

INDEPENDENT AUDITORS' REPORT

To
The Members of IUP JINDAL METALS & ALLOYS LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **IUP JINDAL METALS & ALLOYS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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 2020, and its profit, 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.



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, 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, 2020 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 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;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (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, 2020;
 - 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 March 31, 2020 has 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

Date: June 19, 2020

Place: New Delhi

UDIN: 20082407AAAAAM8226

ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **IUP JINDAL METALS & ALLOYS LIMITED** on the accounts for the year ended March 31, 2020)

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

(b) A major portion of fixed assets has been physically verified by the management in accordance with a phased programme of verification adopted by company. 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. In respect of stores and spares there is a perpetual inventory system and a substantial part of stocks has been verified during the year. 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 partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii)(a), 3(iii)(b) and 3(iii)(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. We have broadly reviewed the accounts and records maintained by the company in respect of manufacture of steel and steel products to which the said rule are made applicable pursuant to the order made by the central government for maintenance of cost records prescribed under sub-section (I) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of such records with a view to determine whether these are accurate and complete.



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 wherever applicable i.e. provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities There are no arrears as at March 31, 2020 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 no material dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute.
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. The company does not have any dues to financial institution, government or debenture holders.
9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. In our opinion, and according to the information and explanation given to us, the term loans have been applied for the purposes for which they were raised, other than temporary deployment pending allocation.
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. The Company has paid/provided for managerial remuneration to whole-time director in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
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. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Act, and where applicable the details have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, 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. According to the information and explanations given to us, 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



(M.P. Jain)

Partner

M. No. 082407

Date: June 19, 2020

Place: New Delhi

UDIN: 20082407AAAAAM8226

ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of **IUP JINDAL METALS & ALLOYS LIMITED** on the accounts for the year ended 31st March, 2020

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 **IUP JINDAL METALS & ALLOYS LIMITED** ("the Company") as of 31st March, 2020 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



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, 2020, 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

Date: June 19, 2020

Place: New Delhi

UDIN: 20082407AAAAAM8226



IUP JINDAL METALS & ALLOYS LIMITED
Balance Sheet as at March 31, 2020
CIN: U74999DL2004PLC128194

(Amount in ₹)

Particulars	Note No.	As At March 31, 2020	As At March 31, 2019
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	5	70,79,59,009	70,34,31,822
(b) Capital Work-in-Progress	5	10,18,60,889	5,24,03,201
(c) Other Intangible Assets	6	2,59,973	4,85,888
(d) Financial Assets			
Others	7	3,85,788	4,08,740
(e) Other Non-Current Assets	8	-	1,83,54,193
(2) Current Assets			
(a) Inventories	9	31,60,09,313	28,16,94,248
(b) Financial Assets			
(i) Trade Receivables	10	37,49,64,964	35,12,02,118
(ii) Cash and Cash Equivalents	11	22,84,564	6,95,064
(iii) Bank Balances other than (iii) above	12	12,94,32,511	3,80,24,728
(iv) Loans	13	44,57,854	27,33,718
(v) Others	14	2,32,840	2,04,823
(c) Contract Assets	37	16,90,507	-
(d) Current Tax Assets (Net)	15	1,53,50,487	7,61,466
(e) Other Current Assets	16	21,68,00,687	8,08,13,936
Total Assets		1,87,16,89,386	1,53,12,13,945
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	14,00,00,000	14,00,00,000
(b) Other Equity	18	1,30,75,25,253	1,15,55,45,191
Liabilities			
(1) Non-current Liabilities			
(a) Provisions	19	2,96,80,182	68,86,974
(b) Deferred Tax Liabilities (Net)	20	8,43,82,381	8,67,43,265
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	10,47,47,688	-
(ii) Trade Payables			
- Due to Micro and small enterprises	22	53,77,071	73,85,362
- Due to other than Micro and small enterprises	22	7,88,86,553	9,97,97,682
(iii) Other Financial Liabilities	23	1,60,91,912	2,57,33,284
(b) Other Current Liabilities	24	10,01,26,351	68,76,726
(c) Provisions	25	48,71,995	22,45,461
Total Equity and Liabilities		1,87,16,89,386	1,53,12,13,945

See accompanying notes to the financial statements

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As per our report of even date attached.

P.C. GOYAL & CO.

Chartered Accountants

Firm Registration No. 002368N


M.P. Jain

Partner

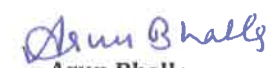
M.No. 082407



Indresh Batra
 Managing Director
 DIN: 00093471


Sminu Jindal
 Director
 DIN: 00005317


Jagmohan Syal
 CEO


Arun Bhalla
 Company Secretary
 M. No. A27585


Sayed Mohammed Wasim
 CFO

Place: New Delhi

Date: June 19, 2020

IUP JINDAL METALS & ALLOYS LIMITED
Statement of Profit and Loss for the year ended on March 31, 2020

(Amount in ₹)

	Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
I	Gross Revenue from Operations	26	1,96,23,24,891	2,26,51,98,740
II	Other Income	27	87,14,257	52,79,756
III	Total Income (I+II)		1,97,10,39,148	2,27,04,78,496
IV	EXPENSES			
	Cost of Materials Consumed	28	1,33,90,52,697	1,63,07,02,301
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work- in-Progress	29	(1,03,56,556)	(3,31,59,541)
	Employee Benefits Expense	30	15,45,21,518	13,49,59,011
	Finance Costs	31	36,48,537	29,30,049
	Depreciation and Amortisation Expense	32	4,70,92,605	4,35,44,112
	Other Expenses	33		
	Manufacturing Expenses		18,16,82,755	17,21,11,012
	Administrative, Selling and Other Expenses		4,45,86,063	3,05,37,069
	Total Expenses (IV)		1,76,02,27,619	1,98,16,24,013
V	Profit before tax (III-IV)		21,08,11,529	28,88,54,483
VI	Tax Expense:			
	(1) Current Tax		6,56,23,794	8,99,96,090
	(2) Deferred Tax		(1,84,02,433)	(51,61,314)
	Total Tax Expense		4,72,21,361	8,48,34,776
VII	Profit for the year (V-VI)		16,35,90,168	20,40,19,707
VIII	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss			
	(i) Re-measurement gains (losses) on defined benefit plans		(1,55,14,895)	(20,73,400)
	Income tax effect on above		39,04,789	6,03,774
	Total Other Comprehensive Income		(1,16,10,106)	(14,69,626)
IX	Total Comprehensive Income for the year (VII+VIII)		15,19,80,062	20,25,50,081
X	Earnings per equity share:			
	Basic		11.69	14.57
	Diluted		11.69	14.57

See accompanying notes to the financial statements

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As per our report of even date attached.

P.C. GOYAL & CO.

Chartered Accountants

Firm Registration No. 002368N


M.P. Jain

Partner

M.No. 082407



Indresh Batra
 Managing Director
 DIN: 00093471


Sminu Jindal
 Director
 DIN: 00005317


Jagmohan Syal
 CEO


Arun Bhalla
 Company Secretary
 M. No. A27585

Place: New Delhi

Date: June 19, 2020


Sayed Mohammed Wasim

CFO

IUP JINDAL METALS & ALLOYS LIMITED
Cash Flow Statement for the year ended March 31, 2020
(Amount in ₹)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary item	21,08,11,529	28,88,54,483
Adjustment for		
Depreciation	4,70,92,605	4,35,44,112
Interest Expense	18,89,860	17,27,932
Provision for Doubtful Debts created during the year	-	6,27,519
Provision for Doubtful Debts written Back.	-	(7,41,840)
Loss/(Profit) on sale of assets	-	27,24,814
Gain on sale of Current Investment	(24,22,836)	(6,96,440)
Interest Income	(48,93,230)	(23,85,676)
Unrealised Exchange Fluctuation	(7,74,000)	(1,24,558)
Operating Profit before working capital changes:	25,17,03,928	33,35,30,346
Changes in operating assets and liabilities:		
Inventories	(3,43,15,065)	(15,36,11,402)
Trade receivables	(2,37,62,846)	1,29,29,593
Loans, other financial assets and other assets	(21,24,32,032)	1,78,86,254
Trade payables	(2,29,19,420)	2,97,63,511
Other financial liabilities, provisions and other liabilities	9,42,87,100	(1,02,10,035)
Cash generated from operations	5,25,61,665	23,02,88,267
Tax paid	(6,02,66,477)	(5,77,56,318)
Net cash inflow / (outflow) from operating activities	(77,04,812)	17,25,31,949
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale/ (Purchase) of fixed assets / capital work-in-progress	(10,08,51,565)	(7,96,12,264)
Sale/ (Purchase) of Current Investments	24,22,836	6,96,440
Interest received	48,65,213	24,52,140
Net cash used in Investing Activities	(9,35,63,516)	(7,64,63,684)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Working capital borrowings from bank	10,47,47,688	(20,38,80,576)
Interest paid	(18,89,860)	(17,27,932)
Net cash used in Financing Activities	10,28,57,828	(20,56,08,508)
(Decrease) / increase in cash and cash equivalents (A+B+C)	15,89,500	(10,95,40,243)
Cash and cash equivalents at beginning of the year	6,95,064	11,02,35,307
Cash and cash equivalents at end of the year	22,84,564	6,95,064

As per our report of even date attached.

P.C. GOYAL & CO.

Chartered Accountants

Firm Registration No. 002368N


M.P. Jain

Partner

M.No. 082407



Indresh Batra

Managing Director

DIN: 00093471


Sminu Jindal

Director

DIN: 00005317


Jagmohan Syal

CEO


Arun Bhalla

Company Secretary

M. No. A27585


Sayed Mohammed Wasim

CFO

Place: New Delhi

Date: June 19, 2020

IUP JINDAL METALS & ALLOYS LIMITED**Statement of Changes in Equity for the year ended March 31, 2020****A. Equity Share Capital**

(Amount in ₹)

Balance as at April 1, 2018	Changes in equity share capital during 2018-19	Balance as at March 31, 2019	Changes in equity share capital during 2019-20	Balance as at March 31, 2020
14,00,00,000	-	14,00,00,000	-	14,00,00,000

B. Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus		Items of Other Comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings	Re-measurement gains (losses) on defined benefit plans	
Balance as at April 1, 2018	46,60,00,000	48,81,15,028	(11,19,918)	95,29,95,110
Total Comprehensive Income for the year 2018-19	-	20,40,19,707	(14,69,626)	20,25,50,081
Balance as at March 31, 2019	46,60,00,000	69,21,34,735	(25,89,544)	1,15,55,45,191
Total Comprehensive Income for the year 2019-20	-	16,35,90,168	(1,16,10,106)	15,19,80,062
Balance as at March 31, 2020	46,60,00,000	85,57,24,903	(1,41,99,650)	1,30,75,25,253

See accompanying notes to the financial statements

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As per our report of even date attached.

P.C. GOYAL & CO.

Chartered Accountants

Firm Registration No. 002368N


M.P. Jain

Partner

M.No. 082407



Indresh Batra
Managing Director
DIN: 00093471

Sminu Jindal
Director
DIN: 00005317

Jagmohan Syal
CEO

Arun Bhalla
Company Secretary
M. No. A27585

Sayed Mohammed Wasim
CFO

Place: New Delhi

Date: June 19, 2020

IUP Jindal Metals and Alloys Limited

Notes to Financial Statements

1. Corporate and General Information

IUP Jindal Metals and Alloys Limited ("IUPJ" or "the Company") is domiciled and incorporated in India. The company is a Joint Venture between M/s. Jindal Saw Limited and M/s. Arcelor Mittal Stainless Precision Europe. This JV is in the ratio of 80.71:19.29 as on March 31, 2020 between M/s. Jindal Saw Limited and M/s. Arcelor Mittal Stainless Precision Europe respectively. The Registered Office of the company is 28, Najafgarh Road, New Delhi- 110015 and Works at Dehkhora Road, Village Rohad, District Jhajjar (Haryana)-124501

The Company is a leading manufacturer of High Quality Precision Stainless Steel strips. It offers a wide choice of thin and ultra-thin cold rolled strips. The Precision Stainless Steel & Nickel Alloys manufactured are useful in manufacturing of various products like auto components, clocks, watches & electrical equipment.

2. Basis of preparation

The 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 together with paragraph 7 of the Companies (Accounts) Rule 2015, as amended. 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 for all periods presented. The financial statement has been prepared considering all IND AS as notified by MCA till reporting date i.e. March 31, 2020.

The significant accounting policies used in preparing the financial statements are set out in Note no. 3 of the Notes to the 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (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 accrual basis and under the historical cost convention except following which have been measured at fair value:

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

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

3.2 Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.



IUP Jindal Metals and Alloys Limited

Assets are depreciated to the residual values on a straight line basis over the estimated useful lives based on technical estimates which are considered 24 hours working of Major Plant & Machinery. 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 residual value and useful life. Freehold land is not depreciated. Major overhauling of Plant and equipment is charged to Statement of Profit & Loss account over the period of five years. Estimated useful lives of the assets are as follows:

Category of Assets	Years
Buildings	5-60
Equipment and Machinery	
-Plant and Machinery	2-40
-Electrical Equipment and Installations	15-25
Other Office Equipment	
-Computer Equipment	3-8
-Office Furniture and Equipment	3-10
-Vehicles	8-10

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.

3.3 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 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 six years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.4 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.

3.5 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.

3.6 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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3.7 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 IND AS 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

3.8 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 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.

d) Contribution to Superannuation fund, a defined contribution plan, is made in accordance with the Company policy, and is recognised as an expense in the year in which employees have rendered services.

e) 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.

The Company operates a defined benefit plan for gratuity, which requires contributions to be made to a separately administered fund. The fund is managed by a trust. The trust has taken policies from an insurance company. These benefits are fully funded.



IUP Jindal Metals and Alloys Limited

3.9 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.

3.10 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.

a. Financial Assets

Financial Assets 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 the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.



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Subsequent recoveries of amounts previously written off are credited to Other Income.

b. Financial Liabilities

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

Financial liabilities are classified in two categories; subsequent measurement of financial liabilities is depended on initial categorisation. These categories and their classification are as below:

i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are reported at fair value at each reporting date with all the changes recognized in the Statement of Profit and Loss.

ii. Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR") except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in 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.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.



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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 temporary 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, 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.

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

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. Material returned/rejected is accounted for in the year of return/rejection.

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.



IUP Jindal Metals and Alloys Limited

Other Operating Income

Incentives on exports and other Government incentives related to operations are recognised in books after due consideration of certainty of utilization/receipt of such incentives.

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 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.

Gratuity and leave encashment provision

Refer Note no 3.8 for provision relating to gratuity and leave encashment.

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 Current versus 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.



IUP Jindal Metals and Alloys Limited

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

External adviser or internal technical team assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable. The estimates and assumptions made to determine depreciation are critical to the Company's financial position and performance.

(b) Intangibles

Internal technical or user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

(c) 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.

(d) Contingencies

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

(e) 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.

(f) Insurance claims

Insurance claims are recognised when the Company have reasonable certainty of recovery. Subsequently any change in recoverability is provided for.

(g) Liquidated damages

Liquidated damages payable are estimated and recorded as per contractual terms; estimate may vary from actuals as levy by customer.



IUP JINDAL METALS & ALLOYS LIMITED
Notes to Financial Statements

5. Property, Plant and Equipment

Particulars	(Amount in ₹)												
	Freehold land	Buildings	Plant and Equipment	Office Equipments	Vehicles	Furniture and Fixtures	Computers	Total	Capital Work in Progress				
Gross Block													
As at April 1, 2018	13,31,66,000	18,97,82,389	55,49,80,280	23,47,500	52,05,847	10,62,789	12,81,241	88,78,26,046	40,361				
Additions	-	-	1,16,90,502	5,47,670	32,77,052	58,800	4,25,663	1,59,99,687	6,47,02,017				
Add/(Less): Transfer	-	-	1,23,39,177	-	-	-	-	1,23,39,177	(1,23,39,177)				
Disposal	-	-	32,90,000	-	17,95,464	-	-	50,85,464	-				
Adjustments	-	-	-	-	-	-	-	-	-				
As at March 31, 2019	13,31,66,000	18,97,82,389	57,57,19,959	28,95,170	66,87,435	11,21,589	17,06,904	91,10,79,446	5,24,03,201				
Additions	-	-	35,76,341	2,85,208	-	23,755	3,43,397	42,28,702	9,66,22,863				
Add/(Less): Transfer	-	1,22,19,386	3,49,45,790	-	-	-	-	4,71,65,175	(4,71,65,175)				
Disposal	-	-	-	-	-	-	-	-	-				
Adjustments	-	-	-	-	-	-	-	-	-				
As at March 31, 2020	13,31,66,000	20,20,01,775	61,42,42,090	31,80,378	66,87,435	11,45,344	20,50,301	96,24,73,323	10,18,60,889				
Accumulated Depreciation													
As at April 1, 2018	-	2,70,63,682	13,42,24,742	11,75,533	20,93,313	1,70,641	8,07,879	16,55,35,790	-				
Charge for the year	-	55,71,305	3,65,43,816	3,34,011	4,93,838	1,09,596	1,93,038	4,32,45,604	-				
Disposal	-	-	3,88,461	-	7,45,309	-	-	11,33,770	-				
Adjustments	-	-	-	-	-	-	-	-	-				
As at March 31, 2019	-	3,26,34,987	17,03,80,097	15,09,544	18,41,842	2,80,237	10,00,917	20,76,47,624	-				
Charge for the period	-	58,38,458	3,96,97,714	3,65,869	5,70,622	1,16,290	2,77,737	4,68,66,690	-				
Disposal	-	-	-	-	-	-	-	-	-				
Adjustments	-	-	-	-	-	-	-	-	-				
As at March 31, 2020	-	3,84,73,445	21,00,77,811	18,75,413	24,12,464	3,96,527	12,78,654	25,45,14,314	-				
Net Carrying Amount													
As at April 1, 2018	13,31,66,000	16,27,18,707	42,07,55,538	11,71,967	31,12,534	8,92,148	4,73,362	72,22,90,256	40,361				
As at March 31, 2019	13,31,66,000	15,71,47,402	40,53,39,862	13,85,626	48,45,593	8,41,352	7,05,987	70,34,31,822	5,24,03,201				
As at March 31, 2020	13,31,66,000	16,35,28,330	40,41,64,279	13,04,965	42,74,971	7,48,817	7,71,647	70,79,59,009	10,18,60,889				



IUP JINDAL METALS & ALLOYS LIMITED
Notes to Financial Statements

6. Intangible Assets

(Amount in ₹)

Particulars	Software
Cost	
As at April 1, 2018	19,06,358
Additions	1,37,440
Disposal	-
Adjustments	-
As at March 31, 2019	20,43,798
Additions	-
Disposal	-
Adjustments	-
As at March 31, 2020	20,43,798
Accumulated Depreciation	
As at April 1, 2018	12,59,402
Charge for the year	2,98,508
Disposal	-
Adjustments	-
As at March 31, 2019	15,57,910
Charge for the year	2,25,915
Disposal	-
Adjustments	-
As at March 31, 2020	17,83,825
Net carrying amount	
As at April 1, 2018	6,46,956
As at March 31, 2019	4,85,888
As at March 31, 2020	2,59,973



IUP JINDAL METALS & ALLOYS LIMITED
Notes to Financial Statements

(Amount in ₹)

Note	Particulars	As At March 31, 2020	As At March 31, 2019
7	<u>OTHER NON-CURRENT FINANCIAL ASSETS</u>		
	Unsecured, Considered good		
	Security Deposits	2,23,010	2,45,962
	Bank Deposits with remaining maturity more than 12 months*	1,62,778	1,62,778
	Total Financial Assets - Others	3,85,788	4,08,740

*Pledged with bank against Bank Guarantees and Securities with Govt. Authorities

8	<u>OTHER NON-CURRENT ASSETS</u>		
	Unsecured, Considered good		
	Capital advances	-	1,83,54,193
	Total Other Non-Current Assets	-	1,83,54,193

9	<u>INVENTORIES</u>		
	Raw Materials	13,65,85,610	12,47,01,422
	Raw Materials in Transit	-	28,48,727
	Work-in-Progress	8,98,89,088	10,70,14,695
	Finished Goods	5,11,08,541	2,40,27,107
	Scrap	21,77,921	17,77,192
	Stores and Spares	3,62,48,153	2,13,25,105
	Total Inventories	31,60,09,313	28,16,94,248

10	<u>TRADE RECEIVABLES</u>		
	Related Parties		
	Unsecured, considered good	65,85,980	2,32,52,264
	Others		
	Secured, considered good	2,18,00,226	-
	Unsecured, considered good	34,65,78,758	32,79,49,854
	Trade Receivables which have significant increase in credit Risk	2,00,92,490	2,00,92,490
	Trade Receivables- credit impaired	(2,00,92,490)	(2,00,92,490)
	Total Trade Receivables	37,49,64,964	35,12,02,118



IUP JINDAL METALS & ALLOYS LIMITED
Notes to Financial Statements

(Amount in ₹)

Note	Particulars	As At March 31, 2020	As At March 31, 2019
11	<u>CASH AND CASH EQUIVALENTS</u>		
	Balance with Banks		
	-In Current Accounts	19,47,306	6,50,024
	Cash on Hand	3,37,258	45,040
	Total Cash and Cash Equivalents	22,84,564	6,95,064

12	<u>OTHER BANK BALANCES</u>		
	Fixed Deposits with Banks - with remaining maturity of less than 12 months and other than considered in cash and cash equivalents*	12,94,32,511	3,80,24,728
	Total Other Bank Balances	12,94,32,511	3,80,24,728

*Pledged with bank against Bank Guarantees and Securities with Govt. Authorities of ₹ 12,79,71,100/- (Previous Year ₹ 80,11,968/-)

13	<u>LOANS</u>		
	Secured, considered good	-	-
	Unsecured, considered good		
	- Loan to employees	44,57,854	27,33,718
	Loans which have significant increase in credit Risk	-	-
	Loans - credit impared	-	-
	Total Other Bank Balances	44,57,854	27,33,718

14	<u>OTHER FINANCIAL ASSETS</u>		
	Interest Accrued on Fixed Deposits	2,32,840	2,04,823
	Total Other Financial Assets	2,32,840	2,04,823

15	<u>CURRENT TAX ASSETS (NET)</u>		
	Advance Taxation (net)	1,53,50,487	7,61,466
	Total Current Tax Assets (Net)	1,53,50,487	7,61,466

16	<u>OTHER CURRENT ASSETS</u>		
	Value Added Tax (Including Refund Receivable)	2,56,55,489	3,54,08,282
	Advance to Suppliers	7,76,95,773	50,45,510
	Others*	11,34,49,425	4,03,60,144
	Total Other Current Assets	21,68,00,687	8,08,13,936

* includes Cenvat credit, Govt. incentives etc.



IUP JINDAL METALS & ALLOYS LIMITED
Notes to Financial Statements

(Amount in ₹)

Note	Particulars	As At March 31, 2020	As At March 31, 2019
19	<u>PROVISIONS</u>		
	Provision for Employee Benefit		
	Provision for Gratuity	1,62,70,915	3,55,091
	Provision for Leave Encashment	1,34,09,267	65,31,883
	Total Provisions	2,96,80,182	68,86,974

20	<u>DEFERRED TAX LIABILITIES (NET)</u>		
	<u>Deferred Tax Liability</u>		
	Difference between Book and Tax Base Related to Fixed Assets	9,81,35,350	11,51,99,901
	Other items giving rise to temporary differences	-	-
	Total Deferred Tax Liability - A	9,81,35,350	11,51,99,901
	<u>Deferred Tax Assets</u>		
	Disallowance under Income Tax Act, 1961	1,37,52,969	85,10,298
	Total Deferred Tax Assets - B	1,37,52,969	85,10,298
	Net Deferred Tax Liabilities (A-B)	8,43,82,381	10,66,89,603
	Less: MAT Credit Entitlement	-	1,99,46,338
	Deferred Tax Liabilities (Net)	8,43,82,381	8,67,43,265

Deferred Tax Liability/(Assets) Recognised in Profit and Loss and OCI

Deferred Tax Liability/(Assets) Recognised in Profit and Loss	(1,84,02,433)	(51,61,314)
Deferred Tax Liability/(Assets) Recognised in OCI	(39,04,789)	(6,03,774)
	(2,23,07,222)	(57,65,088)

21	<u>BORROWINGS</u>		
	Secured Loan		
	Working Capital Borrowings from Banks*	10,47,47,688	-
	Total Borrowings	10,47,47,688	-

*Secured by way of first charge on the hypothecation of the current assets extended by second charge on the fixed assets of the Company.



IUP JINDAL METALS & ALLOYS LIMITED
Notes to Financial Statements

(Amount in ₹)

Note	Particulars	As At March 31, 2020	As At March 31, 2019
22	<u>TRADE PAYABLES</u>		
	Sundry Creditors		
	- Due to Micro and Small Enterprise* (refer Note No 42)	53,77,071	73,85,362
	- Due to Others	7,88,86,553	9,97,97,682
	Total Trade Payables	8,42,63,624	10,71,83,044

23	<u>OTHER FINANCIAL LIABILITIES</u>		
	Dues to Employees	85,54,562	1,11,78,601
	Capital Creditors	-	38,81,287
	Other Liabilities	75,37,350	1,06,73,396
	Total Other Financial Liabilities	1,60,91,912	2,57,33,284

24	<u>OTHER CURRENT LIABILITIES</u>		
	Advance from Customers	1,20,84,026	42,64,620
	Statutory Dues Payable	8,71,72,895	26,12,106
	Others Liabilities	8,69,430	-
	Total Other Current Liabilities	10,01,26,351	68,76,726

25	<u>PROVISIONS</u>		
	Provision for Employee Benefit		
	Provision for Gratuity	23,61,779	83,240
	Provision for Leave Encashment	25,10,216	21,62,221
	Total Provisions	48,71,995	22,45,461



IUP JINDAL METALS & ALLOYS LIMITED

Notes to Financial Statements

(Amount in ₹)

Note	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
26	<u>GROSS REVENUE FROM OPERATIONS</u>		
	a) Sale of Products		
	Cold Rolled S.S. Coils	1,84,89,37,466	2,14,56,36,363
	b) Sale of Services		
	Job Work Charges - CR S.S. Coils	10,89,81,321	11,67,49,479
	c) Other Operating Revenues		
	Interest from customers	15,18,316	-
	Export and other government incentives	28,87,788	28,12,898
	Gross Revenue from Operations	1,96,23,24,891	2,26,51,98,740
27	<u>OTHER INCOME</u>		
	Interest Income		
	On Fixed Deposit with Banks	18,26,344	5,11,063
	Others	30,66,886	18,74,613
	Provision for Doubtful Debts Written Back	-	7,41,840
	Liabilities no Longer Required Written Back	6,47,535	-
	Gain on Sale of Current Investment	24,22,836	6,96,440
	Other Non-Operating Income	7,50,656	14,55,800
	Total Other Income	87,14,257	52,79,756
28	<u>COST OF MATERIALS CONSUMED</u>		
	Raw Material Consumed - Cold Rolled S.S. Coils	1,33,90,52,697	1,63,07,02,301
	Total Cost of Materials Consumed	1,33,90,52,697	1,63,07,02,301
29	<u>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP</u>		
	(a) Opening Stock		
	(i) Work-In-Progress	10,70,14,695	8,07,34,785
	(ii) Finished Goods*	2,40,27,107	1,63,06,528
	(iii) Scrap	17,77,192	26,18,140
	Total Opening Stock	13,28,18,994	9,96,59,453
	(b) Closing Stock		
	(i) Work-In-Progress	8,98,89,088	10,70,14,695
	(ii) Finished Goods*	5,11,08,541	2,40,27,107
	(iii) Scrap	21,77,921	17,77,192
	Total Closing Stock	14,31,75,550	13,28,18,994
	Net (Increase)/Decrease In Stock	(1,03,56,556)	(3,31,59,541)
	Excise Duty on Increase/(Decrease) in Closing Stock	-	-
	Total (Increase)/Decrease In Stock	(1,03,56,556)	(3,31,59,541)

* Cold Rolled S.S. Coils



IUP JINDAL METALS & ALLOYS LIMITED**Notes to Financial Statements****(Amount in ₹)**

Note	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
30	<u>EMPLOYEE BENEFITS EXPENSE</u>		
	Salaries and Wages	13,85,62,121	12,09,25,868
	Contribution to Provident Fund and Other Funds	1,00,84,706	85,91,910
	Workmen and Staff Welfare Expenses	58,74,691	54,41,233
	Total Employee Benefits Expense	15,45,21,518	13,49,59,011
31	<u>FINANCE COSTS</u>		
	Interest on Working Capital Loan	9,79,964	16,87,118
	Interest on Other Loans and Advances	9,09,896	40,814
	Bank and Finance Charges	17,58,677	12,02,117
	Total Finance Costs	36,48,537	29,30,049
32	<u>Depreciation and Amortisation Expense</u>		
	Depreciation on Property, Plant and Equipment	4,68,66,690	4,32,45,604
	Amortisation of Other Intangible Assets	2,25,915	2,98,508
	Total Depreciation and Amortisation Expense	4,70,92,605	4,35,44,112
33	<u>OTHER EXPENSES</u>		
	Manufacturing Expenses		
	Store and Spares Consumed	5,57,03,160	5,29,47,838
	Power and Fuel	11,17,57,190	10,47,13,232
	Job Charges	-	38,692
	Water	11,20,000	10,80,000
	Freight and Cartage	22,43,920	14,07,475
	Other Manufacturing Expenses	3,050	77,342
	Repair and Maintenance		
	- Buildings	5,95,732	10,85,454
	- Plant and Machinery	1,02,59,703	1,07,60,979
	Total Manufacturing Expenses	18,16,82,755	17,21,11,012



IUP JINDAL METALS & ALLOYS LIMITED**Notes to Financial Statements****(Amount in ₹)**

Note	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
33	<u>OTHER EXPENSES</u>		
	Administrative, Selling and Other Expenses		
	Rent, Rates and Taxes	13,11,177	9,905
	Insurance	27,76,337	18,57,325
	Travelling and Conveyance	1,68,79,645	98,68,535
	Vehicle Running and Maintenance	6,44,776	7,07,125
	Postage and Telephone	8,88,973	8,80,036
	Legal and Professional Expenses	25,93,808	18,69,882
	Repair and Maintenance - Others	22,77,309	9,61,598
	Recruitment Expenses	6,14,160	28,010
	Office Expenses	9,60,294	11,85,879
	Printing and Stationary	2,90,554	2,77,155
	Auditors' Remuneration {Refer note 41(a)}	2,52,896	2,44,986
	Corporate Social Responsibility {Refer note 41(b)}	46,60,620	30,24,421
	Cost Auditor Remuneration	1,23,700	1,25,100
	Freight and Cartage (Outward)	60,43,784	18,30,189
	Other Selling Expenses	77,358	13,92,771
	Provision for Doubtful Debts	-	6,27,519
	Bad Debts	-	-
	Loss on Sale of Fixed Assets	-	27,24,814
	Net Loss on Foreign Currency Transactions	27,80,845	6,78,422
	Miscellaneous Expenses	14,09,827	22,43,397
	Total Other Expenses	4,45,86,063	3,05,37,069



IUP JINDAL METALS & ALLOYS LIMITED
Notes to Financial Statements

(Amount in ₹)

Note	Particulars	As At March 31, 2020	As At March 31, 2019
17	SHARE CAPITAL		
	Authorised 15,000,000 Equity Shares of ₹ 10/- each	15,00,00,000	15,00,00,000
	Issued, Subscribed and Paid up 14,000,000 Equity Shares of ₹ 10/- each	14,00,00,000	14,00,00,000

17 (a) Reconciliation of the number of shares at the beginning and end of the Reporting year:

Particulars	As At March 31, 2020	As At March 31, 2019
Shares outstanding at the beginning of the year	1,40,00,000	1,40,00,000
Shares issued during the year	-	-
Shares outstanding at the end of the year	1,40,00,000	1,40,00,000

17 (b) Shares held by the Holding Company	1,13,00,000	1,13,00,000
Percentage of Holding	80.71	80.71

17 (c) Shares held by each shareholder holding more than 5% shares

Particulars	As At March 31, 2020		As At March 31, 2019	
	No of Shares held	% of holding	No of Shares held	% of holding
Jindal Saw Limited	1,13,00,000	80.71	1,13,00,000	80.71
Arcelor Mittal Stainless Precision, Europe	27,00,000	19.29	27,00,000	19.29

17 (d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the	As At March 31, 2020	As At March 31, 2019
	NIL	NIL

17 (e) Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per equity share. Each equity shareholder is entitled to one vote per share.



IUP JINDAL METALS & ALLOYS LIMITED**Notes to Financial Statements****(Amount in ₹)**

Particulars	As At March 31, 2020	As At March 31, 2019
18 Other Equity		
(i) Securities Premium Reserve		
Opening Balance	46,60,00,000	46,60,00,000
Add: Addition for the year	-	-
Closing Balance (i)	46,60,00,000	46,60,00,000
(ii) Retained Earnings		
Opening Balance	69,21,34,735	48,81,15,028
Add: Net profit for the year	16,35,90,168	20,40,19,707.00
Closing Balance (ii)	85,57,24,903	69,21,34,735
(iii) Items of Other Comprehensive Income		
Re-measurement gains (losses) on defined benefit plans		
Opening Balance	(25,89,544)	(11,19,918)
Add: Addition for the year	(1,16,10,106)	(14,69,626)
Closing Balance (iii)	(1,41,99,650)	(25,89,544)
Total Other Equity (i+ii+iii)	1,30,75,25,253	1,15,55,45,191

Nature of Reserves

Retained Earnings represent the undistributed profits of the Company.

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 profit and loss ii). Items

Securities Premium Reserve represents the amount received in excess of par value of equity shares. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.



IUP Jindal Metals and Alloys Limited

34. Financial risk management

34.1 Financial risk factors

The Company's principal financial liabilities comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan 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, 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, 2020 and March 31, 2019.

ii) Credit risk

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

iii) Liquidity risk

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

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

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 not obtained foreign currency loans but has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies.

The following table demonstrates the sensitivity in the USD 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:

Exposure to foreign currency risk expressed in Indian rupees:-

Particulars	(Amount in ₹)
	As at March 31, 2020
	USD
Financial Assets	
Trade Receivables	-
Financial Liabilities	
Trade Payables	3,40,49,250
Net exposure to foreign currency risk	(3,40,49,250)



IUP Jindal Metals and Alloys Limited

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/(loss) before tax in the fair value of monetary assets and liabilities is given below:

Particulars	Net monetary items in respective currency outstanding on reporting date	Change in currency exchange rate	(Amount in ₹)
			Effect on profit/(loss) before tax
For the year ended March 31, 2020			
USD	(4,50,000)	+ 5%	(17,02,463)
		- 5%	17,02,463
For the year ended March 31, 2019			
USD	(4,09,879)	+ 5%	(14,17,158)
		- 5%	14,17,158
Euro	(3,993)	+ 5%	(15,486)
		- 5%	15,486

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	(Amount in ₹)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Net foreign exchange gain/(losses) as operating expense	-	-
Net foreign exchange gain/(losses) as finance cost	-	-
Net foreign exchange gain/(losses) as other income	(27,80,845)	(6,78,422)
Total	(27,80,845)	(6,78,422)

(b) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligations with floating interest rates, any changes in the interest rates environment may impact future cost of borrowing.

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

Interest rate sensitivity	(Amount in ₹)	
	Increase/Decrease in basis points	Effect on profit/(loss) before tax
For the year ended March 31, 2020		
INR borrowings	+50	(5,23,738)
	-50	5,23,738
For the year ended March 31, 2019		
INR borrowings	+50	-
	-50	-

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

Interest rate & currency of borrowings

The below table demonstrates the borrowing of fixed and floating rate of interest:

Particulars	(Amount in ₹)		
	Total borrowings	Floating rate borrowings	Fixed rate borrowings
INR	10,47,47,688	10,47,47,688	-
Total as at March 31, 2020	10,47,47,688	10,47,47,688	-
INR	-	-	-
Total as at March 31, 2019	-	-	-



IUP Jindal Metals and Alloys Limited

(c) Commodity price risk and sensitivity

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

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, mutual funds and financial institutions and other financial instruments.

Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. 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 Company has also taken advances and security deposits from its customers & distributors, which mitigate the credit risk to an extent.

The ageing of trade receivable is as below:

Particulars	Not due not impaired	Past Due			Total
		upto 6 months	6 to 12 months	Above 12 months	
(Amount in ₹)					
Trade Receivables					
As at March 31, 2020					
Secured					
Others	2,04,87,121	13,13,105	-	-	2,18,00,226
Unsecured					
Related Parties	64,55,879	2,148	-	1,27,953	65,85,980
Others	27,25,12,895	6,87,80,754	52,85,109	-	34,65,78,758
Significant Increase in Credit Risk	-	-	-	2,00,92,490	2,00,92,490
Gross Trade Receivable	29,94,55,895	7,00,96,007	52,85,109	2,02,20,443	39,50,57,454
Trade Receivables - Credit Impaired	-	-	-	2,00,92,490	2,00,92,490
Net Trade Receivable	29,94,55,895	7,00,96,007	52,85,109	1,27,953	37,49,64,964
Trade Receivables					
As at March 31, 2019					
Secured					
Others	-	-	-	-	-
Unsecured					
Related Parties	2,31,24,311	3,168	-	1,24,785	2,32,52,264
Others	19,05,36,030	13,55,32,553	9,231	18,72,040	32,79,49,854
Significant Increase in Credit Risk	-	-	-	2,00,92,490	2,00,92,490
Gross Trade Receivable	21,36,60,341	13,55,35,721	9,231	2,20,89,315	37,12,94,608
Trade Receivables - Credit Impaired	-	-	-	2,00,92,490	2,00,92,490
Net Trade Receivable	21,36,60,341	13,55,35,721	9,231	19,96,825	35,12,02,118

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.



IUP Jindal Metals and Alloys Limited

Liquidity risk

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

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

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

As at March 31, 2020 (Amount in ₹)

Particulars	On demand	Less than 6 months	6 to 12 months	More than 1 years	Total
Interest bearing borrowings	-	10,47,47,688	-	-	10,47,47,688
Trade Payble	7,84,04,460	58,59,164	-	-	8,42,63,624
Other financial liabilities	98,58,777	57,05,135	5,28,000	-	1,60,91,912
Total	8,82,63,237	11,63,11,987	5,28,000	-	20,51,03,224

As at March 31, 2019 (Amount in ₹)

Particulars	On demand	Less than 6 months	6 to 12 months	More than 1 years	Total
Interest bearing borrowings	-	-	-	-	-
Trade Payble	4,83,91,901	5,87,91,143	-	-	10,71,83,044
Other financial liabilities	71,84,177	1,80,21,107	5,28,000	-	2,57,33,284
Total	5,55,76,078	7,68,12,250	5,28,000	-	13,29,16,328

Unused line of credit

(Amount in ₹)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Total	Available in next one year	Total	Available in next one year
Secured	10,34,70,110	10,34,70,110	19,72,29,758	19,72,29,758
Unsecured	-	-	-	-
Total	10,34,70,110	10,34,70,110	19,72,29,758	19,72,29,758

34.1 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.

34.2 Capital risk management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2019 and March 31, 2018.



IUP Jindal Metals and Alloys Limited

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits, excluding discontinued operations.

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

The gearing ratio of the company is 7% in financial year 2019-20 as compared to 0% in financial year 2018-19.

(Amount in ₹)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Loans and Borrowings	10,47,47,688	-
Less: Cash and Cash Equivalents	22,84,564	6,95,064
Net debt (A)	10,24,63,124	(6,95,064)
Total Capital	1,44,75,25,253	1,29,55,45,191
Capital and Net Debt (B)	1,54,99,88,377	1,29,48,50,127
Gearing Ratio (A/B)	7%	0%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest bearing loans and borrowing for reported periods.

Impact of COVID 19:

COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period which has been extended till May 31, 2020. However, production and supply of goods has commenced from May 1, 2020 at the manufacturing location of the Company after obtaining permissions from the appropriate government authorities. All necessary precautions relating to hygiene, sanitization, social distancing, care and protection of the employees would continue to be followed.

The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. It has also assessed the probability of occurrence of forecasted transactions under the hedging relationships and continues to evaluate them as highly probable considering the orders In hand. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these standalone financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

35. 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 ₹)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at amortised cost				
Fixed deposits with banks	12,95,95,289	12,95,95,289	3,81,87,506	3,81,87,506
Cash and cash equivalents	22,84,564	22,84,564	6,95,064	6,95,064
Trade receivables (net of provision)	37,49,64,964	37,49,64,964	35,12,02,118	35,12,02,118
Other financial assets	49,13,704	49,13,704	31,84,503	31,84,503
	51,17,58,521	51,17,58,521	39,32,69,191	39,32,69,191
Financial liabilities designated at amortised cost				
Borrowings- fixed rate	-	-	-	-
Borrowings- floating rate	10,47,47,688	10,47,47,688	-	-
Trade payables	8,42,63,624	8,42,63,624	10,71,83,044	10,71,83,044
Other financial liabilities	1,60,91,912	1,60,91,912	2,57,33,284	2,57,33,284
	20,51,03,224	20,51,03,224	13,29,16,328	13,29,16,328



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Fair valuation techniques

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

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings is not materially different from carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.
- 3) IND AS 101 allow Company to fair value property, plant and machinery on transition to IND AS, the Company has fair valued property, plant and equipment, and the fair valuation is based on replacement cost approach.

Fair Value Hierarchy

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

- Quoted prices / published NVA (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value(NAV) is published mutual fund operators at the balance sheet date.
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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 measured at fair value (Accounted) - NIL

Assets / Liabilities recognised at amortised cost for which fair value is disclosed

(Amount in ₹)

Particulars	As at March 31, 2020		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings - fixed rate	-	-	-
Other financial liabilities	-	1,60,91,912	-

Particulars	As at March 31, 2019		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings - fixed rate	-	-	-
Other financial liabilities	-	2,57,33,284	-



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

Assets / Liabilities for which fair value is disclosed

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial assets			
Other financial assets	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows
Financial liabilities			
Other borrowings- fixed rate	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

36. Segment information

Information about primary segment

The Company's primary segment as identified by management is cold rolled stainless steel coils and strips.

Segments have been identified taking into account nature of product and differential risk and returns of the segment.

a) Information about Geographical Segment – Secondary

The Company's operations are located in India. The following table provides an analysis of the Company's sales by geography in which the customer is located, irrespective of the origin of the goods.

(Amount in ₹)

Particulars	2019-20			2018-19		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from Operations	1,93,71,76,725	2,51,48,166	1,96,23,24,891	2,19,92,37,288	6,59,61,452	2,26,51,98,740
Non current Assets	81,00,79,871	-	81,00,79,871	75,63,20,911	-	75,63,20,911

b) Information about major customers

No customer individually accounted for more than 10% of the revenue.

37. a) Disaggregation of revenue from contracts with customers:

The Company derives revenue at point in time from sale of goods and over time from sale of services- job work. The Company's operations are located in India. Company's sales by geography are determined on the basis of location of customers. Below are the details for revenue from customers:

(Amount in ₹)

Particulars	Sales of Goods		Sales of Services	
	Finished Goods		Job Work	
	Within India	Outside India	Within India	Outside India
Year ended March 31, 2020				
Revenue from Operations	1,82,81,95,404	2,51,48,166	10,89,81,321	-
Year ended March 31, 2019				
Revenue from Operations	2,08,24,87,809	6,59,61,452	11,67,49,479	-



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b) Assets and liabilities related to contracts with customers:

The Company has recognised following assets related to contracts with customers.

Contract assets:

Particulars	(Amount in ₹)
As at March 31, 2020	
Opening Balance	-
Add: Recognised during the year	16,90,507
Less: Loss allowance	-
Closing Balance	16,90,507

38. Income Tax

Total tax expense reconciliation

Particulars	(Amount in ₹)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax	4,56,77,456	6,11,79,280
	4,56,77,456	6,11,79,280
Deferred tax		
- Relating to origination & reversal of temporary differences	(77,95,391)	(57,65,088)
- Relating to change in tax rate	(1,45,11,831)	-
	(2,23,07,222)	(57,65,088)
Tax expense attributable to current year's profit	2,33,70,234	5,54,14,192
Adjustments in respect of income tax of previous year		
-Current income tax	(9,85,476)	-
-Deferred tax	-	-
	(9,85,476)	-
MAT		
MAT credit entitlement	-	-
MAT credit utilisation	2,09,31,814	2,88,16,810
	2,09,31,814	2,88,16,810
Total Tax expense	4,33,16,572	8,42,31,002

Effective Tax reconciliation

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

S.No	Description	(Amount in ₹)	
		2019-20	2018-19
	Net Income before taxes	19,52,96,632	28,67,81,083
	Enacted tax rates	29.120%	29.120%
	Computed tax expense	5,68,70,379	8,35,10,652
	Increase/(decrease) in taxes on account of:		
1	Previous year tax adjustments	9,85,476	-
2	Other non-deductible expenses	6,81,792	7,20,350
3	Income not taxable/ exempt from tax	(7,09,244)	-
4	Change in rate of tax	(1,45,11,831)	-
	Income tax expense reported	4,33,16,572	8,42,31,002



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39. Deferred income tax

The analysis of deferred tax expenses/ (income) is as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Book base and tax base of Fixed Assets	(1,70,64,551)	(51,07,076)
(Disallowance)/ Allowance (net) under Income Tax	(52,42,671)	(54,238)
Brought forward losses set off	-	-
Total	(2,23,07,222)	(51,61,314)

Component of tax accounted in OCI and equity

(Amount in ₹)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Component of OCI		
Deferred tax Gain/ (Loss) on defined benefit plan	39,04,789	6,03,774
Total	39,04,789	6,03,774

40. Retirement benefit obligations

1. Expense recognised for Defined Contribution plan

(Amount in ₹)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Company's contribution to provident fund	69,90,367	59,81,398
Company's contribution to ESI	4,04,413	6,91,595
Total	73,94,780	66,72,993

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

2. Movement in obligation

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

a.) Gratuity

(Amount in ₹)

Particulars	Gratuity (funded) as on 31.03.2020	Gratuity (funded) as on 31.03.2019
Present value of the obligation at the beginning of the year	2,48,87,225	1,99,00,272
Interest cost	17,42,106	14,92,520
Current service cost	37,67,883	20,46,771
Past Service Cost	-	-
Benefits paid	-	(6,53,199)
Remeasurements - actuarial loss/ (gain)	1,56,35,260	21,00,861
Present value of the obligation at the end of the year	4,60,32,474	2,48,87,225



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b.) Leave Encashment (Compensated Absence)

Particulars	(Amount in ₹)	
	Leave Encashment (unfunded) as on 31.03.2020	Leave Encashment (unfunded) as on 31.03.2019
Present value of the obligation at the beginning of the year	86,94,104	67,58,459
Interest cost	6,08,587	5,06,884
Current service cost	16,47,083	9,25,059
Benefits paid	(25,35,134)	(17,93,769)
Remeasurements - actuarial loss/ (gain)	75,04,843	22,97,471
Present value of the obligation at the end of the year	1,59,19,483	86,94,104

3. Movement in Plan Assets – Gratuity

Particulars	(Amount in ₹)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Fair value of plan assets at beginning of year	2,44,48,894	2,30,52,036
Expected return on plan assets	17,11,423	17,28,903
Employer contributions	11,19,098	2,93,693
Benefits paid	-	(6,53,199)
Actuarial gain / (loss)	1,20,365	27,461
Fair value of plan assets at end of year	2,73,99,780	2,44,48,894
Present value of obligation	4,60,32,474	2,48,87,225
Net funded status of plan Assets / (Liab)	(1,86,32,694)	(4,38,331)
Actual return on plan assets	18,31,788	17,56,364

4. Recognised in profit and loss

a.) Gratuity

Particulars	(Amount in ₹)	
	For the year ended 31st March 2020	For the year ended 31st March 2019
Current Service cost	37,67,883	20,46,771
Interest cost	17,42,106	14,92,520
Expected return on plan assets	(17,11,423)	(17,28,903)
Remeasurement - Acturial loss/(gain)	-	-
Past service cost	-	-
Expenses recognised in P&L A/c	37,98,566	18,10,388
Actual return on plan assets	18,31,788	17,56,364

b.) Leave Encashment (Compensated Absence)

Particulars	(Amount in ₹)	
	For the year ended 31st March 2020	For the year ended 31st March 2019
Current Service cost	16,47,083	9,25,059
Interest cost	6,08,587	5,06,884
Expected return on plan assets	-	-
Remeasurement - Acturial loss/(gain)	75,04,843	22,97,471
Past service cost	-	-
Expenses recognised in P&L A/c	97,60,513	37,29,414



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5. Recognised in other comprehensive income

	(Amount in ₹)	
Gratuity	For the year ended 31st March 2020	For the year ended 31st March 2019
Remeasurement - Actuarial loss/(gain)	1,55,14,895	20,73,400

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

Weighted average actuarial assumptions	As at 31st March, 2020	As at 31st March, 2019
Attrition rate	5% p.a. (18 to 30 Years)	5% p.a. (18 to 30 Years)
Attrition rate	3% p.a. (30 to 44 Years)	3% p.a. (30 to 44 Years)
Attrition rate	2% p.a. (44 to 60 Years)	2% p.a. (44 to 60 Years)
Discount Rate	7.00%	7.50%
Expected Rate of increase in Compensation levels	10.00%	6.00%
Expected Rate of Return on Plan Assets	7.00%	7.50%
Mortality rate	IALM 2012-14	IALM 2006-08 Ultimate Mortality Table
Expected Average remaining working lives of employees (years)	16.3	17.1

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.

7. Sensitivity analysis:

(Amount in ₹)			
a.) Gratuity			
Particulars	Change in Assumption	Effect for the year 31st March, 2020	Effect for the year 31st March, 2019
Discount rate	+1%	4,16,21,682	2,29,40,273
	-1%	5,12,55,586	2,71,46,349
Salary Growth rate	+1%	5,10,51,241	2,71,57,915
	-1%	4,16,96,534	2,28,96,991
Withdrawal Rate	+1%	4,50,95,821	2,51,15,032
	-1%	4,71,00,508	2,46,31,739

(Amount in ₹)			
b.) Leave Encashment (Compensated Absence)			
Particulars	Change in Assumption	Effect for the year 31st March, 2020	Effect for the year 31st March, 2019
Discount rate	+1%	99,99,832	80,00,325
	-1%	1,18,55,907	95,05,561
Salary Growth rate	+1%	1,18,55,907	95,09,705
	-1%	99,84,943	79,84,900
Withdrawal Rate	+1%	1,09,26,065	87,83,262
	-1%	1,07,73,512	85,93,854

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.

8. History of experience adjustments is as follows:

	(Amount in ₹)	
Particulars	Gratuity	Leave Encashment
For the year ended March 31, 2020		
Plan Liabilities - (loss)/gain	14,32,657	(25,72,625)
Plan Assets - (loss)/gain	1,20,365	-
For the year ended March 31, 2019		
Plan Liabilities - (loss)/gain	(15,85,122)	(20,49,170)
Plan Assets - (loss)/gain	27,461	-

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



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(Amount in ₹)	
Particulars	Gratuity
01 Apr 2020 to 31 Mar 2021	58,34,827
01 Apr 2021 to 31 Mar 2022	8,56,567
01 Apr 2022 to 31 Mar 2023	17,84,796
01 Apr 2023 to 31 Mar 2024	4,37,315
01 Apr 2024 to 31 Mar 2025	12,60,585
01 Apr 2025 Onwards	3,58,58,384

9. Expected contribution during the next annual reporting period

(Amount in ₹)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Expected contributions to be paid for next year	27,20,786	23,32,534

10. Maturity profile of defined benefit obligation

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Weighted average duration (based on discounted cash flows) in years	13	12

11. Statement of Employee benefit provision

(Amount in ₹)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity*	1,86,32,694	4,38,331
Compensated absences	1,59,19,483	86,94,104
Other employee benefits	-	-
Total	3,45,52,177	91,32,435

The following table sets out the funded status of the plan and the amounts recognised in the Company's balance sheet.

12. Current and non-current provision for Gratuity and leave encashment

For the year ended March 31, 2020		
(Amount in ₹)		
Particulars	Gratuity	Leave Encashment
Current provision	23,61,779	25,10,216
Non current provision	1,62,70,915	1,34,09,267
Total Provision	1,86,32,694	1,59,19,483

For the year ended March 31, 2019		
(Amount in ₹)		
Particulars	Gratuity	Leave Encashment
Current provision	83,240	21,62,221
Non current provision	3,55,091	65,31,883
Total Provision	4,38,331	86,94,104

13. Employee benefit expenses

(Amount in ₹)		
Employee benefit expenses	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and Wages	12,88,30,759	11,71,95,774
Costs-defined benefit plan	26,60,776	19,19,597
Costs-defined contribution plan	1,71,55,293	1,04,02,407
Welfare expenses	58,74,691	54,41,233
Total	15,45,21,519	13,49,59,011



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(Figures in no.)

Particulars	(Figures in no.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Average no of people employed	194	197

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.

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.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

41. Other disclosures

a) Auditors Remuneration

Particulars	(Amount in ₹)	
	For year ended March 31, 2020	For year ended March 31, 2019
Statutory Auditors		
a) Audit Fees	2,40,000	2,40,000
b) Tax Audit Fees	-	-
c) Certification / Others	-	-
d) Out of Pocket Expenses	12,896	4,986
Total	2,52,896	2,44,986
Cost Auditors		
a) Audit Fees	1,20,000	1,20,000
b) Out of Pocket Expenses	3,700	5,100
Total	1,23,700	1,25,100

b) Corporate Social Responsibility

Particulars	(Amount in ₹)	
	Year ended March 31, 2020	Year ended March 31, 2019
Amount required to be spent	41,10,600	21,67,400
Details of amount spent:		
Health	-	7,76,011
Disaster Response	-	99,147
Community welfare	4,51,000	-
Expenses for differently abled*	9,620	8,49,263
For purposes other than above#	42,00,000	13,00,000
Total	46,60,620	30,24,421



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* Above amount includes ₹ Nil (Previous Year ₹ 8.40 Lakhs) which was required to be spent in FY 2017-18 spent in FY 2018-19.

#Above mentioned amount contributed to Svayam (An initiative of Sminu Jindal Charitable Trust), a related party, with the main objective of working for creating, developing and promoting an inclusive society by facilitating accessibility of public transport and infrastructure to people of reduced mobility, providing and promoting healthcare and enable the less privileged segments of the society to improve their livelihood by enhancing their means and capabilities to meet the emerging opportunities.

c) Earning in foreign Exchange

Particulars	(Amount in ₹)	
	For year ended March 31, 2020	For year ended March 31, 2019
F.O.B Value of Export	2,51,22,089	6,60,94,420

d) The company has not proposed any dividend to its shareholders during the year.

e) The company has not given any loans, made investments or given any guarantee with respect the parties covered u/s 186(4) of the Companies Act, 2013

f) The company was not able to lift the contracted quantity of gas from GAIL (India) Ltd as per the contract agreement and therefore, was liable to make up good the shortfall of Gas during the contract period that is within 2025 (with a Grace period of one more year). The actual lift of Gas of the Company is however, below the contracted quantity. As Gas being scarce resource, management has surrendered the shortfall lift to GAIL so as to pay Gas Supply charges on actual lift by the Company. Hence, the Company has provided Gas Supply Charges on actual lift from financial year ended 2013 onwards.

42. 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 * :

Sr. No.	Particulars	(Amount in ₹)	
		As at 31.03.2020	As at 31.03.2019
1.	Principal amount due outstanding	53,77,071	73,85,362
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.

43. Contingent liabilities

Particulars	(Amount in ₹)	
	As at March 31, 2020	As at March 31, 2019
Letter of Credit Outstanding	12,99,45,582	2,27,70,242
Total	12,99,45,582	2,27,70,242

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



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44. Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances) – ₹ 32,81,62,579/- (Previous year ₹ 7,00,11,424/-)

45. 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 exists and with whom transactions have taken place during reported periods, are:

Related party name and relationship

1. Key Management personnel:

S. No.	Name	Designation
1	Mr. Jagmohan Syal	CEO
2	Mr. Manish Sarin	Whole Time Director
3	Mr. Sayed Mohammed Wasim	Chief Financial Officer
4	Mr. Arun Bhalla	Company Secretary

2. Relatives of key management personnel where transactions have taken place:

S. No.	Name	Relationship
1	Ms. Sameena Dang	Wife of Mr. Manish Sarin

3. Enterprises over which KMP or KMP of parent company & their relatives have significant influence:

S. No.	Name
1	Sminu Jindal Charitable Trust
2	Jindal Stainless (Hisar) Limited
3	Jindal Stainless Limited

4. Related parties:

i. Parent Company: Jindal Saw Limited

ii. Fellow Subsidiaries :



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S. No.	Name of the Entity	Relationship
1	Jindal ITF Limited	Fellow Subsidiary
2	S.V. Trading Limited	Fellow Subsidiary
3	Quality Iron and Steel Limited	Fellow Subsidiary
4	Ralael Holdings Limited	Fellow Subsidiary
5	Jindal Saw Holdings FZE	Fellow Subsidiary
6	Greenray Holdings Limited	Fellow Subsidiary
7	Jindal Tubular (India) Ltd.	Fellow Subsidiary
8	JITF Shipyards Limited	Fellow Subsidiary
9	Jindal Quality Tubular Limited	Fellow Subsidiary
10	Jindal Saw USA, LLC	Fellow Subsidiary
11	Jindal Saw Italia S.P.A.	Fellow Subsidiary
12	Jindal Saw Middle East FZC	Fellow Subsidiary
13	Derwent Sand SARL	Fellow Subsidiary
14	Jindal Saw Gulf LLC	Fellow Subsidiary
15	Jindal International FZE	Fellow Subsidiary
16	Jindal Intellicom Limited	Fellow Subsidiary
17	Icomanalytics Limited	Fellow Step Down Subsidiary
18	Jindal Intellicom LLC	Fellow Step Down Subsidiary
19	World Transload & Logistics LLC	Fellow Step Down Subsidiary
20	5101 Boone LLP	Fellow Step Down Subsidiary
21	Tube Technologies INC	Fellow Step Down Subsidiary
22	Helical Anchors INC	Fellow Step Down Subsidiary
23	Boone Real Property Holding LLC	Fellow Step Down Subsidiary
24	Drill Pipe International LLC	Fellow Step Down Subsidiary
25	Sulog Transshipment Services Limited (w.e.f. June 29, 2016)	Fellow Step Down Subsidiary

iii) Associate:

S. No.	Name of the Entity
1	Jindal Fittings Limited (from March 29, 2016)

iv) Joint Venture:

S. No.	Name of the Entity
1	Jindal MMG LLC (from November 28, 2017)

v) Trust under common control

S. No.	Name of the Entity
1	IUP Jindal Metals and Alloys Group Gratuity Scheme Trust



IUP Jindal Metals and Alloys Limited

a.) Related Party Transactions:

(Amount in ₹)

Particulars	Parent Company		Fellow Subsidiaries/ Joint ventures/ Associates/ Others		Relatives of KMP and enterprises over which KMP/ KMP of Parent company & their relatives have significant influence	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Interest expenses						
Jindal Stainless (Hisar) Limited	-	-	-	-	7,77,380	-
Interest Income						
Jindal Stainless (Hisar) Limited	-	-	-	-	30,16,470	18,74,613
Purchase of Material						
Jindal Quality Tubular Limited	-	-	33,645	-	-	-
Jindal Stainless (Hisar) Limited	-	-	-	-	1,59,27,82,640	1,72,94,27,316
Jindal Stainless Limited	-	-	-	-	-	1,60,68,225
Shalimar Paints Limited	-	-	-	-	2,13,490	-
Purchase of Fixed Assets						
Jindal Systems (P) Ltd	-	-	-	-	2,23,020	3,54,000
Sale of Material						
Jindal Stainless (Hisar) Limited	-	-	-	-	5,94,02,449	5,25,70,291
Jindal Quality Tubular Limited	-	-	-	64,32,604	-	-
Job Work Income						
Jindal Stainless (Hisar) Limited	-	-	-	-	11,84,69,109	11,61,27,459
Rental Income						
Jindal Intellicom Limited	-	-	-	10,000	-	-
Expenses incurred & recovered by company						
Jindal Intellicom Limited	-	-	-	5,330	-	-
Expenses incurred by others and reimbursed by company						
Jindal Saw Limited	-	50,20,000	-	-	-	-
Jindal Systems (P) Ltd	-	-	-	-	1,83,147	89,654
Contribution						
Sminu Jindal Charitable Trust	-	-	-	-	42,00,000	13,00,000
IUP Jindal Employees Group Gratuity Scheme Trust	-	-	12,24,460	2,93,693	-	-
Vehicle Hiring Expenses						
Ms. Sameena Dang	-	-	-	-	-	1,25,500



IUP Jindal Metals and Alloys Limited

b.) Outstanding Balances:

(Amount in ₹)

Particulars	Parent Company		Fellow Subsidiaries/ Joint ventures/ Associates/ Others		Relatives of KMP and enterprises over which KMP/ KMP of Parent company & their relatives have significant influence	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Advance to Vendors						
Jindal Stainless Limited	-	-	-	-	4,93,644	57,643
Jindal Stainless (Hisar) Limited	-	-	-	-	1,79,80,709	-
Jindal Steel and Power Limited	-	-	-	-	48,13,220	-
Receivables						
Jindal Stainless (Hisar) Limited	-	-	-	-	65,85,980	2,32,52,264
Jindal Quality Tubular Limited	-	-	8,701	-	-	-
Payables						
Jindal Systems (P) Ltd	-	-	-	-	2,61,837	-
Shalimar Paints Limited	-	-	-	-	2,13,490	-

Key Management Personnel (KMP):

(Amount in ₹)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Short-Term employee benefits*	1,50,04,974	1,42,17,426
Post-Employment benefits - Defined contribution plan\$	13,43,554	10,34,908
Total	1,63,48,528	1,52,52,334

* Including bonus, sitting fee, commission on accrual basis and value of perquisites.

\$ including PF, leave encashment paid and any other benefit.

46. Export Promotion Capital Goods (EPCG)

The Company avails export promotion capital goods licenses. The objective of the EPCG scheme is to facilitate import of capital goods for producing quality goods and services and enhance manufacturing competitiveness.

EPCG scheme

EPCG Scheme allows import of capital goods and their spare parts without payment of custom duty including cess and IGST under the Foreign Trade Policy 2015-20. Scheme covers manufacturer exporter, supporting manufacturer and service provider. EPCG authorisation shall be valid for import for 18 months from the date of issue of authorisation. Imported capital goods shall be subject to actual user condition till export obligation is completed and export obligation discharge certificate (EODC) is granted.



IUP Jindal Metals and Alloys Limited

Import under EPCG scheme shall be subject to export obligation which are manufactured by manufacturer exporter or its supporting manufacturer equivalent to 6 times of duties, taxes and cess saved on capital goods to be fulfilled in 6 years reckoned from the date of issue of authorisation. Export obligation (EO) under the scheme shall be over and above, the average level of exports achieved by the applicant in the preceding three licensing years for the same and EO shipment under advance authorisation, duty free import authorisation scheme (DFIA), drawback scheme or reward schemes would also be considered for fulfilment of EO.

As on the reporting date there is no outstanding export obligation against the EPCG licenses. There are no other contingencies relating to these grants.

Details of government grant availed and export obligation are as follows:-

Particulars	(Amount in ₹)	
	Year ended March 31, 2020	Year ended March 31, 2019
Value of capital goods imported	72,33,500	-
Government grant- duty forgone	24,35,592	-
Revenue recognised	24,35,592	-
Export obligation fulfilled	1,46,13,552	-
Export obligation outstanding	-	-

47. Earnings per share

Particulars	(Amount in ₹)	
	Year ended March 31, 2020	Year ended March 31, 2019
Basic and Diluted		
a) Profit after tax	16,35,90,168	20,40,19,707
b) Calculation of weighted average no of equity shares		
Number of Shares at the beginning of the year	1,40,00,000	1,40,00,000
Number of Shares at the end of the year	1,40,00,000	1,40,00,000
c) Date of Allotment of Shares		
d) Number of basic/weighted average equity shares outstanding during the year for calculation of basic and diluted earning per share	1,40,00,000	1,40,00,000
e) Nominal value of Equity Share	10	10
f) Basic and Diluted earning per equity share	11.69	14.57

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as Basic EPS, after adjusting for the effects of potential dilutive equity.



IUP Jindal Metals and Alloys Limited

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

These Notes to Financial statements forms an integral part to the financial statements annexed hereto.

As per our report of even date attached.

P.C. GOYAL & CO.
Chartered Accountants
Firm Registration No. 002368N




M.P. Jain
Partner
M.No. 082407


Indresh Batra
Managing Director
DIN: 00093471


Sminu Jindal
Director
DIN: 00005317


Jagmohan Syal
CEO


Arun Bhalla
Company Secretary
M. No. A27585

Place: New Delhi
Date: 19th June, 2020


Sayed Mohammed Wasim
CFO