

INDEPENDENT AUDITORS' REPORT

To
The Members of JINDAL FITTINGS LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **JINDAL FITTINGS 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 Loss, 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;



N.C. AGGARWAL & CO.
CHARTERED ACCOUNTANTS

(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 N.C. AGGARWAL & Co.

Chartered Accountants

Firm Registration No. 003273N

G.K. Aggarwal

Partner

M. No. 086622

Date: 17th June 2020

Place: New Delhi

UDIN: 20086622AAAARX7219



ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **JINDAL FITTINGS 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 (l) 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, employee' state insurance, income tax, duty of customs, goods & services 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 in respect of wealth tax, duty of customs and goods & services tax which have not been deposited with the appropriate authorities on account of any dispute. The due in respect of Income Tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending is given below:

Name of Dues and Name of the Statute	Year to which the amount relates	Forum where matter is pending	Amount in Rs.
Income Tax, Income Tax Act,1961	F.Y. 2016-17	Income Tax Appellate Tribunal (ITAT), Delhi	106,69,85,130/-

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 moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

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 N.C. AGGARWAL & Co.

Chartered Accountants

Firm Registration No. 003273N

G.K. Aggarwal

Partner

M. No. 086622

Date: 17th June 2020

Place: New Delhi

UDIN: 20086622AAAARX7219



ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of **JINDAL FITTINGS 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 **JINDAL FITTINGS 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 N.C. AGGARWAL & Co.

Chartered Accountants

Firm Registration No. 003273N

G.K. Aggarwal

Partner

M. No. 086622

Date: 17th June 2020

Place: New Delhi

UDIN: 20086622AAAARX7219



JINDAL FITTINGS LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

Particulars	Note No	(Amount in Rs.)	
		As At March 31, 2020	As At March 31, 2019
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	5	78,37,45,834	82,85,89,110
(b) Capital Work-in-Progress		1,66,552	37,69,517
(c) Other Intangible Assets	6	6,88,832	14,46,295
(d) Financial Assets			
Other Financial Assets	7	1,65,02,316	1,64,53,077
(e) Deferred Tax Assets (Net)	8	35,12,13,071	33,63,75,142
(f) Other Non-Current Assets	9	32,239	2,20,758
(2) Current assets			
(a) Inventories	10	1,92,13,416	57,05,51,208
(b) Financial Assets			
(i) Trade Receivables	11	8,54,62,315	16,58,06,133
(ii) Cash and Cash Equivalents	12	4,67,36,527	48,46,932
(iii) Bank Balances other than (ii) above	13	20,70,375	2,98,82,503
(iv) Other Financial Assets	14	11,45,875	29,83,651
(c) Current Tax Assets (Net)	15	84,68,162	7,39,450
(d) Other Current Assets	16	3,90,40,731	9,68,68,699
Total Assets		1,35,44,86,244	2,05,85,32,475
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	38,88,00,070	38,88,00,070
(b) Other Equity	18	(33,40,12,837)	(38,12,71,461)
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	19	1,15,96,55,574	1,26,90,73,116
(b) Provisions	20	1,21,09,081	99,55,571
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	-	23,21,40,446
(ii) Trade Payables			
I) Dues to Micro and Small Enterprises	22	26,950	12,78,130
II) Dues to Other than Micro and Small Enterprises		50,08,079	21,23,73,929
(iii) Other Financial Liabilities	23	9,89,86,529	23,61,16,936
(b) Other Current Liabilities	24	2,30,13,309	8,89,19,098
(c) Provisions	25	8,99,490	11,46,640
Total Equity and Liabilities		1,35,44,86,244	2,05,85,32,475

Significant Accounting Policies and Notes to Financial Statements

1-47

As per our report of even date attached

For and on behalf of the Board of Directors of
Jindal Fittings Limited

For N.C. Aggarwal & Co.
 Chartered Accountants
 Firm Registration No. 003273N

G.K. Aggarwal
 PARTNER
 M.No. 086622

Place : New Delhi
 Dated : 17th June 2020



Maneesh Kumar

Maneesh Kumar
 Director
 DIN : 03404987

Raj Kamal Aggarwal

Raj Kamal Aggarwal
 Director
 DIN : 00005349

Vivek Choudhary

Vivek Choudhary
 Company Secretary
 M. No. ACS A29335

Anil Kumar Dash

Anil Kumar Dash
 Chief Financial Officer

JINDAL FITTINGS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Particulars		(Amount in Rs.)	
		Year Ended March 31, 2020	Year Ended March 31, 2019
I. Revenue from Operations	26	1,23,39,80,775	92,82,09,052
II. Other Income	27	37,82,310	43,55,866
III. Total Revenue (I + II)		1,23,77,63,085	93,25,64,918
IV. Expenses:			
Cost of Materials Consumed	28	27,55,35,348	37,34,75,726
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	29	46,75,63,206	(3,27,37,825)
Employee Benefit Expenses	30	14,12,79,055	20,58,68,925
Finance Costs	31	22,81,57,435	21,11,32,261
Depreciation and Amortisation	32	5,39,98,823	5,34,59,931
Other Expenses	33	25,54,12,637	33,28,11,781
Total Expenses		1,42,19,46,504	1,14,40,10,799
V. Profit before exceptional items and tax (III - IV)		(18,41,83,419)	(21,14,45,881)
VI. Exceptional Items			
VII. Profit before Tax (V - VI)		(18,41,83,419)	(21,14,45,881)
VIII. Tax expense:			
(1) Current Tax		-	-
(2) Deferred Tax		(1,42,12,352)	(5,87,43,773)
(3) MAT Credit Entitlement		-	-
		(1,42,12,352)	(5,87,43,773)
IX. Profit for the year after taxation (VII-VIII)		(16,99,71,067)	(15,27,02,108)
X. Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(24,85,604)	2,90,837
Income tax effect		6,25,577	(80,911)
Total Other comprehensive income (X)		(18,60,027)	2,09,926
XI. Total Comprehensive Income for the year (IX + X)		(17,18,31,094)	(15,24,92,182)
XII. Earning per equity share of face value of ` Rs.10/- each.			
(1) Basic		(3.87)	(3.56)
(2) Diluted		(3.87)	(3.56)

Significant Accounting Policies and notes to Financial Statements

1-47

As per our report of even date attached

For and on behalf of the Board of Directors of
Jindal Fittings Limited

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

G.K. Aggarwal
PARTNER
M.No. 086622
Place : New Delhi
Dated : 17th June 2020



Manish Kumar

Manish Kumar
Director
DIN : 03404987

Raj Kamal Aggarwal

Raj Kamal Aggarwal
Director
DIN : 00005349

Vivek Choudhary

Vivek Choudhary
Company Secretary
M. No. ACS A29335

Anil Kumar Dash

Anil Kumar Dash
Chief Financial Officer

JINDAL FITTINGS LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2020

PARTICULARS	For the year Ended March 31, 2020		For the year Ended March 31, 2019	
	A. CASH INFLOW (OUTFLOW) FROM THE OPERATING ACTIVITIES			
NET PROFIT BEFORE TAX		(18,41,83,419)		(21,14,45,881)
Adjustments for Add/(Less)				
Depreciation	5,39,98,823		5,34,59,931	
Interest Expense	18,46,74,034		18,54,53,777	
Profit on Sale of Assets	-		(31,462)	
Effect of Unrealised Foreign Exchange (Gain)/Loss	8,52,416		24,20,750	
Interest Income	(35,68,237)	23,59,57,035	(39,52,789)	23,73,50,206
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES				
Adjustments for:-				
Inventories	55,13,37,793		(4,00,28,598)	
Trade Receivables	7,94,91,401		(37,16,334)	
Loans and advances and other assets	8,94,18,929		4,75,58,611	
Trade and Other Payables	(28,29,98,987)	43,72,49,135	10,69,68,067	11,07,81,746
CASH GENERATED FROM OPERATIONS BEFORE EXCEPTIONAL ITEMS		48,90,22,752		13,66,86,071
Tax Paid		(77,28,712)		(4,47,508)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		48,12,94,040		13,62,38,563
B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES				
Capital expenditure	(48,39,618)		(1,78,96,654)	
Proceeds from Sale of Fixed Assets	-		3,90,000	
Interest received	17,66,461		42,97,098	
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		(30,73,157)		(1,32,09,556)
C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES				
Dividend paid including dividend distribution tax				
Interest paid	(18,46,74,034)		(18,54,53,777)	
Share Issue Expenses	(9,10,283)		(3,75,000)	
Increase/(Decrease) in Current Borrowings	(36,13,29,430)		11,43,09,310	
Increase/(Decrease) in Non-Current Borrowings	4,44,85,655		(20,15,06,031)	
Issue of Preference Share Capital	22,00,00,000		10,00,00,000	
Increase/(Decrease) in unsecured loan	(15,39,03,197)		5,05,30,305	
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		(43,63,31,289)		(12,24,95,192)
NET CHANGES IN CASH AND CASH EQUIVALENTS		4,18,89,594		5,33,815
Cash and cash equivalents at beginning of the year		48,46,932		43,13,118
Cash and cash equivalents at end of the year		4,67,36,527		48,46,932

NOTE:

- Increase/(decrease) in Non-current and current borrowings are shown net of repayments.
- Figures in bracket indicates cash outflow.

3. The above cash flow statement has been prepared under the indirect method set out in IND AS-7 'Statement of Cash Flows'.

As per our report of even date attached

For and on behalf of the Board of Directors of Jindal Fittings Limited

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

[Signature]



G.K. Aggarwal
PARTNER
M.No. 086622
Place : New Delhi
Dated : 17th June 2020

[Signature]
Maneesh Kumar

Maneesh Kumar
Director
DIN : 03404987

[Signature]
Raj Kamal Aggarwal

Raj Kamal Aggarwal
Director
DIN : 00005349

[Signature]
Vivek Choudhary
Company Secretary
M. No. ACS A29335

[Signature]
Anil Kumar Dash
Chief Financial Officer

JINDAL FITTINGS LIMITED

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

(Amount in Rs.)

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
38,88,00,070	-	38,88,00,070	-	38,88,00,070

B. Other Equity

(Amount in Rs.)

	Share application money pending allotment	Mandatorily Convertible Preference Shares*	Reserves and Surplus	Items of Other Comprehensive Income	Total
			Retained Earnings	Re-measurement of the net defined benefit plans	
Balance as at April 1, 2018	-	40,00,00,000	(72,84,83,983)	79,705	(32,84,04,278)
Total Comprehensive Income for the year 2018-19	-	-	(15,27,02,108)	2,09,926	(15,24,92,182)
Shares Issue Expenses Issued during the year	-	-	(3,75,000)	-	(3,75,000)
	-	10,00,00,000	-	-	10,00,00,000
Balance as at March 31, 2019	-	50,00,00,000	(88,15,61,091)	2,89,631	(38,12,71,462)
Balance as at April 1, 2019	-	50,00,00,000	(88,15,61,091)	2,89,631	(38,12,71,462)
Total Comprehensive Income for the year 2019-20	-	-	(16,99,71,067)	(18,60,027)	(17,18,31,094)
Shares Issue Expenses Issued during the year	-	-	(9,10,283)	-	(9,10,283)
	-	22,00,00,000	-	-	22,00,00,000
Balance as at March 31, 2020	-	72,00,00,000	(1,05,24,42,441)	(15,70,396)	(33,40,12,839)


*Refer note no 17(e)(ii)


As per our report of even date attached

For and on behalf of the Board of Directors of Jindal Fittings Limited


For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N


Maneesh Kumar
Director
DIN : 03404987


Raj Kamal Aggarwal
Director
DIN : 00605349


G.K. Aggarwal
PARTNER
M.No. 086622




Vivek Choudhary
Company Secretary
M. No. ACS A29335


Anil Kumar Dash
Chief Financial Officer

Place : New Delhi
Dated : 17th June 2020

JINDAL FITTINGS LIMITED

Notes to Financial Statements

5. Property, Plant and Equipment

Particulars	(Amount in Rs.)								Total
	Leashold land	Building	Plant and Equipments	Electrical Installations	Furniture and Fixtures	Office equipment	Vehicles	Computers	
Gross Block									
As at April 1, 2018	98,23,920	33,83,95,970	57,42,09,268	7,53,43,164	1,39,68,827	53,33,982	1,11,78,868	84,52,395	1,03,67,06,394
Additions	-	-	2,25,39,732	-	1,06,566	2,21,420	-	27,363	2,28,95,081
Disposal	-	-	3,80,000	-	-	-	-	-	3,80,000
Adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2019	98,23,920	33,83,95,970	59,63,69,000	7,53,43,164	1,40,75,393	55,55,402	1,11,78,868	84,79,758	1,05,92,21,475
Additions	-	-	79,10,458	92,560	1,65,000	1,31,000	-	99,064	83,98,082
Disposal	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2020	98,23,920	33,83,95,970	60,42,79,458	7,54,35,724	1,42,40,393	56,86,402	1,11,78,868	85,78,822	1,06,76,19,557
Accumulated Depreciation									
As at April 1, 2018	4,24,065	4,22,79,037	10,24,18,250	1,41,85,347	84,58,595	20,97,496	30,69,042	50,51,860	17,79,83,692
Charge for the Year	1,06,018	69,56,777	3,67,62,967	37,30,005	26,43,168	7,13,098	10,39,374	7,18,728	5,26,70,135
Disposal	-	-	21,462	-	-	-	-	-	21,462
Adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2019	5,30,083	4,92,35,814	13,91,59,755	1,79,15,352	1,11,01,763	28,10,594	41,08,416	57,70,588	23,06,32,365
Charge for the Year	1,06,018	69,56,777	3,77,65,917	37,38,104	22,15,503	6,86,580	10,39,206	7,33,253	5,32,41,358
Disposal	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2020	6,36,101	5,61,92,591	17,69,25,672	2,16,53,456	1,33,17,266	34,97,174	51,47,622	65,03,841	28,38,73,723
Net Carrying Amount									
As of March 31, 2019	92,93,837	28,91,60,156	45,72,09,245	5,74,27,812	29,73,630	27,44,808	70,70,452	27,09,170	82,85,89,110
As of March 31, 2020	91,87,819	28,22,03,379	42,73,53,786	5,37,82,268	9,23,127	21,89,238	60,31,246	20,74,981	78,37,45,834



JINDAL FITTINGS LIMITED

Notes to Financial Statements

6. Intangible Assets

(Amount in Rs.)

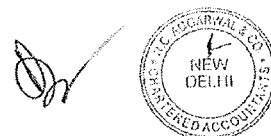
Particulars	Software
Cost	
As at April 1, 2018	44,00,198
Additions	-
Disposal	-
Adjustments	-
As at March 31, 2019	44,00,198
Additions	-
Disposal	-
Adjustments	-
As at March 31, 2020	44,00,198
Accumulated Depreciation	
As at April 1, 2018	21,64,107
Charge for the Year	7,89,796
Disposal	-
Adjustments	-
As at March 31, 2019	29,53,902
Charge for the Year	7,57,464
Disposal	-
Adjustments	-
As at March 31, 2020	37,11,366
Net carrying amount	
As at March 31, 2019	14,46,296
As at March 31, 2020	6,88,832



JINDAL FITTINGS LIMITED

NOTES TO FINANCIAL STATEMENTS

Particulars	(Amount in Rs.)	
	As At March 31, 2020	As At March 31, 2019
7. NON CURRENT FINANCIAL ASSETS - OTHERS		
Security Deposits	1,65,02,316	1,64,53,077
Total Non Current Financial Assets - Others	1,65,02,316	1,64,53,077
8. DEFERRED TAX ASSET (NET)		
A. ASSETS		
(i) Disallowance under Income Tax Act	36,66,262	40,13,630
(ii) Carried Forward losses	42,56,35,207	41,66,07,548
Total Deferred Tax Assets	42,93,01,469	42,06,21,178
B. LIABILITY		
Difference between book and tax depreciation	7,80,88,399	8,42,46,036
Total Deferred Tax Liabilities	7,80,88,399	8,42,46,036
Total Deferred Tax Assets (Net) (A-B)	35,12,13,071	33,63,75,142
9. OTHER NON-CURRENT ASSETS		
Other Non Current assets	32,239	2,20,758
Total Other Non-Current Assets	32,239	2,20,758
10. INVENTORIES		
a) Raw Materials		
Inventories-Raw Materials	41,20,370	4,38,64,482
b) Work-in-progress		
Closing Work-in-progress	24,28,501	40,22,06,250
c) Finished Goods		
Inventories-Finished Goods	79,88,804	7,46,40,016
d) Inventories - Stores and Spares		
Inventories-Stores and Spares	8,92,644	4,28,47,528
e) Loose Tools		
Loose Tools Inventory	2,68,993	23,44,584
f) Others		
Scrap	35,14,104	46,48,349
Total Inventories	1,92,13,416	57,05,51,208
11. TRADE RECEIVABLES		
Secured		
Considered Good	4,44,67,821	7,20,38,232
Unsecured		
Considered Good	4,09,94,495	9,37,67,901
Total Trade Receivables	8,54,62,315	16,58,06,133



JINDAL FITTINGS LIMITED
NOTES TO FINANCIAL STATEMENTS

Particulars	(Amount in Rs.)	
	As At March 31, 2020	As At March 31, 2019
12. CASH AND CASH EQUIVALENTS		
Balances with Banks		
On current accounts	4,67,04,513	48,20,941
Cash on hand	32,014	25,991
Total Cash and Cash equivalents	4,67,36,527	48,46,932
13. OTHER BANK BALANCES		
Fixed Deposits (with remaining maturity of more than three months but less than twelve months)*	20,70,375	2,98,82,503
Total Cash and Bank balances	20,70,375	2,98,82,503
*Pledged with bank of Rs. 20,70,375/- (Previous Year Rs.2,98,82,503/-) against bank guarantee and Term loan.		
14. OTHER FINANCIAL ASSETS		
Earnest Money Deposit	10,15,000	10,51,000
Interest Accrued but not due on FDR's	1,30,875	19,32,651
	11,45,875	29,83,651
15. CURRENT TAX ASSETS (NET)		
Advance taxation (net)	84,68,162	7,39,450
	84,68,162	7,39,450
16. OTHER CURRENT ASSETS		
Advances to vendors	3,27,466	38,22,942
Advances recoverable in cash or kind*	3,87,13,265	9,30,45,757
Total Other Current Assets	3,90,40,731	9,68,68,699
* Includes sales tax receivable, GST receivable and duty drawback receivable etc.		



(Signature)

JINDAL FITTINGS LIMITED

NOTES TO FINANCIAL STATEMENTS

Particulars	(Amount in Rs.)	
	As At March 31, 2020	As At March 31, 2019

17. SHARE CAPITAL

(a) Authorised

(i) 4,00,00,000 (Previous Year 4,00,00,000) Equity Shares of Rs. 10/- each	40,00,00,000	40,00,00,000
(ii) 75,00,000 (Previous Year 65,00,000) Preference Shares of Rs. 100/- each	75,00,00,000	65,00,00,000
	1,15,00,00,000	1,05,00,00,000

(b) Issued, Subscribed and Fully Paid-Up

(i) 3,88,80,007 (Previous Year 3,88,80,007) Equity Shares of Rs. 10/- each	38,88,00,070	38,88,00,070
(ii) 72,00,000 (Previous Year 50,00,000) Preference Shares of Rs. 100/- each*	72,00,00,000*	50,00,00,000*
	1,10,88,00,070	88,88,00,070

*The same has been presented in other equity in Balance sheet

(c) Reconciliation of the number of shares:

Equity Shares

Shares outstanding as at the beginning of the year	3,88,80,007	3,88,80,007
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Shares outstanding as at the end of the year

3,88,80,007	3,88,80,007
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Preference Shares

Shares outstanding as at the beginning of the year	50,00,000	40,00,000
Add: Issued during the year	22,00,000	10,00,000

Shares outstanding as at the end of the year

72,00,000	50,00,000
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(d) (i) Details of equity shareholders holding more than 5% shares in the company:

Name of Shareholders	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	1,39,96,803	36.00	1,39,96,803	36.00
Aion Industries Pvt. Ltd.	1,26,19,202	32.46	1,26,19,202	32.46
International Steel Operating and Managemet (FZE)	58,32,001	15.00	58,32,001	15.00
Glebe Trading Private Limited	58,32,001	15.00	58,32,001	15.00
Total	3,82,80,007	98.46	3,82,80,007	98.46

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

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Glebe Trading Private Limited	47,00,000	65.28	25,00,000	50.00
Danta Enterprises Private Limited	25,00,000	34.72	25,00,000	50.00
Total	72,00,000	100.00	50,00,000	100.00

(e) (i) Terms/Rights attached to Equity Shares

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

(e) (ii) Terms/Rights attached to Preference Shares

The Company has one class of preference shares i.e. 11% Non Cumulative Compulsorily Convertible Preference Share (CCPS) having a face value of Rs.100/- per preference share. The CCPS holder shall carry a preferential right vis-a-vis Equity shares with respect to payment of dividend or repayment of capital. The CCPS holder shall be non-participating in the surplus funds/ surplus assets and profits on winding up which may remain after the entire capital is repaid. The CCPS holder shall be paid dividend on non-cumulative basis. The CCPS of 40,00,000 Nos, 10,00,000 Nos and 22,00,000 Nos will be convertible into equal numbers of equity shares of the company at any time on and after 12 years of date of issue of CCPS i.e. March 29, 2016, March 27, 2019 and March 24, 2020 respectively. The CCPS shall not carry voting rights.

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 that will be reclassified to profit and loss.



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JINDAL FITTINGS LIMITED

NOTES TO FINANCIAL STATEMENTS

18. OTHER EQUITY

Particulars	(Amount in Rs.)	
	As At March 31, 2020	As At March 31, 2019
(i) Equity component of other financial instruments		
Mandatorily Convertible Preference Shares*		
Balance as per last financial statements	50,00,00,000	40,00,00,000
Add: Issued During the Year	22,00,00,000	10,00,00,000
Total Equity component of other financial instruments	72,00,00,000	50,00,00,000
(ii) Retained earnings		
Balance as per last financial statements	(88,15,61,091)	(72,84,83,983)
Add: Profit after tax transferred from Statement of profit & Loss	(16,99,71,067)	(15,27,02,108)
Add: Adjustment in IND AS	-	-
Add: Share Issue Expenses	(9,10,283)	(3,75,000)
Total Retained earnings	(1,05,24,42,441)	(88,15,61,091)
(iii) Other Comprehensive Income		
Balance as per last financial statements	2,89,631	79,705
Add: During the year	(18,60,027)	2,09,926
Closing Balance	(15,70,396)	2,89,631
Total Other Equity	(33,40,12,837)	(38,12,71,460)

19. BORROWINGS

a) Secured

Term Loans

Term Loans from Banks

62,95,46,376

58,50,60,721

Secured Tem Loans

62,95,46,376

58,50,60,721

b) Unsecured

From Related Party

i) Danta Enterprises Private Limited*

1,08,09,070

96,76,437

ii) Glebe Trading Pvt Ltd*

51,93,00,128

66,03,74,345

iii) Sumanglam Footwear Pvt Ltd**

-

1,39,61,613

Total Unsecured from Related Party

53,01,09,198

68,40,12,395

Non-Current borrowings

1,15,96,55,574

1,26,90,73,116

i) Term Loans from Banks include :

Term Loan of Rs.74,49,66,667 (rate of interest 11.10% p.a. w.e.f 24.03.2020) (Previous Year Rs. 74,92,50,000 (rate of interest 9.75% p.a. w.e.f 16.07.2018,prior to that @ 9.30 p.a) is secured by way of first charge on all immovable and moveable fixed assets of the Company and second charge on current assets of the Company both present and future The loan is net of amortised cost of borrowing. The loan is repayable in 91 structured monthly installments,out of which one installment is paid. The yearwise breakup of repayment is as below.

Year of Repayment	(Amount in Rs.)
2020-21	9,99,99,996
2021-22	9,99,99,996
2022-23	9,99,99,996
2023-24	9,99,99,996
2024-25	9,99,99,996
2025-26	9,99,99,996
2026-27	9,99,99,996
2027-28	4,49,66,695
Total outstanding balance	74,49,66,667

ii) There is no default in repayment of interest and principal thereon.

iii) Aforesaid loan is net of upfront fee.

iv) Unsecured Borrowing from Related Party

*The loan is repayable from the long stop date i.e. January ,31,2017.The loan carries interest in range of 11.65% to 12.60% p.a.

** The loan is repaid on 02th Jan, 2020 years from the long stop date i.e. June,12,2018.The loan carries interest 11.00% p.a.



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JINDAL FITTINGS LIMITED

NOTES TO FINANCIAL STATEMENTS

Particulars	(Amount in Rs.)	
	As At March 31, 2020	As At March 31, 2019
20. PROVISIONS		
Provision for Employee benefits		
Provision for Gratuity	54,91,533	21,52,646
Provision for Leave Encashment	66,17,548	78,02,925
Other provision	-	-
Total Provisions	1,21,09,081	99,55,571
21. BORROWINGS		
Secured		
From banks*		
Working Capital borrowings	-	23,21,40,446
Total Borrowings	-	23,21,40,446
* Loan is secured against as referred in note no (i) to Schedule 19.		
22. TRADE PAYABLES		
I) Dues to Micro and Small Enterprises*	26,950	12,78,130
II) Dues to Other than Micro and Small Enterprises	50,08,079	21,23,73,929
Total Trade Payables	50,35,029	21,36,52,059
*Principal amount outstanding as at the year end, there is no overdue amount of principal and interest due to Micro and small enterprises. During the year, no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.		
23. OTHER FINANCIAL LIABILITIES		
Current Maturities of Long Term debts	9,55,86,016	22,47,75,000
Others:		
Capital Creditors	5,50,422	5,94,922
Dues to Employees	27,50,091	1,06,47,014
Security Deposit Received	1,00,000	1,00,000
Total Other Financial Liabilities	9,89,86,529	23,61,16,936
24. OTHER CURRENT LIABILITIES		
Advance From Customer	55,26,811	6,19,77,131
Statutory Dues	1,24,66,105	1,96,60,564
Other liabilities	50,20,392	72,81,402
Total Other Current Liabilities	2,30,13,309	8,89,19,097
25. PROVISIONS		
Provision for Employee benefits		
Provision for Gratuity	5,68,064	3,67,918
Provision for Leave Encashment	3,31,426	7,78,722
Total Provisions	8,99,490	11,46,640



JINDAL FITTINGS LIMITED

NOTES TO FINANCIAL STATEMENTS

Particulars	(Amount in Rs.)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
26. GROSS REVENUE FROM OPERATIONS		
a) Sale of products		
Finished goods	1,14,45,04,856	91,07,46,109
b) Other Operating revenues		
Export/ Other government Incentives	1,20,34,466	1,63,32,080
Lease Income	7,73,50,000	-
Other Income	91,453	11,30,863
Other Operating revenues	8,94,75,919	1,74,62,943
Total Gross Revenue from operations	1,23,39,80,775	92,82,09,052
27. OTHER INCOME		
a) Interest Income	35,68,237	39,52,789
b) Other Non Operating Income	2,14,072	3,71,615
c) Profit on Sale of Fixed Assets	-	31,462
Total Other Income	37,82,310	43,55,866
28. COST OF MATERIALS CONSUMED		
Raw Material Consumed	27,55,35,348	37,34,75,726
Total Cost of Material Consumed	27,55,35,348	37,34,75,726
29. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock		
- Finished Goods	7,46,40,016	9,29,51,454
- Scrap	46,48,349	89,04,901
- Work In Progress	40,22,06,250	34,69,00,434
	48,14,94,615	44,87,56,790
Closing Stock		
- Finished Goods	79,88,804	7,46,40,016
- Scrap	35,14,104	46,48,349
- Work in Progress	24,28,501	40,22,06,250
	1,39,31,409	48,14,94,615
NET (INCREASE)/DECREASE IN STOCK	46,75,63,206	(3,27,37,825)
Excise duty on account of increase/(decrease) on stock of finished goods	-	-
Total (Increase)/Decrease in Stock	46,75,63,206	(3,27,37,825)



JINDAL FITTINGS LIMITED

NOTES TO FINANCIAL STATEMENTS

Particulars	Year Ended March 31, 2020	(Amount in Rs.) Year Ended March 31, 2019
30. EMPLOYEE BENEFIT EXPENSES		
a) Salary and Wages	13,13,24,622	19,43,58,002
b) Contribution to Provident and other funds	62,92,404	74,32,793
c) Workmen and Staff Welfare	36,62,029	40,78,130
Total Employee Benefit Expenses	14,12,79,055	20,58,68,925
31. FINANCE COSTS		
Interest Expense		
Interest on Term loans	7,24,28,459	8,84,50,562
Interest on Bank Borrowings	2,66,25,898	2,50,54,855
Other Interest	8,56,19,677	7,19,48,360
Bank and Finance charges	4,34,83,401	2,56,78,484
Interest cost on Operating Lease	-	-
Total Finance Costs	22,81,57,435	21,11,32,261
32. DEPRECIATION AND AMORTISATION		
Depreciation	5,32,41,358	5,26,70,135
Amortisation	7,57,464	7,89,796
Total Depreciation and Amortisation	5,39,98,823	5,34,59,931
33. OTHER EXPENSES		
Manufacturing Expenses		
Stores and Spares Consumed	13,62,88,395	14,94,26,628
Power and Fuel	5,56,87,042	9,01,65,585
Other Manufacturing Expenses	1,10,59,739	1,84,57,718
Repairs to Buildings	69,705	10,962
Repairs to Plant and Machinery	73,372	10,350
Administrative, Selling and Other Expenses		
Rent	25,67,537	42,17,928
Insurance	11,45,681	9,36,145
Other repair and maintenance	6,52,191	16,20,516
Travelling and Conveyance	36,55,855	71,94,059
Vehicle upkeep and maintenance expenses	10,10,514	18,40,994
Postage, Telegrams and Telephones	7,61,604	10,05,600
Legal and professional	32,37,355	37,47,707
Charity and Donation	-	2,000
Auditors' Remuneration		
Audit Fees	75,000	75,000
Tax Audit Fees	20,000	20,000
Others	1,97,550	9,050
Forwarding charges (net)	1,09,94,226	2,27,57,912
Other Selling Expenses	2,43,73,256	3,28,42,520
Bad Debts written off	-	6,56,101
Foreign Exchange Fluctuation Loss/(Gain)	(45,78,805)	(1,30,05,791)
Miscellaneous Expenses	81,22,419	1,08,20,798
Total Other Expenses	25,54,12,637	33,28,11,781



Jindal Fittings Limited

Notes to Financial Statements

1. Corporate and General Information

Jindal Fittings Limited ("JFL" or "the Company") is domiciled and incorporated in India and its shares are privately traded in India. The registered office of JFL is situated 28 Shivaji Marg, New Delhi 110015 India.

The Company is a leading global manufacturer and supplier of Ductile Iron Fittings with manufacturing facility at B-13, M.I.D.C. Industrial Area, Tembhurni, TalukaMadha, District Solapur, State Maharashtra in India. Its products have application for supply of fittings for water sector projects, drainage, oil & gas pipeline projects etc.

2. Basis of preparation

The financial statements have been prepared complying in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015. 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 standalone financial statements provide comparative information in respect to the previous year.

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 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:

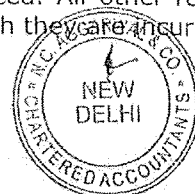
- Financial assets and liabilities except borrowings carried at amortised cost.
- Defined benefit plans – plan assets measured at fair value.
- derivative financial instruments.

The financial statements are presented in Indian Rupees (Rs.), which is the Company's functional and presentation currency.

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.



Jindal Fittings Limited

Notes to Financial Statements

Assets are depreciated to the residual values on a straight line basis over the estimated useful lives based on technical estimates, except, moulds which are depreciated based on units of production. 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. Estimated useful lives of the assets are as follows:

Category of Assets	Years
-Leasehold Land	Lease period
-Buildings	3 - 60
Equipment & Machinery	
-Plant and Machinery	3 - 40
-Electrical Installations	10 - 25
Other office equipment	
-Computer equipment	3 - 10
-Office furniture and equipment	3 - 8
-Vehicles	5 - 15

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 include, outstanding bank overdrafts shown within the borrowings in current liabilities in the Balance Sheet and which are considered an integral part of the Company's cash management.



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Jindal Fittings Limited

Notes to Financial Statements

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.

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) 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.



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Jindal Fittings Limited

Notes to Financial Statements

The Company operates defined benefit plans for gratuity, which requires contributions to be made to a separately administered fund. Funds are managed by two trusts. These trusts have policies from an insurance company. These benefits are partially funded.

3.9 Foreign currency reinstatement and translation

(a) Functional and presentation currency

Financial statements have been presented in Indian Rupees (Rs.), which is the Company's functional and presentation currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the 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.

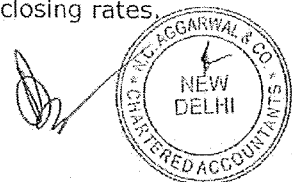
Trade receivables

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 obtain security in the form of guarantee or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. 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.



Jindal Fittings Limited

Notes to Financial Statements

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.

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.

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 at each reporting date at fair value 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.

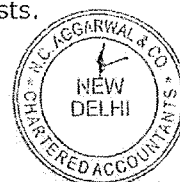
Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

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.



Jindal Fittings Limited

Notes to Financial Statements

3.11 Equity share capital

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

3.12 Compulsorily convertible preference share capital

Compulsorily convertible preference shares convertible into fixed number of equity shares are classified as other equity.

3.13 Borrowing costs

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

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

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

3.14 Taxation

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

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

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

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



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Jindal Fittings Limited

Notes to Financial Statements

3.15 Revenue recognition and other operating 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.

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.

3.16 Earnings per share

Basic earnings per share are computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.17 Provisions and contingencies

Provisions

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

i). 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.



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Jindal Fittings Limited

Notes to Financial Statements

3.18 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.

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.

On transition to IND AS, the Company has adopted exception for fair valuation of property, plant and equipment, impact of fair valuation is provided in Note no 55, subsequent to fair valuation depreciation has been charged on fair valued amount less estimated salvage value. On transition to IND AS, the Company has revisited useful life of various categories of assets, impact of revision in estimate of useful life of various assets is provided in Note no3.2. Property, plant and equipment also represent a significant proportion of the asset base of the Company. Therefore, the estimates and assumptions made to determine their carrying value and related 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.

Before transition to IND AS, the company has revisited the useful life of the assets and the impact of change in life on transition is considered in opening carrying values. Also all Intangibles are carried at net book value on transition.



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Jindal Fittings Limited

Notes to Financial Statements

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

(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 actual as levy by customer.



Jindal Fittings Limited

Notes to Financial Statements

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, and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, and investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as of March 31, 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, and investment of excess liquidity.

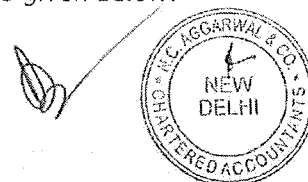
Market Risk

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.

(a) Foreign exchange risk and sensitivity

The Company transacts business in Indian Rupee and in foreign currency. The Company 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:



Jindal Fittings Limited

Notes to Financial Statements

(Amount in Rs.)

Particulars	Change in currency exchange rate	Effect on profit before tax
For the year ended March 31, 2020		
USD	+ 5%	24,56,267
	- 5%	(24,56,267)
For the year ended March 31, 2019		
USD	+ 5%	12,49,242
	- 5%	(12,49,242)

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

Summary of exchange difference accounted in Statement of Profit and Loss:

(Amount in Rs.)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Currency Fluctuations		
Net foreign exchange (gain)/losses shown as Operating Expenses	(45,78,805)	(1,30,05,791)

(b) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The management also maintains a portfolio mix of floating and fixed rate debt.

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

(Amount in Rs.)

Interest rate sensitivity	Increase/ Decrease in basis points	Effect on profit/(Loss) before tax
For the year ended March 31, 2020		
INR borrowings	+50	(59,01,208)
	-50	59,01,208
For the year ended March 31, 2019		
INR borrowings	+50	(78,62,738)
	-50	78,62,738

(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,



Jindal Fittings Limited

Notes to Financial Statements

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 and any shipments to major customers are covered by letters of credit after considering the creditability of the customer. 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	Neither due nor impaired (including unbilled)	(Amount in Rs.)			Total
		upto 6 months	6 to 12 months	Above 12 months	
Trade Receivable					
As at March 31, 2020					
Secured	2,89,12,431	1,37,19,920	-	18,35,469	4,44,67,820
Unsecured	63,73,181	2,75,68,456	55,54,562	14,98,296	4,09,94,495
Gross Total	3,52,85,612	4,12,88,376	55,54,562	33,33,765	8,54,62,315
Net Total	3,52,85,612	4,12,88,376	55,54,562	33,33,765	8,54,62,315
Trade Receivable					
As at March 31, 2019					
Secured	6,61,08,079	59,30,153	-	-	7,20,38,232
Unsecured	5,83,52,472	2,85,19,562	29,56,125	39,39,743	9,37,67,900
Gross Total	12,44,60,551	3,44,49,715	29,56,125	39,39,743	16,58,06,133
Net Total	12,44,60,551	3,44,49,715	29,56,125	39,39,743	16,58,06,133

• 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.



Jindal Fittings Limited

Notes to Financial Statements

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.

(Amt in Rs.)

Particulars	As of March 31, 2020					Total
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 years	
Interest bearing borrowings (Including Current Maturities)	1,25,52,41,590	-	4,99,99,998	4,99,99,998	1,15,52,41,594	1,25,52,41,590
Other liabilities	34,71,971	34,71,971	-	-	-	34,71,971
Trade and other payables	50,35,029	19,41,927	30,93,102	-	-	50,35,029
Total	1,26,37,48,590	54,13,898	5,30,93,100	4,99,99,998	1,15,52,41,594	1,26,37,48,591
Particulars	As of March 31, 2019					Total
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 years	
Interest bearing borrowings (Including Current Maturities)	1,72,59,88,562	-	9,99,00,000	35,70,15,446	1,26,90,73,116	1,72,59,88,562
Other liabilities	1,13,41,936	1,06,47,014	6,94,922	-	-	1,13,41,936
Trade and other payables	21,36,52,059	15,63,90,796	5,72,61,263	-	-	21,36,52,059
Total	1,95,09,82,557	16,70,37,810	15,78,56,185	35,70,15,446	1,26,90,73,116	1,95,09,82,558

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.

Unused line of credit

(Amount in Rs.)

Particulars	As at	
	March 31, 2020	March 31, 2019
Secured	-	3,46,89,614
Total	-	3,46,89,614

Interest rate & currency of borrowings

The below details do not necessarily represents foreign currency or interest rate exposure to the income statement.



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Jindal Fittings Limited

Notes to Financial Statements

(Amount in Rs.)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted average interest rate (%)
INR	1,25,52,41,590	1,25,52,41,590	-	11.11
Total as at March 31, 2020	1,25,52,41,590	1,25,52,41,590	-	
INR	1,72,59,88,562	1,71,20,26,949	1,39,61,613	10.03
Total as at March 31, 2019	1,72,59,88,562	1,71,20,26,949	1,39,61,613	

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.

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, 2020 and March 31, 2019.

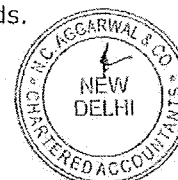
For the purpose of the Company's capital management, capital includes issued capital, compulsorily convertible debentures, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits. The Company monitors capital using gearing ratio, which is net debt divided by total capital.

The company envisage to reduce the capital gearing ratio by infusion of funds. The gearing ratios at March 31, 2020 and March 31, 2019 were as follows:

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans and Borrowings	1,25,52,41,590	1,72,59,88,562
Less: Cash and Cash Equivalents	4,67,36,527	48,46,932
Net Debt	1,20,85,05,063	1,72,11,41,630
Total Capital	5,47,87,233	75,28,609
Capital and Net Debt	1,26,32,92,296	1,72,86,70,239
Gearing Ratio	95.66%	99.56%

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.



Jindal Fittings Limited

Notes to Financial Statements

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.

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	20,70,375	20,70,375	2,98,82,503	2,98,82,503
Cash and Cash Equivalents	4,67,36,527	4,67,36,527	48,46,932	48,46,932
Trade Receivables	8,54,62,315	8,54,62,315	16,58,06,133	16,58,06,133
Other financial assets	1,76,48,191	1,76,48,191	1,94,36,728	1,94,36,728
	15,19,17,408	15,19,17,408	21,99,72,296	21,99,72,296
Financial Liabilities designated at amortised cost				
Borrowings- fixed rate	-	-	1,39,61,613	1,39,61,613
Borrowings- floating rate	1,25,52,41,590	1,25,52,41,590	1,71,20,26,949	1,71,20,26,949
Trade and other payables	50,35,029	50,35,029	21,36,52,059	21,36,52,059
Other financial liabilities	34,00,513	34,00,513	1,13,41,936	1,13,41,936
	1,26,36,77,132	1,26,36,77,132	1,95,09,82,557	1,95,09,82,557

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.

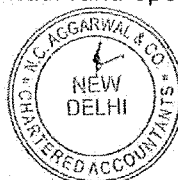
The following methods and assumptions were used to estimate the fair values:

- 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.



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Jindal Fittings Limited

Notes to Financial Statements

- 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.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 2 as described below:

Assets / Liabilities for which fair value is disclosed (Only Disclosed)

Particulars	(Amount in Rs.)		
	Level 1	Level 2	Level 3
As at March 31, 2020			
Financial Liabilities			
Other borrowings -fixed rate		-	
other financial liabilities		9,89,86,529	
As at March 31, 2019			
Financial Liabilities			
Other borrowings -fixed rate		1,39,61,613	
other financial liabilities		23,61,16,936	

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 to valuation for level 2 of the fair value hierarchy as of March 31, 2020 and March 31, 2019 respectively:

Particulars	Fair Value Hierarchy	Valuation technique	Inputs used	Quantitative information about significant unobservable inputs
Financial Liabilities				
Derivatives - not designated as hedging instruments				
- Interest rate swaps	Level 2	Market valuation techniques	Prevailing/forward interest rates in market, Interest rates to discount future cash flow	-



Jindal Fittings Limited

Notes to Financial Statements

Assets/Liabilities for which fair value is disclosed

Particulars	Fair Value Hierarchy	Valuation technique	Inputs used
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 is engaged primarily into manufacturing of Ductile Iron Casted Fittings. The Company's primary segment as identified by management is Iron and steel products. The company operates into one primary segment.

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

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.

Particulars	2019-20			2018-19		
	Within India	Outside India	Total	Within India	Outside India	Total
Gross Revenue from Operations	94,78,83,251	28,60,97,524	1,23,39,80,775	57,66,70,423	35,15,38,629	92,82,09,052
Non Current Assets	78,46,01,218	-	78,46,01,218	83,38,04,920	-	83,38,04,920

(Amt in Rs.)

37. Income tax expense

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax	-	-
Deferred tax		
- Relating to origination & reversal of temporary differences	(4,69,80,860)	(5,87,43,333)
- Relating to change in tax rate	3,20,65,667	-
- Taxes of which no deduction is admissible	26,464	(15,393)
- Deferred tax of earlier years	50,800	14,953
Tax expense attributable to current year's profit	(1,48,37,929)	(5,87,43,773)
Total Tax expense	(1,48,37,929)	(5,87,43,773)



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Jindal Fittings Limited

Notes to Financial Statements

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:

Description	(Amount in Rs.)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Net Income/(Loss) before taxes	(18,41,83,419)	(21,14,45,881)
Enacted tax rate	25.168%	27.82%
Computed tax (Income)/expense	(4,69,80,860)	(5,87,43,333)
Increase/(reduction) in taxes on account of:		
Deferred tax of earlier years	50,800	14,953
Change in Rate of Tax	3,20,65,667	-
Taxes of which no deduction is admissible	26,464	(15,393)
Income tax expense/(Income) reported	(1,48,37,929)	(5,87,43,773)

Deferred income tax

The analysis of deferred tax expenses are as under.

Particulars	(Amount in Rs.)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Book base and tax base of Fixed Assets	61,57,638	69,41,074
(Disallowance)/Allowance (net) under Income Tax	90,27,659	(10,27,869)
Carried forward losses	(3,47,368)	(6,45,76,068)
Total(A)	1,48,37,929	(5,86,62,862)

Component of tax accounted in OCI and equity

Particulars	(Amount in Rs.)	
	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Component of OCI		
Deferred Tax Gain/(Loss) on defined benefit	6,25,577	(80,911)
Total(B)	6,25,577	(80,911)
Total(A) and (B)	1,54,63,506	(5,87,43,773)

39. Retirement benefit obligations

1. Expense recognised for Defined Contribution plan

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Company's contribution to provident fund	40,40,861	50,18,383
Total	40,40,861	50,18,383

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



Jindal Fittings Limited

Notes to Financial Statements

2. Movement in obligation

Particulars	(Amount in Rs.)	
	Gratuity (funded)	leave encashment (unfunded)
Present value of obligation - April 1, 2018	72,60,761	76,56,879
Current service cost	21,51,715	22,02,939
Interest cost	5,44,557	5,74,266
Benefits paid	(85,367)	(11,69,560)
Remeasurements - actuarial loss/ (gain)	(2,90,592)	(6,82,877)
Present value of obligation - March 31, 2019	95,81,074	85,81,647
Present value of obligation - April 1, 2019	95,81,074	85,81,647
Current service cost	22,49,650	10,49,008
Interest cost	5,03,006	4,50,536
Benefits paid	(4,28,957)	(5,48,698)
Remeasurements - actuarial loss/ (gain)	25,83,136	(25,83,519)
Present value of obligation - March 31, 2020	1,44,87,909	69,48,974

3. Movement in Plan Assets – Gratuity

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Fair value of plan assets at beginning of year	70,60,510	48,01,045
Adjustment	-	-
Expected return on plan assets	3,70,677	3,60,078
Employer contributions	13,28,550	19,84,509
Benefits paid	(4,28,957)	(85,367)
Actuarial gain / (loss)	97,532	245
Fair value of plan assets at end of year	84,28,312	70,60,510
Present value of obligation	1,44,87,909	95,81,074
Net funded status of plan	(60,59,597)	(25,20,564)
Actual return on plan assets	-	-



Jindal Fittings Limited

Notes to Financial Statements

4. Recognised in profit and loss

Particulars	(Amount in Rs.)	
	Gratuity	Leave Encashment
Current Service cost	22,49,650	10,49,008
Interest cost	5,03,006	4,50,536
Expected return on plan assets	(3,70,677)	-
Remeasurement - Acturial loss/(gain)	-	-
For the year ended March 31, 2020	23,81,979	14,99,544
Actual return on plan assets		
Current Service cost	21,51,715	22,02,939
Interest cost	5,44,557	5,74,266
Expected return on plan assets	(3,60,078)	-
Remeasurement - Acturial loss/(gain)	-	-
For the year ended March 31, 2019	23,36,194	27,77,205
Actual return on plan assets	-	-

5. Recognised in other comprehensive income

Particulars	(Amount in Rs.)
	Gratuity
Remeasurement - Acturial loss/(gain)	24,85,604
For the year ended March 31, 2020	24,85,604
Remeasurement - Acturial loss/(gain)	(2,90,837)
For the year ended March 31, 2019	(2,90,837)

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

Weighted average actuarial assumptions	As at	As at
	March 31, 2020	March 31, 2019
Discount Rate	7.00% per annum	7.50% per annum
Expected Rate of increase in Compensation levels	11.00 % per annum	11.00 % per annum
Expected Rate of Return on Plan Assets	7.25%	7.25%
Mortality rate	IALM 2012-14 Ultimate	IALM 2006-08 Ultimate
Expected Average remaining working lives of employees (years)	23.7 years	24.3 years

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.



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Jindal Fittings Limited

Notes to Financial Statements

7. Sensitivity analysis:

For the year ended March 31, 2020		(Amount in Rs.)	
Particulars	change in Assumption	Effect on Gratuity obligation	Effect on leave encashment
Discount rate	+1	1,26,47,603	53,00,230
	-1	1,67,37,299	69,89,084
Salary Growth rate	+1	1,66,26,683	69,43,462
	-1	1,26,93,185	53,19,074
Withdrawal rate	+1	1,38,56,638	58,20,448
	-1	1,52,27,216	63,42,305

For the year ended March 31, 2019		(Amount in Rs.)	
Particulars	change in Assumption	Effect on Gratuity obligation	Effect on leave encashment
Discount rate	+1	87,68,487	78,52,923
	-1	1,05,29,971	94,32,918
Salary Growth rate	+1	1,04,88,861	93,96,042
	-1	87,85,527	78,68,188
Withdrawal rate	+1	93,50,672	84,11,443
	-1	98,42,180	87,77,316

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:

Particulars	(Amount in Rs.)
	Gratuity
For the year ended March 31, 2020	
Plan Liabilities - (Gain)/Loss	25,83,136
Plan Assets - (Loss)/Gain	97,532
For the year ended March 31, 2019	
Plan Liabilities - (Gain)/Loss	(2,90,592)
Plan Assets - (Loss)/Gain	245



Jindal Fittings Limited

Notes to Financial Statements

9. Estimate of expected benefit payments (In Absolute terms i.e. Undiscounted)

(Amount in Rs.)	
Particulars	Gratuity
15 Dec 2019 to 14 Dec 2020	5,68,064
15 Dec 2020 to 14 Dec 2021	1,01,419
15 Dec 2021 to 14 Dec 2022	1,04,483
15 Dec 2022 to 14 Dec 2023	1,08,197
15 Dec 2024 to 14 Dec 2025	1,08,058
15 Dec 2025 Onwards	1,34,97,688

10. Statement of Employee benefit provision

(Amount in Rs.)		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gratuity	1,44,87,009	25,20,564
leave encashment	69,48,974	85,81,647
Total	2,14,35,983	1,11,02,211

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

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

For The Year Ended March 31, 2020		(Amount in Rs.)
Particulars	Gratuity	Leave Encashment
Current provision	5,68,064	3,31,426
Non current provision	1,39,18,945	66,17,548
Total Provision	1,44,87,009	69,48,974

For The Year Ended March 31, 2019		(Amount in Rs.)
Particulars	Gratuity	Leave Encashment
Current provision	3,67,918	7,78,722
Non current provision	21,52,646	78,02,925
Total Provision	25,20,564	85,81,647



Jindal Fittings Limited

Notes to Financial Statements

12. Employee benefit expenses

Employee benefit expenses	(Amount in Rs.)	
	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and Wages	13,11,94,186	19,44,02,433
Costs-defined benefit plan	23,81,979	23,81,979
Costs-defined contribution plan	40,40,861	50,18,383
Welfare expenses	36,62,029	40,78,130
Total	14,12,79,055	20,58,80,925

Particulars	(Figures in no.)	
	As on Dec 14,2019	Year ended March 31, 2019
Average no of people employed	143	152

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 & 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.

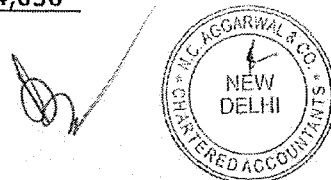
When there is surplus in defined benefit plan, company is required to measure the net defined benefit asset at the lower of; the surplus in the defined benefit plan and the assets ceiling, determined using the discount rate specified, i.e. market yield at the end of the reporting period on government 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.

40. Other disclosures

a) Auditors Remuneration

Particulars	(Amount in Rs.)	
	Year ended March 31, 2020	Year ended March 31, 2019
Statutory Auditors		
a) Audit Fees	75,000	75,000
b) Tax Audit Fees	20,000	20,000
c) Others	1,97,550	9,050
Total	2,92,550	1,04,050



Jindal Fittings Limited

Notes to Financial Statements

b) The company has entered into OMMA (operation, maintenance and Management Agreement) effective December 14, 2019. The Company has agreed to handover the operation, maintenance and management of the facility to Jindal Saw Ltd .The Company has evaluated the transaction and has accounted for the lease transaction as operating lease.

c) The company has entered into OMMA (Operation, Maintenance & Management Agreement) w.e.f. 14th December 2019.

Hence previous year figures are not comparable with current year figures

41. Contingent liabilities

Particulars	(Amount in Rs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Guarantees in respect of Property, plant & Equipments	-	25,37,520
Disputed Demand for Income Tax	106,73,76,376	-
Total	106,73,76,376	25,37,520

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.

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

Particulars	(Amount in Rs.)	
	As at March 31, 2020	As at March 31, 2019
Guarantees issued by the Company's bankers on behalf of the Company	11,96,114	3,02,14,294
Total	11,96,114	3,02,14,294

43. 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:

A. Related party name and relationship

1. Key Management personnel

S.No.	Name	Designation
1	Mr.Rahul Bansal	Chief Executive officer
2	Mr.Anil Kumar Dash	Chief Financial officer
3	Mr.Vivek Choudhary	Company Secretary



Jindal Fittings Limited

Notes to Financial Statements

2. Related parties

Associate

Sl. No.	Name of Entity in the Group	Principal place of operation /Country of Operation	Principal Activity	% of share Holding /Voting Power	
				As at March 31 ,2020	As at March 31 ,2019
1	Jindal Saw Limited	India	Iron & Steel Pipes	36%	36%

Due to disposal of 15% shareholding by Jindal Saw Limited, entity was Holding Company of JFL.

Holding Company Jindal Saw Limited has disposed 15% shareholding in Jindal Fittings Limited on March 20, 2016 to Glebe Trading Pvt. Ltd. With this disposal the holding company has lost control on Jindal Fittings Limited as its subsidiary.

Entities where key management personnel and their relatives exercise significant influence

Sl. No.	Entities
1	Glebe Trading Private Limited
2	Danta Enterprises Private Limited
3	JSW Steel Limited
4	Jindal Systems Private Limited
5	Jindal Steel and Power Limited
6	Jindal Stainless Limited
7	Sumangala Footwear Pvt Ltd
8	JITF Commodity Tradex Limited



Jindal Fittings Limited

Notes to Financial Statements

Related Party Transactions

Particulars	(Amount in Rs.)	
	KMP and their relatives having significant influence	KMP and their relatives having significant influence
	2019-20	2018-19
Loan Taken		
Glebe Trading Private Limited	2,00,00,000	11,35,00,000
Sumangala Footwear Pvt Ltd	-	2,77,00,000
Repayment of Loan		
Glebe Trading Private Limited	2,00,30,000	4,37,00,000
Sumangala Footwear Pvt Ltd	1,27,00,000	1,50,00,000
		-
Conversion of Loan into 11% Non Cumulative Compulsorily Convertible Preference Share (CCPS)		
Glebe Trading Private Limited	22,00,00,000	10,00,00,000
Interest Expenses		
Glebe Trading Private Limited	8,31,11,351	6,93,50,294
Danta Enterprises Private Limited	11,93,070	9,33,397
Sumnagala Footwear Pvt Ltd	11,62,323	14,01,792
Purchase of Material		
Jindal Saw Limited	11,92,12,646	24,01,418
Sale of Material		
JITF Water Infrastructure Limited	-	3,15,335
Jindal Saw Italiya Spa	47,98,224	1,10,35,816
JWIL-SCPLJV	-	71,88,757
Jindal Saw Gulf LLC	8,43,65,754	14,37,82,498
Jindal Saw Limited	89,02,13,166	9,17,65,677
JWIL infra Ltd	2,76,93,873	2,87,690
Lease Income		
Jindal Saw Limited	9,12,73,000	-
Advance Received		
Jindal Saw Limited	4,74,01,418	10,45,72,426
Expenses Reimbursed		
Jindal Saw Limited	89,76,280	97,82,518

*Figures for Financial year 2019-20 includes GST(whenever applicable)



Jindal Fittings Limited

Notes to Financial Statements

Outstanding Balance

(Amount in Rs.)

Particulars	KMP and their relatives having significant influence	
	2019-20	2018-19
Amount Payable (Creditor)		
Jindal Saw Limited*	-	51,31,216
Advance from Customer		
Jindal Saw Limited	-	3,91,78,312
Amount Receivable (Debtors)		
Jindal Saw Limited	1,86,72,537	-

*Jindal Fittings Limited is associate of Jindal Saw Limited from March 29, 2016.

Unsecured Borrowing from Related Party as on 31.03.2020

(Amount in Rs.)

Particulars	KMP and their relatives having significant influence	
	2019-20	2018-19
Danta Enterprises Private Limited	1,08,09,070	96,76,437
Glebe Trading Pvt Ltd	51,93,00,128	66,03,74,345
Sumanglam Footwear Pvt Ltd	-	1,39,61,613

Key Management Personnel (KMP)

(Amount in Rs.)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Short-Term employee benefits*	47,25,857	59,73,258
Post-Employment benefits		
- Defined contribution plan\$ #	3,97,924	3,90,804
- Defined benefit plan#		
Total	51,23,780	63,64,062

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

As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.



Jindal Fittings Limited

Notes to Financial Statements

44. Earnings per share

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

Particulars	(No of Shares)	
	Year ended March 31, 2020	Year ended March 31, 2019
Issued equity shares	3,88,80,007	3,88,80,007
Equity Shares Compulsorily issuable on conversion of CCPS	50,48,219	40,13,699
Weighted average shares outstanding - Basic and Diluted - A	4,39,28,226	4,28,93,706

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

Particulars	(Amount in Rs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Profit and Loss after tax - B	(16,99,71,067)	(15,27,02,108)
Basic Earnings per share (B/A) (₹)	(3.87)	(3.56)
Diluted Earnings per share (B/A) (₹)	(3.87)	(3.56)

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.

45. Impairment review

Assets are tested for impairment whenever there are any internal or external indicators of impairment.

Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the goodwill or other assets are monitored for internal management purposes, within an operating segment.

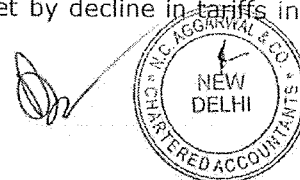
The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of goodwill and other assets.

The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- midterm market conditions.

Key assumptions used in value-in-use calculations:

- Operating margins (Earnings before interest and taxes)
- Discount rate
- Growth rates
- Capital expenditures

Operating margins: Operating margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from the existing and new customers, though these benefits are partially offset by decline in tariffs in a hyper



Jindal Fittings Limited

Notes to Financial Statements

competitive scenario. Margins will be positively impacted from the efficiencies and initiatives driven by the Company; at the same time, factors like higher churn, increased cost of operations may impact the margins negatively.

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

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

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

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

47. Notes 1 to 46 are annexed and form integral part of Financial Statements.


As per our report of even date attached

For and on behalf of the Board of Directors of Jindal Fittings Limited

For N.C. Aggarwal & Co.

Chartered Accountants

Firm Registration No. 003273N



G.K. Aggarwal

PARTNER

M.No. 086622

Place : New Delhi

Dated : 17th June 2020



Maneesh Kumar

Director

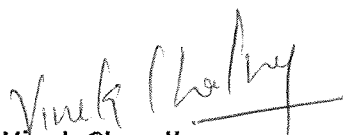
DIN : 03404987



Raj Kamal Aggarwal

Director

DIN : 00005349



Vivek Choudhary

Company Secretary

M. No. ACS A29335



Anil Kumar Dash

Chief Financial Officer