 2012-14
Expected Average remaining working lives of employees (years)	20.0 years	20.8 years

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.

g). Sensitivity analysis:

Particulars	For the year ended 31.03.2021			For the year ended 31.03.2020		
	Change in assumption	Effect on Gratuity obligation	Effect on leave encashment obligation	Change in assumption	Effect on Gratuity obligation	Effect on leave encashment obligation
Discount rate	1%	1.73	0.95	1%	1.61	1.13
	-1%	2.07	1.16	-1%	1.94	1.38
Salary Growth rate	1%	2.07	1.16	1%	1.93	1.38
	-1%	1.73	0.95	-1%	1.61	1.13
Withdrawal Rate	1%	1.87	1.04	1%	1.75	1.24
	-1%	1.90	1.06	-1%	1.78	1.26

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions 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.

h). History of experience adjustments is as follows:

Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Plan Liabilities - (Gain)/Loss	(0.10)	(0.26)	0.16	0.02
Plan Assets - Gain/(Loss)			-	-

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	Gratuity
01 Apr 2021 to 31 Mar 2022	0.35
01 Apr 2022 to 31 Mar 2023	0.03
01 Apr 2023 to 31 Mar 2024	0.03
01 Apr 2024 to 31 Mar 2025	0.04
01 Apr 2025 to 31 Mar 2026	0.06
01 Apr 2026 Onwards	1.38

i). Current and non-current provision for Gratuity and leave encashment

Particulars	Year ended 31.03.2021		Year ended 31.03.2020	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current provision	0.35	0.13	0.14	0.09
Non current provision	1.53	0.92	1.62	1.16
Total Provision	1.88	1.05	1.76	1.25

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NEW DELHI
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JINDAL STAINLESS STEELWAY LIMITED
Notes to the financial statements for the year ended March 31, 2021

39 Earnings per share (EPS) Computed in accordance with Ind AS 33 "Earnings Per Share"

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit after tax - A	64.19	33.49
Weighted average no of equity shares outstanding during the year - Basic and Diluted - B	1,40,61,667	1,67,76,646
Basic and Diluted Earnings per share (A/B)	45.65	19.96
Face Value Per Share	10.00	10.00

40 Details of loans given, investment made and Guarantees given, covered U/S 186(4) of the Companies Act 2013.

(Amount in Crores)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Investment in Subsidiary Company in J.S.S.Steelitalia Ltd. W.e.f from January 16, 2021		
Equity shares of Rs.10 each 2,33,74,818 (March 31,2020: 77,13,190)	10.13	7.71
4% Compulsory Convertible Preference shares of Rs.10 each 97,83,518 (March 31,2020 : Nil)	1.51	
5% Fully & Mandatory Convertible Debentures of Rs.100 each 13,40,000 (March 31,2020 : Nil)	2.07	
Investment in Equity Shares of Fellow Subsidiary Company 15,20,000 (March 31,2020: 15,20,000) Equity shares of Rs.10 each fully paid up in JSL Lifestyle Ltd.	2.00	2.00
Total	15.71	9.71

41 Leases

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Ind AS 116 Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less).

The Company has adopted these standard from 1 April 2019. The impact on adoption of Ind AS 116 on the financial statements is given below.

Operating lease commitments- Company as lessee

The Company has lease contracts for machines. Leases of machines have lease term of 5 years.

Set out below are the carrying amounts of right of use assets recognised and the movements during the year:

a. Right To Use Asset - Buildings

(Rs. In Crore)

	For the Year ended 31.03.2021	For the Year ended 31.03.2020
Cost		
Opening	9.62	-
Additions	-	9.62
Disposals	-	-
Reclassified on account of adoption of Ind AS 116	-	-
As at March 31	9.62	9.62
Accumulated depreciation		
Opening	1.45	-
Charge for the year	1.92	1.45
Disposals		
Reclassified on account of adoption of Ind AS 116		
As at March 31	3.37	1.45
Net block as at March 31	6.25	8.17

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

(Rs. In Crore)

b. Set out below are the carrying amounts of lease liabilities and the movements during the year:

	For the Year ended 31.03.2021	For the Year ended 31.03.2020
Opening	8.52	-
Additions	-	10.16
Deletions	-	-
Accretion of interest	0.89	0.79
Payments	(2.76)	(2.43)
As at March 31	6.65	8.52
Current	1.85	1.65
Non-current	4.80	6.87
<u>The maturity analysis of lease liabilities:</u>		
Payable in 1 year	1.85	1.65
Payable in 1-5 years	4.80	6.87

The effective interest rate for lease liabilities is 11.50%, with maturity in July 2024

c. The following are the amounts recognised in Statement of profit or loss:

(Rs. In Crore)

Year ended March 31, 2021 (Leases under Ind AS 116)	For the Year ended 31.03.2021	For the Year ended 31.03.2020
Depreciation expense of right of use assets	1.92	1.45
Interest expense on lease liabilities	0.89	0.79
Expense relating to leases of short-term / low value assets (included in other expenses)	-	-
Total amount recognised in Statement of profit or loss	2.81	2.24

(Rs. In Crore)

Year ended March 31, 2021 (Operating leases under Ind AS 17)		
Lease expense	-	-
Total amount recognised inStatement of profit or loss	-	-

d. **Amounts recognised in statement of cash flows:**

(Rs. In Crore)

	For the Year ended 31.03.2021	For the Year ended 31.03.2020
Year ended March 31, 2021		
Total cash outflow for leases	2.76	2.43
Financing activities		
Payment of lease liability	2.76	2.43
Operating activities		
Short term / low value assets lease payment	-	-

42 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

In terms of our report of even date annexed hereto

For and on behalf of
S.S.Kothari Mehta & Company
Chartered Accountants
Firm Regn. No 000756N

Amit Goel
Partner
Membership No: 500607

S.S. KOTHARI MEHTA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of the Board
Jindal Stainless Steelway Limited

Sanjay Kumar Goyal
Director
DIN - 07733620

Vijay Kumar Sharma
Director
DIN-01468701

Rajesh Kumar Pandey
Company Secretary

Dhirendra Bahadur Singh
Chief Financial Officer

PLACE : New Delhi
Date: 17.05.2021

ANNEXURE-5

P.C. GOYAL & CO.
CHARTERED ACCOUNTANTS
B-3/2 TOP FLOOR PASCHIM VIHAR
New Delhi-110 063

INDEPENDENT AUDITORS' REPORT

To
The Members of J.S.S. STEELITALIA LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **J.S.S. STEELITALIA LIMITED**("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss(including Other Comprehensive Income),the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profits, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

P.C. GOYAL & CO.
CA
New Delhi
M.No. 082407
FRN. 003368N
CHARTERED ACCOUNTANTS

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act,

P.C. GOYAL & CO. CHARTERED ACCOUNTANTS New Delhi

we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure'A'** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of ourknowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far asit appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Lossincluding Other Comprehensive Income,the Statement of Change in Equity and the Cash Flow Statement dealt with by thisReport are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;

(e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to **Annexure 'B'**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations as on March 31, 2021;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

(h)The managerial remuneration for the year ended 31st March, 2021has been paid/ provided for by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

For P.C. Goyal& Co.,
Chartered Accountants
Firm Registration No. 002368N

(M.P. Jain)
Partner
M. No. 082407
Dated: 17thMay,2021
Place: Gurugram
UDIN: 21082407AAAACC7124

GOYAL & CO. New Delhi M.No. 082407 FRN. 002368N CHARTERED ACCOUNTANTS

ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **J.S.S. STEELITALIA LIMITED** on the accounts for the year ended March 31,2021).

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

   (b) The Management in accordance with a phased programme of verification adopted by the Company has physically verified a major portion of the fixed assets. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.

   (c) The title deeds of the immovable properties are held in the name of the Company.

2. As explained to us, the management during the year has physically verified inventories except stock lying with third parties. In our opinion, the frequency of verification is reasonable. The discrepancies noticed during physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.

3. According to the information and the explanations given to us, the company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the order are not applicable to the company and hence not commented upon.

4. The Company has not granted any loans or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the order are not applicable to the company and hence not commented upon.

5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.

6. According to the information and explanations given to us, the maintenance of cost records as specified by the Central Government under sub-section (l) of section 148 of the Companies Act, 2013 is not applicable to the company

7. (a) According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods & services tax, cess and other statutory dues as applicable to the company with the appropriate authorities. There are no arrears as at March 31, 2021 for a period of more than six months from the date they become payable.

   (b) According to the information and explanations given to us, there are generally no material dues in respect of income tax, duty of customs, goods & services tax, cess and other statutory dues as applicable to the companywhich have not been deposited with the appropriate authorities on account of any dispute. To the best of our knowledge and as explained, the Company does not have any other statutory dues i.e. sales-tax, wealth tax, service tax, duty of customs, duty of excise and value added tax as mentioned in para (vii) (b) of the Order.

P.C. GOYAL & CO. CHARTERED ACCOUNTANTS New Delhi FRN. 002368N

8. In our opinion, on the basis of books and records examined by us and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks and debenture holders. The company has not taken any loan from any financial institutions.

9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. Term Loans were applied for the purposes for which those were raised. Accordingly, the provisions of clause 3(ix) of the order are not applicable to the company.

10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.

11. According to the information and explanation given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13. The Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 w.r.t. transactions with the related parties, where applicable. Details of the transactions with the related parties have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.

15. The Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For P.C. Goyal & Co.,
Chartered Accountants
Firm Registration No. 002368N

GOYAL & CO.
CA
New Delhi
M. No. 082407
FRN. 002368N
CHARTERED ACCOUNTANTS

(M.P. Jain)
Partner
M. No. 082407
Dated: 17th May, 2021
Place: Gurugram
UDIN: 21082407AAAACC7124

ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of **J.S.S. STEELITALIA LIMITED**on the accounts for the year ended 31stMarch, 2021

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **J.S.S. STEELITALIA LIMITED**("the Company") as of 31stMarch,2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

P.C. GOYAL & CO. New Delhi CHARTERED ACCOUNTANTS

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Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March,2021, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For P.C. Goyal & Co.,
Chartered Accountants
Firm Registration No. 002368N

(M.P. Jain)
Partner
M. No. 082407
Dated: 17th May,2021
Place: Gurugram
UDIN: 21082407AAAACC7124

GOYAL & CO. New Delhi M.No. 082407 FRN. 002368N CHARTERED ACCOUNTANTS

I.S.S. STEELITALIA LIMITED
Balance Sheet as at 31st March, 2021
CIN No. U27310HR2007PLC036578

(Amount in Rs.)

	Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
	ASSETS			
(1)	Non-current assets			
	(a) Property, Plant and Equipment	5	13,50,21,168	15,07,09,657
	(b) Intangible assets			-
	(c) Financial Assets			
	(i) Other Financial Assets	6	42,00,462	45,21,125
	(d) Deferred Tax Assets(Net)	7	9,00,08,165	
(2)	Current assets			
	(a) Inventories	8	75,47,292	4,74,00,106
	(b) Financial Assets			
	(i) Trade receivables	9	10,27,00,412	6,58,36,054
	(ii) Cash and cash equivalents	10	10,26,546	4,57,15,729
	(iii) Bank Balances other than (ii) above			
	(iv) Other Financial assets	11	1,87,004	1,02,908
	(c) Current Tax Assets (Net)	12	58,03,468	27,67,518
	(d) Other Current Assets	13	1,82,91,962	2,52,78,124
	Total Assets		**36,47,86,479**	**34,23,31,223**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	14	23,37,48,180	23,37,48,180
	(b) Other Equity		(8,99,18,514)	(16,37,52,382)
	Liabilities			
(1)	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Other financial liabilities	15	5,36,55,691	5,19,66,668
	(b) Provisions	16	4,52,745	4,69,092
(2)	Current liabilities			
	(a) Financial Liabilities			
	(i) Trade payables	17		
	a) Other than Micro Small & Medium enterprises		4,43,89,758	12,12,53,240
	b) Micro Small & Medium enterprises			
	(ii) Other financial liabilities	18	4,83,31,169	4,56,31,559
	(b) Other current liabilities	19	7,41,01,892	5,29,88,164
	(c) Provisions	20	25,557	26,702
	Total Equity and Liabilities		**36,47,86,479**	**34,23,31,223**

Significant accounting policies and notes to the financial statements

In terms of our report of even date annexed hereto

For P.C. Goyal & Co.
Chartered Accountants
Firm Registration No. 002368N

P.C. GOYAL & CO. New Delhi M. No. 082407 FRN 002368N CHARTERED ACCOUNTANTS

M.P. JAIN
Partner
M.No. 082407

For and on behalf of Board of Directors

VIVEK KUMAR GARG
CFO & Whole-Time Director
DIN 07441478

TARUN KUMAR KHULBE
Director
DIN 07302532

YOGESH PAREEK
Company Secretary

Place: Gurugram
Dated : 17-05-2021

I.S.S. STEELITALIA LIMITED

Statement of Profit and Loss for the year ended 31st March, 2021

(Amount in Rs.)

	Particulars	Note No.	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
I	Revenue From Operations	21	22,86,00,559	9,85,13,710
II	Other Income	22	93,68,487	6,39,170
III	Total Income (I+II)		23,79,69,046	9,91,52,880
IV	EXPENSES			
	Cost of materials consumed	23	14,63,27,861	-
	Changes in inventories of finished goods, Stock-in -Trade and work- in-progress	24	9,18,828	13,32,722
	Employee benefits expense	25	71,50,736	74,44,465
	Finance costs	26	3,40,876	4,461
	Depreciation and amortization expense	27	1,72,28,228	2,16,48,262
	Excise Duty			-
	Other expenses	28	8,22,41,583	7,35,46,877
	Total expenses (IV)		25,42,08,112	10,39,76,789
V	Profit/(loss) before exceptional items and tax (III- IV)		(1,62,39,066)	(48,23,909)
VI	Exceptional Items			-
VII	Profit/(loss) before tax (V-VI)		(1,62,39,066)	(48,23,909)
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		(9,00,24,467)	
IX	Profit/(loss) for the year (VII-VIII)		7,37,85,400	(48,23,909)
X	Other Comprehensive Income			
	(i) Remeasurement (Gain)/Loss on defined benefits plans.		(64,769)	(13,226)
	(ii) Income Tax Effect on above.		16,301	
	Total Other Comprehensive Income for the year		(48,468)	(13,226)
XI	Total Comprehensive Income for the year (IX - X)		7,38,33,868	(48,10,683)
XII	Earnings per equity share of Face value of Rs 10/-			
	(1) Basic		1.58	(0.10)
	(2) Diluted		1.58	(0.10)

Significant accounting policies and notes to the financial statements

In terms of our report of even date annexed hereto

For P.C. Goyal & Co.
Chartered Accountants
Firm Registration No. 002368N

P.C. GOYAL & CO. CHARTERED ACCOUNTANTS New Delhi M. No. 082407 FRN. 002368N

M.P. JAIN
Partner
M.No. 082407

For and on behalf of Board of Directors

VIVEK KUMAR GARG
CFO & Whole-Time Director
DIN 07441478

TARUN KUMAR KHULBE
Director
DIN 07302532

YOGESH PAREEK
Company Secretary

Place: Gurugram
Dated : 17-05-2021

I.S.S. STEELITALIA LIMITED

Cash Flow Statement for the year ended March 31, 2021

(Amount in Rs.)

		For the year ended 31st March, 2021	For the year ended 31st March, 2020
A.	**CASH FLOWS FROM OPERATING ACTIVITIES:**		
	Profit/(Loss) before tax	-1,62,39,066	-48,23,909
	Adjustment for:		
	Depreciation of property, plant & equipment	1,72,28,228	2,16,48,262
	Interest expense	3,40,876	4,461
	Interest income	(1,63,752)	(4,29,573)
	Remeasurement effect on defined benefits plans.	64,769	13,226
	(Profit) / Loss on Sale/Discard of Property, Plant and Equipment (Net)	-	(2,27,448)
	Unrealised Foreign Exchange Fluctuation	(67,53,783)	10,81,562
	Working capital adjustments		
	(Increase)/Decrease in Inventories	3,98,52,815	(3,58,29,927)
	(Increase)/Decrease in Trade Receivable	(3,16,50,314)	(70,41,322)
	(Increase)/Decrease in Other Assets	73,06,824	(73,93,556)
	Increase/(Decrease) in Trade and other Payables	(5,30,67,635)	7,86,48,117
	Cash earned from operations	(4,30,81,038)	4,56,49,894
	Income tax paid	(30,35,950)	(10,46,658)
	Net cash Inflow/(Outflow) from operating activities	**(4,61,16,986)**	**4,46,03,236**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES:**		
	Interest received	79,656	3,50,319
	Proceeeds from sale of fixed assets	-	3,31,049
	Net cash Inflow/(Outflow) from investing activities	**79,656**	**6,81,368**
C.	**CASH FLOWS FROM FINANCING ACTIVITIES:**		
	Interest paid	(3,40,876)	(4,461)
	Increase / (Decrease) in Short-Term Borrowings	16,89,023	-
	Net cash Inflow/(Outflow) from financing activities	**13,48,147**	(4,461)
	Net increase in cash and cash equivalents	**(4,46,89,183)**	**4,52,80,142**
	Cash and cash equivalents (opening balance)	4,57,15,729	4,35,587
	Cash and cash equivalents (closing balance)	10,26,546	4,57,15,729
		(4,46,89,183)	4,52,80,142

Note:

1 Previous Year figures have been regrouped wherever considered neccesary.

As per our report of even date
For P.C. Goyal & Co.
Chartered Accountants
Firm Registration No. 002368N

P.C. GOYAL & CO. New Delhi M. No. 082407 FRN. 002368N CHARTERED ACCOUNTANTS

M.P. JAIN
Partner
M.No. 082407

For and on behalf of Board of Directors

VIVEK KUMAR GARG
CFO & Whole-Time Director
DIN 07441478

TARUN KUMAR KHULBE
Director
DIN 07302532

YOGESH PAREEK
Company Secretary

Place: Gurugram
Dated : 17-05-2021

I.S.S. STEELITALIA LIMITED
Statement of Changes in Equity for the year ended 31st March 2021

A. Equity Share Capital

(Amount in Rs.)

Balance at the April 1, 2020	Changes in equity share capital during the year	Balance at the March 31, 2021
233,748,180	-	233,748,180

B. Other Equity (Amount in Rs.)

Particulars	Equity Component of Compund Financial Instruments	Retained Earnings	Items of Other Comprehensive Income	Total
			Remeasurement of Defined Benefit Plans	
Balance as at April 1, 2019	231,835,180.00	(390,359,691)	(417,188)	(158,941,699)
Additions during the year	-	-	-	-
Profit / (Loss) for the year	-	(4,823,909)	-	(4,823,909)
Remeasurement of defined benefit plans	-	-	13,226	13,226
Balance as at April 1, 2020	231,835,180	(395,183,600)	(403,962)	(163,752,382)
Additions during the year	-	-	-	-
Profit / (Loss) for the year	-	73,785,400	-	73,785,400
Remeasurement of defined benefit plans	-	-	48,468	48,468
Balance at the March 31,2021	231,835,180	(321,398,200)	(355,494)	(89,918,514)

1) 5% Fully and mandatorily convertible unsecured 13,40,000 debentures of nominal value of Rs. 100 each aggregating to Rs. 13,40,00,000/- allotted on 1st August, 2011 are convertible with in a period of 10 years into equity at par and 10 equity shares shall be issued for a debenture. The minimum lock in period for conversion is 3 years from the date of issue of debentures. Interest is not provided as waiver is obtained from debenture holder's.

2) 4% Compulsorily Convertible Preference Shares of nominal value of Rs. 10 each aggregating to 97,83,518 are convertible with in a period of 10 years into equity at par. The minimum lock in period for conversion is 5 years from the date of allotment. The allotment dates of CCCPS are as under:-

Date of Allotment	No. of Shares
03.04.2013	21,43,750
23.04.2013	4,21,410
12.06.2013	11,26,125
25.10.2013	4,64,029
20.01.2014	10,50,000
19.03.2014	8,47,531
25.03.2014	23,03,810
28.05.2014	14,26,863

Significant accounting policies and notes to the financial statements

For P.C. Goyal & Co.
Chartered Accountants
Firm Registration No. 002368N

M.P. JAIN
Partner
M.No. 082407

GOYAL & CO. New Delhi M. No. 082407 FRN. 002368N CHARTERED ACCOUNTANTS

Place: Gurugram
Dated :

For and on behalf of Board of Directors

VIVEK KUMAR GARG
CFO & Whole-Time Director
DIN 07441476

TARUN KUMAR KHULBE
Director
DIN 07302532

YOGESH PAREEK
Company Secretary

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I.S.S. STEELITALIA LIMITED

Notes forming part of Balance sheet

Note 5. Property, Plant And Equipment

(Amount in Rs.)

Particulars	Land	Factory Shed and Building	Other Building	Computers	Furniture	Plant and Machinery	Plant and Machinery on Lease	Office Equipment	Vehicles	Dies and Tools	Total
Gross Block											
As at March 31, 2019	3,51,13,964	4,97,76,255	97,49,465	24,58,424	43,75,019	10,76,53,969	13,60,45,373	17,69,391	22,07,011	41,45,158	35,32,94,029
Additions	-	-	-	-	-	-	27,82,286	-	-	-	27,82,286
Sales/ Adjustments	-	-	-	-	-	-	-	-	12,43,936	-	12,43,936
As at March 31, 2020	3,51,13,964	4,97,76,255	97,49,465	24,58,424	43,75,019	10,76,53,969	13,88,27,659	17,69,391	9,63,075	41,45,158	35,48,32,379
Additions	-	-	-	-	-	-	15,39,739		-	-	15,39,739
Sales/ Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	3,51,13,964	4,97,76,255	97,49,465	24,58,424	43,75,019	10,76,53,969	14,03,67,398	17,69,391	9,63,075	41,45,158	35,63,72,118
Accumulated Depreciation											
As at April 01, 2019	-	1,80,03,729	71,33,860	22,89,107	37,09,129	5,47,75,187	9,18,02,051	11,33,322	20,48,607	27,19,803	18,36,14,795
Charge for the year	-	15,67,513	82,743	46,397	4,47,139	70,42,895	1,07,10,530	5,26,297	6,650	12,18,098	2,16,48,262
Sales/ Adjustments	-	-	-	-	-	-	-	-	11,40,335	-	11,40,335
As at March 31, 2020	-	1,95,71,242	72,16,603	23,35,504	41,56,268	6,18,18,082	10,25,12,581	16,59,619	9,14,922	39,37,901	20,41,22,722
Charge for the year	-	15,67,513	82,743	0	1	66,82,799	88,66,449	28,719	0	3	1,72,28,228
Sales/ Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	-	2,11,38,755	72,99,346	23,35,504	41,56,269	6,85,00,881	11,13,79,030	16,88,338	9,14,922	39,37,904	22,13,50,950
Net Carrying Amount											
As at March 31, 2020	3,51,13,964	3,02,05,013	25,32,862	1,22,920	2,18,751	4,58,35,887	3,63,15,078	1,09,772	48,153	2,07,257	15,07,09,657
As at March 31, 2021	3,51,13,964	2,86,37,500	24,50,119	1,22,920	2,18,750	3,91,53,088	2,89,88,368	81,053	48,153	2,07,254	13,50,21,168

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I.S.S. STEELITALIA LIMITED

Notes forming part of Balance sheet

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
6	Other Non Current Financial Assets		
	Security Deposits	29,89,969	29,89,969
	Fixed Deposits with remaining maturity of more than 12 months *	12,10,493	15,31,156
	Total Other Non Current Financial Assets	42,00,462	45,21,125

* Pledged with bank for bank guarantee.

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
7	Deferred Tax Asset (Net)		
	(A) Deferred Tax Assets		
	Carried Forward Unabsorbed Depreciation	5,98,63,476	
	Disallowances under Income Tax Act, 1961	3,29,50,845	
	(B) Deferred Tax Liability		
	Difference between book and tax base related to fixed assets	28,05,355	
	Net Deferred Tax Asset	9,00,08,165	-

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
8	Inventories		
	Raw Materials	-	4,52,750
	Raw Materials in Transit	-	3,80,72,590
	Work in Progress	38,70,774	47,22,164
	Finished Goods	4,43,126	4,43,126
	Store and Spares	31,39,672	35,48,310
	Scrap	85,720	1,61,158
	Total Inventories	75,47,292	4,74,00,106

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
9	Trade Receivables		
	Unsecured		
	Considered good	10,27,00,412	6,58,36,054
	Doubtful	5,80,77,635	5,80,77,635
	Less: Provision for Doubtful Debts	(5,80,77,635)	(5,80,77,635)
	Total Trade receivables	10,27,00,412	6,58,36,054

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
10	Cash and Cash Equivalents		
	Balances with Banks		
	In current accounts	10,23,488	4,57,13,421
	Cash on hand	3,058	2,308
	Total Cash and Cash Equivalents	10,26,546	4,57,15,729

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
11	Other Current Financial Assets		
	Interest Receivable	1,07,004	1,02,908
	Total Other Current Financial Assets	1,07,004	1,02,908

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I.S.S. STEELITALIA LIMITED
Notes forming part of Balance sheet

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
12	Current Tax Assets		
	Prepaid Taxes	58,03,468	27,67,518
	Total Current Tax Assets	58,03,468	27,67,518

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
13	Other Current Assets		
	Prepaid Expenses	-	1,35,618
	Advance to Vendors	2,71,189	2,35,372
	Advance to Employees	8,000	750
	Other Receivables *	1,80,12,774	2,49,06,384
	Total Current Tax Assets	1,82,91,962	2,52,78,124

* Including Cenvat Credit, Sales Tax, Government Incentives etc.

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
15	Other Non Current Financial Liabilities		
	Unsecured Loans		
	Due to holding Company	-	5,19,66,660
	Due to others	5,36,55,691	-
	Total Other Non Current Financial Liabilities	5,36,55,691	5,19,66,660

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
16	Non Current Provisions		
	Gratuity	2,62,214	2,37,905
	Leave Encashment	1,90,531	2,31,187
	Total Non Current Provisions	4,52,745	4,69,092

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
17	Trade Payables *		
	Dues to Micro and Small enterprises	-	-
	Dues to other than Micro and Small enterprises	4,43,89,758	12,12,53,240
	Total Trade Payables	4,43,89,758	12,12,53,240

*There are no Micro and Small Enterprises, to whom the Company owes dues as at 31st March 2021. This information as Required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 has been Determined to the extent such Parties have been Identified on the basis of information available with the Company.

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I.S.S. STEELITALIA LIMITED
Notes forming part of Balance sheet

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
14	Equity Share capital		
(a)	Authorized Share capital		
	Equity Share capital		
	2,50,00,000 (Previous Year 2,50,00,000) Equity Shares of Rs. 10/- Each	25,00,00,000	25,00,00,000
	1,00,00,000 (Previous Year 1,00,00,000) Preference Shares of Rs. 10/- Each	10,00,00,000	10,00,00,000
	Net Authorised share capital	35,00,00,000	35,00,00,000
(b)	Issued, Subscribed and Fully Paid-Up Capital		
	Equity Shares		
	2,33,74,818 Equity Shares of Rs. 10/- Each	23,37,48,180	23,37,48,180
	Net Issued Equity Share Capital	23,37,48,180	23,37,48,180
(c)	RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR	No of Shares as on 31st March, 2021	No of Shares as on 31st March, 2020
	Shares outstanding at the beginning of the year	2,33,74,818	2,33,74,818
	Add: Shares issued during the year	-	-
	Shares outstanding at the end of the year	2,33,74,818	2,33,74,818

(d)	SHARE OF THE COMPANY HELD BY :-	No of Shares as on 31st March, 2021	No of Shares as on 31st March, 2020
	Holding Company*	2,33,74,818	1,19,21,157
	Associate Company		77,13,190

*including 500 shares held through nominee.

(e) SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:

Name of the Shareholder	No of Shares as on 31st March, 2021	Percentage of Holding	No of Shares as on 31st March, 2020	Percentage of Holding
M/s Inox Market Service SRL	-	-	1,19,21,157	51.00
M/s Jindal Stainless Steelway Limited*	2,33,74,818	100.00	77,13,190	33.00
M/s Jensita Holdings Limited	-	-	37,39,971	16.00
	2,33,74,818	100.00	2,33,74,318	100.00

*including 500 shares held through nominee.

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

(g) Terms/Rights attached to Equity Shares
The Company has only one class of equity shares having a par value of Rs 10/- per equity share. Each equity shareholder is entitled to one vote per share.

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I.S.S. STEELITALIA LIMITED
Notes forming part of Balance sheet

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
18	Other Current Financial Liabilities		
	a) Current maturities of Long Term Debt*	4,34,79,822	4,19,40,083
	b) Interest Accrued but not due	-	-
	c) Interest Accrued and due	-	-
	d) Due to Employees	16,53,529	16,80,910
	e) Other Payable	11,97,818	20,10,566
	Total Other Current Financial Liabilities	4,63,31,169	4,56,31,559

*Current Maturities of Long term debt of External Commercial borrwings includes overdue amount of Rs.3,07,37,170/- and Rs. 1,27,42,651/- Payable to Inox Market Services S.R.L and Steelway S.R.L respectively. The Company has applied for waiver of interest due to financial constraint. Hence,no provision for interest has been made from April 2016 onwards.

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
19	Other Current Liabilities		
	Statutory dues	1,23,834	1,47,848
	Advance from Customers	24,21,915	56,91,858
	Other Liabilites	7,15,56,144	4,71,48,458
	Total Other Current Liabilities	7,41,01,892	5,29,88,164

	DESCRIPTION	As at 31st March, 2021	As at 31st March, 2020
20	Current Provisions		
	Gratuity	12,635	10,763
	Leave Encashment	12,922	15,939
	Total Current Provisions	25,557	26,702

I.S.S. STEELITALIA LIMITED

Notes forming part of Statement of Profit and Loss

(Amount in Rs.)

	DESCRIPTION	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
21	**Revenue from Operation**		
	a) Sale of Products		
	Sale of Finished Goods		
	(i) Domestic Sales	14,30,430	5,73,947
	(ii) Export Sales	15,52,71,084	-
	Sale of Scrap	5,88,399	1,68,180
	b) Sale of Services		
	Job Work Charges	6,88,86,731	9,77,71,583
	c) Other Operating Revenue		
	Duty Drawback Income	24,23,915	-
	Total Revenue from Operations	22,86,00,559	9,85,13,710

	DESCRIPTION	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
22	**Other Income**		
	Interest Income	1,63,752	4,29,573
	Liabilities Written Back	24,44,421	-
	Expenses Written Back	6,531	42,616
	Other Income	-	(60,467)
	Foreign Exchange Fluctuation	67,53,783	
	Profit on Sale/Discard of Property, Plant and Equipment	-	2,27,448
	Total Other Income	93,68,487	6,39,170

	DESCRIPTION	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
23	**Cost of Material Consumed**		
	Raw Material Consumed	14,63,27,861	-
	Total Cost of Material Consumed	14,63,27,861	

	DESCRIPTION	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
24	**Changes in inventories of finished goods, Stock-in -Trade and work- in-progress**		
	Opening Stock		
	Finished Goods	4,43,126	10,40,412
	Scrap	1,61,158	1,74,988
	Work in Progress	47,22,164	54,43,770
		53,26,448	66,59,170
	Closing Stock		
	Finished Goods	4,43,126	4,43,126
	Scrap	85,720	1,61,158
	Work in Progress	38,78,774	47,22,164
		44,07,620	53,26,448
	Net (Increase)/ Decrease in Stock	9,18,828	13,32,722
	Total Change in Inventories	9,18,828	13,32,722

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I.S.S. STEELITALIA LIMITED
Notes forming part of Statement of Profit and Loss

(Amount In Rs.)

	DESCRIPTION	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
25	**Employee Benefits Expenses**		
	Salary and Wages	66,76,381	69,61,048
	Contribution to Provident and Other Funds	4,10,793	4,33,880
	Staff Welfare Expenses	63,562	49,537
	Total Employee Benefits Expenses	71,50,736	74,44,465

	DESCRIPTION	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
26	**Finance Costs**		
	Interest Expenses		
	Working Capital Loan		-
	Others	2,45,706	-
	Bank Charges	95,170	4,461
	Total Finance Costs	3,40,876	4,461

	DESCRIPTION	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
27	**Depreciation and Amortisation Expense**		
	Depreciation	1,72,28,228	2,16,48,262
	Amortisation		-
	Total Depreciation and Amortisation Expenses	1,72,28,228	2,16,48,262

	DESCRIPTION	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
28	**Other Expenses**		
	Manufacturing Expenses		
	Rates and Taxes	50,200	37,91,111
	Power and Fuel	1,44,83,738	1,14,48,581
	Operation & Maintaince Charges	2,75,54,604	1,66,62,478
	Repair to Machinary	22,91,580	25,08,239
	Consumption of Stores and Spares	14,82,187	20,16,400
			-
	Administrative, Selling and Other Expenses		
	Insurance	6,80,637	88,467
	Rent	9,91,143	3,90,000
	Legal and Professional	15,66,266	7,87,388
	Postage and Telephone	32,242	82,250
	Printing and Stationary	16,155	16,625
	Travelling and Conveyance	67,123	3,68,703
	Office Maintenance	5,86,380	4,26,510
	Vehicle Upkeep and Maintenance	19,942	35,297
	Auditor's Remuneration	1,36,000	1,36,000
	Foreign Exchange Fluctuation	-	10,81,562
	Freight and Forwarding	75,52,403	23,212
	Provision for Taxation	-	7,60,829
	Provision for Reversal of Input and EPCG Liability	2,22,73,260	3,22,22,369
	Provision For Anti Dumping Duties	21,34,425	
	Miscellaneous	3,23,218	7,00,855
	Total Other Expenses	8,22,41,583	7,35,46,877

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Notes to Financial Statements

1. Corporate and General Information

J.S.S.Steelitalia Limited ("the Company") is domiciled and incorporated in India. The registered office of the company is located at Village Pathredi, Bilaspur-Tauru Road, Gurgaon (Haryana).

The Company is engaged in the manufacturing business of high quality stainless steel tubes and pipes.

2. Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) . The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules.

The significant accounting policies used in preparing the financial statements are set out in Note no. 3 of the Notes to the Financial Statements. All amounts reported in financial statement are in Rs. INR, unless otherwise stated. The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no.4 on critical accounting estimates, assumptions and judgements).

The significant accounting policies used in preparing the financial statements are set out in Note No.3 of the Notes to Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note No.4 on critical accounting estimates, assumptions and judgements).

3.0 Significant Accounting Policies

3.1 Basis of Measurement

The financial statements have been prepared on the accrual basis of accounting and under the historical cost convention except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The financial statements are presented in Indian Rupees (Rs.), which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupees (except otherwise stated).

3.2 Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Assets are depreciated to the residual values on a straight-line basis over useful life based on technical estimates. Assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets and benchmarking analysis or whenever there are indicators for review of residualvalue and useful life.

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3.3 Intangible Assets

Identifiable intangible assets are recognised:

a) When the Company controls the asset,
b) It is probable that future economic benefits attributed to the asset will flow to the Company and
c) The cost of the asset can be reliably measured.

Computer Softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.4 Research and development cost:

Research Cost:
Revenue expenditure on research is expensed under the respective heads of accounts in the period in which it is incurred.

Development Cost:
Development expenditure on new product is capitalized as intangible asset, if technical and commercial feasibility as per IND AS 38 demonstrated.

3.5 Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.6 Cash and cash equivalents

Cash and cash equivalents includeCash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

3.7 Inventories

Inventories are valued at the lower of cost and net realizable value except scrap, which is valued at net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the weighted average basis.

3.8 Employee benefits

a) Short term employee benefits are recognized as an expense in the Statement ofProfit and Loss of the year in which the related services are rendered.

b) Leave encashment being a short-term benefit is accounted for using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

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d) The cost of providing gratuity, a defined benefit plans, is determined using theProjected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at eachBalance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in statement of profit and loss.

e) The Company's liability towards employee benefits such as gratuity, leave encashment etc. is provided for on the basis of actuarial valuation. Company does not operate any Defined plan for Gratuity; hence, the liability is recognised in the books.

3.9 Foreign currency reinstatement and translation

(a) Functional and presentation currency

The financial statements have been presented in Indian Rupees (Rs.), which is the Company's functional and presentation currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Companytaxchangerates prevailing at the date of the transaction.Subsequentlymonetary items are translated at closing exchange rates of balance sheet dateand the resulting exchange difference is recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

3.10Financial instruments – Initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets or financial liabilities (Other than financial assets and financial liabilities at fair value through profit and loss account) are added to or deducted from fair value measured initial recognition of financial asset or financial liability.
ts and liabilities are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and liabilities and the assets and liabilities contractual cash flow characteristics.

Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest amount outstanding.

Financial Assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liability at fair value thorough profit or loss are immediately recognised in profit or loss.

Financial Liabilities

Financial liabilities including interest bearing loans and borrowings and trade payables are subsequently measured at amortised cost using the effective interest rate method (EIR) except those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

3.11 Borrowing costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets.Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

3.12 Taxation

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, insuchcasesthe tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

3.13 Revenue recognition and other income

Sale of Goods

Revenue is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue is inclusive of excise duty.

Sale of Services

Revenue from servicesis accounted for on the basis of work performed and rendering of services as per the terms of the specific contract.

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Other Operating Income
Incentives on export as per the policy of government are recognized in books after due consideration of certainty of utilization.

Other Income

Interest
Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

3.14 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends, if any and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

3.15 Provisions and contingencies

Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingencies
Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.16 Leases

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

And in case entity is lessor, it identifies whether the lease is defined as finance or operating lease as per the criteria given in IndAs 116.

In case of Operating lease, an entity recognises lease payment as income on straight line basis
In case of Finance lease, an entity initial measurement

(i) derecognises the carrying amount of underlying assets
(ii) recognise the net investment in lease
(iii) recognise profit and loss on selling profit or selling loss

and on subsequent measurement, entity recognises finance income over the lease period and reduces the net investment in the lease for lease payment received and recognise income from any variable lease payments and recognises any impairment of the net investment in the lease.

3.17 Current /non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a) It is expected to be settled in normal operating cycle,
b) It is held primarily for the purpose of trading,
c) It is due to be settled within twelve months after the reporting period, or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

4. Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates,assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(a) Income taxes
Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

(b) Contingencies
Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

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(c) Allowance for uncollected accounts receivable and advances
Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(d) Liquidated damages
Liquidated damages payable are estimated and recorded as per contractual terms; estimate may vary from actuals as levy by customer.

(e) Fair value of financial assets and liabilities
When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include consideration of input such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(f) Defined benefit plan
The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

29. Financial risk management

Financial risk factors

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

i) Market risk

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

ii) Credit risk

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

iii) Liquidity risk

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

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

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Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. However, such effect is not material.

30. (a) Foreign exchange risk and sensitivity

The Company transacts business primarily in Indian Rupee, USD and EURO. The Company has foreign currency trade receivables, trade payables and ECB and is therefore, exposed to foreign exchange risk.

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

(Amount in Rs.)

Particulars	Net monetary items in respective currency outstanding on reporting date	Change in currency exchange rate	Effect on profit before tax
For the year ended March 31, 2021			
USD (Payable)	(277,027)	+ 5%	(1,018,139)
		-5%	1,018,139
EURO(Payable)	(390,380)	+ 5%	(1,680,565)
		-5%	1,680,565
For the year ended March 31, 2020			
USD(Payable)	(277,027)	+ 5%	(1,044,253)
		-5%	1,044,253
EURO(Payable)	(390,380)	+ 5%	(1,621,052)
		-5%	1,621,052

Same figures as last year & no confirmation of balance

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

Summary of exchange difference accounted in Statement of Profit and Loss:

(Amount in Rs.)

Particulars	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
Net foreign exchange (gain) / losses shown as operational item	(67,53,783)	10,81,562
Total	(67,053,783)	10,81,562

Unused Line of Credit

(Amount in Rs)

Particulars	As of March 31, 2021	As of March 31, 2020
Secured	Nil	Nil
Total	Nil	Nil

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Interest rate & currency of borrowings
The below table demonstrates the borrowing of fixed and floating rate of interest:

(Amount in Rs.)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted average interest rate
INR	-	-	-	
EURO (Eq. INR)	4,34,79,822	4,34,79,822	-	0.0%
Total as at 31 March, 2021	4,34,79,822	4,34,79,822	-	
INR	-	-	-	
EURO (Eq. INR)	4,19,40,083	4,19,40,083	-	0.0%
Total as at 31 March, 2020	4,19,40,083	4,19,40,083	-	

(c) Commodity price risk and sensitivity
The Company is exposed to the movement in price of key raw materials in domestic markets. The Company enters into contracts for procurement of materials most of the transactions are short term fixed price contract.

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

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

The ageing of trade receivables is below:

Amount in ₹

Particulars	Neither due nor impaired (including unbilled)	Past due			Total
		Up to 6 Months	6 to 12 months	Above 12 months	
Trade Receivables					
As at March 31, 2021					
Unsecured	-	4,34,29,401	-	11,73,48,646	16,07,60,195
Gross Total	-	4,34,29,401	-	11,73,48,646	16,07,60,195
Provision for doubtful receivables	-	-	-	(5,80,77,635)	(5,80,77,635)
Net Total	-	4,34,29,401	-	5,92,71,011	10,27,00,412
As at March 31, 2020					
Unsecured	-	69,49,310	-	11,69,64,379	12,00,62,955
Gross Total	-	69,49,310	-	11,69,64,379	12,00,62,955
Provision for doubtful receivables	-	-	-	(5,80,77,635)	(5,80,77,635)
		69,49,310		5,88,86,744	6,58,36,054

Financial Instruments and cash deposits

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

Liquidity risk

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

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

(Amount in Rs.)

Particulars	As at March 31, 2021					
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 years	Total
Interest bearing borrowings (including current maturities)	4,34,79,822	-	4,34,79,822	-	-	4,34,79,822
Other liabilities	5,85,07,038	-	48,51,347	-	5,36,55,691	5,85,07,038
Trade and other payables	4,43,89,758	-	14,92,585	-	4,28,97,173	4,43,89,758
Total	14,63,76,618	-	4,98,23,754	-	9,65,52,864	16,79,24,257

(Amount in Rs.)

Particulars	As at March 31, 2020					
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 years	Total
Interest bearing borrowings (including current maturities)	4,19,40,083	-	27,82,286	-	3,91,57,797	4,19,40,083
Other liabilities	5,56,58,144	-	36,91,476	-	5,19,66,668	5,56,58,144
Trade and other payables	12,12,53,240	-	5,04,01,865	-	7,08,51,375	12,12,53,240
Total	21,88,51,467	-	5,68,75,627	-	16,19,75,840	21,88,51,467

Competition and price risk
The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high-quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

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Capital risk management

Equity share capital and other equity are considered for the purpose of Group's capital management. The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Group is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the board of directors monitor the return on capital as well as the level of dividends to shareholders. The Group may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

(Amount in Rs.)

Particulars	As of March 31, 2021	As of March 31, 2020
Loans and borrowings	4,34,79,822	4,19,40,083
Less: cash and cash equivalents	10,26,546	4,57,15,729
Net debt(a)	4,24,53,276	(37,75,646)
Total Capital	14,38,29,666	6,99,95,798
Capital and Net Debt(b)	18,62,82,942	6,62,20,152
Gearing ratio(a/b)	22.79%	-5.70%

31. Fair value of financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Amount in Rs.)

Particulars	31-Mar-21		31-Mar-20	
	Carrying amount	Fair value	Carrying amount	Fair value
Trade Receivables	10,27,00,412	10,27,00,412	6,58,36,054	6,58,36,054
Others Current Financial Assets	1,87,004	1,87,004	1,02,908	1,02,908
Others Non-Current Financial Assets	42,00,462	42,00,462	45,21,125	45,21,125
Cash & Cash Equivalents	10,26,,546	10,26,,546	4,57,15,729	4,57,15,729
Other Bank Balances	-	-	-	-
Other Non-Current assets	-	-	-	-
TOTAL	10,81,14,424	10,81,14,424	11,61,75,815	11,61,75,815
Financial liabilities designated at amortised cost				
Borrowings- floating rate	4,34,79,822	4,34,79,822	4,19,40,083	4,19,40,083
Trade payables	4,43,89,758	4,43,89,758	12,12,53,240	12,12,53,240
Other Financial Liabilities	5,85,07,038	5,85,07,038	5,56,58,145	5,56,58,145
TOTAL	14,63,76,618	14,63,76,618	21,88,51,468	21,88,51,468

Fair Value Hierarchy

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices/NAV for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

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When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Fair Value Technique

1) The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values due to their short term nature.

2) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 2 as described below:

Assets / Liabilities for which fair value is disclosed:

(Amount in Rs.)

Particulars	As at 31st March, 2021		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- floating rate	-	4,34,79,822	-
Other financial liabilities	-	5,85,07,038	-

(Amount in Rs.)

Particulars	As at 31st March, 2020		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- floating rate	-	4,19,40,083	-
Other financial liabilities	-	5,56,58,145	-

During the year ended 31st March, 2021 and 31st March, 2020, 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. There is no transaction/balance under level 3.

Following table describes the valuation techniques used and key inputs for valuation under fair value hierarchy as of March 31, 2021 and March 31, 2020.

Assets / Liabilities for which fair value is disclosed

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial liabilities			
Borrowings fixed	Level 2	Discounted Cash Flow	Prevailing interest rates in market, Future payouts
Other financial liabilities	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

32. Segment Reporting

As the company's business falls within a primary business segment viz. "Pipes ofStainlessSteelProducts"

The Company's secondary segment (geographical) is as under

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(Amount in Rs.)

Revenue from external customers	31st March 2021	31st March 2020
Outside India	15,52,71,084	-
Within India	7,33,29,475	9.85,13,710
Total revenue as per statement of profit or loss	22,86,00,559	9.85,13,710

Non-current assets(PPE)	31st March 2021	31st March 2020
Within India	13,50,21,168	15.07.09.657
Total	13,50,21,168	15,07,09,657

33. Income Tax Expense

S.No	Description	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Current Tax	-	-
2	Deferred Tax		
3	Previous year taxation adjustments	-	-
4	MAT credit entitlement	-	-
	Total Tax Expense	-9,00,08,165	

Effective Tax reconciliation

Numerical reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to incometax expense reported is as follows:

S.No.	Description	2020-21	2019-20
1	Net Income/(Loss) before taxes	(1,61,74,297)	-
2	Enacted tax rate	25.168%	-
	Computed tax (Income)/Expense	**(40,70,747)**	-
	Increase/(reduction) in taxes on account of:		
3	Change in temperory differences	74,13,983	-
4	Deferred Tax related to earlier periods	(9,33,51,401)	-
	Income tax Expense/(Income) reported	**(9,00,08,165)**	-

34. Deferred tax

The analysis of deferred tax (income)/lossaccounted for in the Statement of Profit and Loss is as follows:-

(Amount in Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Book base and tax base of Fixed Assets	28,05,355	-
(Disallowance)/Allowance (net) under Income Tax	(3,29,50,045)	-
Brought forward losses set off	(5,98,63,476)	-
Total	**(9,00,08,165)**	

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Component of tax accounted in OCI

(Amount in Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Deferred Tax (Gain)/Loss on defined benefit	16,301	-

35. Retirement Benefit Obligation

I. Expense recognised for Defined Contribution plan

(Amount in Rs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Company's contribution to provident fund and staff welfare fund	3.99,344	4,04,137
Company's contribution to ESI	11,449	29,743
Total	4,10,793	4,33,880

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in Balance Sheet as of March 31, 2021 and March 31, 2020, being the respective measurement dates:

II. Movement in Defined benefit obligation

(Amount in Rs.)

Particulars	Gratuity (unfunded)	Leave encashment (unfunded)
Present value of obligation - April 1, 2020	2,31,942	1,45,630
Current service cost	70,831	1,18,265
Interest cost	16,236	10,194
Benefits paid	(57,115)	(59,962)
Remeasurements - actuarial loss/ (gain)	(13,226)	32,999
Present value of obligation - March 31, 2020	**2,48,668**	**2,47,126**
Present value of obligation - April 1, 2020	2.48.668	2,47,126
Current service cost	73,543	78,655
Interest cost	17,407	17.298
Benefits paid	-	(15,370)
Remeasurements - actuarial loss/ (gain)	(64,769)	(1,24,256)
Present value of obligation - March 31, 2021	**2,74,849**	**2,03,453**

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III. Movement in Plan Assets – Gratuity

(Amount in Rs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Fair value of plan assets at beginning of year	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Amount received on redemption of plan assets	-	-
Acquisitions / Transfer in/ Transfer out	-	-
Actuarial gain / (loss)	-	-
Fair value of plan assets at end of year	-	-
Present value of obligation	2,74,849	2,48,668
Net funded status of plan	(2,74,849)	(2,48,668)
Actual return on plan assets	-	-

The components of the gratuity & leave encashment cost are as follows:

IV. Recognised in profit and loss

(Amount in Rs.)

Particulars	Gratuity	Compensated absence
Current Service cost	70,831	1,18,265
Interest cost	16,236	10,194
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	-	-
Past service cost	-	
For the year ended March 31, 2020	87,067	1,28,459
Current Service cost	73,543	78,655
Interest cost	17,407	17.298
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	-	-
Past service cost	-	-
For the year ended March 31, 2021	90,950	95,953
Actual return on plan assets		

V. Recognised in other comprehensive income

(Amount in Rs.)

Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	(13,226)
For the year ended March 31, 2020	(13,226)
Remeasurement - Actuarial loss/(gain)	(64,769)
For the year ended March 31, 2021	(64,769)

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

(Amount in Rs.)

Weighted average actuarial assumptions	As of March 31, 2021	As of March 31, 2020
Attrition rate	NA	NA
Discount Rate	7.00%	7.00%
Expected Rate of increase in Compensation levels	5.00%	5.00%
Expected Rate of Return on Plan Assets	NA	NA
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Expected Average remaining working lives of employees (years)	21.20	23.20

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. Same assumptions were considered for comparative period i.e.2019-20.

VII. Sensitivity analysis:

For the year ended March 31, 2021

(Amount in Rs.)

Particulars	Change in Assumption	Effect on Gratuity obligation	Effect on compensated absence obligation
Discount rate	1%	2,49,974	1,86,505
	-1%	3,03,847	2,22,971
Salary Growth rate	1%	3,04,137	2,23,166
	-1%	2,49,313	1,86,047
Withdrawal Rate	1%	2,76,314	2,06,148
	-1%	2.72.841	2,00,431

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For the year ended March 31, 2020 (Amount In Rs.)

Particulars	Change in Assumption	Effect on Gratuity obligation	Effect on compensated absence obligation
Discount rate	1%	2,24,041	2,23,657
	-1%	2,77,808	2,74,698
Salary Growth rate	1%	2,78,110	2,74,979
	-1%	2,23,394	2,23,042
Withdrawal Rate	1%	2,50,918	2,51,528
	-1%	2,45,716	2,42,154

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions 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:

(Amount In Rs.)

Particulars	Gratuity	Compensated absence
For the year ended March 31, 2021		
Plan Liabilities - loss/(gain)	(64,769)	(1,24,256)
Plan Assets - loss/(gain)	-	-
For the year ended March 31, 2020		
Plan Liabilities - loss/(gain)	(28,764)	21,732
Plan Assets - loss/(gain)	-	-

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

(Amount In Rs.)

Particulars	Gratuity
01 Apr 2020 to 31 Mar 2022	12,635
01 Apr 2021 to 31 Mar 2023	4,116
01 Apr 2022 to 31 Mar 2024	4,249
01 Apr 2023 to 31 Mar 2025	6,457
01 Apr 2024 to 31 Mar 2026	6,513
01 Apr 2026 Onwards	2,40,879

P.C. GOYAL & CO. CA New Delhi M. No. 082407 FRN. 003360N CHARTERED ACCOUNTANTS

J.S.S. Steelitalia Limited

IX. Statement of Employee benefit provision

(Amount in Rs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Gratuity	2,74,849	2,48,668
Compensated absences	2,03,453	2,47,126
Other employee benefits	-	-
Total	4,78,302	4,95,794

X. Current and non-current provision for Gratuity and Leave Encashment

For the year ended March 31, 2021 (Amount in Rs.)

Particulars	Gratuity	Leave Encashment
Current provision	12,635	12,922
Non current provision	2,62,214	1,90,531
Total Provision	2,74,849	2,03,453

For the year ended March 31, 2020 (Amount in Rs.)

Particulars	Gratuity	Leave Encashment
Current provision	10,763	15,939
Non current provision	2,37,905	2,31,187
Total Provision	2,48,668	2,47,126

XI. **Employee benefit expenses**

(Amount in Rs.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and Wages	66,76,381	69,61,048
Costs-defined contribution plan	4,10,793	4,33,880
Welfare expenses	63,562	49,537
Total	71,50,736	74,44,465

(Figures in no.)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Average no. of people employed	10	12

OCI presentation of defined benefit plan

-Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as items that will not be reclassified to profit or loss and also the income tax effect on the same.

-Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit and Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

P.C. GOYAL & CO. CA New Delhi M. No. 082407 FRN. 002368N CHARTERED ACCOUNTANTS

HMO

When there is surplus in defined benefit plan, company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government bonds, this is applicable for domestic companies, foreign company can use corporate bonds rate.

36. Other disclosures

a) Statutory Auditors Remuneration

(Amount in Rs.)

	Description	31st March, 2021	31st March, 2020
1	Audit Fee	1,36,000	1,36,000
	Total	1,36,000	1,36,000

b) The Company has not proposed any dividend to its shareholders during the year.

c) The Company has not given any loan or given any guarantee or made investments with respect to the parties covered under section 186(4) of the Companies Act, 2013.

d) Certain balances of trade receivable, loan and advances, trade payable and other liabilities are subject to confirmation and/or reconciliation.

e) In the opinion of board, assets have a realizable value, in the ordinary course of business at least equal to the amount at which they are stated.

37. Contingent Liabilities not provided for in respect of:

(Amount in Rs.)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
1)	Bank Guarantee outstanding.	10,45,350	10,45,350
2)	Arrear Dividend on 4% Compulsorily Cumulative Convertible Preference Shares.		2,49,57,468

38. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. NIL (Previous Year Rs. NIL)

39. 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* :

(Amount in Rs.)

Sr.No.	Particulars	As at 31.03.2021	As at 31.03.2020
1	Principal amount due outstanding	-	-
2	Interest due on (1) above and unpaid	-	-
3	Interest paid to the supplier	-	-
4	Payments made to the supplier beyond the appointed day during the year.	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

* To the extent information available with the company

P.C. GOYAL & CO. CHARTERED ACCOUNTANTS New Delhi

40. Related Party Transactions

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are:

List of Related Parties & Relationship (As Identified by the Management)

a) **Holding Company**
Jindal Stainless Steelway Limited
Inox Market Service Srl (Upto 15th January 2021)

b) **Associates**

c) **Key Management Personnel and persons having significant influence**
Bhavya Kumar (Whole-Time-Director w.e.f. 25th January 2019 to 24th June, 2020)
Yogesh Pareek (Company Secretary w.e.f. 5th September 2018)
Vivek Kumar Garg (Chief Financial Officer w.e.f. 13th November 2019 &Whole-Time-Director w.e.f 13th February 2020)

d) **Enterprises Controlled By Key Management Personnel/persons having significant influence and their relatives**
Steelway S.R.L (Upto 15th January 2021)
Jindal Stainless (Hisar) Limited
JSL Lifestyle Limited

Transactions

(Amount in Rs.)

Description		Current Year 2020-2021			Previous Year 2019-2020		
S.No	Nature of Transactions*	Holding Company	Associates	Enterprises controlled by Key Management Personnel & their relatives	Holding Company	Associates	Enterprises controlled by Key Management Personnel & their relatives
I	Sales of Finished Goods	18,10,366	-	-	-	5,02,462	-
	Jindal Stainless Steelway Limited	18,10,366	-		-	5,02,462	
	JSL Lifestyle Limited	-	-	-	-	-	-
	Jindal Stainless (Hisar) Limited			-			
II	Purchase of Goods	-	-	17,42,27,381	-	-	-
	Jindal Stainless Steelway Limited	-	-	-	-		-
	Jindal Stainless (Hisar) Limited			12,72,96,279			-
	Jindal Stainless Limited			4,49,25,666			
III	Job Charges/Overhead & Maintance Charges Paid	3,08,71,348	-	-	-	1,90,60,852	-
	Jindal Stainless Steelway Limited	3,08,71,348	-	-	-	1,90,60,852	-
IV	Job Charges Received	7,71,53,138	-	-	-	11,33,50,444	-
	Jindal Stainless Steelway Limited	7,71,53,138	-			11,33,50,444	
	JSL Lifestyle Limited	-		-	-		
V	Expenses Reimbursed	-	-	7,03,280	-	-	4,54,300
	Jindal Stainless Steelway Limited	-	-	-	-		-
	JSL Lifestyle Limited	-		7,03,280	-	-	4,54,300
V	*Interest Paid*			2,45,438			
	JSL Lifestyle Limited			2,45,438			
VI	*Expenses Incurred*			54,000			
	JSL Lifestyle Limited			54,000			

** Amount Including GST*

P.C. GOYAL & CO. New Delhi CHARTERED ACCOUNTANTS

J.S.S. Steelitalia Limited

Net Balances as on 31.03.2021

(Amount in Rs.)

Description		Financial Year 2020-2021			Financial Year 2019-2020		
S.No	Nature of Transactions	Holding Company	Associates	Enterprises controlled by Key Management Personnel & their relatives	Holding Company	Associates	Enterprises controlled by Key Management Personnel & their relatives
I	ECB Loan Outstanding	-	-	-	2,96,48,683	-	1,22,91,400
	Inox Market Services srl	-	-	-	2,96,48,683	-	-
	Steelway S.R.L.	-	-	-	-	-	1,22,91,400
II	Compulsory Convertible Debentures Outstanding	13,40,00,000	-	-	10,20,00,000	-	-
	Inox Market Services srl		-	-	10,20,00,000	-	-
	Jindal Stainless Steelway Limited	13,40,00,000					
III	Debenture Interest Payable	-	-	-	-	-	-
	Inox Market Services srl	-	-	-	-	-	-
IV	Amount Payable	-	-	2,68,79,332	5,19,66,668	-	1,09,345
	Inox Market Services srl	-	-	-	5,19,66,668	-	-
	JSL Lifestyle Limited			1,72,505			
	Jindal Stainless Limited			2,67,06,827			
	Jindal Stainless Steelway Limited	-	-		-	-	
	Jindal Stainless (Hisar) Limited			-			-
	Steelway S.R.L.	-	-	-	-	-	1,09,345
V	Amount Receivable	4,12,98,375	-	-	5,80,45,827	-	7,48,909
	STeelway S.R.L.	-	-	-	5,80,45,827	-	-
	JSL Lifestyle Limited	-	-	-	-	-	7,48,909
	Jindal Stainless Steelway Limited	4,12,98,375	-				

Key management personnel compensation

(Amount in Rs.)

Particulars	31 March, 2021	31 March, 2020
Short term employee benefits	35,79,033	28,74,248
Postemployment benefits	1,67,214	1,24,952
Total Compensation	**37,46,247**	**29,99,200**

41. Earnings Per Share (EPS)

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Issued equity shares	2,33,74,818	2,33,74,818
Add: Weighted average no. of shares for Compulsorily Convertible Debentures	1,34,00,000	1,34,00,000
Add: Weighted average no. of shares for Compulsorily Convertible Preference Shares	97,83,518	97,83,518
Weighted average shares outstanding - Basic and Diluted - A	4,65,58,336	4,65,58,336

J.S.S. Steelitalia Limited

Calculation of EPS:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit and loss after tax – B	7,37,85,400	(48,23,909)
Basic Earnings per share (B/A) (Rs)	1.58	(0.10)
Diluted Earnings per share (B/A) (Rs)	1.58	(0.10)

42. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year'sclassification.

43. Due to the outbreak of COVID-19 globally and in India , the Company's management has made an initial assessment of likely adverse impact on the economic environment in general, business, and financial risks upto the date of financial statements and concludethat there is no materialimpact on the long-termperformance of the Company.

However, the Company will continueto monitor any material changes to the future economic conditions.

44. Notes 1 to 43 are annexed to and form an integral part of financial statements.

In terms of our report of even date annexed hereto

For P.C. Goyal& Co.
Chartered Accountants
Firm Registration No. 002368N

P.C. GOYAL & CO. CA New Delhi M. No. 082407 FRN. 002368N CHARTERED ACCOUNTANTS

M.P. Jain
Partner
Membership No. 082407

VIVEK KUMAR GARG
CFO & Whole-Time Director
DIN 07441478

TARUN KUMAR KHULBE
Director
DIN 07302532

Place: Gurugram
Date: 17th May, 2021

YOGESH PAREEK
Company Secretary

ANNEXURE- 6

S S KOTHARI MEHTA
& COMPANY
CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results

Review Report to,

Board of Directors
Jindal Stainless Steelway Limited
Gurugram

We have reviewed the accompanying statement of unaudited financial results ('the Statement') of **Jindal Stainless Steelway Limited** (the 'Company') for the quarter and nine months ended December 31, 2021 attached herewith, being prepared by the Company to the extent required by Jindal Stainless (Hisar) Limited, (Holding Company) to prepare consolidated financial results for the quarter and nine months ended December 31, 2021 pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, as amended (the circular), pursuant to the Listing Agreement entered into by the Holding Company with the Stock Exchanges in India and not to report on the Company as a separate entity.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34- "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with the Circular, pursuant to the Listing Agreement entered into by the Holding Company with the Stock Exchanges in India, is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410- "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

AMIT GOEL

Plot No. 68, Okhla Industrial Area, Phase-III, New Delhi-110020
Tel: +91-11-4670 8888 E-mail: info@sskmin.com
www.sskmin.com

S S KOTHARI MEHTA
& COMPANY
CHARTERED ACCOUNTANTS

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, as amended, pursuant to Listing Agreement as entered into by Jindal Stainless (Hisar) Limited with Stock Exchanges in India, including the manner in which it is to be disclosed, or that it contains any material misstatement.

This report is furnished solely for use in preparing the unaudited consolidated financial results for the quarter and nine months ended December 31, 2021 of the Holding Company. It is not to be used for any other purpose, or referred to in any other document, or distributed to anyone without our written prior consent.

For S.S. KOTHARI MEHTA & COMPANY
Chartered Accountants
Firm's Registration No. 000756N

AMIT GOEL

AMIT GOEL
Partner
Membership No. 500607

Place: New Delhi
Date: February 3, 2022
UDIN No: 22500607AAKPLS5099

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JINDAL STAINLESS STEELWAY LIMITED
Registered Office: Village Pathredi, Bilaspur, Tauru Road, Gurgaon, Haryana, India, 122 413
CIN:U27109HR2004PLC082454

Rs. In crores

STATEMENT OF STANDALONE RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED DECEMBER 31, 2021

S.No.	Particulars	Quarter Ended			Nine Month Ended		Year Ended
		December, 31 2021 Unaudited	September, 30 2021 Unaudited	December, 31 2020 Unaudited	December, 31 2021 Unaudited	December, 31 2020 Unaudited	March, 31 2021 Audited
1	Revenue						
	Revenue from Operations	716.40	614.86	682.27	1,714.01	1,326.66	1,859.44
	Other Income	2.09	1.88	1.97	5.50	10.57	12.43
	Total Revenue	718.49	616.74	684.24	1,719.51	1,337.23	1,871.87
2	Expenses						
	(a) Cost of materials consumed	629.85	544.18	605.77	1,493.33	1,149.11	1,596.95
	(b) Purchases of stock-in-trade	16.66	21.06	20.13	54.92	52.55	69.85
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3.66	(30.84)	(5.68)	(23.83)	(2.07)	2.23
	(d) Employee benefits expense	5.54	4.92	5.33	15.53	13.69	16.60
	(e) Finance costs	2.33	2.71	2.91	7.06	9.67	12.16
	(f) Depreciation and amortisation expense	2.32	2.49	2.57	7.31	8.52	11.00
	(g) Other expenses	18.03	17.25	24.29	45.28	51.22	74.50
	Total Expenses	678.39	561.77	655.32	1,599.60	1,282.69	1,783.29
3	Profit/(Loss) before exceptional items and tax (1-2)	40.10	54.97	28.92	119.91	54.54	88.58
4	Exceptional items	-	-	-	-	-	-
	Exceptional income/ expense relating to earlier years (net of taxes)	-	-	-	-	-	-
5	Profit/(Loss) before tax (3-4)	40.10	54.97	28.92	119.91	54.54	88.58
6	Tax expenses						
	- Current year	9.85	13.85	7.24	30.00	14.34	22.80
	- Previous Year Tax Adjustment	-	-		-	-	1.94
	- Deferred tax	0.77	(0.03)	0.08	0.69	(0.47)	(0.35)
7	Net Profit/(Loss) after tax from continued operations (5-6)	29.48	41.15	21.60	89.22	40.67	64.19
8	Profit / (loss) from discontinued operations	-	-	-	-	-	-
9	Net Profit/(Loss) after tax (7-8)	29.48	41.15	21.60	89.22	40.67	64.19
10	Other Comprehensive Income (OCI)						
	(i) Items that will not be reclassified to profit or loss.						0.10
	(ii) Income tax relating to items that will not be reclassified to profit or loss						(0.02)
	Other Comprehensive Income for the period	-	-	-	-	-	0.08
11	Total Comprehensive Income for the period(9+10)	29.48	41.15	21.60	89.21	40.67	64.27
12	Paid-up equity share capital (Face Value of Rs. 10.00/ each)	14.06	14.06	14.06	14.06	14.06	14.06
13	Earnings Per Share face value Rs.10.00/ each (non annualised) Basic and Diluted (Amt in Rs.)						
	(i) Continued Operations	20.96	29.27	15.36	63.45	28.92	45.65
	(ii) Discontinued Operations	-	-	-	-	-	-

Note :-

1. The financial results of the company for the quarter and nine months ended 31 December 2021 have been reviewed by the audit committee and approved by the board of directors at their respective meetings held on 3 February 2022 and the limited review of the same has been carried out by the statutory auditors.
2. These results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act 2013 and other recognized accounting practices and policies to the extent applicable.
3. Exceptional items represent net foreign exchange gain/(loss) of all period presented.
4. As the Company's business activity falls within a single primary business segment viz "Slitting/Cutting to Length / Polishing products in coil form of steel/Sheet form of Stainless Steel" and is a single geographical segment, the disclosure requirements of the accounting standard (Ind AS-108) "Operating Segment" is not applicable.
5. Outbreak of Covid-19 has disturbed the economic activity through interruption in manufacturing process, disruption in supply chain, etc. for the Company during the year ended 31 March 2021 and quarter and nine months ended 31 December 2021. The Company, considering internal and external factors known to the management, has made assessment of likely adverse impact on economic environment in general, and financial risk on account of Covid-19 on carrying value of its assets and operations of the Company upto the date of these financial results. The Company is closely monitoring the impact of this pandemic and believes this pandemic may not have significant adverse impact on the long term operations and performance of the Company.
6. On 3 February 2021, the Board of Directors of the Company had approved a Scheme of Amalgamation (the 'Scheme') under Section 230 to 232 (read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable laws)) of Companies Act, 2013 for the Amalgamation of JSS Steelitalia Limited into and with the Company. The Scheme having appointed date of 01 March 2021 is subject to the approval of shareholders, regulatory and other necessary approvals including approval of National Company Law Tribunal (NCLT).
The First Motion Application was filed before the NCLT, Chandigarh bench on 22 March 2021 and matter is listed for hearing in 8 February 2022.
7. Previous period/ year figures have been regrouped/reclassified/recast, wherever necessary, to make them comparable.

For S.S. Kothari Mehta & Company
Chartered Accountants
FRN - 000756N

AMIT GOEL
Partner
Membership No. 500607

Date: February 03, 2022
Place: New Delhi

For Jindal Stainless Steelway Limited

Director

ANNEXURE 7.

P.C. GOYAL & CO.

CHARTERED ACCOUNTANTS
B-3/2 TOP FLOOR PASCHIM VIHAR
New Delhi-110 063

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To,
The Board of Directors,
J.S.S. STEELITALIA LIMITED

1. We have reviewed the accompanying statement of unaudited standalone financial results of **J.S.S. STEELITALIA LIMITED** (the 'Company') for the quarter and nine month ended December 31, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 other SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation').

2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and hasbeen approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For P.C. Goyal & Co.
Chartered Accountants
Firm Registration No. 002368N

P.C. Goyal & Co. New Delhi Chartered Accountants

(M.P. Jain)
Partner
M. No. 082407
Date:3rd February,2022
Place: New Delhi
UDIN: 22082407AAFQDG3513

I.S.S. STEELITALIA LIMITED

Statement of Profit and Loss for the period ended 31th December, 2021

(Amount in Rs.)

	Particulars	Note No.	For the Quarter ended 31th dec,2021 (Unaudited)	For the Quarter ended 30th Sept,2021 (Unaudited)	For the Period ended 31th Dec,2021 (Unaudited)	For the Year ended 31st March, 2021 (Audited)
I	Revenue From Operations	22	1,76,75,686	2,48,51,761	5,15,69,087	22,86,00,559
II	Other Income	23	20,737	93,790	3,25,172	93,68,487
III	Total Income (I+II)		1,76,96,423	2,49,45,551	5,18,94,259	23,79,69,046
IV	EXPENSES					
	Cost of materials consumed	24	-	-	-	14,63,27,861
	Changes in inventories of finished goods, Stock-in -Trade and work- in-progress	25	7,82,199	36,25,421	44,07,620	9,18,828
	Employee benefits expense	26	23,11,391	16,35,713	57,23,956	71,50,736
	Finance costs	27	264	1,29,499	1,30,063	3,40,876
	Depreciation and amortization expense	28	44,29,892	42,34,639	1,29,59,788	1,72,28,228
	Other expenses	29	1,15,71,787	1,26,93,800	3,10,68,446	8,22,41,583
	Total expenses (IV)		1,90,95,533	2,23,19,072	5,42,89,873	25,42,08,112
V	Profit/(loss) before exceptional items and tax (III- IV)		(13,99,110)	26,26,479	(23,95,614)	(1,62,39,066)
VI	Exceptional Items			-		-
VII	Profit/(loss) before tax (V-VI)		(13,99,110)	26,26,479	(23,95,614)	(1,62,39,066)
VIII	Tax expense:					
	(1) Current tax		-	-	-	-
	(2) Deferred tax		(3,56,623)	6,52,924	(6,11,037)	(9,00,24,467)
IX	Profit/(loss) for the year (VII-VIII)		(10,42,487)	19,73,555	(17,84,577)	7,37,85,400
X	Other Comprehensive Income					
	(i) Remeasurement (Gain)/Loss on defined benefits plans.		-	-	-	(64,769)
	(ii) Income Tax Effect on above.		-	-	-	16,301
	Total Other Comprehensive Income for the year		-	-	-	(48,468)
XI	Total Comprehensive Income for the year (IX - X)		(10,42,487)	19,73,555	(17,84,577)	7,38,33,868
XII	Earnings per equity share of Face value of Rs 10/-					
	(1) Basic		(0.02)	0.04	(0.04)	1.58
	(2) Diluted		(0.02)	0.04	(0.04)	1.58

Significant accounting policies and notes to the financial statements

In terms of our report of even date annexed hereto

For P.C. Goyal & Co.
Chartered Accountants
Firm Registration No. 002368N

P.C. Goyal & Co. New Delhi Chartered Accountants

M.P. JAIN
Partner
M.No. 082407
Place: New Delhi
Date: 3rd February,2022

VIVEK KUMAR GARG
CFO & Whole-Time Director
DIN 07441478

For and on behalf of
Board of Directors

YOGESH PAREEK
Company Secretary